

## **ASSET PURCHASE AGREEMENT**

**THIS ASSET PURCHASE AGREEMENT** (this “Agreement”) is made and entered into as of May 19, 2020, by and between **MAGNUM BROADCASTING, INC.**, a Pennsylvania corporation (“Seller”) and **SCHLESINGER COMMUNICATIONS, INC.**, a Pennsylvania corporation (“Buyer”).

### **Recitals**

A. Seller owns and operates Station WQCK, Phillipsburg, Pennsylvania (FCC Facility ID No. 43880) (“WQCK”) and FM Booster Station WQCK-FM1, State College, Pennsylvania (FCC Facility ID 164854) (the “Booster”, and together with WQCK, the “Stations”) pursuant to authorizations issued by the Federal Communications Commission (“FCC”); and

B. Pursuant to the terms and conditions set forth in this Agreement, Seller desires to sell and Buyer desires to purchase from Seller certain of the assets used or held for use in the operation of the Stations.

### **Agreement**

**NOW, THEREFORE**, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the parties, intending to be legally bound, hereby agree as follows:

#### **ARTICLE 1: PURCHASE OF ASSETS**

1.1 Station Assets. On the terms and subject to the conditions hereof, at Closing (defined below), Seller shall sell, assign, transfer, convey, and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all right, title, and interest of Seller in and to the following assets and properties of Seller that are used or held for use in the operation of the Stations (the “Station Assets”):

(a) all licenses, permits, and other authorizations issued to Seller by the FCC with respect to the Stations (the “FCC Licenses”), including those described on Schedule 1.1(a), including any renewals or modifications thereof between the date hereof and Closing;

(b) all of Seller’s equipment, transmitters, antennas, cables, fixtures, spare parts, and other tangible personal property located at the Stations’ transmitter sites and listed on Schedule 1.1(b) (the “Tangible Personal Property”);

(c) (i) the agreement between Seller and Pennsylvania Game Commission (the “Game Commission”) for use of the FCC-authorized transmitter site for WQCK, and (ii) the agreement between Seller and Centre Hotel Associates, Ltd. for use of the FCC-authorized transmitter site for the Booster, copies of which are included at Schedule 1.1(c) (together, the “Transmitter Site Agreements”);

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(d) Seller's rights in and to all the files, documents, records, and books of account (or copies thereof) relating to the operation of the Stations, including the WQCK online public inspection file, engineering data, and logs, but excluding records relating to Excluded Assets (defined below);

(e) Seller's accounts receivable for advertising sold for broadcast on the Stations as of the Effective Time (defined in Section 1.5 below) (the "Accounts Receivable");

(f) Seller's licenses or grants of rights to use current trademarks, jingles, slogans, and other Stations' imagery, and all rights in and to the Stations' call letters and all other rights in and to the trademarks, trade names, service marks, copyrights, domain names, websites, web content, computer software, programs, and programming material, jingles, slogans, logos, and other intangible intellectual property identified in Schedule 1.1(f) (the "Intellectual Property"); and

(g) all agreements entered into in the ordinary course of business for the sale of advertising time on the Stations for cash that exist as of the date of this Agreement and remain in effect as of the Closing Date (the "Advertising Contracts").

The Station Assets shall be transferred to Buyer free and clear of liens, claims, and encumbrances ("Liens") except for Assumed Obligations (defined in Section 1.3), liens for taxes not yet due and payable and liens that will be released at or prior to Closing (collectively, "Permitted Liens").

1.2 Excluded Assets. Notwithstanding anything to the contrary contained herein, the Station Assets shall not include the following assets or any rights, title, and interest therein (the "Excluded Assets");

(a) all cash and cash equivalents of Seller including, without limitation, certificates of deposit, commercial paper, treasury bills, marketable securities, money market accounts, and all such similar accounts or investments;

(b) all tangible personal property of Seller not listed on retired or disposed of between the date of this Agreement and Closing in accordance with Article 4;

(c) Seller's corporate and trade names, charter documents, and books and records relating to the organization, existence, or ownership of Seller;

(d) all contracts for insurance;

(e) Seller's programming contracts and other agreements, contracts, or leases relating to the operation of the Stations that are not referenced in Section 1.1(c) and (g) above;

(f) all pension, profit-sharing plans and trusts, and any other employee benefit plan or arrangement, if any, maintained by Seller;

(g) any non-transferable computer software and any other non-transferable computer licenses that are not material to the operation of the Stations;

(h) all deposits and prepaid expenses, except to the extent Seller receives a credit therefor under Section 1.6;

(i) all licenses, tangible personal property, trademarks, files, and contracts not included in Section 1.1; and

(j) all assets used or held for use in the operation of any other radio station owned or operated by Seller, except for any such items that are specifically set forth as included in the Station Assets on Schedule 1.1(b) hereto.

1.3 Assumption of Obligations. On the Closing Date (defined below), Buyer shall assume the obligations of Seller arising during, or attributable to, any period of time on or after the Closing Date under the FCC Licenses and the Transmitter Site Leases (the "Assumed Obligations"). Except for the Assumed Obligations, Buyer does not assume, and will not be deemed by the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby to have assumed, any other liabilities or obligations of Seller (the "Retained Obligations").

1.4 Consideration. In consideration for the sale of the Station Assets to Buyer, Seller acknowledges that Buyer, on March 14, 2020, delivered a good faith deposit in the amount of Twenty-Five Thousand Dollars (\$25,000.00) (the "Deposit"). Further, Buyer, at Closing, will assume from Seller that certain Amended and Restated Promissory Note dated February 4, 2020 (the "Note"), pursuant to which Seller, as Maker, as of the date hereof is obligated to pay Clifford Mack, the holder of the Note ("Holder") the amount set forth in Section 2.16. It is understood that as of the date of the Closing, the principal amount of the Note will be reduced by payments made by Seller to Holder pursuant to the terms of the Note prior to the date of Closing. Accordingly, the purchase price for the Station Assets shall be total of (a) the principal sum due under the Note on the Closing Date plus (b) the amount of the Deposit (the "Purchase Price").

1.5 Prorations and Adjustments. All prepaid and deferred income and expenses relating to the Station Assets and arising from the operation of the Stations shall be prorated between Buyer and Seller in accordance with generally accepted accounting principles ("GAAP") as of 11:59 p.m. on the day immediately preceding the Closing Date (the "Effective Time"). Such prorations shall include, without limitation, all property taxes (except transfer taxes as provided by Section 11.1), FCC regulatory fees, utility expenses, rent, and other amounts under the Transmitter Site Leases and similar prepaid and deferred items. Sales commissions related to the sale of advertisements broadcast on the Station prior to Closing shall be the responsibility of Seller, and sales commissions related to the sale of advertisements broadcast on the Station after Closing shall be the responsibility of Buyer, *provided, however*, that Buyer will pay any unpaid sales commissions on Accounts Receivable, if and when Accounts Receivable are collected. Prorations and adjustments shall be made at Closing to the extent practicable. As to those prorations and adjustments not capable of being ascertained at Closing, a final adjustment and proration shall be made by the parties in good faith within

ninety (90) calendar days after Closing and any payment due as a result thereof shall be paid to the entitled party within five (5) business days thereof.

Notwithstanding the foregoing, with respect to trade, barter, or similar agreements for the sale of time for goods or services, if at Closing (i) the Stations have a negative barter balance (*i.e.*, the amount by which the value of air time to be provided by the Station after such date exceeds the fair market value of corresponding goods and services to be received by the Station), then such balance shall be treated as prepaid time sales and adjusted for as a proration in Buyer's favor, or (ii) the Station has a positive barter balance, then there shall be no proration or adjustment for such balance.

1.6 Allocation. Each of Buyer and Seller shall allocate the Purchase Price for tax purposes in accordance with the respective fair market values of the Station Assets being purchased and sold in accordance with the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended (the "Code"). Each of Buyer and Seller shall file a tax return reflecting its allocation as and when required under the Code.

1.7 Closing. The Closing shall occur no later than ten (10) calendar days after the FCC has issued public notice of the action of the Audio Division, Media Bureau, granting the Assignment Application, *provided, however*, if a protest is filed against the Assignment Application, which is dismissed or denied by the FCC, Buyer shall have the right, at its option, to delay the Closing until the FCC action granting the Assignment Application has become a "Final Order" (meaning that date on which the FCC action will no longer be subject to reconsideration or review by the FCC or a court of competent jurisdiction). The date on which the Closing is to occur is referred to herein as the "Closing Date." For purposes of this Agreement, the term "Final" shall mean that action shall have been taken by the FCC or its staff, pursuant to delegated authority, which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or *sua sponte* action of the FCC with comparable effect shall be pending; and as to which the time for filing such request, petition, appeal, certiorari, or for the FCC to set aside the action on its own motion (whether upon reconsideration or otherwise) has expired or otherwise terminated, or (ii) in the event of review, reconsideration, or appeal, the time for further review, reconsideration or appeal has expired or otherwise terminated.

1.8 FCC Consent. Within five (5) business days of the date of this Agreement, Buyer and Seller shall file an application with the FCC (the "FCC Application") requesting FCC consent to the assignment of the FCC Licenses to Buyer. FCC consent to the FCC Application without any material adverse conditions other than those of general applicability is referred to herein as the "FCC Consent". Buyer and Seller shall diligently prosecute the FCC Application and otherwise use their commercially reasonable efforts to obtain the FCC Consent as soon as possible. Buyer and Seller shall notify each other of all documents filed with or received from any governmental agency with respect to this Agreement or the transactions contemplated hereby. Buyer and Seller shall furnish each other with such information and assistance as the other may reasonably request in connection with their preparation and prosecution of any governmental filing hereunder.

## ARTICLE 2: SELLER REPRESENTATIONS AND WARRANTIES

Seller makes the following representations and warranties to Buyer:

2.1 Organization. Seller is a corporation duly organized, validly existing, and in good standing under the laws of the Commonwealth of Pennsylvania. Seller has the requisite power and authority to execute, deliver, and perform this Agreement and all of the other agreements and instruments to be made by Seller pursuant hereto (collectively, the "Seller Ancillary Agreements") and to consummate the transactions contemplated hereby.

2.2 Authorization. The execution, delivery, and performance of this Agreement and the Seller Ancillary Agreements by Seller have been duly authorized and approved by all necessary action of Seller and do not require any further authorization or consent of Seller. This Agreement is, and each Seller Ancillary Agreement when made by Seller and the other parties thereto will be, a legal, valid and binding agreement of Seller enforceable in accordance with its terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization, or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

2.3 No Conflicts. Except for the FCC Consent and consents to assign the Transmitter Site Agreements set forth in Schedule 1.1(c), the execution, delivery, and performance by Seller of this Agreement and the Seller Ancillary Agreements and the consummation by Seller of the transactions contemplated hereby does not conflict with any organizational documents of Seller or any other contract or agreement to which Seller is a party or by which it is bound, or any law, judgment, order, or decree to which Seller is subject, or require the consent or approval of, or a filing by Seller with, any governmental or regulatory authority or any third party.

2.4 FCC Licenses. Except as set forth on Schedule 1.1(a):

Seller is the holder of the FCC Licenses described on Schedule 1.1(a), which are all of the licenses, permits, and authorizations required for the present operation of the Stations. The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded, or terminated and have not expired. There is not pending, or, to Seller's knowledge, threatened, any action by or before the FCC to revoke, suspend, cancel, rescind, or materially adversely modify any of the FCC Licenses (other than proceedings to amend FCC rules of general applicability). There is not issued or outstanding, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or order of forfeiture against the Stations or against Seller with respect to the Stations that could result in any such action. The Stations are operating in compliance in all material respects with the FCC Licenses, the Communications Act of 1934, as amended (the "Communications Act"), and the rules, regulations, and policies of the FCC. All material reports and filings required to be filed with the FCC by Seller with respect to the Stations have been timely filed. All such reports and filings are accurate and complete in all material respects.

2.5 Taxes. Seller has, in respect of the Stations' business, filed all federal, state, county, and local income, property, sales, use, and other tax returns and reports which are required to have been filed by it under applicable law, and at Closing will have paid all taxes which have become due pursuant to such returns or pursuant to any assessments which have become payable.

2.6 Personal Property. Schedule 1.1(b) contains a list of all items of Tangible Personal Property included in the Station Assets. Seller has good and marketable title to the Tangible Personal Property free and clear of Liens other than Permitted Liens. Except as set forth on Schedule 1.1(b), all items of Tangible Personal Property are in good operating condition, ordinary wear and tear excepted.

2.7 Real Property. Schedule 1.1(c) includes a description of the real property subject to the Transmitter Site Agreements. To Seller's knowledge, the parcels of real property that are subject to the Transmitter Site Agreements are not subject to any suit for condemnation or other taking by any public authority.

2.8 Transmitter Site Agreements. The copies of the Transmitter Site Agreements at Schedule 1.1(c) are accurate and complete copies of such Agreements, including all amendments and extensions. Each of the Transmitter Site Agreements is in effect and is binding upon Seller and the other party thereto (subject to bankruptcy, insolvency, reorganization, or other similar laws relating to or affecting the enforcement of creditors' rights generally). Seller has performed its obligations under each of the Transmitter Site Agreements and is not in default thereunder, and to Seller's knowledge, neither of the other parties to the Transmitter Site Agreements is in default thereunder.

2.9 Environmental. To the knowledge of Seller, no hazardous or toxic substance or waste regulated under any applicable environmental, health, or safety law has been generated, stored, transported, or released on, in, from or to the real property subject to the Transmitter Site Agreements. Seller has complied in all material respects with all environmental, health, and safety laws applicable to the Stations.

2.10 Intellectual Property. Seller owns, possesses or has the right to use all Intellectual Property identified in Schedule 1.1(f) in the conduct of the Stations' business as presently conducted. No royalties or other amounts are payable by Seller to other persons by reason of the ownership or use of Intellectual Property. Seller has not received any notice that any of the Intellectual Property identified in Schedule 1.1(f) or the operation of the Stations conflicts with the intellectual property rights of others. To the knowledge of Seller, there is not any reasonable basis to believe that any such violation, infringement, or conflict may exist.

2.11 Advertising Contracts; Accounts Receivable. No later than ten business days following execution of the Agreement, Seller shall provide to Buyer a list of all Advertising Contracts as of the date of this Agreement, and shall provide a true, accurate, and detailed list of all Accounts Receivable as of the date of this Agreement, including client contact information, amount of each receivable, and the age of each receivable.

2.12 Insurance. Seller maintains insurance policies or other arrangements with respect to the Stations and the Station Assets, and will maintain such policies or arrangements until the Effective Time.

2.13 Compliance with Law. Except as set forth on Schedule 1.1(a), Seller has complied in all material respects with all laws, rules, and regulations including, without limitation, all FCC and Federal Aviation Administration rules and regulations applicable to the operation of the Stations, and all decrees and orders of any court or governmental authority which are applicable to the operation of the Stations, and to Seller's knowledge, there are no governmental claims or investigations pending or threatened against Seller in respect of the Stations except those affecting the industry generally.

2.14 Litigation. There is no action, suit, or proceeding pending or, to Seller's knowledge, threatened against Seller in respect of either of the Stations or the Station employees that will subject Buyer to liability or which will affect Seller's ability to perform its obligations under this Agreement. Seller is not operating under or subject to any order, writ, injunction or decree relating to either of the Stations or the Station Assets of any court or governmental authority which would have a material adverse effect on the condition of the Stations or any of the Station Assets, or any effect on the ability of Seller to enter into this Agreement or consummate the transactions contemplated hereby, other than those of general applicability.

2.15 No Undisclosed Liabilities. There are no liabilities or obligations of Seller with respect to the Stations, including Seller's employees, that will be binding upon Buyer after the Effective Time other than the Assumed Obligations and other than pursuant to the prorations under Section 1.7.

2.16 The Note. A true and complete copy of the Note is provided at Schedule 2.16. Seller is not in default under the Note. The principal amount due and owing to Holder under the Note as of the date of this Agreement is \$649,967.22.

2.17 Station Assets. The Station Assets include all assets that are owned or leased by Seller and used or held for use in the operation of the Stations in all material respects as currently operated, except for the Excluded Assets.

2.18 No Broker. No broker, finder, or other person is entitled to a commission, brokerage fee, or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Seller or any party acting on Seller's behalf.

### **ARTICLE 3: BUYER REPRESENTATIONS AND WARRANTIES**

Buyer hereby makes the following representations and warranties to Seller:

3.1 Organization. Buyer is a corporation duly organized, validly existing, and in good standing under the laws of the Commonwealth of Pennsylvania. Buyer has the requisite power and authority to execute, deliver, and perform this Agreement and all of the other agreements and instruments to be executed and delivered by Buyer pursuant hereto (collectively, the "Buyer Ancillary Agreements") and to consummate the transactions contemplated hereby.

3.2 Authorization. The execution, delivery, and performance of this Agreement and the Buyer Ancillary Agreements by Buyer have been duly authorized and approved by all necessary action of Buyer and do not require any further authorization or consent of Buyer. This Agreement is, and each Buyer Ancillary Agreement when made by Buyer and the other parties thereto will be, a legal, valid, and binding agreement of Buyer enforceable in accordance with its terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

3.3 No Conflicts. The execution, delivery, and performance by Buyer of this Agreement and the Buyer Ancillary Agreements and the consummation by Buyer of any of the transactions contemplated hereby does not conflict with any organizational documents of Buyer, any contract or agreement to which Buyer is a party or by which it is bound, or any law, judgment, order, or decree to which Buyer is subject, or require the consent or approval of, or a filing by Buyer with, any governmental or regulatory authority or any third party.

3.4 Litigation. There is no action, suit, or proceeding pending or, to Buyer's knowledge, threatened against Buyer which questions the legality or propriety of the transactions contemplated by this Agreement or could affect the ability of Buyer to perform its obligations hereunder.

3.5 Qualification. 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 Stations. No waiver of or exemption from any FCC rule or policy is necessary for the FCC Consent to be obtained. There are no matters known to Buyer which might reasonably be expected to result in the FCC's denial or delay of approval of the FCC Application.

3.6 No Broker. No broker, finder, or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Buyer or any party acting on Buyer's behalf.



#### ARTICLE 4: SELLER COVENANTS

4.1 Seller's Covenants. Between the date hereof and Closing, except as permitted by this Agreement or with the prior written consent of Buyer, which shall not be unreasonably withheld, delayed, or conditioned, Seller shall:

(a) operate the Stations in the ordinary course of business and in all material respects in accordance with FCC rules and regulations and with all other applicable laws, regulations, rules and orders;

(b) not materially adversely modify, and in all material respects maintain in full force and effect, the FCC Licenses;

(c) not sell, lease, or dispose of or agree to sell, lease, or dispose of any of the Station Assets unless replaced with similar items of substantially equal or greater value and utility, or create, assume or permit to exist any Liens upon the Station Assets, except for Permitted Liens;

(d) maintain the Tangible Personal Property in the ordinary course of business;

(e) upon reasonable notice, give Buyer and its representatives reasonable access during normal business hours to the Station Assets, and furnish Buyer with information relating to the Station Assets that Buyer may reasonably request, provided that such access rights shall not be exercised in a manner that interferes with the operation of the Stations or other stations owned by Seller;

(f) not (i) enter into any employment, labor, or union agreement or plan (or amendments of any such existing agreements or plan) that will be binding upon Buyer after Closing or (ii) increase the compensation payable to any employee of the Stations, except for bonuses and other compensation payable by Seller in connection with the consummation of the transactions contemplated by this Agreement (if any);

(g) not amend or terminate the Transmitter Site Agreements, and use its best efforts to secure extensions of each Transmitter Site Agreement;

(h) not enter into any new contracts for the Stations that would be binding upon Buyer, or amend any existing contracts to make them binding upon Buyer, without the prior written consent of Buyer;

(i) update the information provided in Schedule 2.11 and deliver the updated information to Buyer via e-mail five (5) business days before the Closing Date; and

(j) make all payments to Holder under the Note when due.

4.2 Notwithstanding the provisions of Section 4.1, Seller agrees that the requisite consent of Buyer shall be at Buyer's sole discretion with respect to Seller's creation of any Liens on the Station Assets other than Permitted Liens.

## ARTICLE 5: JOINT COVENANTS

Buyer and Seller hereby covenant and agree as follows:

5.1 Confidentiality. Subject to the requirements of applicable law, all non-public information regarding the parties and their business and properties that is disclosed in connection with the negotiation, preparation, or performance of this Agreement (including, without limitation, all financial information provided by Seller to Buyer) shall be confidential and shall not be disclosed to any other person or entity, except the parties' representatives and lenders and the FCC, if required, for the purpose of consummating the transaction contemplated by this Agreement.

5.2 Announcements. Prior to Closing, no party shall, without the prior written consent of the other, issue any press release or make any other public announcement concerning the transactions contemplated by this Agreement, except to the extent that such party is so obligated by law, in which case such party shall give advance notice to the other, and except as necessary to enforce rights under or in connection with this Agreement. Notwithstanding the foregoing, the parties acknowledge that this Agreement and the terms hereof will be filed with the FCC Application and thereby become public. The parties also acknowledge that Seller will be required to provide local public notice of the FCC Applications in accordance with the applicable provisions of Section 73.3580 of the FCC's rules.

5.3 Control. Buyer shall not, directly or indirectly, control, supervise, or direct the operation of the Stations prior to Closing. Consistent with the Communications Act and the FCC rules and regulations, control, supervision, and direction of the operation of the Stations prior to Closing shall remain the responsibility of Seller.

### 5.4 Risk of Loss.

(a) Seller shall bear the risk of any loss of or damage to any of the Station Assets at all times until the Effective Time, and Buyer shall bear the risk of any such loss or damage thereafter.

(b) If prior to the Effective Time any item of Tangible Personal Property is damaged or destroyed or otherwise not in the condition described in Section 2.6 in any material respect, then:

(i) Seller shall use commercially reasonable efforts to repair or replace such item in the ordinary course of business; and

(ii) if such repair or replacement is not completed prior to Closing, then the parties shall proceed to Closing (with Seller's representations and warranties deemed modified to take into account any such condition) and Seller shall promptly repair or replace such item in all material respects after Closing (and Buyer will provide Seller access and any other reasonable assistance requested by Seller with respect to such obligation), except that if such damage or destruction materially disrupts Station operations, then Buyer may postpone Closing until the date five (5) business days after operations are restored in all material respects, subject to Section 10.1.

(c) If prior to Closing either of the Stations is off the air or operating at a power level that results in a reduction in coverage (a "Broadcast Interruption"), then Seller shall use commercially reasonable efforts to return the Station to the air and restore prior coverage as promptly as possible in the ordinary course of business. Notwithstanding anything herein to the contrary, if prior to Closing there is a Broadcast Interruption in excess of 24 hours that results in a material reduction in coverage, then Buyer may postpone Closing until the date ten (10) business days after the Station returns to the air and prior coverage is restored in all material respects, subject to Section 10.1.

#### 5.5 Consents.

Seller, with the cooperation of Buyer, shall use commercially reasonable efforts to obtain the Game Commission's consent to the assignment of the Transmitter Site Agreement with respect to WQCK (the "Required Consent"), and Seller shall use commercially reasonable efforts to obtain a customary Estoppel Certificate from the Game Commission ("Estoppel Certificate"). Receipt of the Required Consent and the Estoppel Certificate is a condition precedent to Buyer's obligation to close under this Agreement.

5.6 Employees. Seller agrees that Buyer shall have the right, but not the responsibility, to hire any employees of the Stations as of the Closing.

5.7 FCC Compliance. If after Closing the FCC Consent is reversed or otherwise set aside, and there is a Final order of the FCC (or court of competent jurisdiction) requiring the re-assignment of the FCC Licenses to Seller, then the purchase and sale of the Station Assets shall be rescinded. In such event, Buyer shall reconvey to Seller the Station Assets, free and clear of Liens other than Permitted Liens, and Seller shall repay to Buyer the Deposit and the aggregate amount of any payments made by Buyer under the Note, and Seller shall reassume the Note and the Transmitter Site Agreements. Any such rescission shall be consummated on a mutually agreeable date within thirty days of such Final order (or, if earlier, within the time required by such order). In connection therewith, Buyer and Seller shall each execute such documents (including execution by Buyer of instruments of conveyance of the Station Assets to Seller and execution by Seller of instruments of assumption of the Transmitter Site Agreements) and make such payments as are necessary to give effect to such rescission.

### **ARTICLE 6: SELLER CLOSING CONDITIONS**

The obligation of Seller to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Seller):

#### 6.1 Representations and Covenants.

(a) The representations and warranties of Buyer made in this Agreement shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement.

(b) The covenants and agreements to be complied with and performed by Buyer at or prior to Closing shall have been complied with or performed in all material respects.

(c) Seller shall have received a certificate dated as of the Closing Date from Buyer executed by an authorized officer of Buyer to the effect that the conditions set forth in Sections 6.1(a) and (b) have been satisfied.

6.2 Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

6.3 FCC Authorization. The FCC Consent pursuant to the FCC's initial order shall have been obtained.

6.4 Deliveries. Buyer shall have complied with its obligations set forth in Section 8.2.

6.5 Simultaneous Closings. Subject only to the prior consent of the FCC, Buyer shall consummate simultaneously the separate transaction being entered into with Seller for the sale to Buyer of Stations WBLF, Bellefonte, PA (Facility ID 17317); W292EZ, Altoona, PA (Facility ID 139745); WQKK, Renovo, PA (Facility ID 49266); and WQKK-FM1, Renovo, PA (Facility ID 164675).

#### **ARTICLE 7: BUYER CLOSING CONDITIONS**

The obligation of Buyer to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Buyer):

##### **7.1 Representations and Covenants**

(a) The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement.

(b) The covenants and agreements to be complied with and performed by Seller at or prior to Closing shall have been complied with or performed in all material respects.

(c) Buyer shall have received a certificate dated as of the Closing Date from Seller executed by an authorized officer of Seller to the effect that the conditions set forth in Sections 7.1(a) and (b) have been satisfied.

7.2 Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

7.3 FCC Authorization. The FCC Consent shall have been obtained and shall have become Final (unless finality was waived by Buyer).

7.4 Deliveries. Seller shall have complied with its obligations set forth in Section 8.1.

7.5 Consent and Estoppel Certificate. The Required Consent and Estoppel Certificate shall have been obtained from the Game Commission.

7.6 Simultaneous Closings. Subject only to the prior consent of the FCC, Seller shall consummate simultaneously the separate transaction also being entered into with Buyer for the sale to Buyer WBLF, Bellefonte, PA (Facility ID 17317); W292EZ, Altoona, PA (Facility ID 139745); WQKK, Renovo, PA (Facility ID 49266); and WQKK-FM1, Renovo, PA (Facility ID 164675).

## **ARTICLE 8: CLOSING DELIVERIES**

8.1 Seller Documents. At Closing, Seller shall deliver or cause to be delivered to Buyer:

- (i) the certificate described in Section 7.1(c);
- (ii) an assignment of FCC authorizations assigning the FCC Licenses from Seller to Buyer;
- (iii) an assignment and assumption of the Note showing the balance of the principal amount due thereunder, with Holder's signed acknowledgement (the "Note Assignment/Assumption");
- (iv) an assignment and assumption of Agreements assigning the Transmitter Site Agreements from Seller to Buyer;
- (v) a bill of sale conveying the other Station Assets from Seller to Buyer;
- (vi) all further updates to Accounts Receivable information delivered to Buyer under Section 4.1(i) hereof.
- (vii) any other instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer, and assign the Station Assets from Seller to Buyer, free and clear of Liens, except for Permitted Liens; and,
- (viii) the written Required Consent and Estoppel Certificate from the Game Commission.

8.2 Buyer Documents. At Closing, Buyer shall deliver or cause to be delivered to Seller:

- (i) The Note Assignment/Assumption;
- (ii) the certificate described in Section 6.1(c);
- (iii) an assignment and assumption of Agreements assuming the Transmitter Site Agreements; and

(iv) such other documents and instruments of assumption that may be necessary to assume the Assumed Obligations.

## **ARTICLE 9: SURVIVAL; INDEMNIFICATION**

9.1 Survival. The representations and warranties in this Agreement shall survive Closing for a period of twelve (12) months from the Closing Date whereupon they shall expire and be of no further force or effect, except (i) those under Section 2.5 (Taxes), Section 2.9 (Environmental), and those under Section 2.6 (solely with respect to title and absence of Liens except Permitted Liens), all of which shall survive until the expiration of any applicable statute of limitations, and (ii) that if within such applicable period the indemnified party gives the indemnifying party written notice of a claim for breach thereof describing in reasonable detail the nature and basis of such claim, then such claim shall survive until the earlier of resolution of such claim or expiration of the applicable statute of limitations. The covenants and agreements in this Agreement shall survive Closing until performed.

### 9.2 Indemnification.

(a) Subject to Section 9.2(b), from and after Closing, Seller shall defend, indemnify and hold harmless Buyer from and against any and all losses, costs, damages, liabilities, and expenses, including reasonable attorneys' fees and expenses ("Damages") incurred by Buyer arising out of or resulting from:

- (i) any breach by Seller of its representations and warranties made under this Agreement; or
- (ii) any default by Seller of any covenant or agreement made under this Agreement; or
- (iii) the Retained Obligations; or
- (iv) the business or operation of the Stations before the Effective Time.

(b) Notwithstanding the foregoing or anything else herein to the contrary, after Closing, (i) Seller shall have no liability to Buyer under clause (i) of Section 9.2(a) until Buyer's aggregate Damages exceed an amount equal to \$10,000, after which such threshold amount shall be included in, and not excluded from, any calculation of Damages, and (ii) the maximum aggregate liability of Seller under clause (i) of Section 9.2(a) shall be an amount equal to the Purchase Price.

(c) From and after Closing, Buyer shall defend, indemnify and hold harmless Seller from and against any and all Damages incurred by Seller arising out of or resulting from:

- (i) any breach by Buyer of its representations and warranties made under this Agreement; or

- (ii) any default by Buyer of any covenant or agreement made under this Agreement; or
- (iii) the Assumed Obligations; or
- (iv) the business or operation of the Stations after the Effective Time.

### 9.3 Procedures.

(a) The indemnified party shall give prompt written notice to the indemnifying party of any demand, suit, claim or assertion of liability by third parties that is subject to indemnification hereunder (a "Claim"), but a failure to give such notice or delaying such notice shall not affect the indemnified party's rights or the indemnifying party's obligations except to the extent the indemnifying party's ability to remedy, contest, defend, or settle with respect to such Claim is thereby prejudiced and provided that such notice is given within the time period described in Section 9.1, if applicable.

(b) The indemnifying party shall have the right to undertake the defense or opposition to such Claim with counsel selected by it. In the event that the indemnifying party does not undertake such defense or opposition in a timely manner, the indemnified party may undertake the defense, opposition, compromise, or settlement of such Claim with counsel selected by it at the indemnifying party's cost (subject to the right of the indemnifying party to assume defense of or opposition to such Claim at any time prior to settlement, compromise or final determination thereof).

(c) Anything herein to the contrary notwithstanding:

(i) the indemnified party shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise, or settlement of the Claim;

(ii) the indemnifying party shall not, without the indemnified party's written consent, settle or compromise any Claim or consent to entry of any judgment which does not include the giving by the claimant to the indemnified party of a release from all liability in respect of such Claim; and

(iii) in the event that the indemnifying party undertakes defense of or opposition to any Claim, the indemnified party, by counsel or other representative of its own choosing and at its sole cost and expense, shall have the right to consult with the indemnifying party and its counsel concerning such Claim and the indemnifying party and the indemnified party and their respective counsel shall cooperate in good faith with respect to such Claim.

(d) After Closing, all claims for breach of representations or warranties under this Agreement shall be subject to the limitations set forth in Section 9.2(b).

## **ARTICLE 10: TERMINATION AND REMEDIES**

10.1 Termination. Subject to Section 10.3, this Agreement may be terminated prior to Closing as follows:

MM

- (a) by mutual written consent of Buyer and Seller;
- (b) by written notice of Buyer to Seller if Seller breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period (defined below);
- (c) by written notice of Seller to Buyer if Buyer breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and any non-monetary breach is not cured within the Cure Period; or
- (d) by written notice of Seller to Buyer or Buyer to Seller if Closing does not occur by the date nine (9) months after the date on which the FCC Application is filed with the FCC.

10.2 Cure Period. Each party shall give the other party prompt written notice upon learning of any breach or default by the other party under this Agreement. Each party shall be permitted to cure a non-monetary breach or default within the Cure Period specified herein. Monetary breaches or defaults shall not be permitted a Cure Period. The term "Cure Period" as used herein means a period commencing on the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing until the earlier of (i) twenty (20) calendar days thereafter, or (ii) the Closing Date determined under Section 1.7.

10.3 Survival. Except as provided by Section 10.5, the termination of this Agreement shall not relieve any party of any liability for breach or default under this Agreement prior to the date of termination. Notwithstanding anything contained herein to the contrary, Sections 1.6 (Deposit) (and Section 10.5 with respect to the Deposit), 5.1 (Confidentiality) and 11.1 (Expenses) shall survive any termination of this Agreement.

10.4 Specific Performance. Seller acknowledges and agrees that Buyer would be irreparably damaged if any of the provisions of this Agreement are not performed in accordance with their specific terms and that any breach of this Agreement by Seller could not be adequately compensated in all cases by monetary damages alone. Accordingly, in addition to any other right or remedy to which Buyer may be entitled, at law or in equity, it shall be entitled to enforce any provision of this Agreement by a decree of specific performance and to temporary, preliminary, and permanent injunctive relief to prevent breaches or threatened breaches of any of the provisions of this Agreement, without posting any bond or other undertaking.

10.5 Liquidated Damages. In the event Buyer fails to close due to Section 10.1(c), Seller shall be entitled to the Deposit as liquidated damages. Buyer and Seller agree that if the transaction contemplated herein fails to close due to Section 10.1(c), Seller's sole and exclusive remedy under Section 10.1 shall be the right to retain the Deposit as liquidated damages ("Liquidated Damages"). The parties acknowledge and agree that the Liquidated Damages amount is not a penalty and is reasonable in light of substantial but indeterminate harm anticipated to be caused by Buyer's breach and failure to close under the terms of this



Agreement. The parties further acknowledge and agree that the amount of actual loss caused by Buyer's breach of this Agreement is incapable of precise estimation and that Seller would not have a convenient and adequate alternative to liquidated damages hereunder.

#### **ARTICLE 11: MISCELLANEOUS**

11.1 Expenses. Each party shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement. The filing fee for the FCC Application shall be paid one-half by Buyer and one-half by Seller. All governmental taxes, fees and charges applicable to the transfer of the Station Assets under this Agreement shall be paid one-half by Buyer and one-half by Seller.

11.2 Further Assurances. After Closing, each party shall from time to time, at the request of and without further cost or expense to the other, execute and deliver such other instruments of conveyance and assumption and take such other actions as may reasonably be requested in order to more effectively consummate the transactions contemplated hereby.

11.3 Assignment. Neither party may assign this Agreement without the prior written consent of the other party hereto, provided, however, that Buyer may assign its rights hereunder to an affiliate of Buyer upon written notice to, but without consent of, Seller, provided that any such assignment does not delay processing of the FCC Application, grant of the FCC Consent or Closing, and any such assignee delivers to Seller a written assumption of this Agreement. The terms of this Agreement shall bind and inure to the benefit of the parties' respective successors and any permitted assigns.

11.4 Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed delivery by a nationally recognized overnight courier service, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Seller:

Michael M. Stapleford, President  
Magnum Broadcasting, Inc.  
P.O. Box 436  
State College, PA 16804  
[mmstapleford@yahoo.com](mailto:mmstapleford@yahoo.com)

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

Dan J. Alpert, Esq.  
The Law Office of Dan J. Alpert  
2120 21<sup>st</sup> Rd. N  
Arlington, VA 22201  
[dja@commlaw.tv](mailto:dja@commlaw.tv)

if to Buyer:

Jeffrey O. Schlesinger, President  
Schlesinger Communications, Inc.  
21 East Main St.  
Lock Haven, PA 17745  
[jeffschlesinger@wsqvradio.com](mailto:jeffschlesinger@wsqvradio.com)

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

Shelley Sadowsky, Esq.  
Shelley Sadowsky, LLC  
5938 Dorchester Way  
Rockville, MD 20852  
[shelley@sadowskycommlaw.com](mailto:shelley@sadowskycommlaw.com)

11.5 Amendments. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought.

11.6 Entire Agreement. This Agreement (including the Schedules hereto) constitutes the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject matter hereof. No party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement.

11.7 Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal or unenforceable under any applicable law, then, so long as no party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

11.8 No Beneficiaries. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their successors and permitted assigns.

11.9 Governing Law. The construction and performance of this Agreement shall be governed by the laws of the Commonwealth of Pennsylvania without giving effect to the choice of law provisions thereof. The prevailing party in a lawsuit brought to enforce the performance or compliance of any provision of this Agreement may recover reasonable attorneys' fees and costs from the non-prevailing party.

11.10 Counterparts. This Agreement may be executed in separate counterparts, each of which will be deemed an original and all of which together will constitute one and the same agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

**BUYER:**

**SCHLESINGER COMMUNICATIONS, INC.**

By:   
Name: Jeffrey O. Schlesinger  
Title: President

**SELLER:**

**MAGNUM BROADCASTING, INC.**

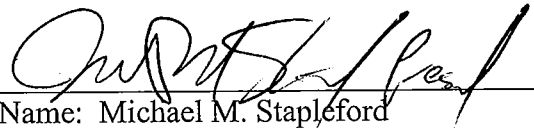
By: \_\_\_\_\_  
Name: Michael M. Stapleford  
Title: President

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the date first set forth above.

**BUYER:** **SCHLESINGER COMMUNICATIONS, INC.**

By: \_\_\_\_\_  
Name: Jeffry O. Schlesinger  
Title: President

**SELLER:** **MAGNUM BROADCASTING, INC.**

By:  \_\_\_\_\_  
Name: Michael M. Stapleford  
Title: President

## **SCHEDULES**

Schedule 1.1(a) -- FCC Licenses

Schedule 1.1(b) -- Tangible Personal Property

Schedule 1.1(c) -- Transmitter Site Agreements

Schedule 1.1(f) -- Intellectual Property

Schedule 2.16 -- Amended and Restated Promissory Note made by Seller to  
Clifford Mack dated February 4, 2020

**Schedule 1.1(a)**

**FCC Licenses**

Station WQCK, File No. BLH-19991020AAD

Renewal BRH-20140331AAL

Station WQCK-FM1, File No. BLFTB-20051004ABX

SCHEDULE 1.1(b)  
TANGIBLE PERSONAL PROPERTY

WQCK ON-AIR STUDIO

Audioarts D75 Digital Audio Console  
3 x's dbx 286A mic processors  
3 x's Shure SM7B microphones with risers  
Sage Digital Endec EAS  
Innkeeper 2 Digital Phone Hybrid  
Tieline Commander G3 Codec  
Rane HC6 Headphone Console  
2 x's Sony CDP-XE270 CD Players  
Pioneer VSX-D411 Receiver  
Alesis RA150 power amplifier  
Lenovo ThinkCentre PC with ASI6114 soundcard and Simeon Pro 2.3.4 Automation Software  
Lenovo ThinkCentre PC  
2 x's Dell Computer monitors  
2 x's JBL 4412A Studio Monitors  
Studio console furniture  
3 x's high-rise chairs

WQCK TRANSMITTER SITE

Silicon Valley 1 kW FM Solid-state Transmitter  
Moseley Starlink SL9003Q Digital STL Receiver  
ESE GPS Synchronizer/Frequency Standard Unit  
Broadcast Electronics Fxi60 FM Exciter  
Gentner 2000 Remote Control Mainframe  
Gentner Remote Relay Panel  
Bird Wattmeter Power Output Monitor  
120' ERI Free-standing Broadcast Tower  
2-Bay ERI FM Broadcast Antenna  
6' Paraflector Microwave Antenna  
12' x 12' concrete block building

WQCK FM-1 TRANSMITTER SITE (BOOSTER SITE)

Broadcast Electronics Fxi250 FM Exciter/Transmitter  
Moseley Starlink SL900SQ Digital STL Transmitter  
Omnia HD-6 Digital FM Processor  
Eventide BD600 Broadcast Delay  
Behringer Digital Delay/Signal Processor  
ESE GPS Synchronizer/Frequency Standard Unit  
Barix 500 Instreamer/Exstreamer Encoder/Decoder  
Sine Systems RFC 1-B Remote Control System  
Sine Systems RP-8 Remote Control Relay Panel  
6' Paraflector Microwave Antenna  
Miniflector Microwave Antenna  
SWR FM1 1-bay FM Antenna  
Equipment Rack

SCHEDULE 1.1(b)  
TANGIBLE PERSONAL PROPERTY(cont.)

FORMER WQCK TRANSMITTER SITE

210' guyed broadcast tower

8' x 10' concrete block building



**Schedule 2.16**

**Amended and Restated Promissory Note made by Seller to**

**Clifford Mack dated February 4, 2020**

**COPY**

**AMENDED AND RESTATED PROMISSORY NOTE**

This AMENDED AND RESTATED PROMISSORY NOTE is made this 4 day of February, 2020, by and between **BORROWER**, **LENDER**, and **HOLDER** as designated hereunder:

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<b>BORROWER:</b>	Magnum Broadcasting, Inc. 315 South Atherton Street State College, PA 16801
<b>LENDER:</b>	Estate of Laura S. Mack c/o Clifford E. Mack, Executor 104 Cherry Ridge Road State College, PA 16803
<b>HOLDER</b>	Clifford E. Mack 104 Cherry Ridge Road State College, PA 16803

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**BACKGROUND & RECITALS**

- A. On or about November 24, 2004, Borrower – Magnum Broadcasting, Inc. (hereinafter, “Magnum”) – delivered a Promissory Note in the original principal sum of \$1,722,527.08 (the “Original Note”) to Moshannon Valley Broadcasting Network, Inc. (hereinafter, “MVBN”). The Original Note was payable to MVBN in equal monthly installments of \$20,729.14 to be applied first to interest at the rate of 7% per annum and the balance to be applied to principal.
- B. The Original Note represented indebtedness incurred pursuant to a commercial transaction – to wit, an Asset Purchase Agreement dated August 23, 2004, by which MVBN sold and conveyed to Magnum the assets comprising Radio Stations WPHB-AM and WUBZ-FM.
- C. The Original Note was secured by a Security Agreement dated November 24, 2004 granting to MVBN a security interest in all assets used in connection with the operation of radio stations WPHB-AM and WUBZ-9FM as well as Radio Station WZYY (FM), which was separately owned by Magnum.
- D. The Original Note was also secured by a Mortgage encumbering premises sold by MVBN to Magnum located in Rush Township, Centre County, Pennsylvania, which Mortgage was recorded November 30, 2004 at Centre County Record Book 1765 at page 877 (the “Rush Township Property”), on which is located a radio transmission tower used in connection with Radio Station WPHB-AM.
- E. By Amendment, dated September 29, 2011, Laura S. Mack (hereinafter “Laura”) was substituted as the holder of the Original Note, and the installment payments

were modified to provide for monthly payments by Borrower in the amount of \$12,154.96, as set forth in the Amortization Schedule attached to the September 29, 2011 Amendment.

- F. Debtor failed to make the payments due under the September 29, 2011 Amendment in a timely manner, and is presently in default of its obligations thereunder.
- G. Laura died on February 12, 2019, leaving a Will dated February 7, 2019, appointing Clifford E. Mack as Executor of her estate (the "Estate"). Letters testamentary to Clifford E. Mack were issued on February 4, 2020, and the Estate's interest in the Original Note was assigned to Clifford E. Mack (hereinafter "Clifford") by Assignment Agreement dated February 5, 2020.
- H. This Amended and Restated Promissory Note is intended to memorialize the Parties' understanding of the modification desired by and agreed upon by the parties to this agreement and embodied herein.

**NOW THEREFORE**, in consideration of the foregoing, the mutual agreements herein and other good and valuable consideration, the receipt and adequacy of which are here acknowledged, the Parties hereto, intending to be legally bound, hereby agree as follows:

1. **Ratification of Recitals.** The Parties hereby ratify the above recitals and incorporate the same into this Agreement.

2. **Acknowledgment of Outstanding Indebtedness.** Magnum and Clifford hereby acknowledge the existence of the debt owed by Magnum pursuant to the Original Note, as modified by the September 29, 2011 Amendment, and agree that the principal amount of such debt as of December 31, 2019 totals \$692,967.22 (the "Outstanding Debt"). Mangum has paid to Clifford the sum of \$16,000.00 from January 1, 2020 to date, leaving a remaining balance due of \$676,967.22. Clifford hereby waives any right to payment of past due interest that may be due with respect to such Outstanding Debt accruing prior to the date hereof.

3. **Adjustment of Interest Rate and Repayment of the Debt.**

- a. The parties agree that provided Mangum fully complies with its payment obligations hereunder, no interest shall be charged or payable on the Outstanding Debt from or after January 1, 2020
- b. On or before March 31, 2020, Magnum shall pay the Estate the sum of \$15,000, to be applied toward reduction of principal, and reducing the Outstanding Debt to \$661,967.22.
- c. Beginning on the 15<sup>th</sup> day of April, 2020, and recurring on the same day of each month thereafter, Magnum shall make payments to the Estate in the amount of **SIX THOUSAND AND 00/100 DOLLARS (\$6,000.00)**, the entire balance being applied to reduction of principal, until the indebtedness is repaid in full.

- d. In the event Magnum defaults in making any payment due hereunder in a timely manner, interest shall accrue at the rate of 6% per annum retroactively from and after January 1, 2020.

4. **Modification of Security.**

- a. To secure the payment of the within obligation, Magnum agrees to execute the Amended Security Agreement in the form attached hereto as Exhibit "A" granting security interest in the collateral assets described therein as security for its obligations under this Agreement.
- b. By this Agreement, Clifford and the Estate agree that upon Clifford's receipt of the \$15,000 payment set forth in Paragraph 3(b), he shall cause MVBVN to release the lien of the mortgage against the Rush Township Property.

5. **Default.**

- a. Any failure by Magnum to make the payments, as specified at Paragraph 3, above, within thirty (30) of the due date specified by or determinable with reference to Paragraph 3, shall constitute an Event of Default. The Parties hereby agree that Magnum's failure to pay the precise amount required on the date required, shall immediately constitute an Event of Default, perfected without the necessity of demand, notice, or presentment, in light of the Parties' agreement that time shall be of the essence. To the extent demand, notice or presentment would otherwise be required by law, Magnum hereby intelligently, voluntarily and expressly waives any and all such rights.
- b. Any Event of Default, including any failure by Magnum to timely make any installment payment as set forth in Paragraph 3 shall result in Clifford having the right to accelerate all principal and accrued interest under this PROMISSORY NOTE MODIFICATION AGREEMENT and the enter judgment by confession, pursuant to the Warrant of Attorney set forth hereunder at Paragraph 7.

6. **Magnum's Representations and Warranties.** Magnum hereby represents and warrants to The Estate that:

- a. Magnum is fully aware and clearly understands all of the terms and provisions contained in this PROMISSORY NOTE MODIFICATION AGREEMENT and in all documentation executed in connection herewith;
- b. Magnum has voluntarily, with full knowledge and without coercion or duress of any kind, entered into this Agreement and the documents executed in connection herewith; and
- c. The consideration received by Magnum to enter into this PROMISSORY NOTE MODIFICATION AGREEMENT contemplated hereby is fair, reasonable, equitable, and adequate.

7. **Warrant of Attorney.** MAGNUM HEREBY EMPOWERS ANY ATTORNEY OF ANY COURT OF RECORD, AFTER OCCURRENCE OF ANY EVENT OF DEFAULT HEREUNDER, TO APPEAR FOR MAGNUM AND, WITH OR WITHOUT COMPLAINT FILED, CONFESS JUDGMENT, OR A SERIES OF JUDGMENTS, AGAINST MAGNUM IN FAVOR OF THE ESTATE OR ANY ASSIGNEE OR SUBSEQUENT HOLDER OF THE ORIGINAL NOTE, AS AMENDED, FOR THE ENTIRE PRINCIPAL BALANCE THEN OUTSTANDING HEREUNDER, ALL ACCRUED INTEREST AND ALL OTHER AMOUNTS DUE HEREUNDER, TOGETHER WITH COSTS OF SUIT AND AN ATTORNEY'S COMMISSION OF THE GREATER OF TEN PERCENT (10%) OF THE AGGREGATE OF SUCH PRINCIPAL AND INTEREST OR TWO THOUSAND AND XX/100 DOLLARS (\$2,000.00), ADDED AS A REASONABLE ATTORNEY'S FEE, AND FOR DOING SO, THIS PROMISSORY NOTE MODIFICATION AGREEMENT OR A COPY VERIFIED BY AFFIDAVIT SHALL BE A SUFFICIENT WARRANT. MAGNUM HEREBY FOREVER WAIVES AND RELEASES ALL ERRORS IN SAID PROCEEDINGS AND ALL RIGHTS OF APPEAL AND ALL RELIEF FROM ANY AND ALL APPRAISEMENT, STAY OR EXEMPTION LAWS OF ANY STATE NOW IN FORCE OR HEREAFTER ENACTED. NO SINGLE EXERCISE OF THE FOREGOING POWER TO CONFESS JUDGMENT, OR A SERIES OF JUDGMENTS, SHALL BE DEEMED TO EXHAUST THE POWER, WHETHER OR NOT ANY SUCH EXERCISE SHALL BE HELD BY ANY COURT TO BE INVALID, VOIDABLE, OR VOID, BUT THE POWER SHALL CONTINUE UNDIMINISHED AND IT MAY BE EXERCISED FROM TIME TO TIME AS OFTEN AS THE ESTATE SHALL ELECT UNTIL SUCH TIME AS THE ESTATE SHALL HAVE RECEIVED PAYMENT IN FULL OF THE DEBT, INTEREST AND COSTS.

8. **Waiver of Claims by Borrower.** Magnum hereby releases, waives and quitclaims any and all claims, demands, suits, counterclaims, or causes of action which it or its successors and assigns may otherwise have against MVBVN, the Estate and Holder, arising out of the Original Note, as amended by the September 29, 2011 Amendment, or this AMENDED AND RESTATED PROMISSORY NOTE.

9. **Non-Assignment by Borrower.** The Parties hereby agree that Magnum shall have no right to assign or delegate any of its duties, obligations or indebtedness under this AMENDED AND RESTATED PROMISSORY NOTE, absent express written authorization for the same, executed by The Estate.

10. **No Drafter for Construction / Interpretation.** The Parties hereby agree that, for the purposes of construction or interpretation by any Court or tribunal of competent jurisdiction, neither Party shall be considered the drafter of this AMENDED AND RESTATED PROMISSORY NOTE; rather, the Parties hereby agree that this document is the product of mutual efforts and give-and-take negotiation and, therefore, shall not be construed against either Party or in favor of either Party, on the basis of the identity of a particular drafter.

11. **Instrument Under Seal.** The Parties agree that this AMENDED AND RESTATED PROMISSORY NOTE constitutes an Instrument Under Seal, which may be enforced under 42 Pa. C.S. § 5529(B). To this end, each Party expressly adopts the block seal placed next to that Party's respective signature line hereunder.

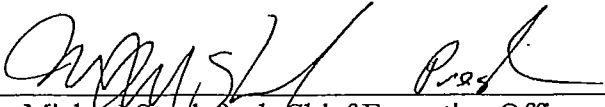
12. **Entire Agreement.** This AMENDED AND RESTATED PROMISSORY NOTE MODIFICATION AGREEMENT (including the Original Note, as amended by the September 29, 2011 Amendment, as incorporated), constitutes the entire understanding between the Parties with regard to The Estate's conditional agreement to forebear from exercise of her rights and remedies under the Original Note, as amended by the September 29, 2011 Amendment. To this end, this AMENDED AND RESTATED PROMISSORY NOTE and the Original Note, as amended by the September 29, 2011 Amendment collectively supersede all prior negotiations, representations, understandings and agreements, either written or oral, between the Parties on this subject.

13. **Subsequent Modification.** The Parties agree that the terms of this AMENDED AND RESTATED PROMISSORY NOTE shall not be modified, unless agreed to in a writing executed by both Parties hereto.

**IN WITNESS WHEREOF**, in consideration of the foregoing and intending to be legally bound hereby, the Parties have executed this AMENDED AND RESTATED PROMISSORY NOTE on the day and year first above written.

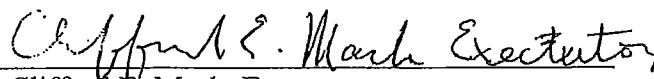
**BORROWER:**

MAGNUM BROADCASTING, INC.

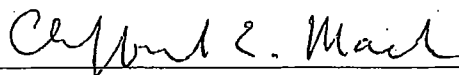
By:   
Michael Stapleford, Chief Executive Officer  
President

**LENDER:**

ESTATE OF LAURA S. MACK

By:   
Clifford E. Mack, Executor

**HOLDER:**

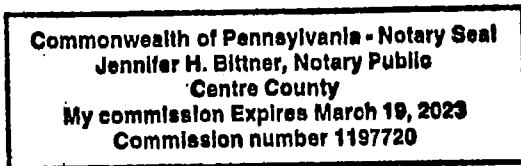
By:   
Clifford E. Mack


**ACKNOWLEDGMENTS**

COMMONWEALTH OF PENNSYLVANIA )  
COUNTY OF CENTRE ) SS.

On the 10<sup>th</sup> day of March, in the year 2020, before me, the undersigned, a Notary Public in and for said State, personally appeared Michael Stapleford, as **President** of MAGNUM BROADCASTING, INC. personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

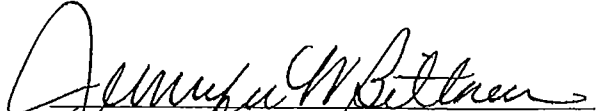


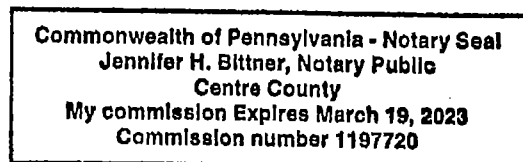
  
Notary Public  
My Commission Expires:

COMMONWEALTH OF PENNSYLVANIA )  
COUNTY OF CENTRE ) SS.

On the 4<sup>th</sup> day of February, in the year 2020, before me, the undersigned, a Notary Public in and for said State, personally appeared Clifford E. Mack, Executor of the Estate of Laura S. Mack, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.


  
Notary Public  
My Commission Expires:



COMMONWEALTH OF PENNSYLVANIA )  
 ) SS.  
COUNTY OF CENTRE )

On the 4th day of February, in the year 2020, before me, the undersigned, a Notary Public in and for said State, personally appeared Clifford E. Mack, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

  
Notary Public  
My Commission Expires:

