

## EXECUTION

### ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this “Agreement”) dated December 6, 2021 is by and between ADAMS RADIO OF DELMARVA PENINSULA, LLC, a Delaware limited liability company (the “Seller”) and WBOC, INC., a Delaware corporation (“Buyer”). Seller and Buyer are sometimes referred to herein as the “Parties” and each as a “Party.”

### R E C I T A L S:

A. Seller is the licensee of and owns, leases and operates certain assets used in connection with the business and operations of the following radio station and FM Translators (the “Stations”):

<u>Station</u>	<u>FCC Facility No.</u>	<u>Community of License</u>
WOCQ(FM) 103.9	47107	Berlin, Maryland
W282AW(FMTX) 104.3	152275	Salisbury, Maryland
W286BB(FMTX) 105.1	150318	Ocean Pines, Maryland

B. Seller desires to convey, and Buyer wishes to acquire, the assets of Seller associated with the operations of the Stations on the terms and conditions hereinafter set forth.

### A G R E E M E N T S:

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

#### Section 1: DEFINITIONS

1.1 Terms Defined in this Section. The following terms, as used in this Agreement, have the meanings set forth in this Section:

“Action” means, for any Person, any action, counterclaim, suit, litigation, arbitration, governmental investigation or other legal, administrative or Tax proceeding, or Judgment, claim, or complaint by or against such Person, excluding any litigation affecting the radio broadcasting industry generally in which such Person is not a named party, and any rule-making proceedings.

“Affiliate” of a Person means any Person, which directly or indirectly controls, is controlled by or is under common control with, such Person. The term “control” (including, with correlative meaning, the terms “controlled by” and “under common control with”), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

“Assets” means substantially all of the tangible and intangible property of Seller used or useful in the operation of the Stations, including the FCC Licenses, Licenses, Assumed Contracts, Intellectual Property, Books and Records, proprietary information, technical information and data, equipment and other warranties, computer drives and disks, blueprints, schematics, working drawings, plans, projections, engineering records, and other intangible assets of Seller relating to the Business or the Stations, including filings with the FCC relating to the Business and operation of the Stations and the goodwill of the Stations, if any; *provided, however*, that the Assets shall exclude the Excluded Assets. The Assets do not include any Real Property.

“Assignment Application” means the application filed jointly by Seller and Buyer with the FCC relating to the assignment of the FCC Licenses by Seller to Buyer in the manner contemplated by this Agreement.

“Assumed Contracts” means (i) all Contracts listed in Schedule 3.7 except any that are specifically designated by Buyer as comprising Excluded Assets, (ii) any Contracts entered into by Seller in the ordinary course of business between the date hereof and the Closing Date pursuant to Section 5.1(f) or that Buyer otherwise specifically agrees in writing to assume, and (iii) time sales contracts entered into by Seller in compliance with Section 5.1(f).

“Books and Records” means all of the books and records of Seller related to the Business or the operation of the Stations (other than any included in the Excluded Assets).

“Business” means the business and operations of Seller relating to the Stations.

“Business Day” means any day of the year on which banks are not required or authorized to be closed in the State of Delaware.

“Closing” means the consummation of the transactions contemplated by this Agreement, including the assignment, transfer, conveyance and delivery of the Assets and the Purchase Price as contemplated hereunder.

“Closing Date” means the actual date of Closing, to be set by Buyer on the first day of the month following the earliest date that is (i) at least one (1) Business Day after the FCC Consent is granted, and (ii) at least ten (10) Business Days following the date (x) upon which the FCC Consent becomes a Final Order; or (y) Buyer waives its right to require a Final Order, subject to satisfaction or waiver of all other conditions precedent to the holding of the Closing.

“Code” means the Internal Revenue Code of 1986, as amended.

“Communications Act” means the Communications Act of 1934, as amended.

“Compensation Arrangement” means any plan or compensation arrangement other than an Employee Plan, whether written or unwritten, which provides to Employees, former Employees, officers, directors and partners of Seller or any entity related to Seller (under the terms of Sections 414(b), (c), (m) or (o) of the Code), any compensation or other benefits, whether deferred or not, in excess of base salary, sales commissions or wages (excluding overtime pay), including any bonus or incentive plan, stock rights plan, deferred compensation

arrangement, life insurance, stock purchase plan, severance pay plan and any other employee fringe benefit plan.

“Consents” means the consents, permits or approvals of Government Authorities and other third parties required by Seller to assign the Assets to Buyer or otherwise for Seller to consummate the transactions contemplated hereby.

“Contracts” means the leases, contracts, commitments, understandings and agreements whether written or oral (including any amendments and other modifications thereto), to which Seller is a party or which are binding upon Seller and which relate to the Assets or the business or operations of the Stations.

“Due Diligence Period” means the period of ninety (90) days starting on the date of this Agreement.

“Employee Plan” means any pension, retirement, profit-sharing, deferred compensation, vacation, severance, bonus, incentive, medical, vision, dental, disability, life insurance or other employee benefit plan as defined in Section 3(3) of ERISA to which either of the Seller or any entity related to Seller (under the terms of Sections 414 (b), (c), (m) or (o) of the Code) contributes or which either of Seller or any entity related to Seller (under the terms of Sections 414 (b), (c), (m) or (o) of the Code) sponsors or maintains, or by which Seller or any such entity is otherwise bound.

“Employees” means the persons employed by Seller on a full or part-time basis with respect to the Business.

“Enforceability Exceptions” means the exceptions or limitations to the enforceability of contracts under (1) the laws of bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting creditors’ rights generally; and (2) the order of any court applying general principles of equity.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“Excluded Assets” means (i) all cash and cash equivalents of Seller, (ii) all Receivables, (iii) all refunds or credits (including interest thereon or claims therefrom) of Taxes paid by Seller prior to the Closing Date, (iv) all refunds of premiums paid on, and rights and claims under, insurance policies relating to events occurring prior to the Closing Date, (v) bonds, letters of credit, surety instruments and other similar items (other than amounts posted by parties to Assumed Contracts as deposits or other security held by Seller), (vi) Seller’s corporate and tax records and the account books of original entry, general ledger and financial records used in connection with the Stations (*provided* that Seller shall provide Buyer with a copy of any such records related to the Business that Buyer shall reasonably request), (vii) Seller’s Employee Plans, Compensation Arrangements, insurance Contracts and other Contracts except for those Contracts that are included in the Assumed Contracts; (viii) the STL equipment for the Stations or the tower on which the STL equipment is located; (ix) Seller’s rights under the lease of the studio or the tower used by Seller at the studio location; and (x) such additional assets as are specified as excluded in Schedule 3.5 hereto.

“FCC” means the Federal Communications Commission.

“FCC Consent” means action by the FCC granting its consent to the assignment of the FCC Licenses by Seller to Buyer as contemplated by this Agreement.

“FCC Licenses” means the Licenses (including auxiliary facilities) issued or granted to Seller by the FCC, all as set forth on Schedule 3.6.

“Final Order” means the FCC Consent that has not been reversed, stayed, enjoined, set aside, annulled or suspended, and with respect to which no requests or applications are pending for administrative or judicial review, reconsideration, appeal or stay, and the time for filing any such request or application and the time for the FCC to set aside the action on its own motion have expired.

“GAAP” means generally accepted accounting principles as currently in effect.

“Governmental Authority” means any court or any federal, state, county, local or foreign governmental, legislative or regulatory body, agency, department, authority, instrumentality or other subdivision thereof, including the FCC.

“Intellectual Property” means all trademarks, service marks, trade names, copyrights, licenses, web sites, social media sites, email accounts, domain names, HTML content located and publicly accessible from those domain names, the “visitor” email database for those sites and other intellectual property rights applied for, issued to, or owned by Seller or under which Seller is licensed or franchised and which are used or useful in the Business or the operation of the Stations, together with any additions thereto between the date of this Agreement and the Closing Date.

“Judgment” means any judgment, writ, order, injunction, determination, award or decree of or by any court, judge, justice or magistrate, including any bankruptcy court or judge, and any order of or by a Governmental Authority.

“knowledge” or “to the knowledge” of a Party (or similar phrases) means actual knowledge of a fact, or constructive knowledge if a reasonably prudent person in a like position would have known or should have known the fact.

“Legal Requirement” means any statute, ordinance, code, law, rule, regulation, permit or permit condition, Judgment, or other requirement, standard or procedure enacted, adopted or applied by any Governmental Authority.

“Liabilities” means claims, obligations, commitments or liabilities of a Person of any nature, absolute, accrued, contingent or otherwise, known or unknown, whether matured or unmatured.

“Licenses” means all licenses, permits, registrations and other authorizations issued by the FCC, the Federal Aviation Administration, or any other federal, state, or local Governmental Authorities to Seller in connection with the conduct of the Business or operations of the Stations,

together with any pending applications therefor and any additions, renewals, extensions or modifications thereto between the date of this Agreement and the Closing Date.

“Lien” means any lien, pledge, charge, easement, security interest, mortgage, deed of trust, right-of-way or other encumbrance.

“Material Adverse Effect” means any event, circumstance or condition that, individually or when aggregated with all other similar events, circumstances or conditions, would reasonably be expected to have a material adverse effect on: (i) with respect to Seller, the property, operations or condition of the Stations, or the ability of Seller to consummate the transactions contemplated by this Agreement, and (ii) with respect to Buyer, the ability of Buyer to consummate the transactions contemplated by this Agreement; *provided, however*, that Material Adverse Effect shall not include any effect arising out of or resulting from (x) general economic, financial, competitive or market conditions, (y) changes affecting the radio broadcasting industry generally, or (z) new or changed legislation, rules or regulations imposed or adopted by Governmental Authorities.

“Permitted Liens” means: (i) statutory landlord’s liens and liens for current Taxes not yet due and payable (or being contested in good faith); (ii) zoning laws and ordinances and similar Legal Requirements; or (iii) mechanics or materialman’s and similar liens incurred in the ordinary course of business, or (iv) with respect to any leased asset, the rights of the lessor therein.

“Person” means any person or entity, whether an individual, trustee, corporation, general partnership, limited partnership, trust, unincorporated organization, business association, firm, joint venture or Governmental Authority.

“Real Property” means all real property and interests in real property, including fee estates, leaseholds and subleaseholds, purchase options, easements, licenses, rights to access, and rights of way, and all buildings, other improvements or fixtures located thereon, and all other real property interests that are used or useful in the Business or the operation of the Stations, together with any additions thereto between the date of this Agreement and the Closing Date.

“Receivables” means all promissory notes or other similar obligations payable to Seller, and all accounts receivable and other receivables of Seller relating to or arising out of the operation of the Stations prior to or on the Closing Date.

“Taxes” means any taxes, charges, fees, levies or other assessments, including income, excise, use, transfer, payroll, occupancy, property, sales, franchise, unemployment and withholding taxes, penalties and interest imposed by the United States or any state, county, local or foreign government or subdivision or agency thereof.

1.2 Clarifications. Words used in this Agreement, regardless of the gender and number specifically used, shall be construed to include any other gender and any other number as the context requires. As used herein, “including” is not limiting, and “or” is both conjunctive and disjunctive. Headings used herein are for convenience only and are not intended to affect the meaning or interpretation hereof.

## Section 2: PURCHASE OF ASSETS

2.1 Agreement to Sell and Buy. Subject to the terms and upon satisfaction of the conditions contained in this Agreement, at the Closing, Seller shall sell, convey, transfer, assign and deliver to Buyer all of Seller's right, title and interest in and to the Assets, and Buyer shall purchase, acquire and accept from Seller all of Seller's right, title and interest in and to the Assets, free and clear of all Liens other than Permitted Liens.

### 2.2 Purchase Price.

(a) The purchase price for the Assets shall be Five Hundred and Fifty Thousand Dollars (\$550,000) (the "Purchase Price"), as adjusted preliminarily as of Closing and finalized subsequent to Closing pursuant to Section 2.3. The preliminarily adjusted Purchase Price payable by Buyer on the Closing Date (the "Closing Cash Payment") shall be paid by Buyer at the Closing by wire transfer of immediately available funds to Seller or another designee of Seller and to an account thereof designated in writing by Seller.

### 2.3 Adjustments and Prorations.

(a) Subject to the terms of this Agreement, all revenues and all expenses (other than payroll expenses) arising from the Business prior to or on the Closing Date, including prepaid advertising, business and license fees, utility charges, personal property Taxes and assessments levied against the Assets, applicable copyright or other fees (including program license payments), sales and service charges, Taxes (except for Taxes arising from the transfer of the Assets hereunder), annual regulatory fees, amounts owing in respect of unlicensed software, music license fees and similar prepaid and deferred items, shall be prorated between Seller and Buyer in accordance with GAAP and subject to the general principle that Seller shall receive the benefit of all revenues, and be responsible for all costs, expenses and Liabilities, allocable to the Stations for the period prior to or on the Closing Date, and Buyer shall receive the benefit of all revenues, and be responsible for all costs, expenses and Liabilities, allocable to the Stations after the Closing Date, including that Seller shall receive a credit for all prepaid expenses incurred by Seller relating to the Stations and the period after the Closing Date. All payroll expenses (wages and commissions, and accrued paid time off, vacation pay, accrued incentive pay or any other similar employee benefit obligations) owed by Seller to any Employee as of the Closing (even if, under Seller's normal practices, such payment would not be made by Seller to an employee until a date following the Closing) shall be paid by Seller to each Employee at or before Closing, such that no proration of such expenses or applicable payroll taxes shall be necessary.

(b) Seller shall prepare and submit to Buyer, not later than five (5) Business Days prior to the Closing Date, a written good faith estimate of the adjustments and prorations set forth in subsection (a) above (the "Adjustments") in accordance with this Section 2.3, along with Seller's estimate of the purchase price resulting from the Adjustments ("Seller's Estimated Closing Cash Payment"). After delivery of Seller's Estimate, including all supporting documentation of any proposed Adjustments, and prior to Closing, Buyer and Seller shall in good faith attempt to resolve any disputes between them with respect to the determination of the Closing Cash Payment. If as of Closing any items shall be in dispute between them with respect to the Closing Cash Payment, the Purchase Price adjusted to reflect those Adjustments agreed to

by the Parties shall be used to determine the amount of the Closing Cash Payment payable on the Closing Date, with such disputed items to be settled between the Parties following Closing pursuant to subsections (c) and (d) below.

(c) Within thirty (30) days following Closing, Buyer shall prepare and deliver to Seller a schedule showing any changes to the Adjustments that Buyer believes to be appropriate. Except as provided in Section 2.3(d), a final settlement of all Adjustments made under this Section 2.3, with payment being made by the appropriate Party by wire transfer of immediately available funds to an account designated by the Party entitled to receive such payment, shall occur no later than ninety (90) days after the Closing Date. Each Party having documentation regarding the basis for or amount and payment status of any Adjustment shall, upon request of the other Party, provide the other Party with a copy of such documentation.

(d) In the event that the Parties cannot agree on the amount of the final Adjustments, the determination shall be made by a national or regional accounting firm jointly designated by the Parties (the “Auditor”). The Auditor shall make the determination based on GAAP in effect on the Closing Date. Either Party may invoke the use of the Auditor by notifying the other Party in writing, *provided* that neither Party may invoke the use of the Auditor to determine the final Adjustments earlier than ninety (90) days after the Closing Date. In the event that either Party invokes the use of the Auditor, there shall be a thirty (30) day period (the “Discovery Period”) when the Parties may request of and shall provide to each other in writing or computer format where appropriate any documentation or records in the possession of the other Party that are related to a claim or defense to be made to the Auditor. Fifteen (15) Business Days after the expiration of the Discovery Period, the Parties shall have the opportunity to present their claims and supporting documentation to the Auditor. The Auditor shall be required to render a decision within fifteen (15) Business Days after each Party shall have presented (or have foregone the opportunity to present) its claims and supporting documentation to the Auditor. The decision of the Auditor shall be final and binding on the Parties and shall not be subject to any judicial challenge by either Party. Within five (5) Business Days after the Auditor provides the determination to the Parties, payment in accordance with that determination shall be made by the appropriate Party by wire transfer of immediately available funds to an account designated by the Party entitled to receive such payment. The expenses of the Auditor shall be paid by the Party which, based on the Auditor’s resolution of the disputed item(s), is not the substantially prevailing Party.

2.4 Assumed Liabilities. At and after the Closing, Buyer shall assume and timely (i) pay, discharge and perform all Liabilities arising out of or relating to Buyer’s ownership of the Assets or operation of the Stations after the Closing Date, including all Liabilities attributable to periods after the Closing Date under or with respect to the Licenses and the Assumed Contracts, and (ii) pay any amounts owed by Seller to suppliers, advertisers and other customers of the Business solely to the extent of any prorated expenses or deposits for which Buyer received an adjustment to the Purchase Price as part of the Adjustments (the “Assumed Liabilities”). All Liabilities not expressly assumed by Buyer in accordance with the preceding sentence are referred to herein as “Non-Assumed Liabilities” and shall remain and be the obligations and liabilities solely of Seller.

2.5 Environmental Matters. To the best of Seller's knowledge, Seller's operation of the Stations and Assets is in compliance in all material respects with all laws, rules and regulations of all federal, state and local governments concerning the environment. No conditions, circumstances or activities have existed or currently exist on or in regard to, and Seller has not engaged in any activities with respect to, the tangible personal property listed on Schedule 2.5 that could reasonably be expected to give rise to any liability under any Environmental Law. For purposes hereof, "Environmental Law" means any and all federal, state or local laws (including common law), statutes, rules, regulations, codes, policies, ordinances, orders, injunctions and directives: (a) related to releases or threatened releases of any Hazardous Substance; (b) governing the use, treatment, storage, disposal, transport or handling of any Hazardous Substance; or (c) related to the protection of the environment, occupational safety and human health; and "Hazardous Substance" means compound, mixture, hazardous substance, hazardous waste, noise, radiation, mold, petroleum, petroleum by-products, polychlorinated biphenyls, other chemicals, materials, substances or wastes or other pollutant or contaminant which are currently defined, listed, classified, prohibited or regulated as "hazardous substances," "hazardous materials," "hazardous wastes," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," "toxic air pollutants," "hazardous air pollutants," "pollutants," or "contaminants" under any Environmental Law.

### Section 3: REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Buyer as follows:

3.1 Organization and Authority. Seller is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware. Seller has all requisite power and authority (i) to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby, and (ii) to own, lease and operate the Stations and the Assets owned by it and to carry on the Business as now being conducted.

3.2 Authorization and Binding Obligations. The execution, delivery and performance of this Agreement by Seller have been duly and validly authorized by all necessary action by Seller. This Agreement has been duly executed and delivered by Seller and constitutes a valid and binding agreement of Seller enforceable against it in accordance with its terms, except as its enforceability may be limited by Enforceability Exceptions.

3.3 No Contravention; Consents. Subject to obtaining the Consents, the execution, delivery and performance of this Agreement, the consummation of the transactions contemplated hereby and the compliance with the provisions hereof by Seller will not (i) violate any provisions of the organizational documents of Seller, (ii) result in the breach of, constitute a default under, or result in the creation of any Lien upon any of the Assets under the provisions of any Contract, or (iii) violate any Legal Requirements applicable to Seller. Except as set forth in Schedule 3.3 and the FCC Consent, no consent, approval, or authorization of any Governmental Authorities or other third party is required by Seller in connection with the execution, delivery and performance of this Agreement by Seller or the consummation by Seller of the transactions contemplated hereby.



3.4 Title to Assets. Seller has good and marketable title to all of the Assets, free and clear in each case of any Liens except for Permitted Liens. The Assets include all assets necessary to conduct the Business and operations of the Stations as presently conducted, except for any necessary assets included in the Excluded Assets. Permitted Liens are solely those set forth in Schedule 3.4.

3.5 Tangible Personal Property. Schedule 3.5 contains an accurate and complete list of all material items of tangible personal property (as well as some nonmaterial items) owned or leased by Seller with respect to the Business or operation of the Stations as of the date set forth on such Schedule. Except as specified on Schedule 3.5, all material Tangible Personal Property is in good condition and repair, normal wear and tear excepted, and available for immediate use in the operation of the Stations and the conduct of the Business as presently conducted. All items of transmitting and studio equipment included in the Tangible Personal Property (i) have been maintained in a manner consistent with generally accepted standards of good engineering practice, and (ii) will permit the Stations and any auxiliary broadcast facilities related to the Stations to operate in accordance with the terms of the FCC Licenses and any applicable Legal Requirements of the FCC and other Governmental Authorities in all material respects.

3.6 Licenses. Schedule 3.6 is a list of all FCC Licenses and other material Licenses. All FCC Licenses and other material Licenses are validly issued in the name of Seller, are in full force and effect, are not subject to any conditions that would require operation of the Stations in a manner materially different than their operations as of the date of this Agreement, and to Seller's knowledge, are not subject to any conditions outside the ordinary course other than those set forth on the face of such FCC Licenses, or that generally affect the radio broadcast industry or substantial segments thereof. Except as set forth in Schedule 3.6, Seller has complied in all material respects with all the terms of the Licenses, and there are no pending or, to Seller's Knowledge, threatened proceedings relating to the revocation or adverse modification of any License. To Seller's Knowledge, there is no reason to believe that, due to any fact or circumstance relating to Seller or the Stations, (a) the FCC Licenses will not be renewed in the ordinary course or (b) the Assignment Application would be opposed or materially delayed or would not be granted without the imposition of material conditions. To Seller's Knowledge, there currently exists no objectionable interference to any of the Stations' signals from other broadcast stations, or by any of the Stations' signals to other broadcast stations. To Seller's Knowledge, there are no applications pending at the FCC the grant of which would cause objectionable interference to the Stations.

3.7 Contracts. Schedule 3.7 is a true and complete list of all Contracts except non-material (i) Contracts with advertisers for the sale of advertising time on the Stations in the ordinary course of business for cash at rates consistent with past practices, that may be canceled by Seller without penalty on not more than thirty days' notice, (ii) oral employment agreements terminable at will, (iii) miscellaneous service Contracts entering into in the ordinary course of business that may be canceled without breach, fee, payment or penalty on thirty (30) days' or less notice. Seller has delivered to Buyer true and complete copies of all written Contracts and complete memoranda of all oral Contracts, to the extent such memoranda exist (including any amendments and other modifications to such Contracts), and a schedule summarizing Seller's obligations under trade and barter agreements relating to the Stations and a certification that all trade and barter obligations of the Stations will be satisfied prior to or at Closing. Other than the

Contracts listed on Schedule 3.7 and those non-material Contracts described in clauses (i) through (iii) above, Seller requires no contract, lease or other agreement to enable it to carry on its Business as now conducted. Except as set forth on Schedule 3.3, no Assumed Contract requires the Consent of any other contracting party to the transactions contemplated by this Agreement. Seller is not (and, to Seller's knowledge, no other party is) in breach or default in any material respect under, any of the Assumed Contracts.

3.8 Intellectual Property. Schedule 3.8 contains a description of the material items of Intellectual Property (exclusive of those required to be listed in Schedule 3.7), which are valid and in full force and effect and, to Seller's knowledge, uncontested. To Seller's Knowledge, Seller is not infringing upon or otherwise acting adversely to any trademarks, trade names, copyrights or similar intellectual property rights owned by any other Person.

3.9 Personnel Matters. Seller does not hereby transfer and Buyer does not assume any rights or obligations with respect to any Employee. Seller is not a party to any collective bargaining agreement. To Seller's knowledge, (i) none of the Employees is presently a member of any collective bargaining unit related to his or her employment, and (ii) no collective bargaining unit has filed a petition for representation of any of the Employees.

3.10 Taxes. Seller has filed, or caused to be filed, with the appropriate Governmental Authority, all required Tax returns, and Seller has paid, caused to be paid or accrued all Taxes shown to be due and payable or claimed to be due and payable thereon, except where the failure to file such returns or pay or accrue such Taxes could not reasonably be expected to result in a Lien on the Assets or in the imposition of transferee liability on Buyer for the payment of such Taxes. Seller has no Liability material in amount for any Taxes due and owing, and there are no proceedings pending pursuant to which Seller is or could be made liable for any taxes, penalties, interest, or other charges, the liability for which could extend to Buyer as transferee of the Assets or as operator of the Stations following Closing.

3.11 Claims and Litigation. Except as set forth on Schedule 3.11, there are no Actions pending or, to Seller's knowledge, threatened by or against Seller relating to the Assets, the Business or the transactions contemplated by this Agreement. Except as described on Schedule 3.6, to Seller's knowledge, there is (i) no complaint or other proceeding pending, outstanding, or threatened, before the FCC as a result of which an investigation, notice of apparent liability or order of forfeiture may be issued from the FCC relating to the Stations, (ii) no FCC notice of apparent liability or order of forfeiture pending, outstanding, or to Seller's knowledge threatened, against Seller or the Stations, and (iii) no investigation pending, outstanding, or to Seller's knowledge threatened, with respect to any violation or alleged violation of the Communications Act or any FCC rule, regulation or policy by Seller.

3.12 Compliance with Laws. Except as set forth in Schedule 3.12, to Seller's knowledge Seller is in compliance in all material respects with all applicable Legal Requirements and Licenses relating to the Stations, the Business and the Assets. To Seller's knowledge, no event has occurred, and, no condition or circumstance exists, that might in any material respect (with or without notice or lapse of time) constitute, or result directly or

indirectly in, a default under, a breach or violation of, or a failure to comply with any Legal Requirement. The Stations, their physical facilities, electrical and mechanical systems, and transmitting and studio equipment are operated in material compliance with the specifications of the FCC Licenses, the Communications Act, and the rules, regulations and policies of the FCC. All material reports and other filings required by the FCC with respect to the FCC Licenses or by other Governmental Authorities with respect to Seller, the Assets, the Business or the operation of the Stations have been timely filed with the appropriate Governmental Authorities, and all such reports and other filings are substantially complete and correct as filed. All FCC regulatory fees assessed with respect to the FCC Licenses have been timely paid.

3.13 Insurance. Seller maintains insurance policies with respect to the Stations and the Assets consistent with broadcast industry standards, and shall maintain such policies in full force and effect until Closing.

3.14 Brokers. Seller has not engaged any agent, broker or other Person acting pursuant to the express or implied authority of Seller which is or may be entitled to a commission or broker or finder's fee in connection with the transactions contemplated by this Agreement or otherwise with respect to the sale of the Assets or the Business.

3.15 Conduct of Business in Ordinary Course. Since January 1, 2020, other than with respect to the Stations' transmitting antenna as contemplated in Section 6.3 of this Agreement, Seller has conducted the Business and the operation of the Stations in the ordinary and usual course consistent with past practice in all material respects.

3.16 Disclosure. To Seller's Knowledge, no representation or warranty made by Seller in this Agreement or in any certificate, document, or other instrument furnished or to be furnished by Seller pursuant hereto contains or will contain any untrue statement of a fact, or omits or will omit to state any fact that is required to make any statement made herein or therein not misleading, which in any such case would reasonably be expected to result in a Material Adverse Effect under clause (i) of the definition thereof. All Schedules are true and complete in all material respects as of the date hereof and Seller will provide notice to Buyer of any changes that to Seller's Knowledge arise in order to make all Schedules true and complete in all material respects as of the Closing Date; provided, that any such notice shall not relieve Seller of any liability for a breach of any representation, warranty or covenants hereunder pursuant to the terms hereof.

#### Section 4: REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Seller as follows:

4.1 Organization and Authority. Buyer is a corporation, duly organized, validly existing and in good standing under the laws of the State of Delaware and will as of Closing be qualified to do business in the States of Maryland and Delaware. Buyer has all requisite corporate power and authority to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby.

4.2 Authorization and Binding Obligations. The execution, delivery and performance of this Agreement by Buyer have been duly and validly authorized by all necessary action by Buyer and its board of directors. This Agreement has been duly executed and delivered by

Buyer and constitutes a valid and binding agreement of Buyer, enforceable against Buyer in accordance with its terms, except as its enforceability may be limited by Enforceability Exceptions.

4.3 No Contravention; Consents. Subject to obtaining the Consents, the execution, delivery and performance of this Agreement, the consummation of the transactions contemplated hereby and the compliance with the provisions hereof by Buyer will not (i) violate any provisions of the organizational documents of Buyer, (ii) violate any Legal Requirements applicable to Buyer, or (iii) require the consent of any third party, or violate, or be in conflict with, or constitute a default under any contract or agreement to which Buyer is a party, such that Buyer cannot perform its obligations hereunder in all material respects. Except for the Consents set forth in Schedule 3.3, no material consent, approval, license or authorization of any Governmental Authorities is required by Buyer in connection with the execution, delivery and performance of this Agreement by Buyer or the consummation by Buyer of the transactions contemplated hereby.

4.4 Brokers. Buyer has not engaged any agent, broker or other Person acting pursuant to the express or implied authority of Buyer which is or may be entitled to a commission or brokerage fee in connection with the transactions contemplated by this Agreement or otherwise with respect to the sale of the Assets or the Business.

4.5 Claims and Litigation. There is no Action pending or, to Buyer's knowledge, threatened against Buyer that in any manner challenges or seeks to prevent, enjoin, alter or delay materially the transactions contemplated by this Agreement or could materially adversely affect the ability of Buyer to perform its obligations hereunder.

4.6 FCC Qualifications. Buyer is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate the Stations under the Communications Act, and the rules, regulations and policies of the FCC. There are no facts that would, under existing law and the existing rules, regulations, policies and procedures of the FCC, disqualify Buyer as an assignee of the FCC Licenses or as the owner and operator of the other Assets. Except as set forth in Schedule 4.6, no waiver of any FCC rule or policy relating to the qualifications of Buyer is necessary for the FCC Consent to be obtained.

4.7 Financing. Buyer has, and as of the Closing Date will have, sufficient cash, available lines of credit or other sources of immediately available funds to enable it to make payment of the Purchase Price and any other amounts to be paid by it in accordance with the terms of this Agreement.

## Section 5: PRE-CLOSING COVENANTS OF THE PARTIES

5.1 Covenants of Seller. Seller covenants and agrees from and after the execution and delivery of this Agreement to and including the Closing Date as follows; *provided, however*, that each of such covenants or agreements is subject to the terms of any written consents that may be given by Buyer with respect thereto:

(a) Commercially Reasonable Efforts. Seller shall use its commercially reasonable efforts to cause the transactions contemplated by this Agreement to be consummated

in accordance with the terms hereof, and, without limiting the generality of the foregoing, use its commercially reasonable efforts to obtain all necessary Consents required in connection with this Agreement and the transactions contemplated hereby, including the FCC Consent and any required Consents of other Governmental Authorities with lawful jurisdiction over Seller. Seller shall make all filings with and give all notices to third parties that may be reasonably necessary of Seller in order to consummate the transactions contemplated hereby. Seller shall not be required to make any payments to any Person which is a party to any Contract in order to obtain its Consent except that Seller shall pay any administrative or application fees customarily payable to such Person, or other fees or amounts specifically required by the terms of Seller's Contract therewith, in connection with requests for its Consent.

(b) Control of the FCC Licenses and the Stations. Notwithstanding any provision of this Agreement to the contrary, pending the Closing, Seller shall maintain actual (*de facto*) and legal (*de jure*) control over the FCC Licenses and the Stations. Seller shall retain responsibility for the operation of the Business and the Stations pending the Closing, including responsibility for the following matters: access to and use of the facilities of and equipment owned by Seller; control of the daily operation of the Stations; creation and implementation of policy decisions; employment and supervision of Employees; payment of financing obligations and expenses incurred in the operation of the Stations prior to the Closing; receipt and distribution of moneys and profits derived from the operation of the Stations; and execution and approval of all contracts and applications prepared and filed before the FCC or any other Governmental Authority.

(c) Due Diligence. During the Due Diligence Period, Seller shall give Buyer and its counsel, accountants, engineers, and other authorized representatives reasonable access to the Assets and to all other properties, equipment, books, records, Contracts, and documents relating to the Stations for the purpose of audit and inspection, and will furnish or cause to be furnished to Buyer or its authorized representatives all information with respect to the Business or the operation of the Stations that Buyer may reasonably request.

(d) Ordinary Course. Seller shall use its commercially reasonable efforts to operate the Stations and preserve and maintain the Assets in the ordinary course of business consistent with past practice, including maintaining appropriate insurance on the Assets. Seller shall use commercially reasonable efforts to keep its organization intact, to preserve the Business, and to preserve the goodwill of suppliers, customers, Governmental Authorities and others dealing with Seller.

(e) Licenses. Seller shall not cause or permit, by any act or failure to act, any of the Licenses to expire or to be revoked, suspended, or modified, or take any action that could cause the FCC or any other governmental authority to institute proceedings for the suspension, revocation, or adverse modification of any of the Licenses. Seller shall not fail to prosecute with due diligence any applications to any governmental authority in connection with the operation of the Stations.

(f) Contracts and Liens. Seller shall use its commercially reasonable efforts to (i) not default under, or breach any term or provision of, or suffer or permit to exist any condition or event that, after notice or lapse of time, or both, would constitute a default under,

any material Contract of Seller, (ii) not cause or permit the termination, modification or amendment of any material Contract of Seller, and (iii) not create, assume, consent to or suffer to exist any Lien on any of its Assets (other than Permitted Liens), in each case other than in the ordinary course of business. Unless Buyer shall have given its prior written consent, Seller shall not enter into any new Contract or incur any obligation (including obligations arising from the amendment of any existing Contract) that will be binding on Buyer after the Closing, except for, as entered into in the ordinary course of business consistent with Seller's past practices, cash time sales agreements that can be terminated by the Stations without penalty on no more than 30 days prior notice, and Contracts that do not involve consideration under any one Contract in excess of Five Thousand Dollars (\$5,000), and in the aggregate under all such Contracts, in excess of Thirty Thousand Dollars (\$30,000), in each case measured as of Closing (with in determining such consideration, Sellers' termination rights under each such Contracts being taken into consideration, together with any penalties or fees payable upon exercise of such termination rights). Prior to the Closing Date, Seller shall deliver to Buyer a list of all Contracts entered into between the date of this Agreement and the Closing Date, together with copies of such Contracts.

(g) Compliance with Laws. Seller shall comply in all material respects with all Licenses held by Seller and all Legal Requirements applicable to Seller, the Stations or the conduct of the Business.

(h) No Solicitation. Seller shall not (i) sell, transfer, lease, assign or otherwise dispose of or distribute any of the Assets to any third party except for the disposition of Tangible Personal Property in the ordinary course in connection with the acquisition of replacement property of equivalent kind and value, (ii) knowingly solicit, encourage, entertain, negotiate or enter into with any third party any transaction or agreement of the nature described in clause (i) above, or (iii) provide any non-public information about the Stations to any third party other than pursuant to the terms of a Contract listed in Schedule 3.7 or to Seller's accountants, brokers, investment bankers, investors and lenders, and their respective attorneys in connection with the transactions contemplated by this Agreement.

(i) No Inconsistent Action. Seller shall not take any action that is inconsistent with its obligations under this Agreement, that could reasonably be expected to cause any of its representations or warranties set forth herein to be untrue as of Closing in any material respect, or that could hinder or delay the consummation of the transactions contemplated by this Agreement.

5.2 Covenants of Buyer. Buyer covenants and agrees that from and after the execution and delivery of this Agreement to and including the Closing Date as follows; *provided, however*, that each of such covenants or agreements is subject to the terms of any written consents that may be given by Seller with respect thereto:

(a) Commercially Reasonable Efforts. Buyer shall use its commercially reasonable efforts to cause the transactions contemplated by this Agreement to be consummated in accordance with the terms hereof, and, without limiting the generality of the foregoing, use its commercially reasonable efforts to obtain all necessary Consents, FCC Consents, and any other consents of any other Governmental Authorities with lawful jurisdiction over Buyer and other

authorizations required in connection with this Agreement and the transactions contemplated hereby. Notwithstanding the foregoing, Buyer shall have no obligation (i) to expend funds to obtain any of the Consents, except as provided below with respect to the FCC Consent, or (ii) to agree to any adverse change in any License or Assumed Contract to obtain a Consent required with respect thereto.

(b) No Control. Notwithstanding any provision of this Agreement to the contrary, pending the Closing, Buyer shall do nothing to interfere with Seller's actual (*de facto*) and legal (*de jure*) control over the FCC Licenses and the Stations. Buyer acknowledges and agrees that the responsibility for the operation of the Business and the Stations shall, pending the Closing, reside with Seller, including responsibility for those matters set forth in Section 5.2(b).

(c) No Inconsistent Action. Buyer shall not take any action that is inconsistent with its obligations under this Agreement, that could reasonably be expected to cause any of its representations or warranties set forth herein to be untrue as of Closing in any material respect, or that could hinder or delay the consummation of the transactions contemplated by this Agreement.

#### Section 6: JOINT COVENANTS

6.1 Consultations regarding Consents of Governmental Authorities. The Parties shall consult with one another as to the approach to be taken with any Governmental Authority with respect to obtaining any necessary Consent of such Governmental Authority to the transactions contemplated hereby, including the FCC Consent, and each Party shall keep the other Party reasonably informed as to the status of any communications by it with any Governmental Authority. No Party hereto shall make any material commitments relating to any Consent of any Governmental Authority, including the FCC Consent, that would alter in any material way any application or request filed jointly by the Parties with respect to the transactions contemplated hereby without the other Party's prior written consent.

6.2 Joint Filings. Seller and Buyer shall cooperate in the preparation of the Assignment Application to be jointly filed by Seller and Buyer with the FCC no later than the later to occur of (i) five (5) Business Days following the date hereof; and (ii) November 29, 2021, and with any other applicable Governmental Authority as soon as practicable following the date hereof, requesting the approval of the assignment and transfer of the Licenses (as appropriate) and the other Assets and the Business to Buyer.

(a) Each of the Parties hereto shall diligently take or cooperate in the taking of all steps that are reasonably necessary or appropriate to expedite the prosecution and favorable consideration of such applications. The Parties shall undertake all actions and file such materials as shall be reasonably necessary or required to obtain any necessary waivers or other authority in connection with the foregoing applications.

(b) Buyer and Seller shall diligently prosecute the Assignment Application and otherwise use their commercially reasonable efforts to obtain the FCC Consent; *provided, however*, that except as provided in Section 12.2 with respect to the payment of the FCC's filing fees, neither Buyer nor Seller shall be required to pay consideration to any third party to obtain

the FCC Consent. Buyer and Seller each shall (i) oppose any petitions to deny or other objections filed with respect to the Assignment Application to the extent such petition or objection relates to such Party, and (ii) subject to applicable laws, provide the other Party the right to review in advance any filing or written materials submitted to a Governmental Authority regarding the transactions contemplated hereby.

(c) Each Party agrees to comply with any condition imposed on it by the FCC Consent, except that no Party shall be required to comply with a condition if (i) the condition was imposed on it as the result of a circumstance the existence of which does not constitute a breach by the Party of any of its representations, warranties, or covenants under this Agreement, and (ii) compliance with the condition would have a Material Adverse Effect upon it. Buyer and Seller shall oppose any requests for reconsideration or judicial review of the FCC Consent. If the Closing shall not have occurred for any reason within the original effective period of the FCC Consent, and neither Party shall have terminated this Agreement under Section 11, the parties shall jointly request an extension of the effective period of the FCC Consent. No extension of the FCC Consent shall limit the exercise by either Party of its rights under Section 11.

### 6.3 Employee Matters.

(a) Seller acknowledges that Buyer has no obligation to employ any of Seller's Employees and, except as expressly set forth herein, Seller shall be responsible for satisfying in full all amounts owed to such Employees, including wages, salaries, severance pay, sick pay, accrued vacation, any employment, incentive, compensation or bonus agreements or other benefits or payments relating to the period of employment by Seller. Seller may, at its option, provide stay bonuses to its Employees.

(b) During the two-year period following the date hereof, the Seller shall not, and shall not permit any of its Affiliates to, either directly or indirectly, either individually or acting in concert with another Person or Persons, solicit for employment, or any similar arrangement, or hire, or assist any other Person in hiring, or otherwise use or solicit the services of any employee of Buyer.

6.4 Notification of Changes. Buyer and Seller shall give prompt notice to one another of (i) the occurrence or nonoccurrence of any event the occurrence or nonoccurrence of which has caused or would be likely to cause any representation or warranty contained in this Agreement to be untrue or inaccurate in any material respect at or prior to the Closing Date, and (ii) any material failure of Buyer or Seller, as the case may be, to comply with or satisfy in any material respect any covenant, condition or agreement to be complied with or satisfied by it hereunder; *provided, however*, that the delivery of any notice pursuant to this Section 6.4 shall not cure such breach or non-compliance or limit or otherwise affect the remedies available hereunder to the Party receiving such notice.

6.5 Confidentiality. Except as necessary for the consummation of the transaction contemplated by this Agreement, and except as and to the extent required by applicable Legal Requirements, each Party will keep confidential all information obtained from the other Party in connection with the transactions contemplated by this Agreement (unless such information thereafter becomes generally available to the public, is otherwise available to it on a non-



confidential basis from another source, or has been developed independently by it). If this Agreement is terminated, each Party will, upon request, return to the other Party all information obtained by the first Party from the other Party in connection with the transactions contemplated by this Agreement. Notwithstanding anything to the contrary in the foregoing, that certain non-disclosure agreement entered into by and between Adams Radio Group, LLC and Draper Media dated March 16, 2021, remains in full force and effect and shall remain in full force and effect in accordance with its terms.

#### 6.6 Receivables.

(a) On the Closing Date, Seller shall provide Buyer with a complete list of Receivables and any related files maintained by Seller. For the period from the Closing Date until ninety (90) days after the Closing Date (the “Collection Period”), Buyer, as agent for Seller, shall make commercially reasonable efforts to collect on behalf of Seller all Receivables, except that Buyer shall not be required to incur any expense or obligation in such efforts. Buyer shall not refer any of the Receivables to a collection agency or to an attorney for collection, or compromise, settle or adjust the amount of any Receivable except with the prior written approval of Seller.

(b) During the Collection Period all payments received from account debtors with respect to Receivables shall be promptly forwarded to Seller. Buyer shall remit all payments owed to Seller (as set forth in this Section 6.7) no later than the thirtieth (30<sup>th</sup>) day of the month following the month in which the payment was received, together with any information received by Buyer from the payor of the Receivables.

(c) So long as Buyer is in compliance with this Section 6.7, during the Collection Period neither Seller nor any of its representatives or agents, shall make any direct solicitation of the account debtors for collection purposes with respect to the Receivables or other direct attempts to collect such Receivables from account debtors during such Collection Period except (i) as may be agreed to by Buyer, (ii) with respect to those Receivables that shall have become more than ninety (90) days past due during the Collection Period, and (iii) those Receivables from which Buyer has received written notice of a dispute from the account debtor.

(d) To the extent Buyer is entitled to a credit in the prorations as determined pursuant to Section 2.3, the Buyer shall be entitled to retain funds in such amount from the Receivables collected by Buyer pursuant to the terms of this Section 6.7.

(e) Upon the conclusion of the Collection Period, Buyer shall remit to Seller all amounts collected by Buyer from account debtors not previously remitted to Seller, and Buyer shall have no further responsibilities under this Section 6.7 except to remit promptly to Seller any amounts subsequently received by it on account of the Receivables.

6.7 Allocation of Purchase Price. Buyer and Seller shall use commercially reasonable good faith efforts to agree on the allocation of the Purchase Price in accordance with the rules under Section 1060 of the Code; *provided, however*, that if the Parties are unable to agree to such allocation, each Party may make such allocation as it may determine in its sole discretion. Subject to such agreement on the allocation of the Purchase Price, no filings made by either

Party with any taxing or other authority shall reflect an allocation other than in the manner agreed upon and each Party shall timely make all filings required by any taxing authority, including the filing of Internal Revenue Service Form 8594.

6.8 Risk of Loss. The risk of any loss, damage, impairment, confiscation or condemnation of any of the tangible Assets that (i) has not been disclosed to Buyer as of the date of this Agreement, or (ii) occurs following the date of this Agreement, shall be borne by Seller at all times prior to Closing, and by Buyer at all times after Closing. In the event that any such loss or damage occurs prior to Closing that is sufficiently substantial so that any representation or warranty of Seller shall not be true and correct in all material respects at Closing (after giving consideration to any repairs, restoration or replacement to occur prior to Closing), Seller shall promptly notify Buyer in writing of the circumstances, and Buyer, at any time within ten days after receipt of such notice, may elect by written notice to Seller either to (i) proceed toward consummation of the transactions contemplated by this Agreement in accordance with the terms hereof, and subject to the occurrence of Closing, complete the restoration and replacement of the Assets after Closing, in which event Seller shall deliver to Buyer all insurance proceeds received in connection with such damage, destruction or other event, or (ii) terminate this Agreement. If Buyer elects to so terminate this Agreement, Buyer and Seller shall stand fully released and discharged of any and all other obligations hereunder.

6.9 Bulk Sales. Seller and Buyer hereby waive compliance by the other with bulk sales Legal Requirements applicable to the transactions contemplated hereby.

6.10 Non-Competition. In consideration for the Purchase Price prior to the second anniversary of the Closing Date, neither Seller nor any member, officer, or director of Seller (the "Covenanting Parties"), shall be employed by, or act as an advisor, consultant, owner, shareholder, partner, member, manager, director, officer, affiliate, trustee, employee, programmer, broker, agent or consultant, or in any other capacity, directly or indirectly, to, any company that owns or operates radio broadcast stations in the market served by the Stations; provided that the foregoing shall not prohibit the Covenanting Parties from directly or indirectly owning two percent or less of the outstanding securities of any publicly-traded company. If the Covenanting Parties breach this provision, Buyer shall be entitled to injunctive relief. The Covenanting Parties agree that any breach of this Section 6.11 is likely to result in an injury that would justify an injunction to restrain such breach, and that Buyer shall be entitled to institute a proceeding in any court of competent jurisdiction to enjoin the Covenanting Parties from activities in violation of this Section 6.11. If the Covenanting Parties are found to have violated this Section 6.11, the Covenanting Parties shall be required to pay all attorneys' fees and costs incurred by Buyer in seeking to enforce its rights.

6.11 Further Assurances. On and after the Closing Date, the Parties will take all appropriate and commercially reasonable actions and execute all documents, instruments or conveyances of any kind that may be reasonably necessary or advisable to put Buyer in possession and operating control of the Assets and the Stations, to transition vendors and customers of Buyer or the Stations to Seller, and to otherwise carry out any of the provisions hereof.

6.12 Rescission. If the Closing occurs prior to the FCC Consent having become a Final Order, and the FCC Consent is subsequently revoked or rescinded by action of the FCC which is not stayed or overturned (a “Rescission Order”), then the Parties shall co-operate to rescind the transactions contemplated by this Agreement in compliance with the Rescission Order, including without limitation the refund of the Purchase Price as adjusted to Buyer, and the conveyance of the Assets to, and assumption of the Assumed Liabilities by, Seller.

6.13 Station Coordination. The Parties acknowledge that: (1) prior to Closing the Stations will operate as part of a cluster of radio stations owned by Seller and that the Stations utilize different operating systems (e.g., traffic, sales, and automation) than those utilized by Buyer; and (2) ensuring Buyer is able to operate the Stations as of the Closing will require cooperation between the Parties, including in the areas of preparing Buyer’s operating systems to integrate the Stations following Closing. The Parties covenant to use commercially reasonable best efforts from and after the date of this Agreement and for a reasonable period following closing to cooperate and take such actions as are necessary to ensure that Buyer’s operating systems are capable of maintaining the seamless operation of the Stations upon and after Closing. Nothing in this Section 6.14 will require a Party to take any action contrary to the requirements of Section 5.1(b).

#### Section 7: CONDITIONS PRECEDENT TO OBLIGATION OF SELLER TO CLOSE

The obligations of Seller to sell the Assets and to otherwise consummate the transactions contemplated by this Agreement are subject to the satisfaction or waiver, on or prior to the Closing Date, of each of the following conditions:

7.1 Representations, Warranties and Covenants. All representations and warranties of Buyer contained in this Agreement shall be true and complete at and as of the Closing Date as if such representations and warranties were made at and as of the Closing Date except for (i) any inaccuracies that in the aggregate could not reasonably be expected to have a Material Adverse Effect, (ii) any representation or warranty that is expressly stated only as of a specified earlier date, in which case such representation or warranty shall be true as of such earlier date, or (iii) changes in any representation or warranty that are contemplated by this Agreement; and Buyer shall have performed all agreements and covenants required hereby to be performed by Buyer prior to or on the Closing Date, except to the extent such occurrences of noncompliance would not in the aggregate have a Material Adverse Effect, disregarding any that result from an act or omission of Seller or its agents.

7.2 Closing Deliveries. Seller shall have received from Buyer the Closing Cash Payment and the documents and other items to be delivered to Seller by Buyer pursuant to Section 9.3 of this Agreement.

7.3 FCC Consent. The FCC Consent shall have been issued without the imposition of any material adverse condition and Buyer shall have complied with any conditions imposed on it by the FCC Consent.

7.4 No Injunction. No material Legal Requirement shall have been promulgated, enacted, entered or enforced, and no other action in any court proceeding shall have been taken, by any Governmental Authority that has the effect of making illegal or of restraining or prohibiting the consummation of the transactions contemplated hereby.

#### Section 8: CONDITIONS PRECEDENT TO OBLIGATION OF BUYER TO CLOSE

The obligations of Buyer to purchase the Assets and to otherwise consummate the transactions contemplated by this Agreement are subject to the satisfaction or waiver, on or prior to the Closing Date, of each of the following conditions:

8.1 Representations, Warranties and Covenants. All representations and warranties of Seller contained in this Agreement shall be true and complete at and as of the Closing Date as if such representations and warranties were made at and as of the Closing Date except for (i) any inaccuracies that in the aggregate could not reasonably be expected to have a Material Adverse Effect, (ii) any representation or warranty that is expressly stated only as of a specified earlier date, in which case such representation or warranty shall be true as of such earlier date, or (iii) changes in any representation or warranty that are contemplated by this Agreement, and Seller shall have performed all agreements and covenants required hereby to be performed by Seller prior to or on the Closing Date, except to the extent such occurrences of noncompliance would not in the aggregate have a Material Adverse Effect, disregarding any that result from an act or omission of Buyer or its agents.

8.2 Closing Deliveries. Buyer shall have received from Seller the documents and other items to be delivered by Seller pursuant to Section 9.2 of this Agreement.

8.3 FCC Consent. The FCC Consent shall have been issued without the imposition of any material adverse condition, Seller shall have complied with any conditions imposed on it by the FCC Consent, and the FCC Consent shall be a Final Order.

8.4 Material Consents. Each Consent that is designated by Buyer on Schedule 3.3 as being a “required consent” shall have been obtained without any adverse change in the terms or conditions of each License or Contract to which such Consent relates from those in effect on the date hereof.

8.5 Material Adverse Effect. Between the date of this Agreement and the Closing Date, there has not been a Material Adverse Effect under clause (i) of the definition thereof.

8.6 No Injunction. No material Legal Requirement shall have been promulgated, enacted, entered or enforced, and no other action in any court proceeding shall have been taken, by any Governmental Authority that has the effect of making illegal or of restraining or prohibiting the consummation of the transactions contemplated hereby.

#### Section 9: THE CLOSING

9.1 The Closing. The Closing shall be held by the execution, delivery, and approval by both Parties of the documents contemplated hereby by mail, facsimile or electronic

transmission in PDF format. On the Closing Date, Seller shall make such deliveries as are set forth in Section 9.2, and Buyer shall make such deliveries as are set forth in Section 9.3. All transactions at the Closing are deemed to have taken place simultaneously and no transaction shall be deemed to have been completed, nor shall any document be deemed to have been delivered, until all transactions shall have been completed and all documents, delivered.

9.2 Deliveries by Seller to Buyer. Seller shall deliver to Buyer:

(a) Officer's Certificate. A certificate dated as of the Closing Date, executed on behalf of Seller by an officer of Seller's company, attesting to its fulfillment of the conditions set forth in Section 8.1;

(b) Resolutions. A copy of the resolutions of Seller, approving the transactions contemplated by this Agreement; and

(c) Transfer Documents. One or more warranty deeds, bills of sale, motor vehicle titles, assignments and other appropriate instruments of conveyance duly executed by Seller, transferring to Buyer all of the Assets in form and substance reasonably satisfactory to Buyer;

(d) Consents. A copy of each instrument evidencing each Consent that shall have been obtained prior to Closing;

(e) Licenses, Contracts, Books and Records. Copies of all Licenses, Assumed Contracts, blueprints, schematics, working drawings, plans, projections, engineering records, and other Books and Records included in the Assets;

(f) Certifications. Such certificates and confirmations to Buyer's lenders as Buyer may reasonably request in connection with obtaining financing for the performance of its payment obligations hereunder, and such other documents reasonably requested by Buyer to give effect to the transactions contemplated by this Agreement.

(g) Receivables. Seller shall provide all information with respect to Receivables required by Section 6.6; and

(h) Additional Documents. Additional documents, certifications or instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer and assign the Assets from Seller to Buyer, free and clear of Liens except for Permitted Liens.

9.3 Deliveries by Buyer to Seller. Buyer shall deliver to Seller:

(a) Closing Cash Payment. The Closing Cash Payment in accordance with the provisions of Section 2.2 hereof;

(b) Officer's Certificate. A certificate dated as of the Closing Date, executed on behalf of Buyer by an officer of Buyer, attesting to its fulfillment of the conditions set forth in Section 7.1;

(c) Resolutions. A copy of the resolutions of Buyer approving the transactions contemplated by this Agreement;

(d) Assumption Agreements. One or more appropriate assumption agreements duly executed by Buyer, whereby Buyer assumes and agrees to perform the Assumed Liabilities in form and substance reasonably satisfactory to Seller; and

(e) Additional Documents. Additional documents, certifications or instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer and assign the Assets from Seller to Buyer, free and clear of Liens except for Permitted Liens.

#### Section 10: INDEMNIFICATION

10.1 Survival. The representations and warranties of either Party contained in this Agreement or in any document delivered in connection herewith shall (i) be deemed to have been made on the date of this Agreement, and on the Closing Date, subject to any changes in any representation or warranty that are contemplated by this Agreement, (ii) be deemed to be material and to have been relied upon by the Parties notwithstanding any investigation made by the Parties, (iii) survive the Closing, and (iv) remain operative and in full force and effect for the Indemnity Period. As used herein, the “Indemnity Period” means (a) for all covenants and for the representations and warranties set forth in Sections 3.2, 3.4, 3.5, 3.11, 3.12, 3.16, and Section 4.2, the date of expiration of the applicable statute of limitations, and (b) for the other representations and warranties made herein, the date that is twelve (12) months immediately following the Closing Date.

10.2 Seller’s Indemnity. Following Closing Seller shall indemnify and hold harmless Buyer, its Affiliates and its representatives from and against any and all third-party demands, losses, Liabilities, Actions, assessments, damages, fines, Taxes, penalties, reasonable costs and expenses (including reasonable expenses of investigation, and reasonable fees and disbursements of counsel, accountants and other experts) (the “Losses”) incurred or suffered by Buyer, its Affiliates or its representatives, arising out of, resulting from or relating to:

(a) Any breach of any of the representations or warranties made by Seller in this Agreement or in any document delivered in connection herewith;

(b) Any failure by Seller to perform any of its covenants or agreements contained in this Agreement or in any document delivered in connection herewith; or

(c) The Non-Assumed Liabilities.

10.3 Buyer’s Indemnity. Following Closing Buyer shall indemnify and hold harmless Seller, its Affiliates and its representatives from and against any and all Losses incurred or suffered by Seller, its Affiliates or its representatives, arising out of, resulting from or relating to:

(a) Any breach of any of the representations or warranties made by Buyer in this Agreement or in any document delivered in connection herewith;

(b) Any failure by Buyer to perform any of its covenants or agreements contained in this Agreement or in any document delivered in connection herewith;

(c) Any claim related to the finder's fee described in Section 4.4; or

(d) The Assumed Liabilities and any Liabilities arising from events occurring after Closing relating to Buyer's ownership and control of the Assets, the Business and the Stations following the Closing.

10.4 Procedures. In the event that any Party hereto shall sustain or incur any Losses in respect of which indemnification may be sought by such Party pursuant to this Section 10, the Party seeking such indemnification (the "Claimant") shall assert a claim for indemnification by giving prompt written notice thereof (a "Claim Notice") which shall describe in reasonable detail the facts and circumstances upon which the asserted claim for indemnification is based, along with, if applicable, a copy of the claim or complaint by any third party relating thereto, to the Party providing indemnification (the "Indemnitor"). For purposes of this paragraph, any Claim Notice that is sent within fifteen (15) days of the date upon which the Claimant actually learned of such Loss shall be deemed to have been "prompt notice"; *provided* that failure of the Claimant to give the Indemnitor prompt notice as provided herein shall not relieve the Indemnitor of any of its obligations hereunder except to the extent that the Indemnitor is materially prejudiced by such failure.

(a) Upon the receipt of such Claim Notice, the Indemnitor shall have the right to undertake (at its own expense), by counsel or representatives of its own choosing, the good faith defense, compromise or settlement to be undertaken on behalf of the Claimant and shall keep the Claimant reasonably informed with respect thereto, *provided* that the Indemnitor unconditionally agrees in writing that it shall provide indemnity to the Claimant for all Losses relating to the claim disclosed in the Claim Notice. Indemnity for such Losses shall not be deemed an admission of liability on the part of the Indemnitor as against any such third party. If the Indemnitor elects to undertake such defense by its own counsel or representatives, the Indemnitor shall give notice to the Claimant within thirty (30) days of its receipt of the Claim Notice. Notwithstanding the foregoing, the Indemnitor may not assume or control the defense if the named parties to the action giving rise to the Claim Notice (including any impleaded parties) include both the Indemnitor and the Claimant and representation of both Parties by the same counsel would be inappropriate (based on a written opinion of outside counsel) due to actual or potential differing interests between them, in which case the Claimant shall have the right to defend the action and to employ counsel reasonably approved by the Indemnitor, and, to the extent the matter is determined to be subject to indemnification hereunder, the Indemnitor shall reimburse the Claimant for all reasonable costs associated with such defense.

(b) The Claimant shall cooperate with the Indemnitor in such defense and provide the Indemnitor with all information and assistance reasonably necessary to permit the Indemnitor to settle and/or defend any such claim. Except as otherwise provided in the last sentence of Section 10.4(a), the Claimant may retain counsel (at the Claimant's expense) to monitor or participate in the defense of such claim, but the Indemnitor shall be entitled to control the defense unless the Claimant unconditionally agrees in writing to relieve the Indemnitor from liability with respect to the particular matter. The Indemnitor shall have the right in good faith to

settle or compromise any such claim, *provided* that at least ten (10) days prior notice of such settlement or compromise is given to the Claimant. Notwithstanding the foregoing, in connection with any such settlement or compromise negotiated by the Indemnitor, no Claimant shall be required by an Indemnitor to (i) enter into any settlement that does not include as an unconditional term thereof the delivery by the Claimant or plaintiff to the Claimant of a release from all liability in respect of such claim or litigation, or (ii) enter into any settlement that attributes by its terms any non-indemnified liability to the Claimant.

(c) If an Indemnitor fails, within thirty (30) days after the date of the Claim Notice to give notice to the Claimant of such Indemnitor's election to assume the defense thereof, the Indemnitor shall be bound by any determination made in such action or any compromise or settlement thereof effected by the Claimant and shall reimburse the Claimant for all Losses (including reasonable attorney's fees) incurred by the Claimant; *provided, however*, that the Claimant shall keep the Indemnitor advised on a timely basis of significant developments with respect to such defense and permit the Indemnitor to participate, at its own election and expense, at any time, in the defense thereof.

10.5 Qualifications and Limitations. Notwithstanding any provision contained in this Agreement to the contrary, the Indemnitor's obligations to indemnify the Claimant pursuant to Section 10.2 or 10.3 shall be subject to the following qualifications and limitations:

(a) The indemnity rights of Buyer under Section 10.2(a) or of Seller under Section 10.3(a), as Claimant, with respect to any breach of a representation or warranty by the other Party as Indemnitor expire upon the expiration of the Indemnity Period except with respect to any claim for indemnification for which a Claim Notice shall have been given prior to the expiration of the Indemnity Period.

(b) No indemnification shall be required to be made by Seller or Buyer, as Indemnitor, as the case may be, under Section 10.2(a) or 10.3(a), until the aggregate amount of Losses of Buyer or Seller as Claimant exceeds Twenty Thousand Dollars (\$20,000), in which case the indemnifying Party shall be responsible for all Losses, including the first Twenty Thousand Dollars (\$20,000) thereof, and the maximum liability of Seller or Buyer, as Indemnitor, as the case may be, shall be the Purchase Price.

## Section 11: TERMINATION

11.1 Termination by Seller. This Agreement may be terminated by Seller and the purchase and sale of the Stations abandoned, if Seller is not then in material default, upon written notice to Buyer, upon the occurrence of any of the following:

(a) Conditions. Subject to Section 11.3, if on the date that would otherwise be the Closing Date, any of the conditions precedent to the obligations of Seller set forth in Section 7 has not been satisfied or waived in writing by Seller.

(b) Judgments. If there shall be in effect on the date that would otherwise be the Closing Date any Judgment that would prevent or make unlawful the Closing.



(c) Failure to Close. If the Closing shall not have occurred on or before the first anniversary of the date on which the Assignment Application is filed.

11.2 Termination by Buyer. This Agreement may be terminated by Buyer and the purchase and sale of the Stations abandoned, if Buyer is not then in material default, upon written notice to Seller, upon the occurrence of any of the following:

(a) Satisfactory Due Diligence. If Buyer is not satisfied with the finding of its due diligence investigations, Buyer may terminate this Agreement by written notice to Seller given prior to the expiration of the Due Diligence Period. If notice of termination has not been given prior to the expiration of the Due Diligence Period, Buyer's right to terminate this Agreement pursuant to this Section 11.2(a) shall terminate and be of no further force or effect.

(b) Conditions. Subject to Section 11.3, if on the date that would otherwise be the Closing Date, any of the conditions precedent to the obligations of Buyer set forth in Section 8 has not been satisfied, or waived in writing by Buyer.

(c) Judgments. If there shall be in effect on the date that would otherwise be the Closing Date any Judgment that would prevent or make unlawful the Closing.

(d) Failure to Close. If the Closing shall not have occurred on or before the first anniversary of the date on which the Assignment Application is filed.

(e) Damage to Assets. If Buyer shall elect to exercise its termination right pursuant to Sections 6.8 (Risk of Loss).

11.3 Unsatisfied Conditions; Opportunity to Satisfy. If upon the initially scheduled Closing Date any of the conditions precedent to the obligations of either Party set forth in Section 7 or Section 8 of this Agreement shall not have been materially satisfied, and the Party entitled to the benefit of such condition is unwilling to waive the satisfaction of such unsatisfied condition, then such Party shall provide the other Party with written notice specifying in reasonable detail the nature of such unsatisfied condition, whereupon the other Party shall have thirty (30) calendar days from the date of receipt of such notice to effect the satisfaction of such unsatisfied condition, and Closing shall be postponed until a Business Day specified by such other Party with five day's written notice to the Party requiring the satisfaction of such condition, with such postponed Closing to occur within five (5) Business Days of the satisfaction of such condition and no later than five (5) Business Days after the thirtieth calendar day following the initially scheduled Closing Date. Notwithstanding the foregoing, no opportunity to cure shall be available to Buyer with respect to its obligation or ability to pay the Purchase Price at Closing, and the Closing Date shall only be subject to one postponement. If the unsatisfied condition is not satisfied in all material respects within such time period, then each Party shall be entitled to exercise its rights under Section 11 with this Section 11.3 having no further effect.

11.4 Effect of Termination. Upon termination, if neither Party hereto is in material breach of any provision of this Agreement, the Parties hereto shall not have any further liability to each other.

11.5 Specific Performance. The Parties recognize that if Seller refuses to perform under the provisions of this Agreement or otherwise breaches its obligation to consummate this Agreement, monetary damages alone would not be adequate to compensate Buyer for its injury. Buyer shall therefore be entitled, in addition to any other remedies that may be available, to obtain specific performance of the terms of this Agreement. If any action is brought by Buyer to enforce this Agreement, Seller shall waive the defense that there is an adequate remedy at law.

11.6 Attorneys' Fees. In the event of a default by either Party that results in a lawsuit or other proceeding for any remedy available under this Agreement, the prevailing party shall be entitled to reimbursement from the other party of its reasonable legal fees and expenses (whether incurred in arbitration, at trial, or on appeal).

11.7 Surviving Obligations. The rights and obligations of the Parties described in Section 6.5, Section 12, and this Section 11 shall survive any termination.

Section 12: MISCELLANEOUS.

12.1 Notices. All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (i) in writing, may be delivered by personal delivery, sent by commercial delivery service or certified mail, return receipt requested, (ii) deemed to have been given on the date of actual receipt, which may be presumptively evidenced by the date set forth in the records of any commercial delivery service or on the return receipt, and (iii) addressed to the recipient at the address specified below, or with respect to any party, to any other address that such party may from time to time designate in a writing delivered in accordance with this Section 12.1:

If to Seller:

Adams Radio of Delmarva Peninsula, LLC  
Attn: Ron Stone, Chief Executive Officer  
P.O. Box 430  
Lakeville, Minnesota 55044  
Phone: 952-232-0876  
Fax: \_\_\_\_\_  
Email: ronstone@adamsradiogroup.com

with copies (which shall not constitute notice) to:

Robert T. York  
Kaplan, Strangis and Kaplan, P.A.  
730 Second Avenue South, Suite 1450  
Minneapolis, MN 55402  
Phone: 612-375-1138  
Fax: 612-375-1143  
Email: rty@kskpa.com

If to Buyer:

WBOC, Inc.  
Attn: Craig Jahelka, President, Draper Media  
1729 North Salisbury Blvd  
Salisbury, MD 21801

Phone: 443-880-9090  
Email: [cjahelka@wboc.com](mailto:cjahelka@wboc.com)

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

Jason Rademacher  
Cooley LLP  
1299 Pennsylvania Ave, NW  
Washington, D.C. 20004

Phone: 202-776-2370  
Email: [jrademacher@cooley.com](mailto:jrademacher@cooley.com)

12.2 Expenses. Except as otherwise provided in this Agreement, Seller and Buyer shall share equally all federal, state, and local sales or transfer taxes arising from the consummation of the transactions contemplated herein. Buyer and Seller shall also each pay one-half of any fees associated with filing the Assignment Application for the FCC Consent and any other necessary consent from a Governmental Authority. Except as otherwise provided in this Agreement, Seller and Buyer shall each be liable for its own fees and expenses incurred in connection with the negotiation, preparation, execution or performance of this Agreement and the consummation of the transactions contemplated herein.

12.3 Choice of Law. THIS AGREEMENT SHALL BE CONSTRUED, INTERPRETED AND THE RIGHTS OF THE PARTIES DETERMINED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO THE PRINCIPLES OF CONFLICTS OF LAW OF SUCH STATE.

12.4 Assignment. Neither this Agreement nor any of the rights or obligations hereunder may be assigned by Seller or Buyer without the prior written consent of the other Party hereto; *provided, however*, that Buyer may assign its rights and obligations under this Agreement, in whole or in part, to one or more of its Affiliates without seeking or obtaining Seller's prior approval in which event Buyer shall have no further obligation hereunder, and upon Closing Buyer may collaterally assign its rights and interests hereunder to its senior lenders without seeking or obtaining Seller's prior approval. Upon any permitted assignment by Buyer or Seller in accordance with this Section 12.4, all references to "Buyer" herein shall be deemed to be references to Buyer's assignee and all references to "Seller" herein shall be deemed to be references to Seller's assignee, as the case may be. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns, and no other person shall have any right, benefit or obligation hereunder.

12.5 Entire Agreement. This Agreement, all schedules and exhibits hereto, and all documents and certificates to be delivered by the Parties pursuant hereto, collectively represent the entire understanding and agreement between the Parties hereto with respect to the subject matter of this Agreement. All schedules and exhibits attached to this Agreement shall be deemed

part of this Agreement and are incorporated herein, where applicable, as if fully set forth herein. This Agreement supersedes all prior negotiations, letters of intent or other writings between the Parties and their respective representatives with respect to the subject matter hereof and cannot be amended, supplemented, or modified except by an agreement in writing that makes specific reference to this Agreement or an agreement delivered pursuant hereto, as the case may be, and which is signed by the Party against which enforcement of any such amendment, supplement, or modification is sought.

12.6 Waivers of Compliance; Consents. Except as otherwise provided in this Agreement, any failure of any of the Parties to comply with any obligation, representation, warranty, covenant, agreement, or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any Party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this Section.

12.7 Severability. In the event that any one or more of the provisions contained in this Agreement or in any other instrument referred to herein, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other such instrument and this Agreement shall be construed in a manner that, as nearly as possible, reflects the original intent of the Parties.

12.8 Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, and all of which counterparts together shall constitute one and the same fully executed instrument. Delivery of counterpart signature pages may be effected by email of scanned copies of executed signature pages; *provided, however*, that the Parties shall promptly arrange to exchange executed original signature pages by personal or commercial overnight delivery.

*[END OF PAGE. SIGNATURES FOLLOW.]*

IN WITNESS WHEREOF, this Agreement has been executed by the Parties hereto as of the date first above written.

SELLER:

ADAMS RADIO OF DELMARVA PENINSULA, LLC

By: Lon Stone  
Its: CEO

BUYER:

WBOC, INC.

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

IN WITNESS WHEREOF, this Agreement has been executed by the Parties hereto as of the date first above written.


SELLER:

ADAMS RADIO OF DELMARVA PENINSULA, LLC

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

BUYER:

WBOC, INC.

By:  \_\_\_\_\_  
Its: \_\_\_\_\_ President & CEO