

## **ASSET PURCHASE AGREEMENT**

**THIS ASSET PURCHASE AGREEMENT** (the “Agreement”) is entered into as of this 24<sup>th</sup> day of December 2020 (the “Effective Date”), by and between Crescent Media Group LLC, a North Carolina limited liability company (“Seller”) and Winston-Salem-Greensboro Broadcasting Company, LLC, a North Carolina limited liability company (“Buyer”) (each a “Party” and, collectively, the “Parties”).

### **RECITALS**

**WHEREAS**, Seller is the licensee and operator of radio broadcast station WCOG(AM), Greensboro, North Carolina (Facility ID No. 74203) (“WCOG”), and the permittee of unbuilt FM Translator W285GA, Greensboro, North Carolina (Facility ID No. 203184) (“W285GA”, and together with WCOG, the “Stations”) pursuant to certain authorizations issued by the Federal Communications Commission (the “FCC”) and Seller owns all other assets used in connection with the operation of the Stations; and

**WHEREAS**, on the terms and conditions described herein, Seller desires to sell and Buyer desires to purchase substantially all of the assets owned or leased by Seller and used in connection with the operation of the Stations;

**NOW, THEREFORE**, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the Parties, intending to be legally bound, hereby agree to the following terms and conditions:

### **ARTICLE 1: SALE AND PURCHASE**

1.1 **Station Assets**. Subject to the terms and conditions contained herein, Seller shall grant, convey, sell, assign, transfer and deliver to Buyer on the Closing Date (defined below) the following assets, properties, interests and rights of Seller used exclusively in connection with the operation of the Stations (collectively, the “Station Assets”):

(a) **Licenses and Authorizations**. All licenses, authorizations, permits and approvals issued to Seller with respect to the Stations by the FCC and listed on Schedule 1.1(a), including, any pending applications, construction permits, renewals, or modifications thereof (collectively, the “FCC Licenses”).

(b) **Tangible Personal Property**. The machinery and equipment, transmitters, antennas, and other tangible personal owned by Seller and used exclusively in connection with the operation of the Stations and listed in Schedule 1.1(b) (the “Tangible Personal Property”).

(c) **Sublease Agreement**. All right, title and interest of Seller as Sublessee under the Sublease Agreement (Diplex), dated April 29, 2005, originally between Roanoke-Vinton Radio Incorporated (predecessor in interest to TBLC Greensboro Stations, LLC) and Radio Disney Group, LLC (predecessor in interest to Seller) used in the operation of WCOG, as amended on April 30, 2020, and including the arrangement with W. W. Spangler, as Lessor of

the Original Lease referenced in the Sublease Agreement, documented in that certain correspondence with W. W. Spangler dated April 30, 2020 (the “Sublease”).

(d) **Contracts**. Certain contracts related to the business of the Stations listed in Schedule 1.1(d) (collectively, the “Assumed Contracts”).

(e) **Call Letters**. All of Seller’s rights and interests to the use of the call letters of the Stations as call letters or as part of a trade name.

(f) **Files and Records**. All engineering and other books, papers, files, correspondence and records pertaining to the Stations and required by the FCC, including the engineering records and copies of all filings and correspondence with the FCC which are in the possession of Seller; provided that Seller may retain copies thereof. For the avoidance of doubt, customer lists and other sales and business records are not included among the Station Assets.

(g) **Claims**. Any and all claims and rights against third parties if and to the extent that they relate to Station Assets, including, without limitation, all rights under manufacturers’ and vendors’ warranties.

(h) **Prepaid Items**. All deposits, reserves and prepaid expenses relating to the Station Assets and prepaid taxes relating to the Station Assets for which a proration has been made in Seller’s favor in accordance with Section 1.6.

1.2 **Excluded Assets**. All assets, properties, interests and rights not expressly set for above in Section 1.1 above shall be excluded from the Stations Assets and retained by Seller (collectively, the “Excluded Assets”), including, without limitation, the following:

(a) **Cash**. All cash, cash equivalents or similar investments such as certificates of deposit, treasury bills and other marketable securities on hand and/or in banks and deposits of Seller.

(b) **Insurance**. Any insurance policies, intercompany accounts, promissory notes, amounts due from employees, or other similar items, any cash surrender value in regard thereto of Seller, and any proceeds from insurance claims made by Seller relating to property or equipment included in the Station Assets that has been repaired, replaced or restored by Seller prior to the Closing Date.

(c) **Benefit Plans**. Any pension, profit-sharing or cash or deferred (Section 401(k)) plans and trusts and assets thereof, or any other employee benefit plan or arrangement, and the assets thereof.

(d) **Tax Refunds**. Any interest in and to any refunds of federal, state or local franchise, income or other taxes of Seller for taxes incurred and actually paid by Seller prior to the Closing.

(e) **Disposed Personal Property**. Any tangible and intangible personal property of Seller disposed of or consumed between the date of this Agreement and the Closing in the ordinary course of business.

(f) **Books and Records.** Except as provided in Section 1.1(f) all the financial records, account books and general ledgers, and all corporate records (including organizational documents) of Seller, including tax returns and transfer books.

(g) **Contracts.** Any contracts, leases or agreements that are not Assumed Contracts.

(h) **Vehicles.** All automobiles or other vehicles owned by Seller and used in connection with the operation of the Stations, if any.

(i) **Accounts Receivable.** All accounts receivable of Seller arising from the operation of the Stations prior to the Closing which are outstanding and uncollected as of the Closing.

1.3 **Liabilities.** The Station Assets shall be transferred by Seller to Buyer free and clear of all debts, security interests, mortgages, trusts, claims, pledges, conditional sales agreements, equipment leases, and other liens, liabilities and encumbrances of every kind and nature ("**Liens**"), except Liens for taxes not yet due and payable as of the Closing Date for which a proration has been made between Seller and Buyer, Liens with respect to Buyer's obligations to perform on and after the Closing Date the obligations arising under the Assumed Contracts and the Sublease, Liens that do not affect in any material manner the use of value of the asset to which they are attached, and other Liens that will be discharged prior to Closing ("**Permitted Liens**"). Buyer shall assume and undertake to pay, discharge and perform all obligations and liabilities relating to the Assumed Contracts, the Sublease, and any other Station Asset, in each case to the extent arising or occurring after the Closing. Buyer shall not assume (i) any obligations or liabilities under the Assumed Contracts, Sublease, or other Station Assets relating to the period prior to the Closing; (ii) any obligations or liabilities of Seller which are unrelated to the Station Assets being sold hereunder, (iii) any obligations or liabilities relating to employees of Seller, (iv) any obligations or liabilities relating to the Excluded Assets, (v) any federal, state or local franchise, income or other taxes of Seller, or (vi) any other obligations or liabilities of Seller.

1.4 **Escrow Deposit.** Within three (3) business days after the execution of this Agreement, Buyer shall deliver to Fletcher, Heald & Hildreth, PLC (the "**Escrow Agent**") the sum of Seven Thousand Five Hundred Dollars (\$7,500.00) (the "**Escrow Deposit**"). The Escrow Deposit shall be held by the Escrow Agent in accordance with the terms of an escrow agreement dated the date of this Agreement in the form of attached **Exhibit A** (the "**Escrow Agreement**"). At the Closing, upon receipt of joint written instructions from Seller and Buyer, Escrow Agent shall deliver the Escrow Deposit to Seller as a dollar-for-dollar credit against the Purchase Price (defined below). If the Closing does not take place in accordance with the terms of this Agreement, then the Escrow Deposit will be delivered to the Seller or the Buyer in accordance with the terms and conditions set forth in Section 11.3 below.

1.5 **Purchase Price.** The purchase price to be paid for the Station Assets will be One Hundred Sixty Thousand Dollars (\$160,000.00) (the "**Purchase Price**"), subject to the adjustments described below and prorations described in Section 1.6, and shall be paid to Seller at Closing as follows:

- (a) the Escrow Deposit shall be delivered by the Escrow Agent to Seller pursuant to Section 1.4 above;
- (b) Buyer shall deliver to Seller the amount of Thirty Two Thousand Five Hundred Dollars (\$32,500.00), as adjusted pursuant to Section 1.6 below, by wire transfer of immediately available funds; and
- (c) Buyer shall deliver to Seller a promissory note payable to Seller in the form of attached Exhibit B, for the balance of the Purchase Price, being One Hundred Twenty Thousand Dollars (\$120,000.00), payable in monthly installments with an annual interest rate of two and one-half percent (2.5%) with a balloon payment at the end of five (5) years as set forth in Exhibit B (the “Promissory Note”). The Promissory Note shall be secured by a security interest on the Station Assets, in the form attached hereto as Exhibit C, a pledge to Seller of Buyer’s LLC interests by the members of Buyer in the form attached hereto as Exhibit D, and further secured by limited personal guarantees by the members of Buyer, in the form attached hereto as Exhibit E.

1.6 **Prorations.** The parties agree to prorate all expenses arising out of the operation of the Stations which are incurred, accrued, or payable, as of 11:59 p.m. local time of the day preceding the Closing. The prorated items shall include, but not be limited to, power and utilities charges, FCC regulatory fees (based on the most recent publicly available information about the cost of such regulatory fees for the Stations), property taxes upon the basis of the most recent tax bills and information available, security deposits, and similar prepaid and deferred items. The prorations shall, insofar as feasible, be determined and paid on the Closing Date, with final settlement and payment to be made within forty-five (45) days after the Closing Date.

1.7 **Allocation of Purchase Price.** Buyer and Seller shall negotiate in good faith an allocation of the Purchase Price to the Station Assets acquired hereunder in a manner which complies with Section 1060 of the Internal Revenue Code of 1986, as amended to the date hereof, prior to Closing, and each party shall file returns with the Internal Revenue Service consistent therewith.

## **ARTICLE 2: FCC CONSENT; CLOSING**

2.1 **FCC Consent; Assignment Application.** Not later than five (5) business days after the Effective Date, Buyer and Seller shall prepare, execute, and file an application to the FCC (the “Assignment Application”) requesting the FCC’s consent (the “FCC Consent”) to the assignment of the FCC Licenses from Seller to Buyer. Buyer and Seller shall prosecute the Assignment Application and cooperate with each other and with the FCC in order to secure such FCC Consent without delay and to promptly consummate the transaction contemplated hereby. At the Closing, Buyer shall reimburse Seller for the one-half of the FCC filing fee paid by Seller in connection with the Assignment Application. Each party shall be responsible for all of its other costs with respect to the preparation, filing and prosecution of the Assignment Application, including attorneys fees.

2.2 **Closing Date; Closing Place.** The closing (the “Closing”) of the transaction contemplated in this Agreement shall occur on a date (the “Closing Date”) that is no more than

thirty (30) days after: (x) the date on which the FCC Consent is granted, provided, however, that Buyer may, at its option, delay the Closing Date until the FCC Consent has become Final (as defined below); and (y) all other conditions to the Closing set forth in Articles 7 and 8 hereof shall have either been waived or satisfied. For purposes of this Agreement, the term “Final Order” means action by the FCC consenting to the Assignment Application, and such consent shall not have been reversed, stayed, enjoined, set aside, annulled, or suspended, and with respect to which action no timely request for stay, petition for rehearing, petition for reconsideration, application for review, or notice of appeal is pending, and as to which the times for filing any such request, petition, application, notice, or appeal, or for reconsideration or review by the FCC on its own motion, shall have expired. The Closing shall be held by exchange of documents via email, or as Seller and Buyer may agree.

### **ARTICLE 3: REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller makes the following representations and warranties to Buyer:

3.1 **Organization and Authorization.** Seller is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of North Carolina. Seller has the power and authority to execute and deliver this Agreement and to consummate the transaction contemplated hereby. Seller’s execution and delivery of this Agreement and consummation of the transaction contemplated hereby, have been duly and validly authorized, and no other actions on the part of Seller are necessary to authorize the execution and delivery of, or the performance of Seller's obligations under this Agreement or to consummate the transaction contemplated hereby. This Agreement constitutes the legal, valid, and binding obligation of Seller enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency, or other laws affecting generally the enforcement of creditors' rights or the application of principles of equity.

3.2 **No Defaults.** The execution, delivery, and performance of this Agreement by Seller will not (i) constitute a violation of, or conflict with, Seller's articles of organization or operating agreement, (ii) result in a default (or give rise to any right of termination, cancellation, or acceleration) under, or conflict with, any of the terms, conditions, or provisions of any obligation relating to the business of the Stations (iii) violate any law, statute, regulation, order, injunction, or decree of any federal, state, or local governmental authority or agency applicable to Seller or any of the Station Assets, (iv) result in the creation or imposition of any Lien on the Station Assets, other than Permitted Liens, or (v) require the consent or approval of any governmental authority, lending institution, or other third party other than the FCC Consent.

3.3 **Tangible Personal Property.** The Tangible Personal Property is conveyed AS-IS-WHERE-IS. To the maximum extent permitted by applicable law, **SELLER MAKES NO WARRANTY OF ANY KIND, WHETHER IMPLIED, STATUTORY, OR OTHERWISE AND DISCLAIMS, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND, FITNESS FOR A PARTICULAR USE.**

3.4 **Sublease.** Seller has provided to Buyer true and complete copies of the Sublease, including all amendments and modifications thereto, and all other leases or licenses or other rights to possession of any real property used or held by Seller in connection with the operation

of the Stations. Seller has received no notice alleging that the tower site or the improvements thereupon fail to comply with applicable zoning laws or the building, health, fire and environmental protection codes of applicable governmental jurisdictions. All accrued and currently payable rents and other payments required by the Sublease to be paid by Seller have been paid.

3.5 **FCC Licenses and Other Licenses.** Schedule 1.1(a) hereto contains a true and complete list of the FCC Licenses (including any pending applications) and all other licenses, permits, or other authorizations from governmental or regulatory authorities that are required for the lawful conduct of the business and operations of the Stations in the manner and to the full extent that the Stations is presently operated. The FCC Licenses and other licenses are in full force and effect, unimpaired by any act or omission of Seller. Seller lawfully holds each of the FCC Licenses and the other licenses, permits, and authorizations listed on Schedule 1.1(a), none of which is subject to any restrictions or conditions that would limit in any material respect the operations of the Stations, other than (i) as may be set forth on the faces of such FCC Licenses and other licenses, or (ii) as may be applicable to the radio broadcasting industry. There is not now pending or, to the knowledge of Seller, threatened any action by or before the FCC to revoke, cancel, rescind, modify, or refuse to renew any of such FCC Licenses, and Seller has not received any notice of, and has no knowledge of, any pending, issued, or outstanding order by or before the FCC, or of any investigation, order to show cause, notice of violation, notice of apparent liability, notice of forfeiture, or material complaint against the Stations or Seller.

3.6 **Brokers.** Other than Media Services Group, whose fee will be paid by Seller, there is no broker or finder or other person who would have a valid claim for a commission or a brokerage fee in connection with this Agreement or the transaction contemplated hereby under any agreement, arrangement or understanding made by or on behalf of Seller.

3.7 **Litigation; Compliance with Law.** Seller has operated the Stations in material compliance with all laws, regulations, orders, or decrees. Seller is not subject to any order, writ, injunction, judgment, arbitration, decision, or decree having a binding effect and affecting the business of the Stations or the Station Assets or which restrains or enjoins, or purports to restrain or enjoin, or could reasonably be expected to restrain or enjoin, the transaction contemplated hereby, and to Seller's knowledge no such proceeding is pending. There is no material litigation pending by or against, or, to Seller's knowledge, threatened against, Seller which relates to the Stations or which could materially and adversely affect any of the Stations Asset.

3.8 **Taxes.** Seller has duly, timely, and in the required manner filed all federal, state, and local income, franchise, sales, use, property, excise, payroll, and other tax returns and forms required to be filed, and has paid in full or discharged all taxes, assessments, excises, interest, penalties, deficiencies, and losses required to be paid. To Seller's knowledge, no event has occurred which could impose upon Buyer any liability for any taxes, penalties, or interest due or to become due from Seller from any taxing authority.

3.9 **No Other Representations.** Seller disclaims any and all other representations and warranties (express or implied, oral or written), except as expressly set forth in this Article 3. Buyer specifically acknowledges that Seller shall not be deemed to have made, and Buyer is in no way relying upon, any representation or warranty not expressly set forth in this Article 3,

including with respect to materials, if any, previously delivered or made available to Buyer concerning the Station Assets.

#### **ARTICLE 4: REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer makes the following representations and warranties to Seller:

4.1 **Organization and Standing.** Buyer is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of North Carolina.

4.2 **Authorization.** Buyer has the power and authority to execute and deliver this Agreement, and to consummate the transaction contemplated hereby. The execution and delivery of this Agreement and the consummation of the transaction contemplated hereby have been duly and validly authorized by Buyer, and no other proceedings on the part of Buyer are necessary to authorize the execution and delivery of, or the performance of Buyer's obligations under this Agreement, or to consummate the transaction contemplated hereby. This Agreement constitutes the legal, valid, and binding agreement of Buyer enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency, or other laws affecting generally the enforcement of creditors' rights or the application of principles of equity.

4.3 **No Defaults.** The execution, delivery, and performance of this Agreement by Buyer will not (i) conflict with or result in any breach of any provision of the articles of incorporation or bylaws of Buyer, or (ii) result in a default (or give rise to any right of termination, cancellation, or acceleration) under, or conflict with, any of the terms, conditions, or provisions of any note, bond, mortgage, indenture, agreement, lease, or other instrument or obligation relating to Buyer or its business, except for such defaults (or rights of termination, cancellation, or acceleration) or conflicts as to which requisite waivers or consents have been obtained and delivered to Seller, (iii) violate any statute, regulation, order, injunction, or decree of any federal, state, or local governmental authority or agency which is applicable to Buyer, or (iv) require the consent or approval of any governmental authority, lending institution, or other third party other than the FCC Consent.

4.4 **Buyer's Qualification.** Buyer is legally and financially qualified to acquire, and to become the FCC licensee of, the Stations and to perform its obligations under this Agreement. There is no fact or circumstance relating to Buyer that would reasonably be expected to prevent the FCC from granting the Assignment Application or that would otherwise reasonably be expected to disqualify Buyer as the licensee of the FCC Authorizations or as the owner or operator of the Station. Buyer has no reason to believe that the Assignment Application might not be granted by the FCC in the ordinary course due to any fact or circumstance relating to Buyer. No waiver of or exemption from any FCC rule or policy is required for the grant of the Assignment Application.

4.5 **Litigation.** Buyer is not subject to any order, writ, injunction, judgment, arbitration, decision, or decree having a binding effect and affecting the business of Buyer or which restrains or enjoins, or purports to restrain or enjoin, or could reasonably be expected to restrain or enjoin, the transaction contemplated hereby, and no such proceeding is pending. There is no material litigation pending by or against, or, to the knowledge of Buyer, or threatened

against Buyer, that would prevent or materially impede the consummation by Buyer of the transaction contemplated by this Agreement.

4.6 **Brokers.** There is no broker or finder or other person who would have a valid claim for a commission or a brokerage fee in connection with this Agreement or the transaction contemplated hereby under any agreement, arrangement or understanding made by or on behalf of Buyer.

## **ARTICLE 5: COVENANTS OF SELLER**

The following terms of this Article 5 shall apply from the Effective Date until the completion of the Closing (except as otherwise specified).

5.1 **Station Assets.** The Station Assets shall be maintained by Seller consistent with good engineering practice and in material conformity with all applicable FCC technical regulations.

5.2 **FCC Compliance.** Seller shall continue to operate and maintain the Stations in accordance with the terms of the FCC Licenses and in material compliance with all applicable laws and FCC regulations and published policies. Seller will not file any application with the FCC requesting authority to modify the Stations' facilities without Buyer's prior written consent and Seller shall take all actions necessary to keep the FCC Licenses, including all material permits and applications pending before the FCC, valid and in full force and effect. Notwithstanding the foregoing, to the extent WCOG may not be operating in compliance with its applicable FCC License prior to Closing, Seller shall file for a special temporary authorization; and notwithstanding any provision herein, if WCOG is not in compliance with the applicable FCC License (including a special temporary authorization), Buyer's sole remedy shall be to elect not to proceed with the Closing.

5.3 **Operation of Stations in Ordinary Course.** Seller shall operate the Stations in the ordinary course of business and in accordance with past practice, and shall pay and perform all of its obligations with respect to the Stations in the ordinary course as such obligations become due.

5.4 **No Shopping.** From the date hereof until the earlier to occur of the Closing Date or the termination of this Agreement, Seller shall not, directly or indirectly, solicit or initiate, enter into or conduct, discussions concerning, or exchange information (including by way of furnishing information concerning Seller or its business) or enter into any negotiations concerning, or respond to any inquiries or solicit, receive, entertain or agree to any proposals for, the acquisition or transfer of control of any of the Station Assets. In addition, during such time period, Seller shall not authorize, direct or knowingly permit any employee or agent to do any of the foregoing.

5.5 **Disposition of Assets.** Prior to the Closing Date, Seller shall not, without the prior written consent of Buyer, sell, lease, or transfer, any of the Station Assets without replacement thereof with an asset of equivalent kind, condition, and value that satisfies industry



standards for such assets, nor create any new Lien on the Station Assets other than Permitted Liens and Liens arising pursuant to, and in accordance with the terms of, this Agreement.

5.6 **Access and Information.** From the date hereof until the earlier to occur of the Closing Date or the termination of this Agreement, Seller shall permit Buyer and its representatives to make such investigation of the Station Assets as Buyer deems reasonably necessary or desirable in connection with the transactions contemplated hereby. Access to the Station Assets shall be made upon reasonable notice and at reasonable places and times. Such access and information shall not in any way affect or diminish any of the representations or warranties hereunder except to the extent the Buyer fails to promptly notify Seller of any inaccuracy or breach of any of the representations or warranties of Seller upon any such discovery by Buyer. Notwithstanding any provision to the contrary herein, however, Buyer shall not, directly or indirectly, control, supervise or direct the operations of the Stations prior to the Closing. Such operations, including complete control and supervision of all programs, employees, finances, and policies, shall be the sole responsibility of Seller until the Closing.

5.7 **Compliance with Law.** Seller shall comply in all material respects with all federal, state, and local laws, rules and regulations in connection with the operation of the Stations.

5.8 **Consummation of Agreement.** Seller shall use commercially reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and to consummate the transaction contemplated hereby.

## **ARTICLE 6: COVENANTS OF BUYER**

Buyer covenants and agrees that from the date hereof until the completion of the Closing, Buyer shall use commercially reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and to consummate the transaction contemplated hereby.

## **ARTICLE 7: CONDITIONS TO THE OBLIGATIONS OF SELLER**

The obligations of Seller under this Agreement are subject to the fulfillment of the following conditions prior to or on the Closing Date. Upon the Closing, each such condition shall be deemed to have been satisfied.

### **7.1 Representations, Warranties and Covenants.**

(a) Each of the representations and warranties of Buyer contained in this Agreement was true and correct, in all material respects, as of the date when made and is deemed to be made again on and as of the Closing Date and is then true and correct, in all material respects, except to the extent changes are permitted or contemplated pursuant to this Agreement.

(b) Buyer shall have performed and complied, in all material respects, with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

7.2 **Proceedings.** Neither Seller nor Buyer is subject to any restraining order or injunction (or similar action) which would restrain or prohibit the consummation of the transaction contemplated hereby.

7.3 **FCC Consent.** The FCC Consent has been issued by the FCC.

7.4 **Deliveries.** Buyer has complied with each and every one of its obligations set forth in Section 9.2.

## **ARTICLE 8: CONDITIONS TO THE OBLIGATIONS OF BUYER**

The obligations of Buyer under this Agreement are subject to the fulfillment of the following conditions prior to or on the Closing Date. Upon the Closing, each such condition shall be deemed to have been satisfied.

### **8.1 Representations, Warranties and Covenants.**

(a) Each of the representations and warranties of Seller contained in this Agreement was true and correct, in all material respects, as of the date when made and is deemed to be made again on and as of the Closing Date and is then true and correct, in all material respects, except to the extent changes are permitted or contemplated pursuant to this Agreement.

(b) Seller shall have performed and complied, in all material respects, with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

8.2 **Proceedings.** Neither Seller nor Buyer is subject to any restraining order or injunction (or similar action) which would restrain or prohibit the consummation of the transaction contemplated hereby.

8.3 **FCC Consent.** The FCC Consent has been issued by the FCC and shall have become a Final Order (unless Final Order is otherwise waived by the Parties).

8.4 **Mutual Interference Agreement.** Buyer and Seller's affiliate Eastern Airwaves, LLC ("Eastern") shall enter into a mutual interference agreement pursuant to which Eastern agrees to accept interference to W285EU, High Point, NC, from W285GA's facility authorized in FCC File Number BNPFT-20180508AAX, and W285GA agrees to accept interference from W285EU's facility authorized in FCC File Numbers BLFT-20140514AAM and BPFT-20190102AIX (the "Mutual Interference Agreement").

8.5 **Deliveries.** Seller has complied with each and every one of the obligations set forth in Section 9.1.

## **ARTICLE 9: ITEMS TO BE DELIVERED AT CLOSING**

9.1 **Deliveries by Seller.** At Closing, Seller shall deliver to Buyer, duly executed by Seller or such other signatory as may be required by the nature of the document:

(a) a bill of sale sufficient to sell, convey, transfer and assign the Tangible Personal Property and any other assets included in the Station Assets (other than the FCC Licenses, Sublease and Assumed Contracts) to Buyer (the “Bill of Sale”);

(b) an assignment and assumption sufficient to sell, convey, transfer and assign the Assumed Contracts to Buyer (the “Contracts Assignment and Assumption”);

(c) an assignment sufficient to assign the FCC Licenses (including the Stations’ call letters) to Buyer (the “FCC Licenses Assignment”);

(d) an assignment and assumption of the Sublease sufficient to assign the Sublease to Buyer (the “Sublease Assignment and Assumption”);

(e) the Mutual Interference Agreement; and

(f) releases, in suitable form for filing and otherwise in form and substance reasonably satisfactory to Buyer, of any security interests or other Liens on the Station Assets.

9.2 **Deliveries by Buyer.** At the Closing, Buyer shall deliver to Seller, duly executed by Buyer or such other signatory as may be required by the nature of the document:

(a) instructions to the Escrow Agent to release the Escrow Deposit to Seller, in accordance with Section 1.5(a);

(b) the payment of the cash portion of the Purchase Price in accordance with Section 1.5(b), including all adjustments thereto as provided in Sections 1.6;

(c) the Promissory Note and related security agreement, pledges of LLC membership interests, and limited personal guaranties as provided in Section 1.5(c), in the forms set forth in Exhibits B, C, D and E hereto;

(d) the Contracts Assignment and Assumption;

(e) the Sublease Assignment and Assumption; and

(f) the Mutual Interference Agreement.

## ARTICLE 10: INDEMNITY

10.1 **Survival of Representations and Warranties.** The representations and warranties of Buyer and Seller contained in this Agreement shall survive the Closing for nine (9) months from the Closing Date. Neither Seller nor Buyer shall have any liability whatsoever with respect to any representation or warranty unless a claim is made hereunder or an action at law or in equity is commenced prior to expiration of the 1-year survival period for such representation or warranty.

10.2 **Seller’s Indemnity Obligation.** Subject to Section 10.1, Seller hereby agrees to indemnify, defend, save, and hold Buyer harmless with respect to any and all claims, losses,

obligations, liabilities, costs and expenses, including reasonable counsel fees (collectively, “Losses”), threatened, suffered, incurred, or sustained by Buyer by reason of any misrepresentations by Seller or any breach by Seller of this Agreement or of any of Seller’s warranties, covenants, or representations contained in this Agreement, or arising from or by reason of Seller’s ownership of the Station Assets or operation of the Stations prior to the Closing Date hereunder. Notwithstanding anything to the contrary herein, in no event will Seller have any indemnification obligations hereunder for any Losses unless and until the aggregate amount of all of such Losses exceeds \$10,000 in the aggregate (“Threshold”), whereupon Seller shall be liable to indemnify the Indemnified Party only for the amount of such Losses in excess of the Threshold; and in no event will Seller have any indemnification obligations hereunder for any Losses in excess of the Purchase Price in the aggregate

10.3 **Buyer’s Indemnity Obligation.** Subject to Section 10.1, Buyer hereby agrees to indemnify, defend, save, and hold Seller harmless with respect to any and all Losses threatened, suffered, incurred, or sustained by Seller by reason of any misrepresentations by Buyer or any breach by Buyer of this Agreement or of any of Buyer’s warranties, covenants, or representations contained in this Agreement or arising from or by reason of Buyer’s ownership of the Station Assets or operation of the Stations subsequent to the Closing Date hereunder or arising out of any breach by Buyer of Sublease or Assumed Contracts assigned to the Buyer hereunder because of events occurring after the Closing Date hereunder.

10.4 **Exclusive Remedy.** After the Closing, the indemnification rights provided in this Article 10 shall be the sole remedy, exclusive of any other rights or remedies arising under contract, at law, in equity, or otherwise, available to the Parties against one another for any claims in any way arising out of or relating to this Agreement or the transactions contemplated hereby.

## **ARTICLE 11: TERMINATION**

11.1 **Termination.** This Agreement may be terminated at any time prior to Closing:

- (a) by the mutual written consent of Seller and Buyer;
- (b) by written notice of Seller to Buyer if Buyer defaults in any material respect in the performance of any of Buyer’s covenants or agreements under this Agreement; and in any of which events such default is not cured within the Cure Period (as defined below), if applicable;
- (c) by written notice of Buyer to Seller if Seller defaults in any material respect in the performance of any of Seller’s covenants or agreements under this Agreement; and in any of which events such default is not cured within the Cure Period (as defined below), if applicable; or
- (d) by written notice of Seller to Buyer, or Buyer to Seller if the Closing has not been consummated within seven (7) months of the Effective Date; provided, however, that the right to terminate this Agreement under this clause shall not be available to any Party whose

breach of this Agreement has been the cause of, or resulted in, the failure of the Closing to occur on or before such date.

11.2 **Cure Period.** The term “Cure Period” as used herein means a period commencing with the date that Buyer or Seller receives from the other Party written notice of breach or default hereunder and continuing until thirty (30) days thereafter; provided, however, that if the breach or default cannot reasonably be cured within such period but can be cured before the Closing Date, and if diligent efforts to cure promptly commence, then the Cure Period shall continue as long as such diligent efforts to cure continue, but not beyond the Closing Date; and provided, further, that no such cure period shall apply to the Buyer’s obligation to pay the Escrow Deposit.

11.3 **Liability.** If this Agreement is terminated pursuant to Section 11.1(b) above and Seller is not in material default of its obligations hereunder, the Escrow Deposit shall be paid by the Escrow Agent to Seller as liquidated damages and as the exclusive remedy of Seller against Buyer. Seller acknowledges that its damages in the event of termination of this Agreement under the provisions of Section 11.1(b) above would be difficult to determine and that the Escrow Deposit is a reasonable and satisfactory substitution for the amount such damages. Upon termination under Section 11.1(a), (c), or (d) the Escrow Deposit shall be returned to Buyer by the Escrow Agent.

11.4 **Specific Performance.** Seller acknowledges that the Station Assets are unique assets not readily obtainable on the open market and money damages alone will not be adequate to compensate Buyer for its injury if Seller breaches its obligations under this Agreement. Therefore, Seller agrees and acknowledges that in the event of Seller’s failure to perform its obligation to consummate the transaction following satisfaction of, and in accordance with, the terms and conditions herein, Buyer shall be entitled to seek specific performance of only such obligations to consummate the transaction by Seller, and in such proceeding Seller shall waive the defense that there is an adequate remedy at law.

## ARTICLE 12: MISCELLANEOUS

12.1 **Governing Law.** This Agreement shall be construed and governed by the laws of the State of North Carolina (exclusive of those relating to conflicts of laws that would direct the application of the laws of another state) and United States federal law.

12.2 **Expenses.** Except as otherwise specifically provided herein, each Party hereto shall bear all of its expenses incurred in connection with the transaction contemplated by this Agreement, including without limitation, accounting, engineering and legal fees incurred in connection herewith

12.3 **Entire Agreement; Amendment; No Waiver.** This Agreement, including the schedules and exhibits hereto, contain the entire agreement and understanding by and between the Parties, and no other representations, promises, agreements, or understanding, written or oral, not contained herein shall be of any force or effect. No oral agreement shall have any effect. No modification, amendment or waiver of any provision of, or consent required by, this Agreement, or any consent to any departure herefrom, shall be effective unless it is in writing and signed by

the Parties hereto. Such modification, amendment, waiver or consent shall be effective only in the specific instance and for the purpose for which given. No failure or delay in exercising any right hereunder shall be deemed or construed to be a waiver of such right, either prospectively or in the particular instance.

**12.4 Risk of Loss/Interruption of Operations.** The risk of loss to any of the Station Assets on or prior to the Closing Date shall be upon Seller. If any material portion of the Station Assets (other than items that are obsolete and not necessary for the continued operations of the Stations) shall suffer damage or destruction prior to the Closing Date, Seller shall promptly notify Buyer in writing of such damage or destruction, shall promptly take all commercially reasonable steps to restore, repair or replace such Station Assets at Seller's expense, and shall advise Buyer in writing of the estimated cost to complete such restoration, repair or replacement and all amounts actually paid as of the date of the estimate. In the event of damage to any material portion of the Station Assets that cannot be restored, repaired or replaced prior to the Closing, Buyer at its sole option: (a) may elect to postpone Closing until such time as such Assets have been completely repaired, replaced or restored to the reasonable satisfaction of Buyer if the repair, replacement or restoration can be accomplished within one (1) month following the date of the loss or damage or the Closing Date, whichever is the earlier; (b) may elect to consummate the Closing and accept the Station Assets in their then existing condition, in which event Seller shall pay to Buyer all unused proceeds of insurance and assign to Buyer the right to any unpaid proceeds; or (c) terminate this Agreement without liability to either party and receive a refund of the Escrow Deposit from the Escrow Agent. If, before the Closing, the regular broadcast transmission of WCOG in the normal and usual manner is interrupted for a continuous period of 72 hours or more, Seller shall give prompt written notice thereof to Buyer. Buyer shall then have the right by giving written notice to Seller, to postpone (and if necessary re-postpone) the Closing to a date that is fifteen (15) business days after the end of any such interruption. If restoration of WCOG's regular broadcast transmission cannot be accomplished within one (1) month following the otherwise scheduled Closing Date, Buyer may elect to terminate this Agreement without liability to any party, and receive a refund of the Escrow Deposit from the Escrow Agent.

**12.5 Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the Parties hereto, and their respective representatives, successors and assigns. Neither Buyer nor Seller may assign this Agreement or any part hereof without the prior written consent of the other Party.

**12.6 Notices.** All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing (which shall include notice by facsimile transmission) and shall be deemed to have been duly made and received when personally served, or when delivered by Federal Express or a similar overnight courier service, expenses prepaid, addressed as set forth below:

If to **Seller**, then to:

Crescent Media Group LLC  
3012 Highwood Blvd., Suite 201  
Raleigh, NC 27604  
Attention: Donald W. Curtis, Member and Manager

with a copy, given in the manner prescribed above, to:

Brooks Pierce  
1700 Wells Fargo Capital Center  
150 Fayetteville Street  
Raleigh, NC 27601  
Attn.: Coe W. Ramsey, Esq.

If to **Buyer**, then to:

Winston-Salem-Greensboro Broadcasting Company, LLC  
626 N. Trade Street  
Winston-Salem, NC 27101  
Attention: Richard Miller

with a copy, given in the manner prescribed above, to:

Fletcher, Heald & Hildreth, PLC  
1300 North 17<sup>th</sup> Street, Suite 1100  
Arlington, VA 22209  
Attn.: Davina S. Sashkin, Esq.

12.7 **Knowledge**. Whenever used herein with respect to a Party, the term “Seller’s knowledge” or “knowledge of Seller” shall mean the actual knowledge of Donald W. Curtis.

12.8 **Further Assurances**. Each Party hereto will execute all such instruments and take all such actions as any other party shall reasonably request, without payment of further consideration, in connection with carrying out and effectuating the intent and purpose of this Agreement and the transactions contemplated hereby.

12.9 **Counterparts**. This Agreement may be executed by facsimile or email transmission and in counterparts, each of which shall constitute an original but together will constitute a single document.

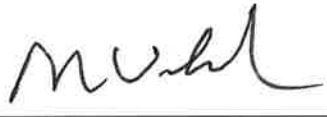
**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

**IN WITNESS WHEREOF**, the Parties have duly executed this Agreement as of the date first above written.

**SELLER:**

**CRESCENT MEDIA GROUP LLC**

By:   
Name: Donald W. Curtis  
Title: Member and Manager

**BUYER:**

**WINSTON-SALEM-GREENSBORO  
BROADCASTING COMPANY, LLC**

By: \_\_\_\_\_  
Name: Richard Miller  
Title: Managing Member



SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first above written.

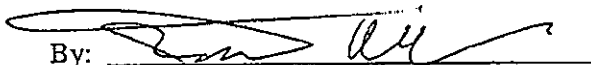
**SELLER:**

**CRESCENT MEDIA GROUP LLC**

By: \_\_\_\_\_  
Name: Donald W. Curtis  
Title: Member and Manager

**BUYER:**

**WINSTON-SALEM-GREENSBORO  
BROADCASTING COMPANY, LLC**

By:  \_\_\_\_\_  
Name: Richard Miller  
Title: Managing Member

List of Schedules and Exhibits to Asset Purchase Agreement

Schedule 1.1(a)	FCC Licenses
Schedule 1.1(b)	Tangible Personal Property
Schedule 1.1(d)	Assumed Contracts
Exhibit A	Form of Escrow Agreement
Exhibit B	Form of Promissory Note
Exhibit C	Form of Security Agreement
Exhibit D	Form of LLC Membership Pledge Agreement
Exhibit E	Form of Personal Guaranty of Members

**Schedule 1.1(a)**  
**FCC Licenses**

WCOG(AM), Greensboro, NC (Fac. ID No. 74203)  
Most recent license renewal file number: LMS 0000079721  
License Expiration Date: 12/01/2027

W285GA, Greensboro, NC (Fac. ID No. 203184)  
Construction permit file number: BNPFT-20180508AAX  
Permit Expiration Date: 6/20/2021

**Schedule 1.1(b)**  
**Tangible Personal Property**

- Harris Gates-5 transmitter
- Vector Technologies directional antenna phasing/coupling system for five-tower directional antenna
- Orban Optimod 9200 audio processor
- Burk ARC16 transmitter site remote control system
- Burk AutoPilot PC software and computer
- Inovonics model 520 AM modulation monitor
- Potomac Instruments AM 1901 antenna monitor
- Any other equipment acquired by Seller after the Effective Date and used exclusively in connection with the operation of the Stations as of the Closing.

\* \* \* \* \*

**Schedule 1.1(d)**  
**Assumed Contracts**

Orders and agreements for the sale of advertising time on WCOG as of the Closing Date for cash (i.e. not barter) entered into by Seller before the Closing Date in the ordinary course of business, to the extent the foregoing have not been performed as of the Closing.

\* \* \* \* \*

**EXHIBIT A**  
**Escrow Agreement**

(Attached)

## ESCROW AGREEMENT

THIS **ESCROW AGREEMENT** (this “Agreement”) is made and entered effective as of December 24, 2020, by and among Crescent Media Group LLC, a North Carolina limited liability company (“**Seller**”) and Winston-Salem-Greensboro Broadcasting Company, LLC, a North Carolina limited liability company (“**Buyer**”); and Fletcher Heald & Hildreth, PLC (“**Escrow Agent**”).

### WITNESSETH

WHEREAS, Seller and Buyer have entered into an Asset Purchase Agreement (the “**Purchase Agreement**”), dated of even date herewith, for assets used and useful in the operation of WCOG(AM), Greensboro, North Carolina (Facility ID No. 74203) and FM Translator W285GA, Greensboro, North Carolina (Facility ID No. 203184). Capitalized terms used but not defined herein shall have the meanings assigned to them in the Purchase Agreement.

WHEREAS, pursuant to the Purchase Agreement, Buyer must deposit in escrow the sum of Seven Thousand Five Hundred Dollars (\$7,500.00) (the “**Escrow Deposit**”).

WHEREAS, Escrow Agent has agreed to hold and disburse the Escrow Deposit pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties intending to be legally bound, agree as follows:

1. **APPOINTMENT OF ESCROW AGENT.** Seller and Buyer each hereby appoint Fletcher Heald & Hildreth, PLC as Escrow Agent to receive, hold, administer, and deliver the Escrow Deposit in accordance with this Agreement, and Escrow Agent hereby accepts its appointment, all subject to and upon the terms and conditions set forth herein.

2. **ESCROW DEPOSIT.** Within one (1) business day of the execution of this Agreement and the Purchase Agreement, Buyer will deposit with the Escrow Agent the Escrow Deposit pursuant to the wire instructions Attached hereto at Schedule 2. The Escrow Agent shall notify the parties hereto of the receipt of the Escrow Deposit and provide the parties with written proof of said receipt. The Escrow Deposit shall be held by Escrow Agent in its IOLTA Trust Account for the benefit of Buyer and Seller as provided in this Agreement. The parties acknowledge that any interest that shall accrue with respect to the Escrow Deposit shall be, as specified by Virginia law, for the benefit of the nonprofit Legal Services Corporation of Virginia and not for the benefit of Seller, Buyer or Escrow Agent. The Escrow Deposit shall be held and released by the Escrow Agent in accordance with the terms of this Agreement.

3. **COUNSEL.** The parties acknowledge that the Escrow Agent is also counsel to Buyer and agree to waive any potential conflict between its role as such counsel and its duties as Escrow Agent hereunder, provided that in all matters relating to the duties of the Escrow Agent under this Escrow Agreement, the parties and the Escrow Agent hereby affirm that, by the entering into of this Agreement, the duty of the Escrow Agent to fulfill its obligations under this Escrow Agreement shall prevail over any duty it may owe to Buyer.

4. **DISBURSEMENT OF ESCROW.** Escrow Agent shall disburse the Escrow Deposit as follows:

(a) Joint Notice. Upon receipt by Escrow Agent of a joint notice from Seller and Buyer directing delivery of the Escrow Deposit, Escrow Agent shall immediately pay, without deduction, set-off or counterclaim, the principal of the Escrow Deposit to Seller or as otherwise specified in the joint notice.

(b) Pursuant to a Determination by a Court Order. Upon receipt of by Escrow Agent of a certified copy of a final order entered by a court of competent jurisdiction determining the disposition of the Escrow Deposit, as directed by such order;

5. **ESCROW AGENT'S DUTIES.** The Escrow Agent will be under no duty or obligation to give any notice, or to do or to omit the doing of any action with respect to the Escrow Deposit, except to give notice, make disbursements, and deposit the Escrow Deposit in accordance with the terms of this Agreement. The Escrow Agent will not be liable for any error in judgment or any act or steps taken or permitted to be taken in good faith, or for any mistake of law or fact, or for anything it may do or refrain from doing in connection with this Agreement, except for its own willful misconduct or gross negligence. The Escrow Agent will not be required in any way to resolve any controversy regarding the Escrow Deposit or take any action concerning such controversy. The Escrow Agent will not be required in any way to determine the validity or sufficiency, whether in form or substance, of any instrument, document, certificate, statement or notice referred to in this Agreement or contemplated by this Agreement, or the identity or authority of the persons executing it. The Escrow Agent shall be entitled to rely upon any order, judgment, certification, demand, notice, instrument, or other writing delivered to it hereunder without being required to determine the authenticity or the correctness of any fact stated therein or the propriety or validity of the service thereof. The Escrow Agent may act in reliance upon any instrument or signature believed by it in good faith to be genuine and may assume that any person purporting to give any notice or receipt or advice or make any statement or execute any document in connection with the provisions hereof has been duly authorized to do so.

6. **RIGHT OF INTERPLEADER.** If any controversy arises between the Buyer and Seller with respect to this Agreement or the Escrow Deposit, or the Escrow Agent is in doubt as to what action to take, the Escrow Agent will: withhold delivery of the Escrow Deposit until the controversy is resolved or the conflicting demands are withdrawn



or the doubt is resolved; or institute a bill of interpleader in a court in Virginia with jurisdiction over disputes arising in Arlington, Virginia to determine the rights of the parties (in which case the Escrow Agent will withhold delivery of the Escrow Deposit until paid into the court in accordance with the laws of Virginia). If a bill of interpleader is instituted, or if the Escrow Agent is threatened with litigation or becomes involved in litigation in any manner whatsoever on account of this Agreement or the Escrow Deposit, as between themselves and the Escrow Agent, the Buyer and Seller will pay the Escrow Agent its reasonable attorneys' fees and any other disbursements, losses, reasonable expenses, costs and damages of the Escrow Agent in connection with or resulting from such threatened or actual litigation. All costs and expenses of such controversy will be charged to the non-prevailing party in such controversy.

7. **INDEMNITY.** The parties and their respective successors and assigns agree, jointly and severally, to indemnify and hold Escrow Agent harmless against any and all losses, claims, damages, liabilities, and expenses, including reasonable costs of investigation, reasonable legal counsel fees and disbursements that may be imposed on Escrow Agent or incurred by Escrow Agent in connection with the performance of its duties under this Agreement, including, but not limited to, any litigation arising from this Agreement or involving its subject matter; *provided, however*, neither Buyer nor Seller nor their successors and assigns need indemnify Escrow Agent for any loss, claim, damage, liability or expense caused by Escrow Agent's negligence or willful misconduct.

8. **DISCHARGE BY DELIVERY.** After the Escrow Agent has delivered the Escrow Deposit pursuant to the terms of this Escrow Agreement, the Escrow Agent shall have discharged all of its obligations hereunder and neither Seller nor Buyer shall thereafter have any claim against the Escrow Agent on account of this Agreement.

9. **SUCCESSOR ESCROW AGENT(S).** The Escrow Agent (and any successor escrow agent) may at any time resign as such by delivering a written notice of resignation to the other parties hereto and by delivering the Escrow Deposit to any successor escrow agent jointly designated in writing by Seller and Buyer or, if such successor is not so designated, to any court of competent jurisdiction, whereupon the Escrow Agent shall be discharged of and from any and all further obligations arising in connection with this Agreement. The resignation of the Escrow Agent shall take effect upon the earlier of the appointment of a successor escrow agent or thirty (30) days after the date of delivery of the Escrow Agent's written notice of resignation to the other parties hereto. In the event that a successor escrow agent has not been appointed at the expiration of such thirty (30) day period, the Escrow Agent's sole responsibility hereunder shall be the safekeeping of the Escrow Deposit and to pay such amount as may be specified in a written agreement signed by Seller and Buyer or as any court of competent jurisdiction may order. If, at any time, the Escrow Agent receives a written notice signed by Seller and Buyer stating that they have selected another escrow agent, the Escrow Agent shall deliver the Escrow Deposit to such successor escrow agent within 10 business days of receiving the aforesaid notice.

10. **TERMINATION.** This Agreement shall terminate upon the disbursement of the entire Escrow Deposit by the Escrow Agent in accordance with the terms of this Agreement.

11. **MISCELLANEOUS.**

(a) Binding Effect. This Agreement will be binding upon, inure to the benefit of, and be enforceable by the respective successors and permitted assigns of the parties hereto.

(b) Entire Agreement; Amendments. This Agreement, as read in conjunction with the Purchase Agreement, contains the entire understanding of the parties with respect to the subject matter hereof, and there are no other agreements, representations, warranties or understandings, oral or written, between the parties with respect to the subject matter hereof. No alteration, amendment, modification or change of this Agreement shall be valid unless by like written instrument.

(c) Notices. Any notices required by this Agreement shall be in writing, shall be sent on the same date to all parties to this agreement with proof included of such sending to each party, and shall be deemed to have been duly delivered and received on the first business day after delivery to a nationally recognized overnight delivery service for next business day delivery and shall be addressed to the following addresses, or to such other address as any party may request by notifying the other parties hereto:

If to Seller: Crescent Media Group LLC  
3012 Highwood Blvd., Suite 201  
Raleigh, NC 27604  
Attn: Donald W. Curtis, Member and Manager

with a copy (which shall not constitute notice) to:

Brooks Pierce  
1700 Wells Fargo Capital Center  
150 Fayetteville Street  
Raleigh, NC 27601  
Attn: Coe W. Ramsey, Esq.

If to Buyer: Winston-Salem-Greensboro Broadcasting Company, LLC  
626 N. Trade Street  
Winston-Salem, NC 27101  
Attn: Richard Miller

with a copy (which shall not constitute notice) to:

Fletcher Heald & Hildreth, PLC  
1300 North 17<sup>th</sup> Street  
11<sup>th</sup> Floor  
Arlington, VA 22209  
Attn: Davina Sashkin, Esq.

If to Escrow Agent: Fletcher Heald & Hildreth, PLC  
1300 North 17<sup>th</sup> Street  
11<sup>th</sup> Floor  
Arlington, VA 22209  
Attn: Davina Sashkin, Esq.

(d) Governing Law. This Agreement shall be governed by the laws of the Commonwealth of Virginia, without regard to its rules for conflict of laws.

(e) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

(f) Severability. Any provision of this Agreement that is determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of the prohibition or unenforceability without invalidating the remaining provisions hereof, and its prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable the same provision in any other jurisdiction. It is expressly understood, however, that the parties hereto intend every provision of this Agreement to be valid and enforceable and hereby knowingly waive all rights to object to any provision of this Agreement.


(g) Headings. The headings of the sections and subsections contained herein are for ease of reference only and shall not in any way affect the meaning and interpretation of this Agreement.

[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, this Escrow Agreement has been duly executed and delivered by the parties hereto as the date first above written.

**SELLER:**

**CRESCENT MEDIA GROUP LLC**

By:   
Name: Donald W. Curtis  
Title: Member and Manager

**BUYER:**

**WINSTON-SALEM-GREENSBORO  
BROADCASTING COMPANY, LLC**

By: \_\_\_\_\_  
Name: Richard Miller  
Title: Managing Member

**ESCROW AGENT:**

**FLETCHER, HEALD & HILDRETH, PLC**

By: \_\_\_\_\_  
Name: Davina S. Sashkin  
Title: Member

IN WITNESS WHEREOF, this Escrow Agreement has been duly executed and delivered by the parties hereto as the date first above written.

**SELLER:**

**CRESCENT MEDIA GROUP LLC**

By: \_\_\_\_\_

Name: Donald W. Curtis

Title: Member and Manager

**BUYER:**

**WINSTON-SALEM-GREENSBORO  
BROADCASTING COMPANY, LLC**

By: \_\_\_\_\_

Name: Richard Miller

Title: Managing Member

**ESCROW AGENT:**

**FLETCHER, HEALD & HILDRETH, PLC**

By: \_\_\_\_\_

Name: Davina S. Sashkin

Title: Member

IN WITNESS WHEREOF, this Escrow Agreement has been duly executed and delivered by the parties hereto as the date first above written.

**SELLER:**

**CRESCENT MEDIA GROUP LLC**

By: \_\_\_\_\_

Name: Donald W. Curtis  
Title: Member and Manager

**BUYER:**

**WINSTON-SALEM-GREENSBORO  
BROADCASTING COMPANY, LLC**

By: \_\_\_\_\_

Name: Richard Miller  
Title: Managing Member

**ESCROW AGENT:**

**FLETCHER, HEALD & HILDRETH, PLC**

By: \_\_\_\_\_



Name: Davina S. Sashkin  
Title: Member

## **Schedule 2**

### **Wire Instructions for Escrow Deposit**

Account Holder: Fletcher, Heald & Hildreth P.L.C.

Account Number: 202363031

Type of Account: VA IOLTA/Trust

ABA: 061000104

Bank: SunTrust Bank  
1 Park Place N.E.  
Atlanta, GA

**EXHIBIT B**  
**Form of Promissory Note**

(Attached)



## PROMISSORY NOTE

\_\_\_\_\_, 2020

\$120,000.00

FOR VALUE RECEIVED, WINSTON-SALEM-GREENSBORO BROADCASTING COMPANY, LLC, a North Carolina limited liability company (“Maker”), promises to pay to the order of CRESCENT MEDIA GROUP LLC, a North Carolina limited liability company (“Payee”), the principal sum of ONE HUNDRED TWENTY THOUSAND DOLLARS (\$120,000.00), together with interest on the unpaid principal balance outstanding from time to time until paid in full at the interest rate set forth herein, calculated on the basis of the actual number of days elapsed over a year.

1. Interest Rate. The interest rate applicable to this Note shall be 2.50% per annum.
2. Payments of Principal and Interest. Maker shall make sixty (60) monthly installments of principal and interest as set forth in Schedule 1 with the first payment due on \_\_\_\_\_ 1, 202\_\_\_\_, and continuing monthly thereafter; and on \_\_\_\_\_ (the first month following the month the 60<sup>th</sup> monthly payment is due), Maker shall pay the balance of the loan in full in an amount equal to a balloon payment of \$42,313.86 together with any additional outstanding principal, accrued but unpaid interest, and any other costs and fees that due.
3. Prepayment. Maker may prepay the outstanding principal balance of this Note in whole or in part without premium or penalty, provided that such prepayment shall be made together with accrued interest on the amount prepaid to the date of prepayment.
4. Representations and Warranties. Maker hereby represents and warrants to Payee that:
  - (a) Validity of Note. The execution, delivery and performance by Maker of this Note has been duly authorized by all necessary action and, when executed and delivered by Maker, will constitute the valid and binding agreements of Maker, enforceable in accordance with its terms.
  - (b) Existing Defaults. Maker is not in default in the performance or observance of any material obligation, agreement, covenant, or condition contained in any bond, debenture, note, or other evidence of indebtedness or in any contract, indenture, mortgage, agreement, loan agreement, lease, or other agreement or instrument to which Maker is a party or by which it, or any of its properties, is bound.
  - (c) No Default in Other Agreements. The execution and delivery and performance by Maker of this Note, the incurrence of the obligations set forth herein, and the consummation of the transactions contemplated hereby, will not conflict with or result in a breach of any bond, debenture, note, contract, indenture, mortgage, loan agreement, lease, or any other evidence of indebtedness, agreement or instrument to which Maker is a party or by which it or any of its properties may be bound, or result

in the violation by it of any law, order, rule, or regulation of any court or governmental agency or body having jurisdiction over it or any of its properties.

- (d) No Consents. No consent, approval, authorization, or other acknowledgment of, or the provision of notice to, any court or governmental agency or body, or any other person, that has not already been obtained, is required for the consummation by Maker of any of the transactions contemplated by this Note.

5. Acceleration of Note. All outstanding principal, together with all accrued but unpaid interest thereon, shall become due and payable immediately upon the occurrence of any of the following (an “Event of Prepayment”): (i) a Change of Control (as defined below) of the Maker or the licensee of the Stations (as defined in Section 7 below); (ii) a sale, transfer, or assignment by Maker of all or substantially all of the assets used in the operation of the Stations (as defined below); (iii) a sale, transfer, or assignment by Maker of the Federal Communications Commission license(s) of either Station; and (iv) Maker’s entering into an agreement pursuant to which Maker permits any other person or entity (other than any entity majority-owned by Richard Miller) to program more than fifteen percent (15%) of either Station’s programming time per week, or sell commercial spot announcements for more than fifteen percent (15%) of either Station’s commercial time per week, without Payee’s prior written consent to such agreement after financial review of such person or entity, which shall not be unreasonably withheld. A “Change of Control” with respect to an entity occurs when (i) such entity merges into another entity or (ii) any person or entity (or group of persons or entities acting in concert) acquires, directly or indirectly, the power to elect or appoint a majority of the board of directors or managers of such entity, or otherwise to direct the management or affairs of such entity, whether through voting agreements or trusts, acquiring securities, by contract or otherwise.

6. Method of Payment or Repayment. Payments hereunder shall be made in lawful money of the United States of America by check or draft on the date payment is due, or in such other manner, and at such place, as the Payee may from time to time direct in writing to the Maker, provided that such “other manner” of payment does not require the Maker to incur additional costs in the making of payments hereunder (e.g., wire transfer fees, etc.).

7. Purchase Agreement. This Note is delivered to Payee in connection with Maker’s purchase of certain of the assets owned by Payee and used in connection with the operation of commercial radio station WCOG(AM), Greensboro, North Carolina (Facility ID No. 74203) (“WCOG”), and unbuilt FM Translator W285GA, Greensboro, North Carolina (Facility ID No. 203184) (collectively, the “Stations”). This Note is issued in connection with, and is entitled to the benefits of and is subject to the terms and conditions of, the Asset Purchase Agreement dated \_\_\_\_\_, 2020, relating to the purchase and sale of the Stations (the “APA”). Reference is made to the APA for a statement of the rights, obligations, and duties of Payee and Maker in relation thereto.

8. Security. This Note is secured by, and/or Maker has provided Payee with certain remedies under, (a) a Security Agreement of even date herewith executed by Maker in favor of Payee granting and conveying to Payee a first priority security interest in the collateral described therein (the “Security Agreement”), (b) an guarantee of Maker’s obligations to Payee (the

“Guarantee Agreement”) executed by \_\_\_\_\_ (each a “Guarantor”) for the benefit of Payee, and (c) pledges of all of the capital stock of Maker executed by each Guarantor (the “Pledge Agreement” and together with the Security Agreement and the Guarantee Agreement, the “Collateral Documents”).

9. Event of Default; Remedies. Each of the following shall constitute an “Event of Default”, whatever the reason for such event and whether it shall be voluntary or involuntary, or within or without the control of Maker or be effected by operation of law or pursuant to any judgment or order of any court or any order, rule, or regulation of any governmental or nongovernmental body:

- (a) failure by Maker to make any scheduled payment when due, and such failure shall continue unremedied for twenty (20) days after such payment is due;
- (b) any representation or warranty by Maker in this Note, the APA or the Collateral Documents, or any representation or warranty by a Guarantor in the Guarantee Agreement or the Pledge Agreement, shall at any time prove to have been incorrect or misleading in any material respect when made;
- (c) any failure by Maker to comply, perform or observe of any term, covenant, condition, or agreement contained in this Note or the APA (other than a term, covenant, condition, or agreement a default in the performance or observance of which is elsewhere in this Note specifically dealt with, (e.g. the payment of amounts owing on this Note)) and, if capable of being remedied, shall remain uncured for a period of thirty (30) days following written notification of such matter to Maker from Payee;
- (d) any default under or breach of any of the Collateral Documents that remains uncured beyond the applicable cure period set forth therein, if any; or
- (e) (i) a filing of any petition or answer by Maker or a Guarantor seeking to adjudicate Maker or a Guarantor bankrupt or insolvent, or seeking for Maker or a Guarantor any liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition or adjustment of Maker’s or a Guarantor’s debts under any law relating to bankruptcy, insolvency, or reorganization or relief of debtors, or seeking, consenting to, or acquiescing in the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for Maker or a Guarantor or for any substantial part of Maker’s or a Guarantor’s property or any action taken by Maker or a Guarantor to authorize any of the actions set forth above; (ii) the entry of an order for relief or approving a petition for relief or reorganization or any other petition seeking any reorganization, arrangement, adjustment, protection, relief, or composition or adjustment of Maker’s or a Guarantor’s debts under any law relating to bankruptcy, insolvency, or reorganization or any similar statute, law or regulation, or the filing of any such petition against Maker or a Guarantor which petition shall not be dismissed within ninety (90) days; or (iii) without the consent or acquiescence of either Maker or a

Guarantor, the entering of an order appointing a trustee, custodian, receiver or liquidator of the Maker or a Guarantor (as applicable) or of all or any substantial part of the property of Maker or a Guarantor which order shall not be dismissed within sixty (60) days.

10. Remedies.

- (a) Upon the occurrence and during the continuance of any Event of Default, and at all times thereafter until such default is cured or the remainder of the principal sum, together with all interest accrued thereon shall have been paid in full (each such period, a "Default Period"), the interest rate hereunder shall be nine percent (9%) and interest shall accrue on the unpaid principal balance at such rate during the Default Period.
- (b) Upon the occurrence and during the continuance of any Event of Default other than an Event of Default described in Section 9(e) hereof, Payee may, in its sole discretion, declare this Note, including, without limitation, the remainder of the principal sum plus all interest accrued thereon and any costs of collection (including, without limitation, actual reasonable attorney's fees and disbursements if collected by or through an attorney at law or in bankruptcy, receivership or other judicial proceedings), all without presentment, demand, protest or notice. Failure to exercise this option shall not constitute a waiver of the right to exercise the same at any other time.
- (c) Upon the occurrence of an Event of Default described in Section 9(e), this Note including, without limitation, the remainder of the principal sum plus all interest accrued thereon and any costs of collection (including, without limitation, actual reasonable attorney's fees and disbursements if collected by or through an attorney at law or in bankruptcy, receivership or other judicial proceedings), shall become immediately due and payable, without presentment, demand, protest or any other notice of any kind, all of which are expressly waived.
- (d) Upon the occurrence of an Event of Default and acceleration of this Note as provided in this Section 10, Payee may pursue any remedy available under this Note, the Collateral Documents, or available at law or in equity, all of which shall remain cumulative. The order and manner in which the rights and remedies of Payee may be exercised shall be determined by Payee in its sole discretion.

11. Waiver of Protest. Maker hereby waives presentment, protest, notice of protest and non-payment, or other notice of default, notice of acceleration and intention to accelerate and agrees that its liability under this Note shall not be affected by any renewal or extension in the time of payment hereof, or by any indulgences, or by any release or change in any security for the payment of the indebtedness evidenced by this Note, and hereby consents to any and all renewals, extensions, indulgences, releases or changes, regardless of the number of such renewals, extensions, indulgences, releases or changes.

12. Rights and Waivers. No waiver or modification of any right, power or privilege of Payee or of any obligation of Maker shall be effective unless such waiver or modification is in writing, and signed by Payee and then only to the extent set forth therein. A waiver by Payee of any right, power, or privilege hereunder on any one occasion shall not be construed as a bar to, or waiver of, the exercise of any such right, power or privilege which Payee otherwise would have on any subsequent occasion.

13. Costs of Collection. Upon an Event of Default, Maker agrees to pay all costs of collection, including, but not limited to, court costs and reasonable actual attorneys' fees calculated on the basis of such attorneys' usual hourly rate multiplied by the number of hours spent in enforcing Payee's rights hereunder and not on the basis of any percentage of the outstanding balance of this Note.

14. Assignment. This Note may be assigned or transferred, in whole or in part, by Payee to any person or entity at any time without notice to or the consent of Maker. Maker may not assign or transfer this Note or any of its rights hereunder without the prior written consent of Payee. This Note shall inure to the benefit of and be binding upon the parties hereto and their permitted assigns.

15. Governing Law. This Note shall be construed in accordance with and governed by the law of the State of North Carolina, without regard to its choice of law principles.

16. Jurisdiction. Any judicial proceeding against Maker brought by Payee with respect to any term, condition or breach of this Note, or any other present or future agreement between Maker and Payee related to this Note may be brought by Payee in a court of competent jurisdiction in the State of North Carolina, and, by execution and delivery of this Note, Maker accepts for itself and in connection with its properties, generally and unconditionally, the nonexclusive jurisdiction of the aforesaid courts, and irrevocably agrees to be bound by any final judgment rendered thereby in connection with this Note, or any other present and future agreement between Maker and Payee. Maker waives any bond or surety or security upon such bond or surety which might, but for this waiver, be required of Payee. Nothing contained in this section affects the right of Payee to bring any action or proceeding against Maker or its property in the courts of any other jurisdiction. Any judicial proceeding by Maker against Payee involving, directly or indirectly, any matter or claim in any way arising out of, related to or connected with this Note, its actual or threatened breach, or any other present or future agreement or other dispute of any nature between Payee and Maker related to this Note, may be brought only in a North Carolina state court sitting in Wake County, North Carolina (and the appropriate appellate courts therefrom). Maker waives any objection to jurisdiction and venue of any action instituted hereunder or in connection herewith and may not assert any defense based on lack of jurisdiction or venue or based upon forum non conveniens. Payee or Maker may file an original counterpart or a copy of this agreement with any court as written evidence of the waivers and consents contained herein.

17. Severability. The provisions of this Note are severable and if any one clause or provision hereof shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof,

in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Note in any jurisdiction.

18. Business Purpose. The loan evidenced by this Note represents credit extended for business, commercial, investment or other similar purpose, and not for personal, family, household or other consumer purposes.

19. Binding Effect. This Note shall bind and inure to the benefit of the parties, their legal representatives, successors, and assigns.

**[SIGNATURES ON NEXT PAGE]**

IN WITNESS WHEREOF, Maker has caused this Note to be executed by its duly authorized officer the date first above written.

**WINSTON-SALEM-GREENSBORO  
BROADCASTING COMPANY, LLC**

By: \_\_\_\_\_

Name: Richard Miller

Title: Managing Member

**Schedule 1**

**(Attached)**



Total Loan Amount		\$120,000.00			
Interest		2.500%			
Payment Number	Payment Date	Interest	Principal	Total Payment	Balance
1	TBD	(\$250.00)	(\$1,000.00)	(\$1,250.00)	\$119,000.00
2	TBD	(\$247.92)	(\$1,002.08)	(\$1,250.00)	\$117,997.92
3	TBD	(\$245.83)	(\$1,004.17)	(\$1,250.00)	\$116,993.75
4	TBD	(\$243.74)	(\$1,006.26)	(\$1,250.00)	\$115,987.48
5	TBD	(\$241.64)	(\$1,008.36)	(\$1,250.00)	\$114,979.12
6	TBD	(\$239.54)	(\$1,010.46)	(\$1,250.00)	\$113,968.66
7	TBD	(\$237.43)	(\$1,012.57)	(\$1,250.00)	\$112,956.10
8	TBD	(\$235.33)	(\$1,014.67)	(\$1,250.00)	\$111,941.42
9	TBD	(\$233.21)	(\$1,016.79)	(\$1,250.00)	\$110,924.63
10	TBD	(\$231.09)	(\$1,018.91)	(\$1,250.00)	\$109,905.73
11	TBD	(\$228.97)	(\$1,021.03)	(\$1,250.00)	\$108,884.70
12	TBD	(\$226.84)	(\$1,023.16)	(\$1,250.00)	\$107,861.54
13	TBD	(\$224.71)	(\$1,200.00)	(\$1,424.71)	\$106,661.54
14	TBD	(\$222.21)	(\$1,202.50)	(\$1,424.71)	\$105,459.04
15	TBD	(\$219.71)	(\$1,205.01)	(\$1,424.71)	\$104,254.04
16	TBD	(\$217.20)	(\$1,207.52)	(\$1,424.71)	\$103,046.52
17	TBD	(\$214.68)	(\$1,210.03)	(\$1,424.71)	\$101,836.49
18	TBD	(\$212.16)	(\$1,212.55)	(\$1,424.71)	\$100,623.94
19	TBD	(\$209.63)	(\$1,215.08)	(\$1,424.71)	\$99,408.86
20	TBD	(\$207.10)	(\$1,217.61)	(\$1,424.71)	\$98,191.25
21	TBD	(\$204.57)	(\$1,220.15)	(\$1,424.71)	\$96,971.10
22	TBD	(\$202.02)	(\$1,222.69)	(\$1,424.71)	\$95,748.41
23	TBD	(\$199.48)	(\$1,225.24)	(\$1,424.71)	\$94,523.18
24	TBD	(\$196.92)	(\$1,227.79)	(\$1,424.71)	\$93,295.39
25	TBD	(\$194.37)	(\$1,300.00)	(\$1,494.37)	\$91,995.39
26	TBD	(\$191.66)	(\$1,302.71)	(\$1,494.37)	\$90,692.68
27	TBD	(\$188.94)	(\$1,305.42)	(\$1,494.37)	\$89,387.26
28	TBD	(\$186.22)	(\$1,308.14)	(\$1,494.37)	\$88,079.12
29	TBD	(\$183.50)	(\$1,310.87)	(\$1,494.37)	\$86,768.25
30	TBD	(\$180.77)	(\$1,313.60)	(\$1,494.37)	\$85,454.65
31	TBD	(\$178.03)	(\$1,316.33)	(\$1,494.37)	\$84,138.32
32	TBD	(\$175.29)	(\$1,319.08)	(\$1,494.37)	\$82,819.24
33	TBD	(\$172.54)	(\$1,321.83)	(\$1,494.37)	\$81,497.41
34	TBD	(\$169.79)	(\$1,324.58)	(\$1,494.37)	\$80,172.83
35	TBD	(\$167.03)	(\$1,327.34)	(\$1,494.37)	\$78,845.50
36	TBD	(\$164.26)	(\$1,330.10)	(\$1,494.37)	\$77,515.39
37	TBD	(\$161.49)	(\$1,400.00)	(\$1,561.49)	\$76,115.39
38	TBD	(\$158.57)	(\$1,402.92)	(\$1,561.49)	\$74,712.48
39	TBD	(\$155.65)	(\$1,405.84)	(\$1,561.49)	\$73,306.64
40	TBD	(\$152.72)	(\$1,408.77)	(\$1,561.49)	\$71,897.87
41	TBD	(\$149.79)	(\$1,411.70)	(\$1,561.49)	\$70,486.16
42	TBD	(\$146.85)	(\$1,414.64)	(\$1,561.49)	\$69,071.52
43	TBD	(\$143.90)	(\$1,417.59)	(\$1,561.49)	\$67,653.93
44	TBD	(\$140.95)	(\$1,420.54)	(\$1,561.49)	\$66,233.38
45	TBD	(\$137.99)	(\$1,423.50)	(\$1,561.49)	\$64,809.88
46	TBD	(\$135.02)	(\$1,426.47)	(\$1,561.49)	\$63,383.41
47	TBD	(\$132.05)	(\$1,429.44)	(\$1,561.49)	\$61,953.97
48	TBD	(\$129.07)	(\$1,432.42)	(\$1,561.49)	\$60,521.55
49	TBD	(\$126.09)	(\$1,500.00)	(\$1,626.09)	\$59,021.55
50	TBD	(\$122.96)	(\$1,503.13)	(\$1,626.09)	\$57,518.42
51	TBD	(\$119.83)	(\$1,506.26)	(\$1,626.09)	\$56,012.17
52	TBD	(\$116.69)	(\$1,509.39)	(\$1,626.09)	\$54,502.77
53	TBD	(\$113.55)	(\$1,512.54)	(\$1,626.09)	\$52,990.23
54	TBD	(\$110.40)	(\$1,515.69)	(\$1,626.09)	\$51,474.54
55	TBD	(\$107.24)	(\$1,518.85)	(\$1,626.09)	\$49,955.70
56	TBD	(\$104.07)	(\$1,522.01)	(\$1,626.09)	\$48,433.68
57	TBD	(\$100.90)	(\$1,525.18)	(\$1,626.09)	\$46,908.50
58	TBD	(\$97.73)	(\$1,528.36)	(\$1,626.09)	\$45,380.14
59	TBD	(\$94.54)	(\$1,531.54)	(\$1,626.09)	\$43,848.60
60	TBD	(\$91.35)	(\$1,534.74)	(\$1,626.09)	\$42,313.86
61	TBD			Ballon Due:	\$42,313.86

**EXHIBIT C**  
**Form of Security Agreement**

(Attached)

## SECURITY AGREEMENT

**THIS SECURITY AGREEMENT** (as amended, restated, supplemented, or otherwise modified, this “Agreement”), is made and entered into this the \_\_\_\_ day of \_\_\_\_\_, 202\_, by WINSTON-SALEM-GREENSBORO BROADCASTING COMPANY, LLC, a North Carolina limited liability company (“Grantor”), for the benefit of CRESCENT MEDIA GROUP LLC, a North Carolina limited liability company (“Secured Party”).

### WITNESSETH:

**WHEREAS**, pursuant to that certain Asset Purchase Agreement dated as of \_\_\_\_\_, by and among Grantor and Secured Party (as from time to time amended, restated, supplemented or otherwise modified, the “APA”), Grantor has requested Secured Party to extend and Secured Party has agreed to extend to Grantor a loan in the aggregate principal amount of up to \$120,000.00 (the “Loan”), as evidenced by a promissory note from Grantor and payable to the order of Secured Party in the aggregate principal amount of \$120,000.00 (as amended, restated, supplemented, extended or otherwise modified, the “Note” and, together with the APA, the “Loan Documents”); and

**WHEREAS**, as a condition to Secured Party’s willingness to make the Loan and to more fully secure Grantor’s obligations under the APA and the Note, Secured Party has requested Grantor to execute this Agreement;

**NOW, THEREFORE**, for and in consideration of the Loan, the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

#### **1. Construction of Agreement; Definitions.**

All terms used but not defined herein or in the Note which are defined by Article Nine of North Carolina’s Uniform Commercial Code as in effect on the date hereof (“Article Nine”) shall have the meanings assigned to them by Article Nine unless varied by this Agreement. All accounting terms used but not defined herein shall have the meanings assigned to them as determined by GAAP. Whenever the phrase “Satisfactory to Secured Party” is used in this Agreement such phrase shall mean “Satisfactory to Secured Party in its sole discretion.” All terms used but not defined herein which are defined in the Note shall have the meanings assigned to them in the Note (as applicable) unless varied by this Agreement. In addition to the capitalized terms defined elsewhere in this Agreement, the following capitalized terms shall have the following meanings:

**1.1** “Business Premises” shall mean Grantor’s principal office located at \_\_\_\_\_.

**1.2** “Collateral” shall mean all right, title and interest in or to any of the following assets and properties of Grantor, now owned and hereafter acquired or arising and wherever located:

- (a) all Accounts;
- (b) all As-extracted collateral;
- (c) all Chattel paper;
- (d) all Deposit Accounts, cash, cash equivalents, Securities Accounts and Commodity Accounts;
- (e) all Documents;
- (f) all Equipment;
- (g) all Fixtures;
- (h) all General intangibles, including without limitation goodwill and IP Collateral;
- (i) all Goods not otherwise described herein;
- (j) all Instruments;
- (k) all Inventory;
- (l) all Investment property;
- (m) all Letter-of-credit rights;
- (n) all money;
- (o) all books, records, ledger cards, files, correspondence, customer lists, blueprints, technical specifications, manuals, computer software, computer printouts, tapes, disks and other electronic storage media and related data processing software and similar items that at any time evidence or contain information relating to any of the Collateral or are otherwise necessary or helpful in the collection thereof or realization thereupon; and
- (p) to the extent not otherwise included, all other personal property of Grantor corporation and all Proceeds, including without limitation, all insurance proceeds, products, accessions, rents and profits of any and all of the foregoing.

Notwithstanding the foregoing, the parties acknowledge that as of the date hereof and pursuant to the Communications Act of 1934, as amended, any authorizations issued by the Federal Communications Commission and held by Grantor ("FCC Authorizations") may not be and are not included within the definition of "Collateral," as used herein; provided, however, that should the law change to permit the FCC Authorizations to be included in the definition of "Collateral," as used herein, then, immediately and without the need for further action on the part of Grantor or Secured Party, the FCC Authorizations shall become included in the definition of "Collateral";

provided, further, however, that all cash and non-cash proceeds from the sale or transfer of the FCC Authorizations shall be included in the definition of “Collateral.”

**1.3** “IP Collateral” means (a) all state (including common law), federal and foreign trademarks, service marks and trade names, and applications for registration of such trademarks, service marks and trade names (but excluding any application to register any trademark, service mark or other mark prior to the filing under applicable law of a verified statement of use (or the equivalent) for such trademark, service mark or other mark to the extent the creation of a security interest therein or the grant of a mortgage thereon would void or invalidate such trademark, service mark or other mark), patents, patent applications, all licenses relating to any of the foregoing and all income and royalties with respect to any licenses, whether registered or unregistered and wherever registered, all rights to sue for past, present or future infringement or unconsented use thereof, all rights arising therefrom and pertaining thereto and all reissues, extensions and renewals thereof, (b) the entire goodwill of or associated with the businesses now or hereafter conducted by Grantor and its affiliates connected with and symbolized by any of the aforementioned properties and assets and (c) all intangible intellectual or other similar property of Grantor of any kind or nature, associated with or arising out of any of the aforementioned properties and assets and not otherwise described above.

**1.4** “Lien” shall mean any statutory or common law consensual or non-consensual mortgage, pledge, security interest, encumbrance, lien, right of setoff, claim or charge of any kind, including, without limitation, any conditional sale or other title retention transaction, any lease transaction in the nature thereof and any secured transaction under the Uniform Commercial Code of any jurisdiction.

**1.5** “Obligations” means the full and punctual observance and performance of all of Grantor’s obligations and liabilities to Secured Party, whether now existing or hereinafter incurred, for principal, interest, fees, expenses, indemnification or otherwise, under the Loan Documents or otherwise, whether direct or indirect, contingent or noncontingent, matured or unmatured, accrued or not accrued, whether or not now contemplated, whether or not any instrument or agreement relating thereto specifically refers to this Agreement, as well as all renewals, refinancings, consolidations, re-castings and extensions of any of the foregoing.

**1.6** “PTO” shall mean the United States Patent and Trademark Office.

## **2. Security Interest.**

**2.1 Grant of Security Interest.** As security for the prompt and complete payment and performance of all of the Obligations, whether or not any instrument or agreement relating to any Obligation specifically refers to this Agreement or the security interest created hereunder, Grantor hereby assigns, pledges and grants to Secured Party, and the successors and assigns of Secured Party, a continuing security interest in the Collateral (“Secured Party’s Security Interest”). Secured Party’s Security Interest shall exist continually until all Obligations have been paid in full.

**2.2 Priority.** Secured Party's Security Interest in the Collateral shall be a first priority security interest, subject only to permitted purchase money liens to the extent set forth in Section 5.1.

**2.3 Perfection.** Grantor authorizes Secured Party to file financing statements, amendments, and continuation statements covering the Collateral and containing such collateral descriptions and legends as Secured Party shall deem necessary or desirable to perfect or to maintain the perfection of Secured Party's Security Interest, as well as any other document describing Secured Party's interest in the IP Collateral with the PTO or any applicable state office. Grantor agrees to pay all taxes, fees and costs (including reasonable attorneys' fees and UCC filing fees) paid or incurred by Secured Party in connection with the preparation, filing or recordation thereof.

### **3. The Collateral.**

**3.1 Care of Collateral.** Grantor shall have all risk of loss of the Collateral. Secured Party shall have no liability or duty, either before or after the occurrence of an Event of Default, on account of any loss of or damage to the Collateral, to collect or enforce any rights against the Collateral, to collect any income accruing on the Collateral, or to preserve rights against account debtors or other parties with prior interests in the Collateral. If Secured Party actually receives any notices requiring action with respect to Collateral in Secured Party's possession, Secured Party shall take reasonable steps to forward such notices to Grantor. Grantor is responsible for responding to notices concerning the Collateral, voting the Collateral, and exercising rights and options, calls and conversions of the Collateral. Secured Party's sole responsibility is to take such action as is reasonably requested by Grantor in writing; provided, however, Secured Party shall not be liable for taking or for failing to take any action if, in Secured Party's sole judgment, taking or failing to take such action would affect adversely the value of the Collateral as security for the Obligations. If in Secured Party's sole discretion, Secured Party determines that any action by Secured Party is necessary or desirable to preserve and/or maintain the Collateral, Grantor authorizes Secured Party to take such actions; provided, however, that in no event shall Secured Party be obligated to take any such action.

**3.2 Maintenance of Insurance.** At all times, Grantor shall maintain policies of insurance insuring the Collateral against such risks, in such amounts, with such loss deductible amounts and with such companies as are adequate for the business conducted by Grantor as reasonably determined by the Board of Directors, and each such policy shall contain a clause or endorsement Satisfactory to Secured Party naming Secured Party as additional loss payee and a clause or endorsement Satisfactory to Secured Party that such policy may not be cancelled or altered and Secured Party may not be removed as additional loss payee without at least thirty (30) days' prior written notice to Secured Party. In all events, the amounts of such insurance coverages shall conform to prudent business practices and shall be in such minimum amounts that Grantor will not be deemed a co-insurer under applicable insurance laws, regulations, policies or practices. Grantor hereby assigns to Secured Party and grants to Secured Party a security interest in any and all proceeds of such policies and authorizes and empowers Secured Party to adjust or compromise any loss under such policies and to collect and receive all such proceeds. Grantor hereby authorizes and directs each insurance company to pay all such proceeds jointly to Grantor and Secured Party. During the continuance of an Event of Default,

Grantor hereby authorizes and directs each insurance company to pay all such proceeds directly and solely to Secured Party and not to Grantor and Secured Party jointly. Grantor authorizes and empowers Secured Party during the continuance of an Event of Default to execute and endorse in Grantor's name all proofs of loss, drafts, checks and any other documents or instruments necessary to accomplish such collection, and any persons making payments to Secured Party under the terms of this paragraph are hereby relieved absolutely from any obligation or responsibility to see to the application of any sums so paid. After deduction from any such proceeds received by Secured Party of all costs and expenses (including attorneys' fees) incurred by Secured Party in the collection and handling of such proceeds, the net proceeds shall be applied as follows: such net proceeds may be applied, at Secured Party's option, (i) toward replacing or restoring the Collateral, in a manner and on terms Satisfactory to Secured Party, or (ii) as a credit against such of the Obligations, whether matured or unmatured, as Secured Party shall determine in Secured Party's sole discretion. In the event that Secured Party opts to allow the proceeds to be used to replace or restore as aforesaid, then such net proceeds shall be deposited in a segregated account of Secured Party subject to the sole order of Secured Party and shall be disbursed therefrom by Secured Party in such manner and at such times as Secured Party deems appropriate to complete such replacement or restoration.

**3.3 Collateral Collections.** Upon the occurrence and during the continuance of an Event of Default, Secured Party shall have the right at any and all times to enforce Grantor's rights against account debtors and other parties obligated on Collateral. Secured Party's collection and enforcement of Collateral against account debtors and other persons obligated thereon shall be deemed to be commercially reasonable if Secured Party exercises the care and follows the procedures that Secured Party generally applies to the collection of obligations owed to Secured Party. All cash and non-cash proceeds of the Collateral may be applied by Secured Party upon Secured Party's actual receipt of such proceeds against such of the Obligations, matured or unmatured, as Secured Party shall determine in Secured Party's sole discretion.

**3.4 [Intentionally Omitted]**

**3.5 IP Collateral.** Grantor shall give prompt notice in writing to Secured Party with respect to any new patents or trademarks or renewal or extension of any patent or trademark registration, and the provisions of this Agreement shall automatically apply thereto. Grantor authorizes Secured Party to modify any PTO lien filings to include any such new IP Collateral. Notwithstanding the foregoing, no failure to so modify any PTO lien filings shall in any way affect, invalidate or detract from Secured Party's continuing security interest in all IP Collateral.

**4. Grantor's Representations and Warranties.** Grantor represents and warrants to Secured Party that:

**4.1 Representations in Note.** The representations and warranties made by Grantor in the Loan Documents are true and correct in all material respects.

**4.2 Legal Name; State of Organization.** The exact legal name of Grantor is "Winston-Salem-Greensboro Broadcasting Company, LLC" and the state of incorporation of Grantor is North Carolina.

**4.3 Good Standing.** Grantor is duly organized, legally existing and in good standing under the laws of the State of North Carolina; Grantor has the power to own its property and to carry on its business; Grantor is duly qualified to do business and is in good standing in each jurisdiction in which the character of the properties owned by it therein or in which the transaction of its business makes such qualification necessary.

**4.4 Authority.** Grantor has full power and authority to enter into this Agreement and to execute and deliver all documents and instruments required hereunder and to incur and perform the obligations provided for herein, all of which have been duly authorized by all necessary and proper corporate and other action, and no consent or approval of any person, including, without limitation, any public authority or regulatory body, which has not been obtained is required as a condition to the validity or enforceability hereof or thereof.

**4.5 Binding Agreements.** This Agreement has been duly and properly executed by Grantor, constitutes the valid and legally binding obligation of Grantor and is fully enforceable against Grantor in accordance with its terms, subject only to laws affecting the rights of creditors generally and application of general principles of equity.

**4.6 Place of Business.** Grantor's principal place of business and chief executive office is located at the Business Premises as of the date of this Agreement.

**4.7 No Conflicting Agreements.** The execution, delivery and performance by Grantor of this Agreement will not (a) violate (i) any provision of law or any order, rule or regulation of any court or any governmental authority, (ii) any award of any arbitrator, (iii) the articles of incorporation, bylaws or other organizational document or agreement of Grantor, or (iv) any indenture, contract, agreement, mortgage, deed of trust or other instrument to which Grantor is a party or by which Grantor or any of its property is bound, or (b) be in conflict with, result in a breach of or constitute (with due notice and/or lapse of time) a material default under, any such award, indenture, contract, agreement, mortgage, deed of trust or other instrument, or result in the creation or imposition of any Lien upon any of the property or assets of Grantor except for Liens created in favor of Secured Party under or pursuant to this Agreement.

**4.8 Litigation.** There are no judgments, injunctions or similar orders or decrees, claims, actions, suits or proceedings pending or, to the knowledge of Grantor, threatened against or affecting Grantor or any property of Grantor, at law or in equity, by or before any court or any federal, State, county, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, which could have a material adverse effect on the value of the Collateral as security.

**4.9 Taxes.** Grantor has paid or caused to be paid all federal, State and local taxes to the extent that such taxes have become due and has filed or caused to be filed all federal, state and local tax returns which are required to be filed by Grantor.

**4.10 Title to Collateral.** Grantor is the legal and beneficial owner of all of the Collateral, free and clear of all Liens.



**4.11 Perfection and Priority of Collateral.** Secured Party has or upon proper recording of any financing statement or delivery of Collateral to Secured Party's possession, will have and will continue to have as security for the Obligations, a valid and perfected Lien on and security interest in all Collateral, free of all other Liens, claims and rights of third parties whatsoever.

**4.12 Commercial Purpose.** The Loan is not a "consumer transaction" as defined in Article Nine and none of the Collateral was or will be purchased or held primarily for personal, family or household purposes.

**4.13 Survival.** All covenants, agreements, representations and warranties made by Grantor herein shall be considered to have been relied upon by Secured Party and shall survive the execution and delivery of this Agreement, regardless of any investigation made by Secured Party or on Secured Party's behalf and notwithstanding that Secured Party may have had notice or knowledge of any Event of Default or incorrect representation or warranty at the time of the Loan closing, and shall continue in full force and effect as long as the principal of or any accrued interest on the Note or any fee or any other amount payable under the Loan Documents is outstanding and unpaid.

**5. Covenants of Grantor.** Grantor covenants and agrees with Secured Party that:

**5.1 Transfers; Liens.** Grantor shall not give, sell, lease, license, pledge, assign, or in any way transfer any interest in the Collateral except for (i) sales of inventory in the ordinary course of business; (ii) sales and other dispositions of worn or obsolete equipment; and (iii) purchase money liens in after acquired equipment and fixed assets with a purchase price of less than \$5,000.

**5.2 Maintenance of Collateral.** Grantor shall maintain the Collateral in good order and condition, ordinary wear and tear excepted, and will use, operate and maintain the Collateral in compliance with all laws, regulations and ordinances and in compliance with all applicable insurance requirements and regulations. Grantor shall not abandon any registered trademark or issued patent without the consent of Secured Party, which consent is not to be unreasonably withheld or delayed.

**5.3 Litigation; Claims Against Collateral.** Grantor shall promptly notify Secured Party in writing of any litigation involving or relating to the Collateral which Grantor knows or has reason to believe is pending or threatened. Grantor will promptly pay when due all taxes and all transportation, storage, warehousing and other such charges and fees affecting or arising out of or relating to the Collateral and shall defend the Collateral, at Grantor's expense, against all claims and demands of any persons claiming any interest in the Collateral adverse to Grantor or Secured Party.

**5.4 Inspection.** Secured Party and its agents and designees shall be entitled to enter the Business Premises and any other premises of Grantor and inspect the Collateral and all books and records of Grantor (in whatever form), and Grantor shall pay the reasonable costs of such inspections.

**5.5 Insurance.** Grantor shall maintain comprehensive casualty insurance on the Collateral in accordance with Section 3.2 above.

**5.6 Books and Records.** All books and records pertaining to the Collateral are located at the Business Premises and Grantor shall not change the location of such books and records without prior written notice thereof to Secured Party.

**5.7 Further Assurances.** Grantor shall do, make, execute and deliver all such additional and further acts, things, deeds, assurances, instruments and documents as Secured Party may reasonably request to vest in and assure to Secured Party its rights hereunder or in any of the Collateral, including, without limitation, placing legends on Collateral or on books and records pertaining to Collateral stating that Secured Party has a security interest therein.

**5.8 Control Agreements.** If requested by Secured Party, Grantor shall cooperate with Secured Party to obtain and keep in effect one or more control agreements in deposit account, electronic chattel paper, investment property and letter-of-credit rights Collateral.

**5.9 Delivery to Secured Party.** Grantor shall promptly deliver to Secured Party, with all endorsements and/or assignments required by Secured Party, all instruments, chattel paper, guaranties and the like received by Grantor constituting, evidencing or relating to any of the Collateral or proceeds of any of the Collateral.

**5.10 Filing of Amendments.** Grantor shall not file any amendments, correction statements or termination statements concerning the Collateral without the prior written consent of Secured Party.

**5.11 Taxes.** Grantor shall pay and discharge all taxes, assessments and governmental charges upon Grantor, its income and properties, prior to the date on which penalties attach thereto unless and to the extent only that the same are being diligently contested by Grantor in good faith in the normal course of business by appropriate proceedings; provided, however, that (i) Secured Party shall have been given reasonable prior written notice of Grantor's intention to contest, (ii) nonpayment of the same will not, in Secured Party's sole discretion, materially impair any of the Collateral or Secured Party's rights or remedies with respect thereto or the prospect for full and punctual payment of all of the Obligations, (iii) Grantor at all times effectively stays or prevents any official or judicial sale of or action or filing against any of the Collateral by reason of nonpayment of the same, and (iv) Grantor establishes reasonable reserves for any liabilities being contested and for expenses arising out of such contest.

**5.12 Maintenance of Good Standing; Compliance with Laws.** Grantor shall maintain its existence in good standing and comply with all applicable federal, State, local and foreign laws, rules, ordinances, regulations and orders.

**5.13 Notification of Loss.** Grantor shall notify Secured Party promptly in writing of any event causing extraordinary loss or depreciation of the value of the Collateral and the facts with respect thereto.

**5.14 Notification of Event of Default.** Grantor shall notify Secured Party immediately in writing of the occurrence of any Event of Default or any event or existing condition which, with the giving of notice and/or the lapse of time, could constitute an Event of Default or which would reasonably be expected to materially and adversely affect the value of the Collateral as security and the facts with respect thereto.

**5.15 Merger.** Grantor shall not enter into or be a party to any merger, consolidation, reorganization or exchange of stock or assets.

**5.16 Sale of Assets, etc.** Grantor shall not sell, assign, transfer, convey or lease any interest in all or any substantial part of its property except in the ordinary course of Grantor's business as now being conducted; purchase or otherwise acquire all or substantially all of the assets of any other person or persons, or any shares of stock of, or similar interest in, any other person or persons.

**5.17 Change of Name.** Except with Secured Party's prior written consent, Grantor shall not change its legal name or state of organization.

**6. Events of Default.** The occurrence of any one or more of the following events shall constitute an "Event of Default":

**6.1 Failure to Pay.** The failure of Grantor to pay any of the Obligations when due and payable (whether by acceleration, declaration, extension or otherwise) in accordance with the terms of the Obligations.

**6.2 Covenants and Agreements.** The failure of Grantor to perform, observe or comply with any of the covenants contained in this Agreement or in any of the Loan Documents or otherwise breach any of the Loan Documents (subject to applicable cure periods).

**6.3 Information, Representations and Warranties.** Any representation or warranty made herein or any information contained in any financial statement, application, schedule, report or any other document given by Grantor in connection with the Obligations, with the Collateral, or with any of the Loan Documents is not true and accurate in all respects on the date made or given, or Grantor omits to disclose any fact necessary to make such representation, warranty or information not misleading.

**6.4 Default under Loan Documents.** The occurrence of an Event of Default under any of the Loan Documents, as that term is defined in each respective document, subject to applicable cure periods.

**6.5 Insolvency.** Grantor shall be or become insolvent (as defined in Section 101 of the United States Bankruptcy Code) or unable to pay its debts as they become due, or admits in writing to such insolvency or to such inability to pay its debts as they become due.

**6.6 Involuntary Bankruptcy.** There shall be filed against Grantor an involuntary petition or other pleading seeking the entry of a decree or order for relief under the United States Bankruptcy Code or any similar federal or state insolvency or similar laws ordering: (a) the

liquidation of Grantor, or (b) a reorganization of Grantor or the business and affairs of Grantor, or (c) the appointment of a receiver, liquidator, assignee, custodian, trustee, or similar official for Grantor or of the property of Grantor and such petition or other pleading is not denied or dismissed within 45 calendar days from the date of filing.

**6.7 Voluntary Bankruptcy.** The commencement by Grantor of a voluntary case under the federal bankruptcy laws or any federal or state insolvency or similar laws or the consent by Grantor to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, or similar official for Grantor of any of the property of Grantor or the making by Grantor of an assignment for the benefit of creditors, or the failure by Grantor generally to pay its debts as the debts become due.

**6.8 Judgments, Awards.** The entry of any judgment, order, award or decree against Grantor and a determination by Secured Party, in good faith but in his sole discretion, that the same, when aggregated with all other judgments, orders, awards and decrees outstanding against Grantor could have a material adverse effect on the prospect for Secured Party to fully and punctually realize the full benefits conferred on Secured Party by this Agreement and the other Loan Documents.

**6.9 Injunction.** The injunction or restraint of Grantor in any manner from conducting its business in whole or in part and a determination by Secured Party, in good faith but in his sole discretion, that the same could have a material adverse effect on the prospect for Secured Party to fully and punctually realize the full benefits conferred on Secured Party by this Agreement and the other Loan Documents.

**6.10 Attachment by Creditors.** Any assets of Grantor shall be attached, levied upon, seized or repossessed, or come into the possession of a trustee, receiver or other custodian and a determination by Secured Party, in good faith but in his sole discretion, that the same could have a material adverse effect on the prospect for Secured Party to fully and punctually realize the full benefits conferred on Secured Party by this Agreement and the other Loan Documents.

**6.11 Dissolution, Merger, Consolidation, Reorganization.** The voluntary or involuntary dissolution, merger, consolidation, winding up or reorganization of Grantor or the occurrence of any action preparatory thereto.

## **7. Rights and Remedies.**

**7.1 Rights and Remedies of Secured Party.** Upon the occurrence and during the continuance of an Event of Default, Secured Party may, without notice or demand, exercise in any jurisdiction in which enforcement hereof is sought, the following rights and remedies, in addition to the rights and remedies available to Secured Party under the Loan Documents, the rights and remedies of a secured party under Article Nine and all other rights and remedies available to Secured Party under applicable law, all such rights and remedies being cumulative and enforceable alternatively, successively or concurrently:

- (a) Declare all Obligations to be immediately due and payable and the same shall thereupon become immediately due and payable without presentment,

demand for payment, protest or notice of any kind, all of which are hereby expressly waived;

(b) Institute any proceeding or proceedings to enforce the Obligations and Secured Party's Security Interest;

(c) Take possession of the Collateral, and for that purpose, enter upon any premises on which the Collateral or any part thereof may be situated and remove the same therefrom without any liability and without any requirement of any suit, action or other proceeding, GRANTOR HEREBY WAIVING ANY AND ALL RIGHTS TO PRIOR NOTICE AND JUDICIAL HEARING WITH RESPECT TO REPOSSESSION OF COLLATERAL, and require Grantor, at Grantor's expense, to assemble and deliver the Collateral to such place or places as Secured Party may designate;

(d) Operate, manage and control the Collateral (including use of the Collateral and any other property or assets of Grantor in order to continue or complete performance of Grantor's obligations under any contracts of Grantor), or permit the Collateral or any portion thereof to remain idle or store the same, and collect all rents and revenues therefrom and sell or otherwise dispose of any or all of the Collateral upon such terms and under such conditions as Secured Party, in its sole discretion, may determine, and purchase or acquire any of the Collateral at any such sale or other disposition, all to the extent permitted by applicable law; and

(e) Enforce Grantor's rights against any account debtors and other obligors.

## **7.2 [Intentionally Omitted]**

**7.3 Notice of Disposition of Collateral and Disclaimer of Warranties.** It is mutually agreed that commercial reasonableness and good faith require Secured Party to give Grantor written notice of the time and place of any public disposition of Collateral or of the time after which any private disposition or any other intended disposition is to be made at least ten (10) days prior to such time. It is mutually agreed that it is commercially reasonable for Secured Party to disclaim all warranties that arise with respect to the disposition of the Collateral.

**7.4 Costs and Expenses.** Grantor agrees to pay to Secured Party on demand the amount of all expenses paid or incurred by Secured Party in consulting with counsel concerning any of Secured Party's rights hereunder, under the Loan Documents or under applicable law, all expenses, including without limitation reasonable attorneys' fees and court costs paid or incurred by Secured Party in exercising or enforcing any of Secured Party's rights hereunder, under the Loan Documents or under applicable law, together with interest on all such amounts at the highest rate, and calculated in the manner provided in the Note.

## **8. Miscellaneous.**

**8.1 Performance for Grantor.** Grantor hereby authorizes Secured Party to advance funds on behalf of Grantor, without prior notice to Grantor, in order to ensure Grantor's

compliance with any covenant, warranty, representation or agreement of Grantor made in or pursuant to this Agreement or any of the Loan Documents, to continue or complete, or cause to be continued or completed, performance of Grantor's obligations under any contracts of Grantor, or to preserve or protect any right or interest of Secured Party in the Collateral or under or pursuant to this Agreement or any of the Loan Documents, including, without limitation, the payment of any insurance premiums or taxes and the satisfaction or discharge of any judgment or any Lien upon the Collateral or other property or assets of Grantor; provided, however, that the making of any such advance by Secured Party shall not constitute a waiver by Secured Party of any Event of Default with respect to which such advance is made nor relieve Grantor of any such Event of Default. Grantor shall pay to Secured Party upon demand all such advances made by Secured Party with interest thereon at the highest rate, and calculated in the manner, provided in the Note. All such advances shall be deemed to be included in the Obligations and secured by Secured Party's Security Interest; further provided, however, that the provisions of this Section 8.1 shall survive the termination of this Agreement and Secured Party's Security Interest and the payment of all other Obligations.

**8.2 Expenses.** Grantor shall pay all reasonable expenses incurred by Secured Party with respect to Secured Party's Security Interest, including, without limitation, expenses related to (i) searching for, preparing, filing, amending and/or terminating any financing statement, including any exhibit or schedule thereto, covering the Collateral, (ii) documentary stamps, recordation and transfer taxes and other costs and taxes incident to recordation of any document or instrument in connection with Secured Party's Security Interest, and (iii) any request by Grantor for an accounting or confirmation of a list of Collateral or statement of account. Grantor agrees to save harmless and indemnify Secured Party from and against any liability resulting from the failure to pay any required documentary stamps, recordation and transfer taxes, recording costs or any other expenses incurred by Secured Party in connection with this Agreement. These expenses can include, without limitation, reasonable legal fees, travel expenses, consultant expenses, and other miscellaneous expenses incurred by Secured Party.

**8.3 Applications of Payments and Collateral.** Except as may be otherwise specifically provided in this Agreement, all Collateral and proceeds of Collateral coming into Secured Party's possession and all payments made by Grantor may be applied by Secured Party to any of the Obligations, whether matured or unmatured, as Secured Party shall determine in Secured Party's sole discretion. Secured Party may defer the application of non-cash proceeds of Collateral to the Obligations until cash proceeds are actually received by Secured Party.

**8.4 Waivers by Grantor.** Grantor hereby waives, to the extent the same may be waived under applicable law: (a) notice of acceptance of this Agreement; (b) all claims, causes of action and rights against Secured Party on account of actions taken or not taken by Secured Party in a commercially reasonable manner and not in violation of any law or this Agreement in the exercise of Secured Party's rights or remedies hereunder, under the Loan Documents or under applicable law; (c) all claims for failure of Secured Party to comply with any requirement of applicable law relating to enforcement of Secured Party's rights or remedies hereunder, under the Loan Documents or under applicable law; (d) all rights of redemption with respect to the Collateral; (e) in the event Secured Party seeks to repossess any or all of the Collateral by judicial proceedings, any bond(s) or demand(s) for possession which otherwise may be necessary or required; (f) presentment, demand for payment, protest and notice of non-payment and all

exemptions; (g) any and all other notices or demands which by applicable law must be given to or made by Secured Party; (h) settlement, compromise or release of the obligations of any person primarily or secondarily liable upon any of the Obligations; (i) all rights to demand that Secured Party release account debtors from further obligation to Secured Party; and (j) all rights of or related to substitution, impairment, exchange or release of any Collateral for any of the Obligations.

**8.5 Waivers by Secured Party.** Neither any failure nor any delay on the part of Secured Party in exercising any right, power or remedy hereunder, under any of the Loan Documents or under applicable law shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

**8.6 Secured Party's Setoff.** Secured Party shall have the right, in addition to all other rights and remedies available to Secured Party, following the occurrence of an Event of Default, to set off against any Obligations due Secured Party, any debt owing to Grantor by Secured Party.

**8.7 Waivers; Modifications.** No waiver of any provision of this Agreement or any of the Loan Documents, and no consent by Secured Party to any departure by Grantor therefrom, shall in any event be effective unless the same shall be in writing and signed by Secured Party, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No modification of this Agreement shall be effective unless the same shall be in writing signed by Grantor and Secured Party. No notice to or demand upon Grantor in any case shall entitle Grantor to any other or further notice or demand in the same, similar or other circumstances.

**8.8 Notices.** All notices or other communications hereunder shall be in writing and shall be effective when given as set forth in the Note.

**8.9 Governing Law.** This Agreement, its construction and the determination of any rights, duties or remedies of the parties arising out of or relating to this Agreement, shall be governed by and construed under and in accordance with the laws of the State of North Carolina without respect to any conflict of law provision or rule (whether of the State of North Carolina or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of North Carolina.

**8.10 Survival; Successors and Assigns.** All covenants, agreements, representations and warranties made herein and in the Loan Documents shall survive the execution and delivery hereof and thereof, and shall continue in full force and effect until all Obligations have been paid in full and there exists no commitment by Secured Party which could give rise to any Obligations. Grantor may not assign this Agreement or any of its rights hereunder without the prior written consent of Secured Party.

**8.11 Severability.** If any term, provision or condition of this Agreement or any of the Loan Documents shall for any reason be found or held invalid or unenforceable by any court or governmental agency of competent jurisdiction, such invalidity or unenforceability shall not

affect the remainder of such term, provision or condition nor any other term, provision or condition, and this Agreement and the Loan Documents shall survive and be construed as if such invalid or unenforceable term, provision or condition had not been contained therein.

**8.12 Entire Agreement.** This Agreement and the Loan Documents contain the entire agreement of the parties hereto with respect to the matters covered and the transactions contemplated hereby.

**8.13 Counterparts; Facsimile.** This Agreement may be executed in any number of counterparts (by facsimile, portable document format (pdf) or original) and by different parties hereto on separate counterparts, each of which, when so executed and delivered, shall be an original, but all such counterparts shall together constitute one and the same instrument.

**8.14 Headings.** The headings and sub-headings contained in this Agreement are intended to be used for convenience only and shall not be used or deemed to limit or diminish any of the provisions hereof.

**[Remainder of Page Intentionally Left Blank]**



IN WITNESS WHEREOF, Grantor has caused this Security Agreement to be executed UNDER SEAL by its duly authorized representative as of the date first above written.

WINSTON-SALEM-GREENSBORO  
BROADCASTING COMPANY, LLC

By: \_\_\_\_\_  
Name: Richard Miller  
Title: Managing Member

CRESCENT MEDIA GROUP LLC

By: \_\_\_\_\_  
Name: Donald W. Curtis  
Title: Manager

**EXHIBIT D**  
**Form of LLC Membership Pledge Agreement**  
(Attached)

## MEMBERSHIP INTERESTS PLEDGE AGREEMENT

**THIS MEMBERSHIP INTERESTS PLEDGE AGREEMENT** (this “Pledge”) is made and entered into as of \_\_\_\_\_, 202\_\_, by and among RICHARD MILLER, a resident of North Carolina, \_\_\_\_\_, a resident of North Carolina, \_\_\_\_\_, a resident of North Carolina, \_\_\_\_\_, a resident of North Carolina, \_\_\_\_\_, a resident of North Carolina, \_\_\_\_\_, a resident of North Carolina (each a “Pledgor”), and CRESCENT MEDIA GROUP LLC, a North Carolina limited liability company (“Secured Party”).

### WITNESSETH:

**WHEREAS**, WINSTON-SALEM-GREENSBORO BROADCASTING COMPANY, LLC, a North Carolina limited liability company (the “Company”) has on this date acquired substantially all of Secured Party’s assets and interests in commercial radio station WCOG(AM), Greensboro, North Carolina (Facility ID No. 74203) (“WCOG”), and unbuilt FM Translator W285GA, Greensboro, North Carolina (Facility ID No. 203184) (collectively, the “Stations”);

**WHEREAS**, in connection with the purchase of the Stations by the Company described above, Secured Party has extended to the Company a loan in the principal amount of ONE HUNDRED TWENTY THOUSAND DOLLARS (\$120,000.00), as evidenced by a promissory note from the Company to the order of Secured Party (as amended, restated, supplemented or otherwise modified from time to time, the “Note”); and

**WHEREAS**, the Pledgors together own a majority of the outstanding membership interests of the Company and therefore have derived substantial benefit from the Company’s acquisition of the Stations through the issuance of the Note.

**NOW, THEREFORE**, in consideration of the foregoing and their mutual promises and covenants herein, the parties, intending to be legally bound, agree as follows:

1. **Pledge**. Pledgors together own all of the issued and outstanding membership interests of the Company as set forth on Exhibit A attached hereto. Pledgors hereby grant to Secured Party a first priority security interest in the following (collectively, the “Collateral”): (i) one hundred percent (100%) of the issued and outstanding membership interests of the Company (the “Interests”) and for the purposes set forth herein, each Pledgor assigns and delivers to Secured Party the respective certificate(s) or other instruments representing such membership interests, along with membership interest powers duly endorsed in blank, in the form provided in Exhibit B; (ii) all additional membership interests or other securities issued during the term of this Pledge with respect to such membership interests or other securities of the Company; and (iii) any and all dividends, proceeds and products of the foregoing. Pledgor from time to time shall execute all such documents and take all such other actions as Secured Party may reasonably request from time to time to perfect, confirm and/or evidence the security interest granted hereby as a perfected security interest.

2. **No Duty on Secured Party.** The powers granted to Secured Party hereunder are solely and exclusively to protect Secured Party's interests in the Collateral and shall not impose any duty to exercise any such powers. Except for the safe custody of any Collateral in Secured Party's possession and the accounting for monies actually received by Secured Party hereunder, Secured Party shall have no duty as to any Collateral or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral.

3. **Term.** Secured Party shall hold the Interests as security for the Company's prompt payment of the Note and the Interests shall remain in Secured Party's possession until the Company has fully performed its obligations under the Note, at which time the Secured Party shall deliver the Interests to Pledgor, free and clear of this Pledge which shall thereupon terminate.

4. **Voting and Distributions.** Upon an Event of Default (as defined in the Note or in the Security Agreement of even date herewith between the Company and Secured Party (the "Security Agreement")), Secured Party shall be entitled to the remedies set forth in Section 6 hereof. While the Interests is held by Secured Party, the Interests shall remain in the name of Pledgor and, subject to Section 8(f) hereof, Pledgor shall have and exercise all rights of ownership, including the right to receive distributions thereon prior to an Event of Default, provided; however, that no vote taken in derogation of Secured Party's rights hereunder shall be of any force or effect. Notwithstanding anything to the contrary contained in this Pledge: (a) no party shall take any action that would constitute or result in an assignment or change in control of any license issued by the Federal Communications Commission (the "FCC") if such assignment or change in control of an FCC licensee would require under then existing law (including, without limitation, Communications Act of 1934, as amended, and the rules, regulations, policies and orders promulgated thereunder, as in effect from time to time) the prior approval of the FCC, without first obtaining such approval of the FCC; (b) voting rights in any Interests shall remain with each Pledgor even in the Event of Default unless all required prior approvals of the FCC to the transfer of such voting rights first shall have been obtained; (c) in an Event of Default, and only as permitted by this Pledge, Secured Party may dispose of the Interests, but only by public or private arms-length sale or other means acceptable to the FCC; and (d) before the exercise of voting rights by a purchaser at such sale, all necessary FCC consents with respect to such sale shall be timely obtained.

5. **Adjustments.** In the event that during the term of this Pledge any dividend, reclassification, readjustment or other change is declared or made with respect to the Interests, or any subscription, warrant or other option is exercisable with respect to the Interests, all new, substituted, or additional Interests, or other securities, issued by reason of any such change or option shall be held by Secured Party under the terms of this Pledge in the same manner as the Interests. There likewise shall be added to the pledged property any and all additional Interests of Company issued to Pledgor by way of distributions, new securities or otherwise and Pledgor shall promptly deliver to Secured Party all certificate(s) or other instruments evidencing such Interests (together with an undated transfer form), to the end that Secured Party hereunder or its permitted assigns will hold 100% of the outstanding membership interests of Company.

6. **Remedies.** Upon Event of Default (as defined in the Note or in the Security Agreement), the Interests shall be assigned to a court appointed receiver and the Interests and all of the assets of the Company, at the discretion of the receiver, shall be sold or assigned, subject as necessary to the prior approval of the FCC, at any private sale or at public auction in accordance with the laws of the State of North Carolina. Pledgor hereby waives and releases any and all rights or equity of redemption whether before or after such a sale hereunder. At any such sale, Secured Party may bid for and purchase for its own account, including “credit bid” for the cancellation of debt under the Note or otherwise, all or any part of the Interests or assets so sold or assigned free from any such right or equity of redemption.

Pledgor shall fully and timely cooperate with Secured Party in filing with the FCC an application for consent to assignment or transfer of control of the licensee. Such cooperation shall include providing the Secured Party and/or the court-appointed receiver with all of Pledgor’s FCC account numbers and passwords. This provision may be enforced by specific performance, with payment by Pledgor to Secured Party of Secured Party’s reasonable costs, including attorneys fees.

After obtaining any required consents from the FCC, and upon completion of the sale, Secured Party and/or the court-appointed receiver shall deliver the Interests or the assets, or any portion thereof, to the purchaser or purchasers thereof. The proceeds of any such sale, after first deducting all expenses incurred by Secured Party in holding and preparing the Interests or any interest or part thereof for disposition, in arranging for the sale and obtaining consent thereto by the FCC, and its reasonable attorney’s fees and legal expenses, shall be applied to payment of Company’s obligations under the Note and any excess proceeds shall be paid to Pledgor who shall also receive any Interests remaining unsold. Pledgor hereby agrees to make good faith efforts to answer FCC inquiries, if any, with respect to obtaining the aforementioned approvals and shall otherwise seek said approvals diligently, each taking all steps reasonably necessary to expedite the procurement of such approvals.

Neither failure nor delay on the part of Secured Party to exercise any right, remedy, power or privilege provided herein or by statute or at law or in equity shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, remedy, power or privilege preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

7. **Encumbrance.** Except as permitted by paragraph 8 of this Agreement, during the term of this Pledge, Pledgor shall not sell, assign, transfer or otherwise dispose of, grant any option with respect to, or mortgage, pledge or otherwise encumber the Interests without the prior written consent of Secured Party.

8. **Miscellaneous.**

(a) This Pledge shall terminate on the final disbursement by Secured Party of the Interests in accordance with the provisions hereof and may be terminated at any time prior thereto upon written agreement of Secured Party and Pledgor.

(b) Secured Party shall be deemed to have fully complied with its obligations hereunder to transfer the Interests by delivery to a transfer agent to be designated by Pledgor of a certificate(s) or other instrument(s) for the required number of Interests, in proper form and properly endorsed for transfer with a membership interest power or membership interest powers, duly executed and endorsed in blank, with instructions to the transfer agent to issue and deliver the certificate(s) or other instruments and membership interest power or membership interest powers to the person or persons to whom such transfer is to be made. Transfer taxes, if any, applicable to any such transfer shall be payable by the person or persons to whom the Interests is being transferred; provided, however, that Pledgor agrees to promptly reimburse Secured Party for all such transfer taxes which it may be required to pay.

(c) It is agreed that the duties of Secured Party are only such as are herein specifically provided, and that such duties are purely ministerial in nature, and that Secured Party shall incur no liability whatsoever except for willful misconduct or gross negligence so long as it has acted in good faith. Secured Party shall be under no responsibility in respect of any items deposited with it and shall be fully protected in any action taken in accordance with written instructions or certificates or other instruments given to it hereunder and reasonably believed by it to be signed by the proper parties. Secured Party may consult with legal counsel and shall be fully protected in any action taken in good faith in accordance with the opinion and instruction of such counsel. Secured Party shall not be required to institute legal proceedings of any kind.

(d) Pledgor hereby indemnifies and holds harmless Secured Party from and against any and all claims, losses and liabilities growing out of or resulting from this Pledge (including enforcement of this Pledge), except claims, losses or liabilities resulting from Secured Party's gross negligence, willful misconduct or breach of this Pledge. Upon demand, Pledgor will pay, or cause to be paid, to Secured Party the amount of any and all reasonable expenses, including but not limited to reasonable fees and disbursements of its counsel and of any experts and agents, which Secured Party may incur in connection with the administration of this Pledge, the custody, preservation, use or operation of, or the sale of, collection from, or other realization upon, any of the Collateral, the exercise or enforcement of any of the rights of Secured Party hereunder, and the failure by Pledgor to perform or observe any of the provisions hereof.

(e) Upon the request of Secured Party, at the cost and expense of Pledgor, Pledgor shall duly execute and deliver, or cause to be duly executed and delivered, such further agreements, documents, instruments, consents, authorizations or approvals (in form and substance reasonably satisfactory to Secured Party), and take or cause to be taken such action, as may be necessary, or reasonably requested by Secured Party or its counsel, to carry out the provisions and purposes of this Pledge including, without limitation, to perfect and/or maintain the liens of Secured Party.

Without limiting the foregoing, Pledgor hereby authorizes Secured Party to file such financing statements, amendments, and continuation statements covering the Collateral and containing such legends as Secured Party shall deem necessary or desirable to perfect or to maintain the perfection of Secured Party's security interest. Pledgor agrees to pay all taxes, fees and costs (including attorneys' fees) paid or incurred by Secured Party in connection with the preparation, filing or recordation thereof.

(f) Without the prior written consent of Secured Party, Pledgor will not (i) vote to enable, or take any other action to permit, Company to issue any limited liability company membership interest or other equity securities of any nature or to issue any other securities convertible into or granting the right to purchase or exchange for any limited liability company membership interest or other equity securities of any nature of Company to change the majority ownership of the Company; (ii) sell, assign, transfer, exchange, or otherwise dispose of, or grant any option with respect to, the Interests to change the majority ownership of the Company; (iii) create, incur or permit to exist any lien or option in favor of, or any claim of any person with respect to, any of the Interests, or any interest therein, except for the security interests created by this Pledge; (iv) enter into any agreement or undertaking restricting the right or ability of Pledgor or Secured Party to sell, assign or transfer any of the Interests; (v) declare dividends or distributions that would leave Pledgor unable to pay its debts, including but not limited to, those owed Secured Party, when the same become due and payable; or (vi) convey all or substantially all of its assets. Notwithstanding the foregoing, Pledgor shall have the right to sell a minority interest in the Company without the prior consent of the Secured Party; provided such minority interest shall continue to be subject to this Pledge and the minority interest holder shall agree in writing to be bound by the terms and conditions of this Pledge as a Pledgor. For the purposes of this paragraph, "majority ownership" shall mean ownership of fifty-one (51%) or more of the outstanding limited liability company membership interests or other equity securities of the Company and "minority interest" shall mean ownership of forty-nine (49%) or less of the outstanding limited liability company membership interests or other equity securities of the Company.

(g) In the event of the death of the Pledgor, the executor, trustee or heir(s) of the Pledgor shall be permitted to hold the Interests without triggering a default of this Agreement, provided the executor, trustee or heir(s) of the Pledgor agrees in writing to be bound by the terms of this Agreement.

9. **Notices.** All notices and other communications to be delivered hereunder shall be in writing and shall be deemed to have been given (a) on the date of personal delivery to an officer of the other party, or (b) when properly deposited for delivery by commercial overnight delivery service, prepaid, or by deposit in the United States mail, certified or registered mail, postage prepaid, return receipt requested, on the date that is two days after the date set forth in the records of such delivery service or on the return receipt and addressed as follows, unless and until either of such parties notifies the other in accordance with this Section of a change of address:

If to Secured Party:

Crescent Media Group LLC  
3012 Highwoods Blvd., #201  
Raleigh, NC 27604  
Attention: Donald W. Curtis

If to Pledgors:

626 N. Trade Street  
Winston-Salem, NC 27101  
Attention: Richard Miller

Addresses may be changed by notice in writing to the other parties.

10. **Choice of Law, etc.**

(a) This Pledge, its construction and the determination of any rights, duties or remedies of the parties arising out of or relating to this Pledge, shall be governed by and construed under and in accordance with the laws of the State of North Carolina without respect to any conflict of law provision or rule (whether of the State of North Carolina or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of North Carolina.

(b) This Pledge embodies the entire agreement and understanding between the parties and supersedes all prior agreements and understandings relating to the subject matter hereof and this Pledge may not be modified or amended or any term or provision hereof waived or discharged except in writing signed by the party against whom such amendment, modification, waiver or discharge is sought to be enforced.

(c) This Pledge shall be binding on the personal representatives, successors and assigns of the parties hereto and shall inure to the benefit of and be enforceable by their personal representatives, successors and assigns; provided, however, that, except as set forth in the next sentence, this Pledge may not be assigned by any party hereto without the prior written consent of the other parties, which consent shall not be unreasonably withheld. The Secured Party may, without Pledgor's consent, assign its rights hereunder to any purchaser or assignee of the Note, who shall then become the "Secured Party" hereunder.

(d) This Pledge may be executed in several counterparts, each of which together shall constitute one and the same instrument.

(e) If any one or more of the provisions contained in this Pledge should be found invalid, illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. Any illegal or unenforceable term shall be deemed to be void and of no force and effect only to



the minimum extent necessary to bring such term within the provisions of applicable law and such term, as so modified, and the balance of this Pledge shall then be fully enforceable.

***[Signatures appear on the following page.]***

**IN WITNESS WHEREOF**, the parties hereto have duly executed this Pledge as of the date first above written:

**PLEDGORS:**

RICHARD MILLER

\_\_\_\_\_(SEAL)

[\_\_\_\_\_]

\_\_\_\_\_(SEAL)

[\_\_\_\_\_]

\_\_\_\_\_(SEAL)

[\_\_\_\_\_]

\_\_\_\_\_(SEAL)

[\_\_\_\_\_]

\_\_\_\_\_(SEAL)

**Accepted and Agreed:**

CRESCENT MEDIA GROUP LLC

By: \_\_\_\_\_

Name: Donald W. Curtis

Title: Manager

## Exhibit A

[illegible]

**Exhibit B**  
(Membership Interests Powers attached)

**MEMBERSHIP INTEREST POWER**

FOR VALUE RECEIVED, the undersigned does hereby sell, assign and transfer to \_\_\_\_\_, in his/her capacity as a court appointed receiver in connection with that certain Membership Interests Pledge Agreement between the undersigned and CRESCENT MEDIA GROUP LLC dated \_\_\_\_\_ (the "RECEIVER"), \_\_\_\_\_ of the membership interests of WINSTON-SALEM-GREENSBORO BROADCASTING COMPANY, LLC, a North Carolina limited liability company (the "COMPANY"), standing in the name of the undersigned on the books of the COMPANY (the "MEMBERSHIP INTERESTS").

The undersigned does hereby irrevocably constitute and appoint \_\_\_\_\_ (as designated by RECEIVER) to be the undersigned's lawful attorney-in-fact to transfer the MEMBERSHIP INTERESTS on the books of the COMPANY, with full power of substitution in the premises.

Dated:

RICHARD MILLER

\_\_\_\_\_(SEAL)

**MEMBERSHIP INTEREST POWER**

FOR VALUE RECEIVED, the undersigned does hereby sell, assign and transfer to \_\_\_\_\_, in his/her capacity as a court appointed receiver in connection with that certain Membership Interests Pledge Agreement between the undersigned and CRESCENT MEDIA GROUP LLC dated \_\_\_\_\_ (the "RECEIVER"), the \_\_\_\_\_ of the membership interests of WINSTON-SALEM-GREENSBORO BROADCASTING COMPANY, LLC, a North Carolina limited liability company (the "COMPANY"), standing in the name of the undersigned on the books of the COMPANY (the "MEMBERSHIP INTERESTS").

The undersigned does hereby irrevocably constitute and appoint \_\_\_\_\_ (as designated by RECEIVER) to be the undersigned's lawful attorney-in-fact to transfer the MEMBERSHIP INTERESTS on the books of the COMPANY, with full power of substitution in the premises.

Dated:

[\_\_\_\_\_]

\_\_\_\_\_(SEAL)

**MEMBERSHIP INTEREST POWER**

FOR VALUE RECEIVED, the undersigned does hereby sell, assign and transfer to \_\_\_\_\_, in his/her capacity as a court appointed receiver in connection with that certain Membership Interests Pledge Agreement between the undersigned and CRESCENT MEDIA GROUP LLC dated \_\_\_\_\_ (the "RECEIVER"), the \_\_\_\_\_ of the membership interests of WINSTON-SALEM-GREENSBORO BROADCASTING COMPANY, LLC, a North Carolina limited liability company (the "COMPANY"), standing in the name of the undersigned on the books of the COMPANY (the "MEMBERSHIP INTERESTS").

The undersigned does hereby irrevocably constitute and appoint \_\_\_\_\_ (as designated by RECEIVER) to be the undersigned's lawful attorney-in-fact to transfer the MEMBERSHIP INTERESTS on the books of the COMPANY, with full power of substitution in the premises.

Dated:

[\_\_\_\_\_]

\_\_\_\_\_(SEAL)

**MEMBERSHIP INTEREST POWER**

FOR VALUE RECEIVED, the undersigned does hereby sell, assign and transfer to \_\_\_\_\_, in his/her capacity as a court appointed receiver in connection with that certain Membership Interests Pledge Agreement between the undersigned and CRESCENT MEDIA GROUP LLC dated \_\_\_\_\_ (the "RECEIVER"), the \_\_\_\_\_ of the membership interests of WINSTON-SALEM-GREENSBORO BROADCASTING COMPANY, LLC, a North Carolina limited liability company (the "COMPANY"), standing in the name of the undersigned on the books of the COMPANY (the "MEMBERSHIP INTERESTS").

The undersigned does hereby irrevocably constitute and appoint \_\_\_\_\_ (as designated by RECEIVER) to be the undersigned's lawful attorney-in-fact to transfer the MEMBERSHIP INTERESTS on the books of the COMPANY, with full power of substitution in the premises.

Dated:

[\_\_\_\_\_]

\_\_\_\_\_(SEAL)



**MEMBERSHIP INTEREST POWER**

FOR VALUE RECEIVED, the undersigned does hereby sell, assign and transfer to \_\_\_\_\_, in his/her capacity as a court appointed receiver in connection with that certain Membership Interests Pledge Agreement between the undersigned and CRESCENT MEDIA GROUP LLC dated \_\_\_\_\_ (the "RECEIVER"), the \_\_\_\_\_ of the membership interests of WINSTON-SALEM-GREENSBORO BROADCASTING COMPANY, LLC, a North Carolina limited liability company (the "COMPANY"), standing in the name of the undersigned on the books of the COMPANY (the "MEMBERSHIP INTERESTS").

The undersigned does hereby irrevocably constitute and appoint \_\_\_\_\_ (as designated by RECEIVER) to be the undersigned's lawful attorney-in-fact to transfer the MEMBERSHIP INTERESTS on the books of the COMPANY, with full power of substitution in the premises.

Dated:

[\_\_\_\_\_]

\_\_\_\_\_(SEAL)

**EXHIBIT E**  
**Form of Limited Personal Guaranties of the Buyer's Members**  
(Attached)

## GUARANTEE

**THIS GUARANTEE AGREEMENT** (this "Guarantee") is executed as of \_\_\_\_\_, 202\_\_, by \_\_\_\_\_, each a resident of North Carolina (each a "Guarantor") in favor of CRESCENT MEDIA GROUP LLC, a North Carolina limited liability company ("Lender").

### W I T N E S S E T H :

**WHEREAS**, WINSTON-SALEM-GREENSBORO BROADCASTING COMPANY, LLC, a North Carolina limited liability (the "Company") has on this date acquired substantially all of Lender's assets and interests in commercial radio station WCOG(AM), Greensboro, North Carolina (Facility ID No. 74203) ("WCOG"), and unbuilt FM Translator W285GA, Greensboro, North Carolina (Facility ID No. 203184) (collectively, the "Stations");

**WHEREAS**, in connection with the purchase of the Stations by the Company described above, the Company has requested Lender to extend to the Company a loan in the principal amount of ONE HUNDRED TWENTY THOUSAND DOLLARS (\$120,000.00), as evidenced by a promissory note from the Company to the order of Lender (as amended, restated, supplemented or otherwise modified from time to time, the "Note"); and

**WHEREAS**, each Guarantor is an owner of the Company and therefore has derived substantial benefit from the Company's acquisition of the Stations through the issuance of the Note.

**NOW, THEREFORE**, in consideration of the foregoing and their mutual promises and covenants herein, the parties, intending to be legally bound, agree as follows:

1. **GUARANTEE.** Each Guarantor hereby absolutely, irrevocably and unconditionally guarantees to Lender and its successors and assigns the timely payment and performance of all liabilities and obligations of Company to Lender under the Note and the Security Agreement made by Company in favor of Lender dated the date hereof (the "Security Agreement") and together with the Note, collectively, the "Loan Documents"), however and whenever incurred or evidenced, whether primary, secondary, direct, indirect, absolute, contingent, due or to become due, now existing or hereafter contracted or acquired, and all modifications, extensions and renewals thereof (collectively, the "Guaranteed Obligations"). Each Guarantor's guarantee hereunder is expressly limited to a percentage of the Guaranteed Obligations equal to that Guarantor's individual percentage of ownership interest in the Company.

2. **GUARANTOR'S LIABILITY.** This Guarantee is a continuing and unconditional guaranty of payment and performance and not of collection. This Guarantee does not impose any obligation on Lender to extend or continue to extend credit or otherwise deal with Company at any subsequent time. This Guarantee shall continue to be effective or be reinstated, as the case may be, if at any time any payment of the Guaranteed Obligations is rescinded, avoided or for any other reason must be returned by Lender, and the returned payment shall remain payable as part of the Guaranteed Obligations, all as though such payment had not

been made. Except to the extent the provisions of this Guarantee give Lender additional rights, this Guarantee shall not be deemed to supersede or replace any other guaranties given to Lender by Guarantor; and the obligations guaranteed hereby shall be in addition to any other obligations guaranteed by Guarantor pursuant to any other agreement of guaranty given to Lender and other guaranties of the Guaranteed Obligations. Guarantor's obligations under this Guarantee shall remain in force until all Guaranteed Obligations have been paid and shall not be released or discharged for any reason whatsoever prior to such payment.

3. **CONSENT TO MODIFICATIONS.** Guarantor consents and agrees that Lender may from time to time, in its sole discretion, without affecting, impairing, lessening or releasing the obligations of Guarantor hereunder: (a) extend or modify the time, manner, place or terms of payment or performance and/or otherwise change or modify the credit terms of the Guaranteed Obligations; (b) increase, renew, or enter into a novation of the Guaranteed Obligations; (c) waive or consent to the departure from terms of the Guaranteed Obligations; (d) permit any change in the business or other dealings and relations of Company or any other guarantor with Lender; (e) proceed against, exchange, release, realize upon, or otherwise deal with in any manner any collateral that is or may be held by Lender in connection with the Guaranteed Obligations or any liabilities or obligations of Guarantor; and (f) proceed against, settle, release, or compromise with Company, any insurance carrier, or any other person or entity liable as to any part of the Guaranteed Obligations, and/or subordinate the payment of any part of the Guaranteed Obligations to the payment of any other obligations, which may at any time be due or owing to Lender; all in such manner and upon such terms as Lender may deem appropriate, and without notice to or further consent from Guarantor. No invalidity, irregularity, discharge or unenforceability of, or action or omission by Lender relating to any part of the Guaranteed Obligations or any security therefor shall affect or impair this Guarantee.

4. **WAIVERS AND ACKNOWLEDGMENTS.** Guarantor waives and releases the following rights, demands, and defenses Guarantor may have with respect to Lender and collection of the Guaranteed Obligations: (a) promptness and diligence in collection of any of the Guaranteed Obligations from Company or any other person liable thereon, and in foreclosure of any security interest and sale of any property serving as collateral for the Guaranteed Obligations; (b) any law, statute or other right that requires that Lender make demand upon, assert claims against, or collect from Company or other persons or entities, foreclose any security interest, sell collateral, exhaust any remedies, or take any other action against Company or other persons or entities prior to making demand upon, collecting from or taking action against Guarantor with respect to the Guaranteed Obligations, including any such rights Guarantor might otherwise have had under N.C.G.S. §§ 26-7 through 26-9, inclusive, and any successor statute and any other applicable law; (c) any law or statute that requires that Company or any other person be joined in, notified of or made part of any action against Guarantor; (d) that Lender or its affiliates preserve, insure or perfect any security interest in collateral or sell or dispose of collateral in a particular manner or at a particular time; (e) notice of amendments, extensions, modifications, renewals, or novations of the Guaranteed Obligations, of any new transactions or other relationships between Lender, Company and/or any guarantor, and of changes in the financial condition of, ownership of, or business structure of Company or any other guarantor; (f) presentment, protest, notice of dishonor, notice of default, demand for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, notice of sale, and all other

notices of any kind whatsoever to which Guarantor may be entitled; (g) the right to assert against Lender or its affiliates any defense (legal or equitable), set-off, counterclaim, or claim that Guarantor may have at any time against Company or any other party liable to Lender or its affiliates; (h) all defenses relating to invalidity, insufficiency, unenforceability, enforcement, release or impairment of Lender or its affiliates' lien on any collateral, of the Loan Documents, or of any other guaranties held by Lender; (i) any right to which Guarantor is or may become entitled to be subrogated to Lender or its affiliates' rights against Company or to seek contribution, reimbursement, indemnification, payment or the like, or participation in any claim, right or remedy of Lender or its affiliates against Company or any security which Lender or its affiliates now has or hereafter acquires, until such time as the Guaranteed Obligations have been fully satisfied beyond the expiration of any applicable preference period; (j) any claim or defense that acceleration of maturity of the Guaranteed Obligations is stayed against Guarantor because of the stay of assertion or of acceleration of claims against any other person or entity for any reason including the bankruptcy or insolvency of that person or entity; and (k) the right to marshalling of Company's assets or the benefit of any exemption claimed by Guarantor. Guarantor acknowledges and represents that Guarantor has relied upon Guarantor's own due diligence in making an independent appraisal of Company, Company's business affairs and financial condition, and any collateral; Guarantor will continue to be responsible for making an independent appraisal of such matters; and Guarantor has not relied upon Lender or its affiliates for information regarding Company or any collateral.

5. **FINANCIAL CONDITION.** Guarantor warrants, represents and covenants to Lender and its affiliates that on and after the date hereof: (a) the fair saleable value of Guarantor's assets exceeds its liabilities, Guarantor is meeting its current liabilities as they mature, and Guarantor is and shall remain solvent; and (b) there are not now pending any court or administrative proceedings or undischarged judgments against Guarantor, no federal or state tax liens have been filed or threatened against Guarantor, and Guarantor is not in default or claimed default under any agreement;

6. **INTEREST AND APPLICATION OF PAYMENTS.** Regardless of any other provision of this Guarantee or other Loan Documents, if for any reason the effective interest on any of the Guaranteed Obligations should exceed the maximum lawful interest, the effective interest shall be deemed reduced to and shall be such maximum lawful interest, and any sums of interest which have been collected in excess of such maximum lawful interest shall be applied as a credit against the unpaid principal balance of the Guaranteed Obligations. Monies received from any source by Lender or its affiliates for application toward payment of the Guaranteed Obligations may be applied to such Guaranteed Obligations in any manner or order deemed appropriate by Lender and its affiliates.

7. **DEFAULT.** If any of the following events occur, a default ("Default") under this Guarantee shall exist: (a) failure of timely payment or performance of the Guaranteed Obligations or a default under any Loan Document that remains uncured after the applicable cure period, if any; (b) a material breach of any agreement or representation contained or referred to in this Guarantee; and/or (c) the death of, appointment of a guardian for, appointment of a receiver for, assignment for the benefit of creditors by, or the commencement of any insolvency or bankruptcy proceeding by or against Guarantor unless the executor, trustee, heir, receiver,

assignee, or other successor of Guarantor agrees in writing to be bound by the terms of this Guarantee.

If a Default occurs, the Guaranteed Obligations shall be due immediately and payable without notice, and Lender may exercise any rights and remedies as provided in this Guarantee and other Loan Documents, or as provided at law or equity.

8. **ATTORNEYS' FEES AND OTHER COSTS OF COLLECTION.** Guarantor shall pay all of Lender's reasonable expenses incurred to enforce or collect any of the Guaranteed Obligations, including, without limitation, reasonable arbitration, paralegals', attorneys' and experts' fees and expenses, whether incurred without the commencement of a suit, in any suit, arbitration, or administrative proceeding, or in any appellate or bankruptcy proceeding.

9. **SUBORDINATION OF OTHER DEBTS.** Guarantor agrees: (a) to subordinate the obligations, if any, now or hereafter owed by Company to Guarantor, except for compensation in the usual and ordinary course paid by Company to Guarantor ("Subordinated Debt") to any and all obligations of Company to Lender now or hereafter existing while this Guarantee is in effect; (b) to either place a legend indicating such subordination on every note, ledger page or other document evidencing any part of the Subordinated Debt or deliver such original documents to Lender; and (c) except as permitted by this paragraph, Guarantor will not request or accept payment of or any security for any part of the Subordinated Debt, and any proceeds of the Subordinated Debt paid to Guarantor, through error or otherwise, shall immediately be forwarded to Lender by Guarantor, properly endorsed to the order of Lender, to apply to the Guaranteed Obligations.

10. **NEGATIVE COVENANTS.** Guarantor agrees that from the date hereof and until final payment in full of the Guaranteed Obligations, unless Lender shall otherwise consent in writing, Guarantor will not: (a) default on any material contract with or obligation when due to a third party or default in the performance of any obligation to a third party incurred for money borrowed; (b) permit the assertion or making of any seizure, vesting or intervention by or under authority of any governmental entity of any assets of Guarantor; or (c) permit the entry of any monetary judgment or the assessment against, the filing of any tax lien against, or the issuance of any writ of garnishment or attachment against any of his/her property or debts due.

11. **JURISDICTION.** Any judicial proceeding against Guarantor brought by Lender with respect to any term, condition or breach of this Guarantee, or any other present or future agreement between Guarantor and Lender related to this Guarantee may be brought by Lender in a court of competent jurisdiction in the State of North Carolina, and, by execution and delivery of this Guarantee, Guarantor accepts for itself and in connection with its properties, generally and unconditionally, the nonexclusive jurisdiction of the aforesaid courts, and irrevocably agrees to be bound by any final judgment rendered thereby in connection with this Guarantee, or any other present and future agreement between Guarantor and Lender. Guarantor waives any bond or surety or security upon such bond or surety which might, but for this waiver, be required of Lender. Nothing contained in this section affects the right of Lender to bring any action or proceeding against Guarantor or its property in the courts of any other jurisdiction. Any judicial proceeding by Guarantor against Lender involving, directly or indirectly, any matter or claim in any way arising out of, related to or connected with this Guarantee, its actual or threatened

breach, or any other present or future agreement or other dispute of any nature between Lender and Guarantor related to this Guarantee, may be brought only in a North Carolina state court sitting in Wake County, North Carolina (and the appropriate appellate courts therefrom). Guarantor waives any objection to jurisdiction and venue of any action instituted hereunder or in connection herewith and may not assert any defense based on lack of jurisdiction or venue or based upon forum non conveniens. Lender or Guarantor may file an original counterpart or a copy of this agreement with any court as written evidence of the waivers and consents contained herein.

12. **MISCELLANEOUS.** (a) **Assignment.** This Guarantee and other Loan Documents shall inure to the benefit of and be binding upon the parties and their respective heirs, legal representatives, successors and permitted assigns. Lender may assign this Guarantee to any assignee of Lender's rights under the Note. Any assignment shall not release Guarantor from the Guaranteed Obligations. This Guarantee may not be assigned by any Guarantor without the express prior written consent of the Lender. (b) **Authorizations; No Conflicts; Absence of Litigation.** All governmental authorizations and actions necessary in connection with the execution and delivery by Guarantor of this Guarantee and the performance of his/her obligations hereunder have been obtained or performed and remain valid and in full force and effect; the execution, delivery and performance of this Guarantee do not (i) violate any law, rule, regulation, order, judgment or decree applicable to or binding on Guarantor; (ii) conflict with or contravene, or result in any breach of or constitute any default under, any agreement or instrument to which Guarantor is a party or by which Guarantor or any of his/her properties may be bound or affected; or (iii) require the consent of any person under any existing law or agreement which has not already been obtained. There is no pending or, to the best of Guarantor's knowledge, threatened action or proceeding affecting Guarantor before any court, governmental agency or arbitrator. (c) **Applicable Law.** This Guarantee shall be governed by and construed under the law of the State of North Carolina without regard to its conflict of laws principles. (d) **Severability.** If any provision of this Guarantee or of the other Loan Documents shall be prohibited or invalid under applicable law, such provision shall be ineffective but only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Guarantee or other Loan Documents. (e) **Notices.** Any notices to Guarantor or Lender shall be sufficiently given if in writing and mailed or delivered to such person's address shown above or such other address as such person may specify in writing from time to time. In the event that Guarantor changes Guarantor's address at any time prior to the date the Guaranteed Obligations are paid in full, Guarantor agrees to promptly give written notice of said change of address to Lender by registered or certified mail, return receipt requested, all charges prepaid. (f) **Plural; Captions.** All references in the Loan Documents to borrower, guarantor, person, document or other nouns of reference mean both the singular and plural form, as the case may be, and the term "person" shall mean any individual person or entity. The captions contained in the Loan Documents are inserted for convenience only and shall not affect the meaning or interpretation of the Loan Documents. (g) **Binding Contract.** Guarantor by execution of and Lender by acceptance of this Guarantee agree that each party is bound to all terms and provisions of this Guarantee. (h) **Nature of Guarantee.** The liability of Guarantor hereby is independent of the Guaranteed Obligations of Company pursuant to the Loan Documents and a separate action or separate actions may be brought and prosecuted against Guarantor, whether or not any action is brought or prosecuted against Company or

whether Company is joined in any such action or actions. (i) **Amendments, Waivers and Remedies.** No waivers, amendments or modifications of this Guarantee and other Loan Documents shall be valid unless in writing and signed by an officer of Lender and by Guarantor. No waiver by Lender of any Default shall operate as a waiver of any other Default or the same Default on a future occasion. Neither the failure nor any delay on the part of Lender in exercising any right, power, or privilege granted pursuant to this Guarantee and other Loan Documents shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise or the exercise of any other right, power or privilege. All remedies available to Lender with respect to this Guarantee and other Loan Documents and remedies available at law or in equity shall be cumulative and may be pursued concurrently or successively. (j) **LIMITATION ON LIABILITY; WAIVER OF PUNITIVE DAMAGES.** EACH OF THE PARTIES HERETO, INCLUDING LENDER BY ACCEPTANCE HEREOF, AGREES THAT IN ANY JUDICIAL, MEDIATION OR ARBITRATION PROCEEDING OR ANY CLAIM OR CONTROVERSY BETWEEN OR AMONG THEM THAT MAY ARISE OUT OF OR BE IN ANY WAY CONNECTED WITH THIS GUARANTEE, THE LOAN DOCUMENTS OR ANY OTHER AGREEMENT OR DOCUMENT BETWEEN OR AMONG THEM OR THE OBLIGATIONS EVIDENCED HEREBY OR RELATED HERETO, IN NO EVENT SHALL ANY PARTY HAVE A REMEDY OF, OR BE LIABLE TO THE OTHER FOR, (I) INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OR (II) PUNITIVE OR EXEMPLARY DAMAGES. EACH OF THE PARTIES HEREBY EXPRESSLY WAIVES ANY RIGHT OR CLAIM TO PUNITIVE OR EXEMPLARY DAMAGES THEY MAY HAVE OR WHICH MAY ARISE IN THE FUTURE IN CONNECTION WITH ANY SUCH PROCEEDING, CLAIM OR CONTROVERSY, WHETHER THE SAME IS RESOLVED BY ARBITRATION, MEDIATION, JUDICIALLY OR OTHERWISE. (k) **Final Agreement.** This Guarantee and the other Loan Documents represent the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

*[Signature Pages Follow]*



**IN WITNESS WHEREOF**, each Guarantor, on the day and year first written above, has caused this Guarantee to be executed under seal.

\_\_\_\_\_(SEAL)  
RICHARD MILLER  
[ADDRESS]  
[ADDRESS]

STATE OF NORTH CAROLINA

COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a Notary Public of the County and State  
aforesaid, certify that \_\_\_\_\_ personally came before me this day and that the  
foregoing Guarantee was signed by each of them.

WITNESS my hand and official stamp or seal, this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

Notary Public

My Commission Expires:

[NOTARY SEAL]

\_\_\_\_\_(SEAL)  
[\_\_\_\_\_]
[ADDRESS]
[ADDRESS]

STATE OF NORTH CAROLINA

COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a Notary Public of the County and State
aforesaid, certify that \_\_\_\_\_ personally came before me this day and that the
foregoing Guarantee was signed by each of them.

WITNESS my hand and official stamp or seal, this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

Notary Public

My Commission Expires:

[NOTARY SEAL]

\_\_\_\_\_(SEAL)  
[\_\_\_\_\_]
[ADDRESS]
[ADDRESS]

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Notary Public

My Commission Expires:

[NOTARY SEAL]

**Accepted and Agreed by:**

LENDER:

CRESCENT MEDIA GROUP LLC

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By: Donald W. Curtis  
Title: Manager

Address:  
3012 Highwoods Blvd., #201  
Raleigh, NC 27604  
Attention: Donald W. Curtis