

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (“Escrow Agreement”) is made and entered into as of the 10th day of July, 2020, by and among (a) DALE ST. MARIE and DIANA ST. MARIE, husband and wife and residents of the State of Oregon, (“Sellers”); (b) ST. MARIE COMMUNICATIONS, INC., an Oregon corporation (the “Corporation”); and (c) THE ANANTHA PRADEEP TRUST, a California Grantor Trust DATED DECEMBER 4, 2018 (“Buyer”), as of this 10th day of July, 2020. The parties hereto are collectively and individually referred to herein as the “Parties”. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Purchase Agreement.

WITNESSETH:

WHEREAS, the Corporation is an Oregon corporation, the licensee of broadcast radio station KGBR (FM), Gold Beach, Oregon (the “Station”);

WHEREAS, the Parties have entered into a Stock Purchase Agreement (the “Purchase Agreement”) of even date herewith, providing for the sale by Sellers and the purchase by Buyer of Sellers’ Majority Stock in the Corporation as further set forth in the Purchase Agreement, subject to approval of the Federal Communications Commission (the “FCC” or “Commission”).

WHEREAS, the form of this Escrow Agreement is an exhibit to the Purchase Agreement;

WHEREAS, pursuant to the Purchase Agreement, an Escrow Deposit of Ten Thousand Dollars (\$10,000.00) has been placed in the client trust account with Dellenbach Venture Counsel (as “Escrow Agent”), which has agreed to serve as a stakeholder to the benefit of the Parties. Upon the execution of the Purchase Agreement and a filing of a Transfer Application requesting FCC approval to the transfer of control of the Corporation as the Station’s FCC Licensee, the Escrow Deposit shall be held to the benefit of the Parties until such time that Escrow Deposit is disbursed pursuant to the terms of this Escrow Agreement.

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained in the Purchase Agreement and in this Escrow Agreement, the Parties agree as follows:

1. Pursuant to the terms of the Purchase Agreement, Buyer has deposited an Escrow Deposit in the amount of Ten Thousand Dollars (\$10,000.00) with Escrow Agent. The Escrow Deposit shall be held in Escrow Agent’s client trust fund account. No interest shall accrue nor be paid to either Seller or Buyer upon consummation.

2. Escrow Agent shall deliver the Escrow Deposit upon receipt of written notification executed jointly by Buyer and Seller as directed. The Parties agree that the Escrow Deposit shall be held in escrow until the Closing Date as defined in the Purchase Agreement or until the occurrence of an event provided in this Escrow Agreement. Upon the delivery of any or all of the Escrow Deposit via cashier’s check or wired funds, the costs associated with the generation of the cashier’s check or the cost of the wiring shall be borne by the Party to receive such payment.

(a) In the event the transaction closes in the manner contemplated in the Purchase Agreement, the Escrow Deposit shall be paid over to Seller at the Closing Date in accord with the Purchase Agreement upon Parties providing written instructions to Escrow Agent for the disposition of the Escrow Deposit.

(b) In the event the transaction does not close due to a material breach by or default of Buyer of the terms of the Purchase Agreement and Sellers are not in material default or breach and all conditions precedent to Buyer's obligation to close have been satisfied, the Escrow Deposit shall be paid over to Sellers as liquidated damages in accordance with Section 14 of the Purchase Agreement upon Parties providing written instructions to Escrow Agent for the disposition of the Escrow Deposit.

(c) In the event the transaction does not close due to a material breach by or default of Sellers of the terms of the Purchase Agreement and Buyer is not in material default or breach, then the Escrow Deposit shall be paid over to Buyer in the event Buyer elects in writing to waive its right to specific performance under Section 14 of the Purchase Agreement upon Parties providing written instructions to Escrow Agent for the disposition of the Escrow Deposit.

(d) In the event the transaction does not close within six (6) months from the date of acceptance for filing of the Transfer Application, either Buyer or Sellers may at their option, give notice of termination of the Purchase Agreement to the other, provided the terminating Party is not in material breach or default under the Purchase Agreement. If Buyer is not in material breach or default, the amount of the Escrow Deposit shall be returned to Buyer upon written demand and upon Parties providing written instructions to Escrow Agent for the disposition of the Escrow Deposit without any further liability of either Party to the other.

(e) In the event Buyer cancels the transaction at any time subsequent to the execution by Buyer and Sellers of the Purchase Agreement and the filing of the Transfer Application with the FCC, but prior to or upon FCC approval, and Sellers are not in default or breach of the Purchase Agreement, and the proposed transaction has not been canceled due to the lapse of time described in Paragraph 2(d) above, the Escrow Deposit shall be paid over to Sellers upon Parties providing written instructions to Escrow Agent for the disposition of the Escrow Deposit.

(f) In the event the transaction does not close because of the mutual written consent of the Buyer and Sellers or due to an FCC denial of the Transfer Application for reasons other than Buyer's lack of qualifications to become an FCC licensee and the FCC's denial of the Transfer Application has become Final and no longer subject to a Petition for Reconsideration, the Escrow Deposit shall be returned to Buyer upon written demand upon Parties providing written instructions to Escrow Agent for the disposition of the Escrow Deposit without any further liability of either Party to the other.

(g) If any provision of Sub-paragraphs 2(a) through 2(f) above with respect to the disposition of the Escrow Deposit is in conflict with any provision of the Purchase Agreement with respect to such disposition, then such provision in the Purchase Agreement shall control.

(h) Except as provided in Section 3(g), any disposition of the Escrow Deposit will require the Parties to provide written instructions to Escrow Agent, and the Escrow Agent will act only in accordance with such written instructions and the terms of this Escrow Agreement. Accordingly, the Parties agree to provide the appropriate written instructions as required by the applicable circumstances under this Escrow Agreement. Without receipt of such written instructions from both Parties, Escrow Agent is under no obligation to dispose of any Escrow Deposit.

3. The undersigned agree that the following provisions shall control with respect to the rights, duties, liabilities, privileges and immunities of Escrow Agent:

(a) Escrow Agent shall not be bound in any way to the Purchase Agreement or any other agreement or contract out of which this escrow may arise (whether or not Escrow Agent has knowledge thereof).

(b) Escrow Agent serves as a depository only, and is not responsible or liable in any matter or validity of the subject matter of the escrow, or any part thereof, or for the form of execution thereof, or for the identity or authority of any person executing or depositing it. The Escrow Agent shall be protected in acting upon the written notice, consent, receipt or other paper or document furnished to it, not only as to its due execution and validity and effectiveness of its provisions, but also as to the truth and accuracy of any information therein contained, which the Escrow Agent in good faith believes to be genuine and what it purports to be. Should it be necessary for the Escrow Agent to act upon any instructions, directions, documents or instruments issued or signed by or on behalf of any corporation, fiduciary or individual acting on behalf of another party hereto, which the Escrow Agent in good faith believes to be genuine, it shall not be necessary for the Escrow Agent to inquire into the authority of such corporation, fiduciary or individual;

(c) In the event there is a dispute or disagreement by and between the Buyer and Sellers regarding the disbursement of the Escrow Deposit, and no written instructions regarding disbursement of the Escrow Deposit have been provided to Escrow Agent, then Escrow Agent shall continue to hold the Escrow Deposit until there is a final judgement or arbitration decision directing disbursement of the Escrow Deposit, subject to the terms of Sub-paragraphs 3(e) and 3(g) herein.

(d) If Sellers are unsuccessful in any arbitration or litigation relating to the Escrow Deposit or any portion thereof, then the fees and expenses of Escrow Agent in connection therewith shall be paid by Sellers, but if Buyer is the unsuccessful Party, then Buyer will bear the fees and expenses of Escrow Agent in connection therewith.

(e) Escrow Agent may resign and be discharged from its duties hereunder at any time by giving written notice of such resignation to Buyer and Sellers specifying the date when such resignation shall take effect. Upon such notice, a successor stakeholder shall be appointed with the consent of both Buyer and Sellers and the service of such successor stakeholder shall be effective as of the date of resignation specified in the notice, which date shall not be less than thirty (30) days after the giving of such notice.

(f) Escrow Agent undertakes to perform only such duties as are specifically set forth herein, which shall be deemed purely ministerial in nature, and may rely and shall be protected in acting or refraining from acting, on any written notice, instrument, or signature believed by it to be genuine and to have been signed or presented by the proper Party or Parties duly authorized to do so. The Escrow Agent shall not be required to take any action hereunder involving any expense unless the payment of such expense is made or provided for in a manner reasonably satisfactory to it.

(g) In the event there is a dispute or disagreement by and between the Buyer and Seller on the disbursement of the Escrow Deposit, Escrow Agent may, at its option and in accordance with applicable law, file an action, bill, or interpleader, or similar action for such purpose, in a Court of competent jurisdiction, and upon Court approval pay the Escrow Deposit and all income earned or accrued thereon, less any fees and expenses associated therewith to include legal fees associated with the preparation of the filing, into said Court, in which event, Escrow Agent's duties, responsibilities, and liabilities with respect to the Escrow Deposit, the proceeds, and this Escrow Agreement shall terminate.

(h) Buyer and Sellers agree, jointly and severally, to indemnify, defend, hold harmless, pay or reimburse Escrow Agent and its affiliates and their respective successors, assigns, directors, agents and employees (the "Indemnitees") from and against any and all losses, damages, claims, liabilities, penalties, settlements, litigation, investigations, costs, or expenses (including without limitation, the fees and expenses of outside counsel and experts and their staffs and all expense of document location, duplication and shipment) (collectively "Losses") arising out of or in connection with Escrow Agent's performance as escrow holder, except to the extent that such Losses are determined by a court of competent jurisdiction through a final order to have been caused by the gross negligence, willful misconduct, or fraud of such Indemnitee. The obligations set forth in this Sub-paragraph 3(h) shall survive the resignation, termination, replacement or removal of Escrow Agent as escrow holder or the termination of this Agreement. If any of the Escrow Deposit or funds deposited that may be deposited in connection with this Agreement shall be attached, garnished, levied upon, or otherwise be subject to any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, Escrow Agent is hereby expressly authorized, in its sole discretion, to obey and comply with all such orders entered or issued, which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction, and in the event that Escrow Agent obeys or complies with any such order it shall not be liable to the Seller or the Buyer or to any other person by reason of such compliance notwithstanding such order be subsequently reversed, modified, annulled, set aside or vacated. The Parties acknowledge that Escrow Agent as a third-party beneficiary hereunder is expressly relying on the provisions hereof as a condition to acting as escrow agent for the Parties

(i) Seller acknowledges that Escrow Agent has acted as legal counsel for the Buyer and certain of its managers and affiliates (collectively "Buyer Group") and may continue to act as legal counsel for the Buyer Group from time to time, notwithstanding its duties as a stakeholder or escrow holder as contemplated by this Escrow Agreement. Buyer consents to Escrow Agent acting in such capacity as legal counsel for the Buyer and each waives any claim that such representation represents a conflict of interest on the part of Escrow Agent or requires

Escrow Agent to advise the Buyer in connection with any matter other than as explicitly provided for and expressly imposed by this Escrow Agreement. Except as so explicitly provided for and expressly imposed and professional duties as an escrow agent to the Buyer, Buyer acknowledges that Escrow Agent owes no other professional duties to Buyer and Buyer understands that Escrow Agent is relying explicitly on the provisions of this Sub-paragraph 3(i) in entering into its responsibilities as herein contemplated.

(j) The Escrow Agent shall neither be responsible for, nor chargeable with knowledge of, the terms and conditions of any other agreement, instrument or document between the other parties hereto. This Escrow Agreement sets forth all matters pertinent to the escrow contemplated hereunder, and no additional obligations of the Escrow Agent shall be inferred from the terms of this Agreement or any other agreement, instrument or document.

(k) Escrow Agent is rendering no legal opinion and offers no warranty or guaranty, and no party hereto is relying on any opinion, warranty or guaranty of Escrow Agent, with respect to the subject matter of the escrow, including without limitation the Majority Stock, the authority or validity of the issuance or transfer thereof, title therein or thereto, the authority or capacity of any party to the Agreement or the enforceability or effectiveness of the Agreement.

4. All notices, requests, demands, and other communications hereunder shall be in writing, shall be given simultaneously to all Parties hereunder and shall be deemed to have been given if delivered by hand, mailed (certified mail, postage pre-paid, return receipt requested), recognized overnight courier, or sent via email as follows:

(a) If to Sellers:

Ms. Diana St. Marie, Secretary
P.O. BOX 787
Gold Beach, OR 97444
Phone: 541-247-7211
Email: dstmarie65@gmail.com

With a copy, which does not constitute notice, to:

Matthew H. McCormick
Fletcher, Heald & Hildreth, PLC
1300 North 17th Street, 11th Floor
Arlington, VA 22209
Phone: 703-812-0400
Email: mccormick@fhhlaw.com

(b) If to Buyer:

Dr. A.K. Pradeep
50 Sandringham Road
Piedmont CA 94611
Phone: 510-703-8000
Email: pradeep@machinevantage.com

With a copy, which does not constitute notice, to:

Dellenbach Venture Counsel
2801 Waterman Boulevard, Suite 270
Fairfield, CA 94534
Phone: 415: 432-7811
Email: notices@dellenbach.net

(c) If to Escrow Agent:

Dellenbach Venture Counsel
2801 Waterman Boulevard, Suite 270
Fairfield, CA 94534
Phone: 415: 432-7811
Email: notices@dellenbach.net

or to any other party or address as the Parties may from time to time designate in writing.

5. This Escrow Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, legal representatives, successors, and assigns.

6. This Escrow Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which will constitute one and the same instrument. A signed copy of this Escrow Agreement delivered by email or other means of electronic transmission shall be deemed to have the same legal effect as delivery or an original signed copy of this Escrow Agreement.

7. To the extent not governed by federal law, this Escrow Agreement shall be governed by, and construed and enforced in accordance with the laws of the State of Oregon without reference to its principles of conflicts of law. All disputes and controversies arising out of or in connection with this Agreement shall be resolved exclusively by the state and federal courts located in Curry County in the State of Oregon, and each Party hereto agrees to submit to the jurisdiction of said courts and agrees that venue shall lie exclusively with such courts.

8. This Escrow Agreement may be amended by mutual consent of the Parties, but only by a written instrument duly signed by the Parties to the Purchase Agreement.

9. This Escrow Agreement shall automatically terminate upon the distribution of the Escrow Deposit in accordance with the terms hereof.

[The Next Page is the Signature Page]

IN WITNESS WHEREOF, the Parties have executed this Escrow Agreement on the day and year first above written.

SELLERS
DALE ST. MARIE
DIANA ST. MARIE

BY: DocuSigned by:
Dale St. Marie

DA8DF521C0F0...
Dale St. Marie

BY: DocuSigned by:
Diana St. Marie

D15000540141...
Diana St. Marie

CORPORATION
ST. MARIE COMMUNICATIONS, INC.

BY: DocuSigned by:
Dale St. Marie

3A89DF5621C0400...
Dale St. Marie, President

BUYER
THE ANANTHA PRADEEP TRUST DATED DECEMBER 4, 2018

BY: DocuSigned by:
Anantha Pradeep

61B42432E66F41D...
Anantha Pradeep, Trustee

ESCROW AGENT
DELLENBACH VENTURE COUNSEL

BY: DocuSigned by:
Robert B. Dellenbach

F4E306E087BB4E3
Robert B. Dellenbach, principal