

PROPOSED PROMISSORY NOTES AND SECURITY DOCUMENTS

Attached hereto are the proposed Promissory Notes and Security Documents pertaining to the WYLF Assignment of License.

MODIFIED PROMISSORY NOTE #1

Genesee Media Corporation (Borrower), promises to pay to the order of **Kimberly A. Sandic**, (Lender), the sum of **Fifty Thousand and 00/100 Dollars (\$50,000.00)** lawful money of the United States, which sum Borrower does hereby covenant and agree to pay to the said Lender with interest thereon to be computed from January 1, 2023 at the rate of **Six percent (6%)** per annum payable as follows:

Monthly payments of interest only shall be made in the amount of Three hundred Dollars (\$300.00) through December, 2022, and thereafter principal and interest payments in the amount of Five hundred fifty-five and 10/100ths Dollars (\$555.10) on the first day of each and every month during the term hereof, the first payment to be made on **January 1, 2013**, each installment being first applied to pay interest at the rate of **six percent (6%)** per annum due upon the unpaid principal and the balance of such monthly payment being then applied to reduce the principal. Such monthly payment shall continue until ten (10) years from the date principal and interest payments commence, when any unpaid balance of principal shall become due and payable with interest to date of such payment.

This Promissory Note may be prepaid in part or in full at any time.

Borrower shall pay a late charge of five percent (5%) of the monthly payment for any payment that is made more than ten (10) days after the due date thereof.

Any deficiency in the amount of such monthly installment of interest and principal, unless made good within thirty days of the due date thereof, shall constitute a default under this note, and the total balance due on this note, together with interest thereon shall, at the option of the payee, and upon the demand of the payee, become immediately due and payable.

Borrower further agrees, if this note shall be placed in the hands of an Attorney for collection, to pay reasonable attorney's fees not to exceed fifteen percent (15%) of the amount due hereon.

Borrower understands that interest shall continue to accrue on the unpaid principal at the stated rate until the date the payment is received by Lender.

Signed and delivered this th day of ,2022

Genesee Media Corporation, Borrower

By: Brian McGlynn, President

MODIFIED PROMISSORY NOTE #2

Genesee Media Corporation (Borrower), promises to pay to the order of **Kimberly A. Sandic**, (Lender), the sum of **Two Hundred Ten Thousand and 00/100 Dollars (\$210,000.00)** lawful money of the United States, which sum Borrower does hereby covenant and agree to pay to the said Lender with interest thereon to be computed from January 1, 2023 at the rate of **Six percent (6%)** per annum payable as follows:

Monthly payments of interest only shall be made in the amount of One Thousand Dollars (\$1,000.00) through December, 2022, and thereafter principal and interest payments in the amount of Two Thousand three hundred thirty-one and 43/100ths Dollars (\$2,331.43) on the first day of each and every month during the term hereof, the first payment to be made on **January 1, 2013**, each installment being first applied to pay interest at the rate of **six percent (6%)** per annum due upon the unpaid principal and the balance of such monthly payment being then applied to reduce the principal. Such monthly payment shall continue until ten (10) years from the date principal and interest payments commence, when any unpaid balance of principal shall become due and payable with interest to date of such payment.

This Promissory Note may be prepaid in part or in full at any time.

Borrower shall pay a late charge of five percent (5%) of the monthly payment for any payment that is made more than ten (10) days after the due date thereof.

Any deficiency in the amount of such monthly installment of interest and principal, unless made good within thirty days of the due date thereof, shall constitute a default under this note, and the total balance due on this note, together with interest thereon shall, at the option of the payee, and upon the demand of the payee, become immediately due and payable.

Borrower further agrees, if this note shall be placed in the hands of an Attorney for collection, to pay reasonable attorney's fees not to exceed fifteen percent (15%) of the amount due hereon.

Borrower understands that interest shall continue to accrue on the unpaid principal at the stated rate until the date the payment is received by Lender.

Signed and delivered this th day of ,2022

Genesee Media Corporation, Borrower

By: Brian McGlynn, President

PERSONAL RELEASE, ASSUMPTION, and FORBEARANCE AGREEMENT

AGREEMENT, made on the year and date below written, between 850 FLX Radio, Inc., a New York Corporation with offices at 100 Main Street, #201, Penn Yan, New York 14527, ("First Party:") and Kimberly A. Sandic, residing at 2 Ellis Place, Victor, New York 14564, ("Second Party"), and Timothy A. Stratton, residing at 10481 East Windrose Drive, Scottsdale, Arizona 85259, ("Third Party"), and Genesee Media Corporation with offices at 195 Main Street, Dansville, New York 14477 ("Fourth Party"), and Brian McGlynn and Ed Trefzger (Collectively "Fifth Party").

WITNESSETH:

WHEREAS, The First Party previously purchased and now owns the former Assets of M.B. Communications, Inc., in consideration for the assumption of the obligations and terms of Two Promissory Notes ("The Notes") given by M. B. Communications and Jeffrey L. Pearce to Russell S. Kimble, on November 30, 2012, one note being secured by a Collateral Security Mortgage ("The Mortgage") on property located at Sherman Hollow Road, in the Town of Jerusalem, Yates County, New York, which said mortgage was recorded on December 7, 2012 in Liber 912 of Mortgages at Page 158, in the Office of the Yates County Clerk, which said Note and Mortgage were assigned by John A. Schuppenhauer, Esq. as Executor of the Last Will and Testament of Russell S. Kimble to Kimberly A. Sandic by instrument dated December 9, 2019 and recorded in the Office of the Yates County Clerk on Ontario County on December 30, 2019 as in Liber 405 of Mortgage Assignments at Page 51, as Instrument Number 2019-00003183, and

WHEREAS, the Fifth Party consists of the sole shareholders of the Fourth Party, and

WHEREAS, the First Party and the Fourth Party have entered into an Asset Purchase Agreement dated April 29, 2022, for the purchase and sale of the existing Assets of the First Party, and

WHEREAS, in order to facilitate the purchase of said Assets of the First Party by the Fourth Party, the Second Party is willing to consent to the said assumption, and is further willing to release the Third Party from any obligations under said Note and Mortgage obligation upon certain terms and conditions.

NOW THEREFORE, IN CONSIDERATION OF ONE DOLLAR LAWFUL CONSIDERATION AND THE PARTIES' MUTUAL COVENANTS AND AGREEMENTS, IT IS HEREBY:

AGREED THAT:

- 1) The Second Party hereby agrees to release 850 FLX Radio, Inc. and Timothy A. Stratton from all responsibilities and obligations under the said Note and Mortgage, but only if the Fourth Party has timely made payments under the said

Note and Mortgage for a period of 18 months, and the Second Party shall execute any and all documents necessary to effectuate the same;

- 2) The Fourth Party hereby agrees to assume all of the responsibilities and obligations under the said Notes and Mortgage;
- 3) The Parties agree that the Principal Balance of said Notes as of August 1, 2022, together with any accrued interest thereon is \$260,000.000;
- 4) The Parties further agree that the Notes shall be modified so that one Note shall be \$50,000, which said Note ("Note 1"), shall be secured by the Mortgage on the aforementioned real property, and the second Note ("Note 2") in the amount of \$210,000, shall be secured by a Security Agreement pledging the assets of the Fourth Party, excepting the Fourth Party's FCC License;
- 5) The term of said Notes shall be for Ten years, and interest on the modified Notes shall be 6% per annum, with monthly payments on Note 1 to be \$555.10, and on Note 2 to be \$2,331.43;
- 6) Payments of interest only in the amount of \$1300 per month (\$300 on Note 1 and \$1,000 on Note 2) shall be made through December, 2022, and payments of Interest and Principal under the notes shall commence on January 1, 2023;
- 7) The Fourth Party shall, as security for Payment, assume the Mortgage, and further shall execute a Security Agreement pledging the assets of the Fourth Party, excepting the Fourth Party's FCC License, to secure the said Notes;
- 8) The Fifth Party shall execute a Personal Guaranty of Payment of the said Notes, and shall further execute a collateral Pledge of the Third Party's stock in the First Party Corporation;
- 9) The Fourth Party shall provide the Second Party Profit and Loss Statements and Corporation Income Tax Returns (New York State and Federal) on an annual basis, within 30 days of filing the same, and shall also provide annual profit and loss statements and balance statements for the previous year each January;

IN WITNESS WHEREOF, THE PARTIES HAVE HEREUNTO AFFIXED THEIR SIGNATURES.

Dated:

850 FLX RADIO, INC.

By:

Timothy A. Stratton, President

STATE OF _____)
COUNTY OF _____)ss:

On the ____ day of _____ in the year of 2022 before me, the undersigned, a Notary Public in and for the said State, personally appeared Timothy A. Stratton, President, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument in his respective capacity.

Notary Public

Dated:

Timothy A. Stratton, individually

STATE OF _____)
COUNTY OF _____)ss:

On the ____ day of _____ in the year of 2022 before me, the undersigned, a Notary Public in and for the said State, personally appeared Timothy A. Stratton, individually, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

Dated:

GENESEE MEDIA CORPORATION

By: _____
Brian McGlynn

STATE OF _____)
COUNTY OF _____)ss:

On the ____ day of _____ in the year of 2022 before me, the undersigned, a Notary Public in and for the said State, personally appeared Brian McGlynn, President, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument in his respective capacity.

Notary Public

Dated:

Brian McGlynn, individually

STATE OF NEW YORK)
COUNTY OF ONTARIO)ss:

On the ____ day of _____ in the year of 2022 before me, the undersigned, a Notary Public in and for the said State, personally appeared Brian McGlynn, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

Dated:

Ed Trefzger, individually

STATE OF NEW YORK)
COUNTY OF ONTARIO)ss:

On the ____ day of _____ in the year of 2022 before me, the undersigned, a Notary Public in and for the said State, personally appeared Ed Trefzger, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

Dated:

Kimberly A. Sandic

STATE OF NEW YORK)
COUNTY OF ONTARIO)ss:

On the ____ day of _____ in the year of 2022 before me, the undersigned, a Notary Public in and for the said State, personally appeared Kimberly A. Sandic, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

SECURITY AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 200_, by and between _____ (hereinafter referred to as "Debtor") and _____ (hereinafter referred to as "Secured Party").

WHEREAS, Secured Party is the assignee of the rights of _____, licensee of _____ broadcast station _____ (the "Station"), which has entered into a Purchase Agreement with _____, dated _____, 200_ for sale of the Station, including certain physical assets as listed in Exhibit A to the Purchase Agreement.

WHEREAS, Debtor has executed a Promissory Note ("Note") of even date herewith in the principal sum of \$_0.00 each for an aggregate amount of \$_0.00 to the Secured Party;

NOW THEREFORE, in order to secure the payment of the principal and interest on the Note, as and when due and payable and to secure the performance and observance of the provisions contained in the Note, the Purchase Agreement, and this Security Agreement, and for and in consideration of the debt above described, Debtor hereby grants and conveys to Secured Party a security interest in, and a continuing lien on, the following described property:

All personal property tangible or intangible now owned by Debtor or hereafter acquired and used or intended to be used in the operation and conduct of the business of _____ station _____, _____, ____.

Together with all proceeds, accessories, attachments, parts, special tools, equipment, accessions, renewals, increases, repairs, improvements, and replacements of all or any part thereof (collectively

referred to herein as the "Collateral").

1. Debtor's Warranties And Covenants:

(a) The Collateral is used or bought for use primarily for business purposes other than farming operations and is being acquired with the proceeds of the Note referenced in this Security Agreement. **The Collateral does not include the FCC licenses and authorizations.**

(b) The Debtor is a _____ corporation, with its principal place of business located at (address).

(c) The Collateral will be kept at (address).

(d) Debtor will promptly notify Secured Party of any change of Debtor's principal place of business or in the location of the Collateral, and Debtor will not remove the Collateral from the State of _____ ("State") without the written consent of Secured Party.

(e) Except for the security interest granted hereby, Debtor .is the owner of the Collateral free from any adverse lien, security interest or encumbrance, and Debtor will defend the Collateral against all claims and demands of all persons at anytime claiming the same or any interest therein..

(f) No financing statement covering any of the Collateral or any proceeds thereof is on file in any public office and, at the request of Secured Party, Debtor will join with Secured Party in executing one or more financing statements in form satisfactory to Secured Party.

(g) Debtor will not sell or offer to sell or otherwise transfer the Collateral or any interest therein without the written consent of the Secured Party.

(h) Debtor will have and maintain insurance at all times with respect to all Collateral against risks of fire, including extended coverage, theft and such other risks as Secured Party may require.

(i) Debtor will keep the Collateral free from any adverse liens, security interest or encumbrance and in good order and repair and will not waste or destroy the Collateral or any part thereof. Debtor will not use the Collateral in violation of any statute or ordinance and Secured Party may examine and inspect the collateral, wherever located, upon five (5) days' notice to Debtor.

(j) Debtor will pay promptly when due all taxes and assessments upon the Collateral or for its use or operation or upon this Security Agreement or upon any Notes evidencing the obligations secured thereby. At its option, Secured Party may discharge taxes, liens, other security interest, or any other encumbrances at any time levied or placed on the Collateral and may pay for insurance on the Collateral and may pay for the maintenance and preservation of the Collateral. Debtor agrees to reimburse Secured Party on demand for any payment or any expense incurred by Secured Party pursuant to the foregoing authorization. Until default, Debtor may have possession of the Collateral and use it in any lawful manner not inconsistent with this Security Agreement and not inconsistent with any policy of insurance thereon.

2. Events of Default:

Any one of the following shall constitute an event of default:

(a) Failure by Debtor to pay any installments of principal or interest due under the Note, as and when due and payable.

(b) Failure by Debtor to pay any deposits for taxes and assessments or insurance premiums due hereunder, or any other sums to be paid by Debtor hereunder as and when due and payable, or to duly keep, perform and observe any other covenant, condition or agreement in this Security Agreement.

(c) Sale except routine dispositions of assets typical of ordinary transactions in the radio broadcast industry, or encumbrance of any of the Collateral, or the making of any levy, seizure or

attachment therefor or thereon;

(d) Dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property, assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against, Debtor or any guarantor or surety for Debtor.

3. Remedies:

(a) Upon such default, and after notice of nonpayment in whole or in part of any installment of principal or interest due under the Note and the passing without cure of the deficiency of the period for cure provided in the Note, or, as to defaults specified in Sections 2(b), (c), or (d) hereof, after thirty (30) days' written notice specifying the default to the Debtor by certified or registered mail, return receipt requested, postage prepaid, and Debtor's failure to cure the noticed default within the thirty (30) day period, the entire amount of indebtedness secured hereby shall, at the option of Secured Party, become due and payable, and Secured Party shall have the remedies of a Secured Party under applicable law. Any proceeds recovered shall be applied to the outstanding balance owing on the Notes in the manner allowed by State law.

(b) Secured Party may require Debtor to assemble the Collateral and make it available to Secured Party at any place to be designated by Secured Party, which is reasonably convenient to both parties.

(c) The requirements of reasonable notice of sale shall be met if such notice is mailed, certified or registered mail, return receipt requested, postage prepaid, at least thirty (30) days before the time of the sale or disposition.

(d) Expenses of retaking, holding, preparing for sale, selling or the like shall include Secured Party's reasonable attorneys' fees and legal expenses.

4. Miscellaneous Provisions:

(a) This Security Agreement may not be amended or rescinded in any manner except by an instrument in writing signed by a duly authorized officer or representative of each party hereto.

(b) This Security Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State, including its conflict of laws rules.

(c) Should any of the provisions of this Security Agreement be found to be invalid, illegal, or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the provisions of this Security Agreement operate or would prospectively operate to invalidate this Security Agreement, then and in either of those events, such provision or provisions only shall be deemed null and void and shall not affect any other provision of the Security Agreement and the remaining provisions of this Security Agreement shall remain operative and in full force and effect and shall in no way be affected, prejudiced or disturbed thereby.

(d) The headings of the Sections and paragraphs contained in this Security Agreement are included for convenience of reference only and do not form a part hereof and in no way modify, interpret, or construe the meaning of the parties hereto.

(a) As used in this Security Agreement, the singular shall include the plural and vice versa and any gender shall include any other gender as the text shall indicate.

7. Notwithstanding anything to the contrary contained in herein, or in any other agreement, instrument, or document executed by Debtor and delivered to Secured Party, Secured Party will not take any action pursuant to this Security Agreement which would constitute or result in a change in control of the Debtor requiring the prior approval of the Federal Communications Commission ("FCC") without first obtaining such prior approval of the FCC.

8. Except as otherwise specifically provided herein, all notices, requests or other

communications required or permitted to be given hereunder shall be deemed duly given if mailed by certified or registered mail, return receipt requested, postage prepaid and, subject to the designation by the addressee of another address, addressed as follows:

(a) If to Debtor

If to Secured Party:

IN WITNESS WHEREOF, the parties have caused this agreement to be executed the date and year first above written.

Secured Party:

Debtor:

State of _____)
County of _____) ss

THIS IS TO CERTIFY that on this ____ day of _____, 200_, before me, the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn as such, personally appeared _____ known to be the President of _____, a _____ corporation, the entity that executed the foregoing instrument and acknowledged that he executed said instrument as the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and that he was authorized to execute said instrument.

WITNESS my official hand and seal the day and year in this certificate first hereinabove written.

Notary Public in and, for _____

My commission expires: _____

SHARE PLEDGE AGREEMENT

THIS AGREEMENT made this ___ day of _____, 2022, by and between _____, a _____ Corporation (herein called the "Licensee Corporation"); _____, jointly and severally (herein called "Pledgor"); and _____, jointly, or their assigns (herein called "Pledgee");

WITNESSETH

WHEREAS, the Licensee Corporation is duly indebted to Pledgee in the aggregate principal amount of _____ DOLLARS (\$___.00), evidenced by the promissory note of Pledgor, dated _____, 200_ (the "Note"); and

WHEREAS, in order to induce Pledgee to enter into a certain Agreement dated _____ (the "Agreement"), providing for the purchase by the Licensee Corporation of the assets and license of a _____ broadcast station at _____, _____, Pledgor has agreed to pledge 100% of the Stock in the Licensee Corporation (the "Stock") as security for the prompt payment of the Note in accordance with its terms:

NOW, THEREFORE, intending to be legally bound hereby, the parties agree as follows:

PLEDGE OF SHARES

Pledgor hereby pledges, grants a security interest in, and deposits with the Escrow Agent as agent for Pledgee, 100% of the stock owned by the Pledgor in the Licensee Corporation, certificates for which have been delivered to the Escrow Agent together with an assignment separate from certificate duly endorsed by Pledgor in Blank), and hereby assigns, transfers and sets over to Pledgee all of the Pledgor's right, title and interest in and to such Stock (and in and to such certificates), to be held by the Escrow Agent upon the terms and conditions set forth in this Pledge Agreement as security and collateral (herein called the "collateral") for the due performance and compliance by Pledgor with all of the terms and provisions of this Pledge Agreement and for the payment, when and as due and payable, of any and all of Licensee Corporation's liabilities under the Note.

VOTING

Unless an Event of Default (as hereinafter defined) shall have occurred and be continuing, Pledgor shall be entitled to vote its shares of the Stock of the Licensee Corporation. **The Pledgor shall retain voting rights even in the event of default unless and until such time as the Commission grants a transfer of control of the Licensee Corporation pursuant to an application to the Commission requesting said transfer.** All such rights of Pledgor to vote shall cease in case of an Event of Default shall occur and be continuing, provided, however, that the Federal Communications Commission ("Commission"), if required by the Communications Act of 1934, as amended, and applicable rules and policies of the Commission, shall have first granted its consent to transfer of control of the Licensee Corporation. Notwithstanding any provision of this Pledge Agreement to the contrary, neither the Pledgee nor the Escrow Agent shall be entitled to vote

the Stock, or exercise control of the Licensee Corporation, without the prior consent of the Commission, if required by the Communications Act of 1934, as amended, and applicable rules and policies of the Commission.

ADDITIONAL SHARES

Pledgor will not permit or approve the issuance of any additional shares of the Licensee Corporation's stock or the declaration, order or setting apart of any sum or any property or assets by the Licensee Corporation for any dividend on account of any shares of the Licensee Corporation's stock without the written consent of Pledgee.

EVENTS OF DEFAULT

The following shall constitute an event of default: If Pledgor fails to pay any sum when due or to perform any of its obligations under this Pledge Agreement or the Note.

REMEDIES UPON DEFAULT

If an event of default shall have occurred and be continuing, the Escrow Agent shall be entitled to exercise, and shall exercise, all of the rights, powers and remedies (whether vested in it by this Pledge Agreement or by law or otherwise, including, without limitation, those of a secured party under the Uniform Commercial Code) for the protection and enforcement of Pledgee's rights in respect of the collateral, and the Escrow Agent shall be entitled, subject to the prior consent of the Commission when and as necessary, and without other limitation in such event, as follows:

- (i) to receive all amounts payable in respect of the collateral otherwise payable to Pledgor;
- (ii) to transfer all or any part of the Stock into Pledgee's name or the name of his nominee or nominees; and to receive the cooperation of the Pledgor with respect to the expedient preparation and filing of an application with the Commission requesting consent to the transfer of control of the Licensee Corporation to Pledgee;
- (iii) subject to the prior receipt of any necessary Commission approvals, to act with respect to the collateral as though the Pledgee were the outright owner thereof, Pledgor hereby irrevocably constitutes and appoints the Escrow Agent the proxy and attorney-in-fact of the Pledgor with full power of substitution to do so, such appointment being coupled with an interest;
- (iv) to the extent permitted by law, sell, assign, and deliver or grant options to purchase, all or any part of the collateral at public or private sale, and on such terms as Pledgee may determine in its sole discretion, without notice or advertisement, and bid and become a purchaser at any such sale, and if notice to the Pledgor is required, written notice mailed to Pledgor (as provided herein) at least five (5) days prior to the date of sale of the Stock shall constitute reasonable notice. Pledgor hereby waives and releases to the fullest extent permitted by law any right or equity or redemption with respect to the Stock, whether before or after sale hereunder, and all rights, if any, of marshaling the Stock. At any such sale, unless prohibited by applicable law, Pledgee may bid for and purchase all or any part of the Stock so sold free and clear from any such right or equity of redemption.

TERMINATION AND RELEASE

Upon satisfaction of Pledgor's repayment obligations in all respects as specified in the Note, this Pledge Agreement shall terminate and the Escrow Agent and Pledgee, at the request and expense of the Pledgor, shall execute and deliver to the Pledgor a proper instrument or instruments acknowledging the satisfaction and termination of this Pledge Agreement, and Pledgee and Escrow Agent will duly assign, transfer and deliver to Pledgor such of the collateral as has not theretofore been sold or otherwise applied or released pursuant to this Pledge Agreement, together with any moneys at the time held by the Escrow Agent as security hereunder.

DUTIES AND OBLIGATIONS OF THE ESCROW AGENT

Acceptance by the Escrow Agent of his duties as agent for Pledgee under this Pledge Agreement is subject to the following terms and conditions:

(a) The duties and obligations of the Escrow Agent shall be determined solely by the provisions of this Pledge Agreement, and he shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Pledge Agreement;

(b) Pledgee will indemnify the Escrow Agent for, and hold him harmless against, any loss, liability or expense, including, but not limited to, attorneys' fees, incurred without bad faith or willful misconduct on the part of the Escrow Agent arising out of and in connection with his acceptance of, or the performance of, his duties and obligations under this Pledge Agreement, as well as the costs and expenses of defending against any claim or liability arising out of or relating to this Pledge Agreement;

(c) The Escrow Agent, as Pledgee's agent, shall be fully protected by Pledgee in acting on and relying on any written notice, instruction, direction, or other document which he in good faith believes to be genuine and to have been signed or presented by the proper party or parties;

(d) The Escrow Agent shall not be liable to Pledgee or Pledgor for any error of judgment, or for any act done or step taken or not taken by it in good faith or for any mistake in fact or law or for anything which he may do or refrain from doing in connection herewith, except his own gross negligence or misconduct;

(e) The Escrow Agent, as Pledgee's agent, may seek advice of legal counsel in the event of any dispute or question as to his duties hereunder, and he shall incur no liability to Pledgee and shall be fully protected by Pledgee in respect of any action taken or suffered by him in good faith in accordance with opinion of counsel.

NOTICES

All notices hereunder shall be in writing and shall be delivered or mailed by certified mail, return receipt requested, postage prepaid, addressed to the respective parties as follows:

(a) If to Pledgor:

(b) If to Pledgee:

(c) If to Escrow Agent:

or at such other address as the parties may from time to time designate by written notice to the other parties.

MISCELLANEOUS

The terms of this Pledge Agreement shall inure to the benefit of and be enforceable by Pledgee and the Escrow Agent and any successors or assigns. This Pledge Agreement may be changed, waived, discharged or terminated only by an instrument in writing signed by the party against which enforcement of such change, waiver, discharge or termination is sought. This Pledge Agreement shall be governed by the laws of the State of _____. In the event any one or more of the provisions contained in this Pledge Agreement or Note 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 Pledge Agreement or Note, but this Pledge Agreement and Note shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein or therein.

IN WITNESS WHEREOF, the parties hereto have caused this Pledge Agreement to be executed and delivered as of the date first above written.
