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9/2/2014

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this "Agreement") is made and entered effective as of July 1, 2014, by and between SPRING ARBOR UNIVERSITY ("Seller"); LENA WEE BROADCASTING COMPANY ("Buyer"); and FLETCHER HEALD & HILDRETH, PLC ("Escrow Agent").

WITNESSETH

WHEREAS, Seller and Buyer have entered into an Asset Purchase Agreement (the "Purchase Agreement"), of even date herewith, of FM Translator W243AD, Adrian, Michigan (FCC Facility ID No. 61995) (the "Station"). Capitalized terms used but not defined herein shall have the meanings assigned to them in the Purchase Agreement.

WHEREAS, pursuant to the Purchase Agreement, Buyer must deposit in escrow the sum of FIVE THOUSAND SEVEN HUNDRED FIFTY DOLLARS (\$5,750.00) (the "Escrow Deposit").

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

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

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

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

3. [INTENTIONALLY DELETED].

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

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

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

(c) Partial Release of Escrow Deposit. If the Escrow Agent disburses less than all of the Escrow Deposit pursuant to any joint notice or court order in accordance with this Agreement, that portion of the Escrow Deposit not disbursed shall continue to be held in escrow by the Escrow Agent subject to the terms of this Agreement.

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

6. **RIGHT OF INTERPLEADER.** If any controversy arises between the Buyer and Seller with respect to this Agreement or the Escrow Deposit, or the Escrow Agent is in doubt as to what action to take, the Escrow Agent will: withhold delivery of the Escrow Deposit until the controversy is resolved or the conflicting demands are withdrawn or the doubt is resolved; or institute a bill of interpleader in a court in Michigan with jurisdiction over disputes arising in Adrian, Michigan to determine the rights of the parties (in which case the Escrow Agent will withhold delivery of the Escrow Deposit until paid into the court in accordance with the laws of Michigan). If a

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bill of interpleader is instituted, or if the Escrow Agent is threatened with litigation or becomes involved in litigation in any manner whatsoever on account of this Agreement or the Escrow Deposit, as between themselves and the Escrow Agent, the Buyer and Seller will pay the Escrow Agent its reasonable attorneys' fees and any other disbursements, losses, reasonable expenses, costs and damages of the Escrow Agent in connection with or resulting from such threatened or actual litigation. All costs and expenses of such controversy will be charged to the non-prevailing party in such controversy.

7. **INDEMNITY.** The Buyer and Seller, jointly, will indemnify the Escrow Agent against and hold the Escrow Agent harmless from any losses, costs, damages, expenses, claims and attorneys' fees suffered or incurred by the Escrow Agent as a result of, in connection with or arising from or out of the acts or omissions of the Escrow Agent in performance of or pursuant to this Agreement, except such acts or omissions as may result from the Escrow Agent's willful misconduct or gross negligence.

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

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

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

11. MISCELLANEOUS.

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

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

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

If to Seller:

Spring Arbor University
106 E. Main Street
Spring Arbor, MI 49283
Attn: Malachi Crane

with copy (which shall not constitute notice) to:

Matthew H. McCormick, Esq.
Fletcher Head & Hildreth, PLC
1300 North 17th Street
11th Floor
Arlington, VA 22209

If to Buyer:

Lenawee Broadcasting Company
P.O. Box 687
Adrian, MI 49221
Attn: Julie M. Koehn

with copy (which shall not constitute notice) to:

John F. Garziglia, Esq.
Womble Carlyle Sandridge & Rice, LLP
1200 19th Street, N.W.
Suite 500
Washington, DC 20036

If to Escrow Agent:

Fletcher Heald & Hildreth, PLC
1300 North 17th Street
11th Floor
Arlington, VA 22209
Attn: Matthew H. McCormick, Esq.

(d) Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with the laws of the State of Michigan, without regard to its rules for conflict of laws.

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

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

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

(h) Fees. Other than as set forth in Section 6 above, Escrow Agent shall perform its duties without payment of any fee or other compensation.

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

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

SPRING ARBOR UNIVERSITY

By: 

INENAWEE BROADCASTING COMPANY

By: 

Julie M. Koehn
President

FLETCHER HEALD & HILDRETH, PLC

By: 

Mathew H. McCormick
Co-Managing Member