

## **BANGOR SAVINGS BANK ESCROW AGREEMENT**

THIS ESCROW AGREEMENT (this "Agreement") is made and is effective this 14<sup>th</sup> day of November 2016 (the "Effective Date"), by and among Maine Public Broadcasting Corporation, a Maine non-profit corporation ( "Buyer"), Pine Tree Broadcasting , LLC, a limited liability corporation organized in the State of Maine ("Seller"); and **Bangor Savings Bank**, Maine financial institution with principal offices in Bangor, Maine ("Escrow Agent").

### **Recitals**

Buyer and Seller have executed a certain agreement regarding the purchase and sale of assets (the "Purchase Agreement") with a date substantially similar to the Effective Date of this Agreement. The Purchase Agreement provides that an escrow account shall be established to secure the obligations of the Buyer thereunder.

The parties desire to establish the escrow contemplated by the Purchase Agreement on the terms and conditions set forth below (the "Escrow").

### **Terms**

NOW, THEREFORE, in consideration of the mutual premises and covenants contained herein, the receipt and sufficiency of which are hereby expressly acknowledged, and in accordance with the Purchase Agreement, the parties agree as follows:

1.     Establishment of Escrow.

(a)     Appointment. Escrow Agent hereby agrees to accept the agency created under this Agreement and act as escrow agent to hold, safeguard and disburse the Escrow Fund (as defined below) pursuant to the terms and conditions of this Agreement.

(b)     Deposit. Buyer is depositing with Escrow Agent an amount equal to Fifteen Thousand Dollars (\$15,000.00) in immediately available funds (the "Escrow Fund") by wire transfer or cashier's check. Escrow Agent acknowledges receipt thereof. All interest earned, paid, or distributed with respect to the Escrow Fund ("Interest"), if any, will be added to the Escrow Fund.

2.     Fees and Expenses. Buyer and Seller shall pay Escrow Agent compensation (as payment in full) for the services to be rendered by the Escrow Agent hereunder in the amount of \$\_\_\_\_\_0\_\_\_\_\_ at the time of execution of this Agreement, and agree to reimburse Escrow Agent for all reasonable expenses, disbursements and advances incurred or made by Escrow Agent in performance of its duties hereunder (including reasonable fees, expenses and disbursements of its counsel). Any compensation and reimbursement to which Escrow Agent is entitled shall be borne 50% by Buyer and 50% by Seller.

3.     Investment of Funds. The Escrow Agent shall, to the extent possible, invest and reinvest the Escrow Fund from time to time (i) as directed on **Schedule A** to this Agreement, or (ii) in the absence of such direction, in one or more interest-bearing money market account(s) selected by Escrow Agent, or (iii) as Buyer and Seller may from time to time otherwise jointly instruct Escrow Agent in writing. Escrow Agent is authorized to liquidate, in accordance with its customary procedures, any portion of the Escrow Fund consisting of investments to provide for disbursements required to be made under this Agreement.

4. Escrow Claims.

(a) Notice of Claim. Buyer and Seller acknowledge and agree that the Escrow Fund shall secure Seller's obligations to Buyer as set forth in the Purchase Agreement. From time to time prior to the termination of the Escrow pursuant to Section 5 hereof, Buyer may give notice to Seller and Escrow Agent specifying the amounts Buyer claims is payable by Seller to Buyer from the Escrow Fund (an "Escrow Claim"). If Seller gives notice to Buyer and Escrow Agent disputing any Escrow Claim (a "Counter Claim") within thirty (30) days following receipt by Escrow Agent of notice of the Escrow Claim, the Escrow Claim shall be resolved as provided in Section 4(b) hereof. If no Counter Claim is received by Escrow Agent within such 30-day period, Escrow Agent shall pay to Buyer the dollar amount of the Escrow Claim from (and only to the extent of) the Escrow Fund. Escrow Agent shall not inquire into or consider whether an Escrow Claim complies with the requirements of the Purchase Agreement.

(b) Counter Claim. If a Counter Claim is given with respect to an Escrow Claim, Escrow Agent shall not make payment to Buyer except upon (i) joint written instructions of Buyer and Seller, or (ii) a final, non-appealable award or other ruling by an arbitrator or court as may be provided by the Purchase Agreement. Any such award or other ruling shall be accompanied by a legal opinion by counsel for the presenting party satisfactory to Escrow Agent to the effect that the award or other ruling is final and non-appealable. Escrow Agent shall act on such award or other ruling and legal opinion without further question.

5. Termination Of Escrow. Upon the joint written instructions of Buyer and Seller, Escrow Agent shall pay and distribute the remaining balance of the Escrow Fund to Seller, unless there are Escrow Claims made before such date which are then pending, in which case an amount equal to the total dollar amount of such Escrow Claims shall be retained by Escrow Agent in the Escrow Fund until the Escrow Claims are finally resolved.

6. Duties Of Escrow Agent.

(a) Escrow Agent shall not be under any duty to give the Escrow Fund held by it any greater degree of care than it gives its own similar property and shall not be required to invest any funds held by it except as directed in this Agreement. Uninvested funds held shall not earn or accrue interest.

(b) Escrow Agent shall not be liable, except for its own gross negligence or willful misconduct and, except with respect to claims based upon such gross negligence or willful misconduct that are successfully asserted against Escrow Agent, Buyer and Seller shall jointly and severally indemnify and hold harmless Escrow Agent (and any successor Escrow Agent) from and against any and all losses, liabilities, claims, actions, damages and expenses, including reasonable attorneys' fees and disbursements, arising out of and in connection with this Agreement. Without limiting the foregoing, Escrow Agent shall in no event be liable in connection with its investment or reinvestment of any cash held by it in good faith, in accordance with the terms hereof, including, without limitation, any liability for any delays (not resulting from its gross negligence or willful misconduct) in the investment or reinvestment of the Escrow Fund, or any loss of interest incident to any such delays.

(c) Escrow Agent shall be entitled to rely upon any order, ruling, judgment, certification, demand, notice, instrument or other writing delivered to it under this Agreement without being required to determine the authenticity or the correctness of any fact stated therein or the propriety or validity of the service thereof. Escrow Agent may act in reliance upon any instrument or signature believed by it to be genuine and may assume that the person purporting to give receipt or advice or make any statement or execute any document in connection with the provisions hereof has been duly authorized

to do so. Escrow Agent may conclusively presume that the undersigned representative of any party hereto which is an entity has full power and authority to instruct Escrow Agent on behalf of that party unless written notice to the contrary is delivered to Escrow Agent.

(d) Escrow Agent may act pursuant to the advice of counsel with respect to any matter relating to this Agreement and shall not be liable for any action taken or omitted by it in good faith in accordance with such advice.

(e) Escrow Agent does not have any interest in the Escrow Fund deposited hereunder but is serving as escrow holder only and merely has possession of the Escrow Fund. Any payments of income from the Escrow Fund shall be subject to withholding regulations then in force. The parties will provide Escrow Agent with appropriate Internal Revenue Service forms including, without limitation, Forms W-9 for tax identification number certification and non-resident alien certifications. This Section 6(e) and Section 6(b) shall survive notwithstanding any termination of this Agreement or the resignation of Escrow Agent.

(f) Escrow Agent makes no representation as to the value or collectability of any security or other document or instrument held by or delivered to it.

(g) Escrow Agent shall not be called upon to advise any party as to the wisdom in selling or retaining or taking or refraining from any action with respect to any securities or other property deposited in escrow.

(h) Escrow Agent (and any successor Escrow Agent) may at any time resign as such by delivering the Escrow Fund to any successor Escrow Agent jointly designated by Buyer and Seller in writing, or to any Superior Court in the State of Maine, whereupon Escrow Agent shall be discharged of and from any and all further obligations arising in connection with this Agreement. The resignation of Escrow Agent will take effect on the appointment of a successor or upon deposit of the Escrow Fund with any Superior Court of the State of Maine.

7. Limited Responsibility. This Agreement expressly sets forth all the duties of Escrow Agent with respect to any and all matters pertinent hereto. No fiduciary or other duties or obligations of Escrow Agent shall be read into this Agreement or otherwise implied. Escrow Agent shall not be bound by the provisions of any other agreement between Buyer and Seller.

8. Ownership For Tax Purposes. Seller will be treated as the owner of the Escrow Fund for the purposes of federal and state income tax purposes, and Seller agrees to report all income, if any, that is earned on, or derived from, the Escrow Fund as its income in the taxable year or years in which such income is properly includible and pay any taxes attributable thereto.

9. Notices. Any notice relating in any way to this Agreement and of any of the transactions contemplated hereunder shall be in writing and shall be delivered by hand or sent by facsimile transmission or by national overnight delivery or by Registered or Certified mail addressed as follows:

If to Seller:

Pine Tree Broadcasting, LLC  
8600 Foundry Street, Suite B1B  
Savage, MD 30763  
Attn: Charles B. Begin, Managing Member  
Phone: 301-503-0906

Email: [cbegin@pinetreebroadcasting.com](mailto:cbegin@pinetreebroadcasting.com)

With a copy to (which shall not constitute notice)

Mark B. Denbo, Esq.  
Smithwick & Belendiuk, P.C.  
5028 Wisconsin Avenue, N.W., Suite 301  
Washington, DC 20016  
Phone: 202-350-9656  
Email: [mdenbo@fccworld.com](mailto:mdenbo@fccworld.com)

If to Buyer:

Maine Public Broadcasting Corporation  
1450 Lisbon Street  
Lewiston, ME 04240  
Attention: Mark Vogelzang, President and CEO  
Phone: 207-440-0700  
Email: [mvgelzang@mainepublic.org](mailto:mvgelzang@mainepublic.org)

With a copy to (which shall not constitute notice)

Margaret L. Miller, Esq.  
Gray Miller Persh LLP  
1200 New Hampshire Ave., NW, Suite 410  
Washington, DC 20036  
Phone: 202-776-2914  
Email: [mmiller@graymillerpersh.com](mailto:mmiller@graymillerpersh.com)

If to Escrow Agent:

Bangor Savings Bank  
99 Franklin Street  
P. O. Box 930  
Bangor, ME 04402-0930  
Attention: Bill Swales

with a copy to:

Jaime Berg  
Bangor Savings Bank  
280 Fore Street, Suite 200  
Portland, ME 04101

10. Non-Impairment. Each party shall use its best efforts to carry out the transactions contemplated by this Agreement in good faith.

11. Waiver. The rights and remedies of the parties to this Agreement are cumulative and not alternative. Any failure to exercise a right hereunder, or delay in the exercise of such right, shall not be construed as a waiver.


12. Integration. This Agreement supersedes all prior agreements among the parties with respect to its subject matter and constitutes (along with the documents referred to in this Agreement) a complete and exclusive statement of the terms of the agreement between the parties with respect to its subject matter. This Agreement may not be amended except by a written agreement executed by all of the parties.

13. Governing Law, Ouster. This Agreement shall be governed by the laws of the State of Maine, without regard to conflict of law principles. No party may bring an action arising out of this Agreement except before a court or arbitrator in the State of Maine.

[SIGNATURE PAGE IMMEDIATELY FOLLOWS]


IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first written above.

WITNESSES

  
\_\_\_\_\_  
Witness for Pine Tree Broadcasting, LLC  
Steven W. Jones

**PINE TREE BROADCASTING, LLC  
(SELLER)**

By: Charles B. Begin Living Revocable Trust,  
its sole and Managing Member

By:   
\_\_\_\_\_  
Charles B. Begin  
Trustee

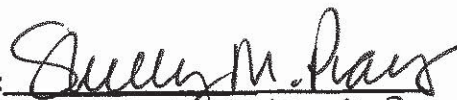
**MAINE PUBLIC BROADCASTING  
CORPORATION (BUYER)**

\_\_\_\_\_  
Witness for Maine Public Broadcasting Corporation

By: \_\_\_\_\_  
Mark Vogelzang  
President and CEO

  
\_\_\_\_\_

**BANGOR SAVINGS BANK**

By:   
\_\_\_\_\_  
Its duly authorized: Shelly M. Pray V.P.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first written above.

WITNESSES

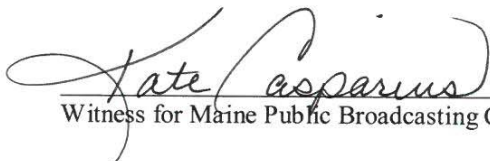
**PINE TREE BROADCASTING, LLC  
(SELLER)**

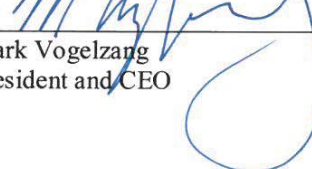
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Witness for Pine Tree Broadcasting, LLC

By: Charles B. Begin Living Revocable Trust,  
its sole and Managing Member

By: \_\_\_\_\_  
Charles B. Begin  
Trustee

**MAINE PUBLIC BROADCASTING  
CORPORATION (BUYER)**

  
\_\_\_\_\_  
Witness for Maine Public Broadcasting Corporation

By:   
Mark Vogelzang  
President and CEO

**BANGOR SAVINGS BANK**

\_\_\_\_\_

By: \_\_\_\_\_  
Its duly authorized: \_\_\_\_\_