

## PLEDGE AGREEMENT

**THIS AGREEMENT** made and entered into the \_\_\_\_day of [December 2023], by and between **James Ferguson**, 108 E. Lamartine St, Mt. Vernon, Ohio 43050, hereinafter referred to as the "Pledgor", and **Douglas C. Pricer**, hereinafter referred to as the "Pledgee".

### WITNESSETH

**WHEREAS**, the Pledgor has purchased eighty-four (84) class A voting shares of the common stock evidenced by certificate no. \_\_\_\_ (hereinafter referred to as the "Shares") that the Pledgee owns in WCLT Radio, Inc., an Ohio corporation, (hereinafter referred to as the "Corporation") by virtue of a certain Purchase Agreement of even date, which Purchase Agreement is hereinafter referred to as the "AGREEMENT", the terms of which are incorporated herein by reference; and

**WHEREAS**, the Pledgor is indebted to the Pledgee in the amount of Two Hundred Forty Seven Thousand Eight Hundred and 00/100 Dollars (\$247,800.00) as the unpaid consideration for the purchase of the stock purchased from the Pledgee, which amount is evidenced by a Promissory Note of the Pledgor of even date for such amount, which Promissory Note is hereinafter referred to as the "Promissory Note", the terms of which are incorporated herein by reference; and

**WHEREAS**, to induce the Pledgee to enter into the Agreement, the Pledgor has agreed to pledge the stock purchased from the Pledgee as security for the payment of the amount due under the Promissory Note and for all other obligations under this Agreement.

**NOW, THEREFORE**, in consideration of the covenants and agreements contained herein, the parties hereto agree as follows:

1. **Pledge.** In consideration of the sum of Two Hundred Forty Seven Thousand Eight Hundred and 00/100 Dollars (\$247,800.00) owed by the Pledgor to the Pledgee, evidenced by the Promissory Note of the Pledgor to the Pledgee for such amount, the Pledgor hereby grants a security interest to the Pledgee in the Shares and held in stock registered on the books of the Corporation as share certificate no. \_\_\_\_\_, and in any and all Cash Proceeds and Non-Cash Proceeds thereof (as those terms are defined in §1309.102, Ohio Revised Code), including any marketable securities, instruments or additional shares of stock of the Corporation acquired with respect to the pledged Shares by way of stock dividend or stock split or other form of corporate reorganization. The Pledgor appoints the Corporation's attorney to indicate on the corporate records of the Corporation that the above Shares have been pledged to the Pledgee, and to indicate on the corporate records of the Corporation that the Promissory Note has been fully satisfied and the Pledge Agreement released. This Pledge Agreement shall serve as security for the repayment of the amount due under the Promissory Note and for all obligations under this Pledge Agreement and shall not encumber or dispose of the Shares except in accordance with the provisions of Paragraph 8 of this Pledge Agreement. All pledged Shares shall be held by the Pledgee.

2. **Dividends.** So long as the Pledgor is not in default in the performance of any terms of this Pledge Agreement or in the payment of the principal or interest of the Promissory Note beyond any applicable thirty (30) day cure period, the Pledgor shall be entitled to receive

all of the dividends and other distributions of the Corporation allocated to Shares described in Paragraph 1 above being purchased by the Pledgor from the Pledgee.

3. **Voting Rights.** Notwithstanding anything to the contrary contained in this Agreement, Pledgor shall retain voting rights with respect to the pledged Shares in the event of and during the continuance of an Event of Default until such time as the consent of the Federal Communications Commission ("FCC") shall have been obtained to permit the transfer of control or assignment of such rights.

4. **Representations.** The Pledgor warrants and represents that (a) he is the legal owner of the Shares, free and clear of any lien, security interest or other encumbrance except for the security interest created by this Pledge Agreement; (b) there are no restrictions on the transfer of any of the pledged Shares, other than may appear on the face of the certificates, and that the Pledgor has the right to transfer the Shares free of any encumbrances and without obtaining the consent of the other shareholders; (c) his name set forth in the introductory paragraph is his exact legal name; (d) the collateral pledged is used by Pledgor primarily for business purposes and not for personal, family or household purposes; and (e) Pledgor's mailing address is as follows: 135 Kerry Court, Granville, Ohio 43023.

5. **Adjustments.** In the event that, during the term of this Pledge Agreement, any share dividend, reclassification, readjustment, or other change is declared or made in the capital structure of Corporation which has issued the pledged Shares, all new, substituted, and additional Shares or other securities issued by reason of any change shall be deemed to be "Proceeds" of the pledged Shares (as that term is defined in §1309.102, Ohio Revised Code), subject to the security interest granted hereby and held by the Pledgee under the terms of this Pledge Agreement and in the same manner as the Shares originally pledged hereunder.

6. **Payment of Promissory Note.** Upon payment at maturity of the principal and interest of the Promissory Note, less amounts theretofore received and applied by the Pledgee in reduction thereof, the Pledgee shall deliver possession to the Pledgor all of the pledged Shares free and clear of all rights received by the Pledgee as a result of his secured interest. The entire unpaid balance of the Promissory Note shall be deemed fully satisfied immediately upon Pledgee's death.

7. **Incorporation by Reference.** The Agreement between the Pledgor and the Pledgee and all the terms and conditions, representations, warranties and restrictions contained therein, and all the terms and conditions of the Promissory Note are hereby incorporated by reference and made a part hereof as if fully rewritten herein.

8. **Default.** In the event that the Pledgor defaults (1) in the performance of any of the non-monetary terms of this Pledge Agreement, the Agreement or the Promissory Note and such default is not corrected within thirty (30) days after receipt by the Pledgor of written notice from the Pledgee of such default, or (2) in the payment of the principal and interest due under the Promissory Note beyond the applicable thirty (30) day cure period (each an "Event of Default"), then, in either event, the Pledgee shall be entitled to the pledged Shares in accordance with the provisions of this Agreement. In this connection the Pledgee may, subject to Section 11(b) below, upon thirty (30) days' notice to the Pledgor sent by Certified Mail, and without liability for any diminution in price which may have occurred, notify Pledgor that following receipt of

FCC staff consent Pledgor shall sell, in a public or private sale, all the pledged Shares in the manner and for the price as the Pledgee may determine provided Pledgee submits a “credit bid” at such sale in an amount not less than the indebtedness owing under the Promissory Note. At any bona fide public sale, the Pledgee shall be free to purchase all or any part of the pledged Shares for such credit bid or a greater bid. Out of the proceeds of any sale the Pledgee may retain an amount equal to the principal and interest then due on the Promissory Note, plus the amount of the expenses of the sale, and shall pay any balance of such proceeds of any sale to the Pledgor. In the event that the proceeds of any sale are insufficient to cover the principal and interest of the Promissory Note plus expenses of the sale, the Pledgor shall remain personally liable to the Pledgee for any deficiencies and the Pledgee shall be free to take legal action to collect such deficiency. Pledgee shall have the right, but not the obligation to accept any collateral pledged hereunder in full or partial satisfaction of the obligations secured hereby.

9. **Assignment.** The Pledgee may, without consent but with notice to the Pledgor, assign his rights hereunder to any third party as well as his rights under the Promissory Note including to any personal Trust Agreement. In such event, each and every immediate and successive assignee or transferee shall be bound by the terms hereof and shall have the right to enforce this Pledge Agreement by legal action or otherwise, for its own benefit as fully as if such assignee or transferee were herein by name specifically given such rights. If the successive assignee or transferee has a different mailing address or taxpayer identification number than Douglas C. Pricer, the successive assignee or transferee shall promptly provide Pledgor an IRS Form W-9 and shall have an on-going obligation to promptly update Pledgor to the extent the address or taxpayer identification number of Pledgee changes.

10. **Security Agreement.** This Pledge Agreement is intended to be a security agreement under the Uniform Commercial Code as adopted in Ohio, and in addition to any rights specifically set forth in this Pledge Agreement, Pledgee shall have all rights of a secured creditor under the Ohio Uniform Commercial Code as in effect from time to time. Pledgor hereby authorizes Pledgee at any time and from time to time to file any initial financing statement, amendments thereto, and continuation statements, with or without the signature of Pledgor, as authorized by applicable law, as applicable to any of the collateral for which a security interest is granted pursuant to this Pledge Agreement. For the avoidance of doubt, the parties acknowledge no security interest is being granted or taken in any FCC license.

11. **FCC Compliance; Remedies**

(a) Notwithstanding any other provision of this Agreement, any foreclosure on, sale, transfer or other disposition of, or the exercise of any right to vote or consent with respect to, any of the pledged Shares as provided herein or any other action taken or proposed to be taken by the Pledgee hereunder which would affect the operational, voting or other control of the Corporation shall be made in accordance with the Communications Act of 1934, as amended, to the extent applicable, the terms of the FCC licenses and any other applicable law and other applicable rules and regulations.

(b) Upon Event of Default, the Shares shall be assigned to a court appointed receiver and the Shares, 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 Ohio. The 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, the Pledgee may bid for and purchase for its own account, including "credit bid" for the cancellation of debt under the Promissory Note or otherwise, all or any part of the Shares so sold or assigned free from any such right or equity of redemption.

The Pledgor shall fully and timely cooperate with the Pledgee in filing with the FCC an application for consent to assignment or transfer of control of the licensee. Such cooperation shall include providing the Pledgee 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 the Pledgor to the Pledgee of the Pledgee's reasonable costs, including attorneys' fees.

After obtaining any required consents from the FCC, and upon completion of the sale, the Pledgee and/or the court-appointed receiver shall deliver the Shares, or any portion thereof, to the purchaser or purchasers thereof. The proceeds of any such sale, after first deducting all expenses incurred by the Pledgee in holding and preparing the Shares or any interest or part thereof for disposition, in arranging for the sale and obtaining consent thereto by the FCC, and its reasonable attorneys' fees and legal expenses, shall be applied to payment of the Pledgor's obligations under the Promissory Note and any excess proceeds shall be paid to the Pledgor who shall also receive any Shares remaining unsold. The 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 the Pledgee 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.

(c) The Pledgor acknowledges that consent of the FCC for transfer of control of the FCC licenses of the Corporation is integral to the Pledgee's realization of the value of the pledged Shares, that there is no adequate remedy at law for failure by the Pledgor to comply with the provisions of this Section and that such failure would not be adequately compensable in damages, and therefore agrees that the agreements contained in this Section may be specifically enforced.

(d) Notwithstanding anything to the contrary contained in this Agreement, or the Promissory Note or in any other related instrument, the Pledgee shall not, without first obtaining the consent or approval of the FCC, take any action pursuant to this Agreement which would constitute or result in any change of control of the Corporation (including without limitation voting control even in the Event of Default) if any such change in control would require, under then existing law, the prior approval of the FCC.

(e) Notwithstanding anything herein to the contrary, prior to the occurrence of an Event of Default and the consent of the FCC to the transfer of control of the Corporation, this Agreement and the Promissory Note and the transactions contemplated hereby and thereby do not and will not constitute, create, or have the effect of constituting or creating, directly or

indirectly, actual or practical ownership of the Corporation by the Pledgee or control, affirmative or negative, direct or indirect, by the Pledgee over the management or any other aspect of the operation of the Corporation, which ownership and control remain exclusively and at all times in the Pledgor to the fullest extent of Pledgor's [§] % interest in the Corporation.

**IN WITNESS WHEREOF**, the parties have hereunto executed this Pledge Agreement the date and year first set forth above.

**PLEDGOR:**

\_\_\_\_\_  
James Ferguson

**PLEDGEE:**

\_\_\_\_\_  
Douglas C. Pricer

This instrument prepared by:  
C. Arthur Morrow, Attorney at Law  
Morrow & Erhard Co., L.P.A.  
Ten West Locust St., P.O. Box 487  
Newark, Ohio 43058-0487  
Telephone: (740) 349-7262  
322-0000 CAM/tl 04/27/2023