

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this “**Agreement**”) is made and entered into as of March 20, 2024, by and among Salem Communications Holding Corporation, an Ohio corporation (“**SCHC**”), Salem Media of Hawaii, Inc., a Delaware corporation (“**SMH**”), Reach Satellite Network, Inc., a Tennessee corporation (“**Reach**”), and Salem Radio Properties, Inc., a Delaware corporation (“**SRP**”, and collectively with SCHC, SMH, and Reach, “**Seller**”), Educational Media Foundation, a California non-profit religious corporation (“**Buyer**”), and Jorgenson Broadcast Brokerage, Inc. (“**Escrow Agent**”).

WITNESSETH:

WHEREAS, Seller and Buyer have entered into a certain Asset Purchase Agreement of even date herewith (the “**Purchase Agreement**”), under which Seller will assign and otherwise convey to Buyer certain of the of the assets used exclusively in the broadcast operations of radio stations KAIM-FM, Honolulu, Hawaii (FCC Facility Id. 10950)(“**KAIM**”), WFFH (FM), Smyrna, Tennessee (FCC Facility Id.69347)(“**WFFH**”), WFFI, Kingston Springs, Tennessee (FCC Facility Id.18714)(“**WFFI**”), and WBOZ, Woodbury, Tennessee (FCC Facility Id. 15531)(“**WBOZ**”, and together with KAIM, WFFH and WFFI, the “**Stations**” and each a “**Station**”), including, but not limited to, the licenses, permits, and other authorizations issued by the Federal Communications Commission (“**FCC**”); and

WHEREAS, Seller and Buyer desire that Escrow Agent serve as escrow agent for certain monies to be held to secure Buyer’s performance under the Purchase Agreement, and Escrow Agent is willing to do so, all upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, on the basis of the mutual promises and covenants set forth herein, it is agreed as follows:

Article I. Appointment of Escrow Agent and Delivery of Escrow Deposit

1.1 Buyer and Seller hereby appoint the Escrow Agent as their escrow agent for the purposes set forth herein, and the Escrow Agent hereby accepts such appointment under the terms and conditions set forth herein.

1.2 On or before the third (3rd) business day following the execution of the Purchase Agreement, Buyer will deliver to Escrow Agent the amount of Three Hundred Fifty Thousand Dollars (\$350,000.00) (the “**Escrow Deposit**”) by wire transfer of funds.

1.3 The Escrow Deposit, together with any interest thereon, shall be held as security on the terms and subject to the limitations set forth herein for the performance of Buyer’s obligations pursuant to the Purchase Agreement, and shall be released by Escrow Agent in accordance with the terms and conditions hereinafter set forth.

Article II. Maintenance and Distribution of Escrow Deposit

2.1 The Escrow Deposit shall be invested by Escrow Agent in a separate account (the “**Escrow Account**”) in obligations of the United States (or its agencies) or any money market account or fund investing solely in such obligations, provided that no investment shall have a maturity of more than thirty (30) days unless specifically agreed to by Buyer and Seller. The Escrow Account is to be deposited with Wells Fargo Bank and insured, subject to the applicable rules and regulations of the Federal Deposit Insurance Corporation. All interest earned on the Escrow Deposit shall become part of the Escrow Account, subject to the disbursement instructions for such interest set forth in Sections 2.2 through 2.6. Buyer shall provide its federal tax identification number to Escrow Agent and authorizes Escrow Agent to file appropriate reports of interest earned on the Escrow Deposit with the Internal Revenue Service.

2.2 At the time and place of the Closing under the Purchase Agreement, and simultaneously with the performance by Buyer and Seller of their respective obligations under the Purchase Agreement, if the condition in Section 9.9 of the Purchase Agreement has been satisfied Buyer and Seller shall instruct Escrow Agent to pay the Escrow Deposit by wire transfer to Seller in partial payment of the Purchase Price as contemplated by the Purchase Agreement, and to return any interest accrued thereon (less any fees incurred pursuant to Section 3.8) to Buyer. If at the time and place of Closing under the Purchase Agreement the condition of Section 9.9 has not been satisfied, then Escrow Agent shall retain the Escrow Deposit until such condition has been satisfied, and at that time Buyer and Seller shall instruct Escrow Agent to pay the Escrow Deposit by wire transfer to Seller and to return any interest accrued thereon (less any fees incurred pursuant to Section 3.8) to Buyer.

2.3 On the thirtieth (30th) day after Escrow Agent’s receipt of written notice from Seller (with evidence of service of such notice on Buyer) that the Purchase Agreement has been terminated pursuant to Section 12.1(b) of the Purchase Agreement (“**Seller’s Notice**”), Escrow Agent shall deliver the Escrow Deposit, together with any interest earned thereon less any fees incurred pursuant to Section 3.8, to Seller by wire transfer; *provided, however*, that Escrow Agent shall make no such payment if, prior to the expiration of the aforesaid 30-day period, Buyer has provided notice to Escrow Agent and Seller of its countervailing claim to the Escrow Deposit or otherwise claims that Seller is not entitled to the Escrow Deposit by reason of Seller’s material breach of the Purchase Agreement (“**Buyer’s Rebuttal Notice**”).

2.4 On the thirtieth (30th) day after Escrow Agent’s receipt of written notice from Buyer (with evidence of service of such notice on Seller) that the Purchase Agreement has been terminated other than pursuant to Section 12.1(b) of the Purchase Agreement (“**Buyer’s Notice**”), Escrow Agent shall deliver the Escrow Deposit, plus any interest earned thereon less any fees incurred pursuant to Section 3.8, to Buyer by certified or bank cashier’s check or wire transfer; *provided, however*, that Escrow Agent shall make no such payment if Seller, prior to the expiration of the aforesaid 30-day period, has provided notice to Escrow Agent and Buyer of its countervailing claim to the Escrow Deposit or otherwise claims that Buyer is not entitled to the Escrow Deposit by reason of Buyer’s material breach of the Purchase Agreement (“**Seller’s Rebuttal Notice**”).

2.5 After timely receipt by Escrow Agent of Seller's Rebuttal Notice or Buyer's Rebuttal Notice, Escrow Agent shall not deliver the Escrow Deposit until such time as Escrow Agent receives: (a) a written agreement signed by Seller and Buyer providing instructions as to the disposition of the Escrow Deposit, or (b) a certified copy of a court order or judgment from a court of competent jurisdiction that has become final (meaning that the order or judgment is no longer subject to appeal to or review by a court of competent jurisdiction) with respect to the disposition of the Escrow Deposit. Escrow Agent shall deliver the Escrow Deposit in accordance with said agreement, order or judgment. Except as otherwise provided in the joint instructions of Buyer and Seller or a court order, all interest earned on the Escrow Deposit (less any fees incurred pursuant to Section 3.8) in all events shall be delivered to Buyer. Notwithstanding the foregoing, after receipt by Escrow Agent of Seller's Rebuttal Notice or Buyer's Rebuttal Notice, Escrow Agent may: (a) deposit the Escrow Deposit with any court that has properly assumed jurisdiction of any dispute hereunder, or (b) commence an action in interpleader in any court of competent jurisdiction and deposit the Escrow Deposit and any interest earned thereon with such court.

2.6 Notwithstanding any other provision of this Escrow Agreement, Escrow Agent shall, upon receipt of written instructions signed by Seller and Buyer, deliver the Escrow Deposit to the party or parties named in such instruction. Unless otherwise provided in such instruction, interest earned on the Escrow Deposit (less any fees incurred pursuant to Section 3.8) shall be delivered to Buyer.

Article III. General Provisions

3.1 This Escrow Agreement shall become effective as of the date hereof and shall continue in force until the final delivery of the Escrow Deposit and any interest earned thereon by Escrow Agent pursuant to the terms of this Escrow Agreement. This Agreement shall then terminate and Escrow Agent shall be discharged of all responsibility hereunder.

3.2 All notices, requests, claims, demands, and other communications hereunder shall be in writing and shall be deemed duly given (a) on the date of delivery if delivered personally, (b) on the first (1st) business day following the date of dispatch if delivered utilizing a next-day service by a recognized overnight courier or (c) on the earlier of confirmed receipt or the fifth (5th) business day following the date of mailing if delivered by registered or certified mail, return receipt requested, postage prepaid. All notices hereunder shall be delivered to the addresses set forth below, or pursuant to such other instructions as may be designated in writing by the party to receive such notice:

If to Buyer:

Educational Media Foundation
2000 Mallory Lane, Suite 130-388
Franklin, TN 37067-8231
Attention: Todd Woods
Email: TWoods@klovair1.com

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

Paige Fronabarger, Esq.
Wilkinson, Barker, Knauer LLP
1800 M Street, NW, Suite 800N
Washington, DC 20036
Email: pfronabarger@wbklaw.com

If to Seller:

Salem Communications Holding Corporation
4880 Santa Rosa Road
Camarillo, CA 93012
Attention: Christopher J. Henderson, Executive Vice President
Email: chrish@salemmedia.com

If to Escrow Agent:

Mark Jorgenson
Jorgenson Broadcast Brokerage, Inc.
275 Long Lane Farm Road
Tryon, NC 28782
Email: goradiotv@windstream.net

3.3 In no event shall Escrow Agent be liable for any act or failure to act under the provisions of this Escrow Agreement, except where its acts are the result of its own gross negligence or willful misconduct. Escrow Agent shall have no duties except those that are expressly set forth herein, and it shall not be bound by any notice of a claim or demand with respect thereto, or any waiver, modification, amendment, termination, or rescission of this Escrow Agreement, unless in writing received by it and signed by Buyer and Seller. No right, duty, or obligations of Escrow Agent hereunder shall be changed or modified without Escrow Agent's prior written consent.

3.4 Escrow Agent shall be protected in acting upon any written notice, request, waiver, consent, receipt, or other paper or document furnished to it in connection herewith, not only as to its due execution and the validity and effectiveness of its provisions, but also as to the truth and acceptability of any information therein contained that it reasonably believes to be genuine and what it purports to be.

3.5 In the event that Escrow Agent shall find it necessary to consult with counsel of its own choosing in connection with this Escrow Agreement, Escrow Agent shall not incur any liability for any action taken in accordance with such advice. Buyer and Seller, jointly and severally, shall indemnify and hold harmless Escrow Agent for any liability, loss, claim, or damage incurred by Escrow Agent in connection with this Escrow Agreement, including any claims by third parties, unless such liability, loss, claim, or damage is a result of Escrow Agent's own gross negligence or willful misconduct. This indemnification shall survive termination of this Escrow

Agreement.

3.6 Escrow Agent may resign at any time by giving a minimum of thirty (30) days prior written notice of resignation to both Buyer and Seller, such resignation to be effective on the date specified in such notice. Any assets held by Escrow Agent under the terms of this Escrow Agreement as of the effective date of the resignation shall be delivered to a Successor Escrow Agent designated in writing by both Buyer and Seller.

3.7 Escrow Agent is not a party to, and is not bound by, any agreement that may be evidenced by, or arise out, the foregoing instructions, other than as expressly set forth herein. In the event that any of the terms and provisions of any other agreement (excluding any amendment to this Escrow Agreement) between any of the parties hereto, conflict or are inconsistent with any of the provisions of this Escrow Agreement, the terms and provisions of this Escrow Agreement shall govern and control in all respects.

3.8 Escrow Agent shall be entitled to deduct from the Escrow Deposit any bank fees imposed and to reimbursement for any reasonable out-of-pocket expenses it incurs for acting as Escrow Agent. Buyer and Seller agree that Escrow Agent may authorize the withdrawal of such bank fees, withdraw the amount of such out-of-pocket expenses or deduct them from distributions of the Escrow Deposit made pursuant to Article II; *provided, however*, that such fees and expenses shall not exceed the interest earned upon the Escrow Deposit unless agreed by both Buyer and Seller.

3.9 In the event that Buyer or Seller files a lawsuit or institutes other formal legal action against the other (including any counterclaim to a lawsuit filed by the other party) to enforce its right to the Escrow Deposit and any interest earned thereon under this Agreement, the prevailing party shall be reimbursed by the other party (either Seller or Buyer, as the case may be) for all expenses incurred therewith, including reasonable attorneys' fees.

3.10 Capitalized terms used herein and not defined herein or otherwise conventionally capitalized shall have the meanings ascribed thereto in the Purchase Agreement.

3.11 This Escrow Agreement shall be binding upon and inure to the benefit of the parties, their successors, and assigns.

3.12 This Escrow Agreement sets forth the entire agreement between Seller, Buyer, and Escrow Agent and supersedes any and all prior and contemporaneous agreements and understandings with respect to the escrow of funds under the Purchase Agreement.

3.13 The construction and performance of this Escrow Agreement shall be governed by the laws of the State of Tennessee without giving effect to the choice of law provisions thereof.

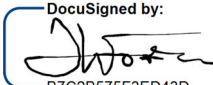
3.14 This Escrow Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.

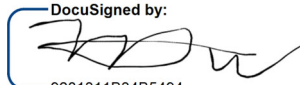
3.15 All signatories to this Escrow Agreement warrant that they have full and complete authority to enter into this Escrow Agreement and to sign this Escrow Agreement on behalf of themselves and/or the entity on whose behalf they are signing.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above set forth.

EDUCATIONAL MEDIA FOUNDATION

By: 
DocuSigned by:
B7C2B675F3ED43D...
Name: Todd Woods
Title: Chief Executive Officer

By: 
DocuSigned by:
9281311B34B5494...
Name: Matt Reynolds
Title: Chief Financial Officer

SALEM COMMUNICATIONS HOLDING CORPORATION
SALEM MEDIA OF HAWAII, INC.
REACH SATELLITE NETWORK, INC.
SALEM RADIO PROPERTIES, INC.

By: _____
Name: Christopher J. Henderson
Title: Executive Vice President

JORGENSEN BROADCAST BROKERAGE, INC.

By: _____
Name: Mark Jorgenson

SIGNATURE PAGE TO SALEM-EMF KAIM, ETC. ESCROW AGREEMENT

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EDUCATIONAL MEDIA FOUNDATION

By: _____
Name: Todd Woods
Title: Chief Executive Officer

By: _____
Name: Matt Reynolds
Title: Chief Financial Officer

**SALEM COMMUNICATIONS HOLDING CORPORATION
SALEM MEDIA OF HAWAII, INC.
REACH SATELLITE NETWORK, INC.
SALEM RADIO PROPERTIES, INC.**

By: Christopher Henderson
Name: Christopher J. Henderson
Title: Executive Vice President

JORGENSEN BROADCAST BROKERAGE, INC.

By: Mark Jorgenson
Name: Mark Jorgenson