

## **ASSET PURCHASE AGREEMENT**

**THIS ASSET PURCHASE AGREEMENT** (this "Agreement"), is made as of this 27<sup>th</sup> day of January, 2016, by and between WDAC RADIO COMPANY, a Pennsylvania corporation ("Buyer") and FOUR RIVERS COMMUNITY BROADCASTING CORPORATION, a Pennsylvania non-profit corporation ("Seller").

### **RECITALS**

**WHEREAS**, Seller is licensee of FM radio broadcast translator station W284BF, New Providence, Pennsylvania (FCC Facility ID No. 144103), authorized to operate on a frequency 104.7 MHz (the "Station") pursuant to a license issued by the Federal Communications Commission (the "FCC" or "Commission") that is scheduled to expire on August 1, 2022; and

**WHEREAS**, Buyer desires to acquire certain assets used or held for use in the operation of the Station, including without limitation, the licenses, permits and authorizations ("FCC Authorizations") together with transmitting equipment and certain other assets used or useful in the operation of the Station (collectively the "Station Assets"); and

**WHEREAS**, the FCC Authorizations cannot be assigned to the Buyer without the prior written consent of the Commission.

**NOW, THEREFORE**, in consideration of the mutual promises, representations, warranties and covenants herein contained, the receipt and sufficiency of which are hereby acknowledged and intending to be legally bound, the parties agree as follows:

### **ARTICLE 1 - PURCHASE AND SALE OF ASSETS**

1.1 Assets. In reliance upon the representations, warranties, and agreements and subject to the conditions herein contained, on the Closing Date (as defined in Section 1.5, hereof), Seller agrees to sell and Buyer agrees to purchase all properties and assets, real, personal and mixed, tangible and intangible (except for the Excluded Assets, defined in Section 1.2, below), that are owned by Seller and used or held for use by the Station (the "Assets"), free and clear of any and all liens, charges, encumbrances and claims of any kind whatsoever, other than Permitted Exceptions, as hereinafter defined. The Assets shall include the following, except to the extent that any are Excluded Assets:

(a) FCC Authorizations. All licenses, construction permits, and any other authorizations issued by the Commission and currently and hereafter in effect for the operation of the Station and its auxiliary frequencies, together with all other licenses, permits and authorizations issued by other regulatory agencies which are used or useful in the operation of the Station (collectively, the "FCC Authorizations"). Copies of the FCC Authorizations currently in effect are attached as Schedule A.

(b) Files and Records. All files and other records of Seller relating to the Station and the Assets (other than duplicate copies of such files, hereinafter "Duplicate Records")

including, without limitation, all books, files, correspondence, studies, reports, projections, schematics, blueprints, engineering data, reports, specifications, statistics, creative materials, and other advertising, marketing or related materials, records required by any federal, state or local government entity (including any applications or reports filed by or on behalf of Seller with the FCC pertaining to the Station) and all other business and technical information pertaining to the Station regardless of the media on which stored.

(c) Claims. Any and all of Seller's claims and rights against third parties relating to the Station, including, without limitation, all rights under manufacturers' and vendors' warranties, and all rights to recovery and rights of setoff and recoupment pertaining solely to matters arising after the Closing (collectively, the "Claims").

## 1.2 Liabilities

(a) Security Interests. The Assets shall be sold and conveyed to Buyer free and clear of all mortgages, liens, deeds of trust, security interests, pledges, options, restrictions, prior assignments, charges, claims, defects in title and encumbrances of any kind or type whatsoever (collectively, the "Security Interests") except for: (i) liens for taxes that are not yet due and payable, accruing before the Closing Date, and (ii) Security Interests to be released at Closing. The encumbrances described in the foregoing clauses (i) and (ii) are collectively referred to herein as "Permitted Encumbrances."

(b) Assumed Liabilities. Except as otherwise provided herein and subject to the terms and conditions of this Agreement, in connection with the sale, transfer, conveyance and assignment to Buyer of the Assets, Buyer shall not assume any obligations or liabilities of Seller. To the extent that Buyer may agree to assume any such Liabilities or contracts, they are collectively referred to herein as the "Assumed Liabilities."

(c) Excluded Liabilities. Other than the Assumed Liabilities, Buyer shall not assume or be liable for, and does not undertake or attempt to assume or discharge any obligation of Seller.

(d) Retained Obligations of Seller. Seller retains and shall hereafter pay, satisfy, discharge, perform and fulfill all obligations other than the Assumed Liabilities, as they may become due, without any charge or cost to Buyer.

## 1.3 Purchase Price, Payment, and Allocation

(a) Purchase Price. The aggregate purchase price to be paid for the Assets will be Eighty Thousand Dollars (\$80,000.00) (the "Purchase Price") as may be adjusted in accordance with this Section 1.3 and paid as follows:

(i) Upon the execution of this Agreement Buyer shall deliver to Wood, Martin & Hardy, PC (the "Escrow Agent") the amount of Ten Thousand Dollars (\$10,000.00) by wire transfer of immediately available funds (the "Escrow Deposit"). The Escrow Deposit shall be held by the Escrow Agent in a non-interest bearing account in accordance with the

terms of an escrow agreement dated as of the date of this Agreement (the "Escrow Agreement"). At the Closing, upon receipt of joint written instructions from Seller and Buyer, Escrow Agent shall deliver the Escrow Deposit to Seller as a dollar-for-dollar credit against the Purchase Price. In the event of a material uncured breach of this Agreement by Buyer, the Escrow Deposit shall be paid over to Seller. In the event of a material uncured breach of this Agreement by Seller, or if the Closing does not take place in accordance with the terms of this Agreement, then the Escrow Deposit will be returned to the Buyer.

(ii) On the Closing Date, Buyer shall pay to Seller the balance of the Purchase Price, after applying the Escrow Deposit as provided above, by wire transfer of immediately available funds.

#### 1.4 Closing.

(a) The consummation of the transactions provided for in this Agreement (the "Closing") shall occur at a time and place agreed upon by the Seller and Buyer not later than ten business days after the Modification Application and Assignment Application shall have been granted by the FCC, even though at such time the FCC's grant of the Assignment Application (the "FCC Consent") shall not have become final and unappealable. The date on which the Closing is to occur is referred to herein as the "Closing Date."

(b) At Closing, the Purchase Price shall be allocated among the Assets as indicated on Schedule B attached hereto, which allocation shall be reflected by the parties on relevant all income tax filings.

### **ARTICLE 2 - REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller represents and warrants to Buyer that the statements contained in this Article 2 are correct and complete as of the date of this Agreement and will be correct and complete as of the Closing Date

2.1 Company Status. Seller is a non-profit corporation duly incorporated, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania. Seller has the requisite power to carry on its business as it is now being conducted, to own and operate the Station, and to enter into and complete the Transactions contemplated by this Agreement (the "Transactions").

2.2 Entity Action. All actions and proceedings necessary to be taken by or on the part of Seller in connection with the performance, execution and delivery of this Agreement have been duly and validly taken and this Agreement has been duly and validly authorized, executed, and delivered by Seller and constitutes the legal, valid and binding obligation of Seller enforceable against Seller in accordance with and subject to the terms contained herein.

2.3 No Defaults. Neither the execution, delivery and performance by Seller of this Agreement nor the consummation by Seller of the Transactions are events that, of themselves or with the giving of notice or the passage of time or both, will: (a) violate or conflict with any

provision of the governing documents of Seller; (b) constitute a violation of, conflict with or result in any breach of or any default under, result in any termination or modification of, or cause any acceleration of any obligation of Seller under any contract, mortgage, indenture, agreement, lease or other instrument to which Seller is a party or by which it is bound, or result in the creation of any security interest in the Assets; (c) violate any judgment, decree, order, statute, law, rule or regulation of any court, arbitrator or government or regulatory body applicable to Seller, the Station or the Assets; or (d) result in the creation or imposition of any lien, charge or encumbrance against the Station or the Assets.

**2.4 FCC Authorizations.** Seller is the holder of all licenses, permits, franchises, authorizations and approvals of any governmental or quasi-governmental authority required for the operation of the Station as operated on the date hereof (collectively, the "FCC Authorizations") and all of such licenses, permits and authorizations are listed on Schedule A. The FCC Authorizations constitute all of the authorizations required under the Communications Act of 1934, as amended (the "Communications Act"), or the current rules, regulations and policies of the FCC for the operation of the Station as of the date hereof. The FCC Authorizations are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not now pending or to the knowledge of Seller threatened any action by or before the FCC to revoke, cancel, rescind, modify or refuse to renew any of such FCC Authorizations other than proceedings of a rulemaking or legislative nature affecting the radio industry generally, and there is not now pending or to the knowledge of Seller threatened, issued or outstanding by or before the FCC, any investigation, Order to Show Cause, Notice of Violation, Notice of Apparent Liability or Notice of Forfeiture or complaint against the Seller with respect to the Station. In the event of any such action, or the filing or issuance of any such order, notice or complaint against Seller or Seller's learning of the threat thereof, Seller shall notify Buyer, within three business days, of the same in writing and shall take all reasonable measures, at its expense, to contest in good faith or seek removal or rescission of such action, order, notice or complaint. The Station and all of its broadcast equipment is, operating at full authorized power and in material compliance with the FCC Authorizations, the Communications Act and the current rules, regulations and policies of the FCC. Seller has no reason to believe that the FCC Authorizations will not be renewed in the ordinary course.

**2.5 Approvals and Consents.** The only approval or consent of persons or entities not a party to this Agreement that are legally or contractually required to be obtained by Seller in connection with the consummation of the Transactions is the FCC Consent and the FCC Order granting the facilities modification application.

**2.6 Litigation.** There are no suits, arbitrations, administrative charges or other legal proceedings, claims or governmental investigations pending or, to Seller's Knowledge, threatened against Seller with regard to the Assets, nor, to Seller's Knowledge, is there any basis for any such suit, arbitration, administrative charge or other legal proceedings, claim or governmental investigation. Seller has not been operating under or subject to, or in default with respect to, any order, writ, injunction or decree relating to the Station or the Assets of any court or federal, state, municipal or other governmental department, commission, board, agency or instrumentality which

would have an adverse effect on the condition of the Station or any of the Assets or on the ability of Seller to enter into this Agreement or consummate the Transactions.

### **ARTICLE 3— REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer represents and warrants to Seller that the statements contained in this Article 3 are correct and complete as of the date of this Agreement and will be correct and complete as of the Closing Date.

3.1 Qualification as a Broadcast Licensee. Buyer is financially qualified and legally qualified under the Communications Act and the rules, regulations and policies of the FCC to acquire the Assets from Seller. There is no fact or condition known to Buyer that would, under the Communications Act and the existing rules, regulations and policies of the FCC, disqualify Buyer as owner and operator of the Station or constitute grounds for the filing of a petition to deny or objection related to the qualifications of Buyer or that would reasonably be expected to result in a delay of the FCC Order. To Buyer's Knowledge, no waiver of any FCC rule, regulation or policy existing as of the date of this Agreement will be required, with respect to Buyer, to obtain the FCC Order.

#### 3.2 Status.

(a) Buyer. Buyer is a corporation duly incorporated, in good standing and validly existing under the laws of the Commonwealth of Pennsylvania. Buyer has the requisite power to enter into and complete the Transactions.

(b) Approvals and Consents. There are no approvals or consents of Persons not a party to this Agreement that are legally or contractually required to be obtained by Buyer in connection with the consummation of the Transactions, other than the FCC Order.

3.3 No Defaults. Neither the execution, delivery and performance by Buyer of this Agreement nor the consummation by Buyer of the Transactions is an event that, of itself or with the giving of notice or the passage of time or both, will: (a) violate or conflict with any provision of the corporate Charter of Buyer, (b) constitute a violation of, conflict with or result in any breach of or any default under, result in any termination or modification of, or cause any acceleration of any obligation under any contract, mortgage, indenture, agreement, lease or other instrument to which Buyer is a party or by which it is bound or the assets of it are bound, or by which it may be affected, or result in the creation of any Security Interest on any of the assets of Buyer, or (c) violate any judgment, decree, order, statute, law, rule or regulation of any court, arbitrator or government or regulatory body applicable to Buyer or the assets of Buyer.

3.4 Litigation. There are no suits, arbitrations, administrative charges or other legal proceedings, claims or governmental investigations pending or, to Buyer's Knowledge, threatened against Buyer affecting Buyer's qualification to hold an FCC license or its ability to purchase and acquire the Assets nor, to Buyer's Knowledge, is there any basis for any such suit, arbitration, administrative charge or other legal proceedings, claim or governmental investigation. Buyer has

not been operating under or subject to, or in default with respect to, any order, writ, injunction or decree of any court or federal, state, municipal or other governmental department, commission, board, agency or instrumentality which would have an adverse effect on Buyer's ability to enter into this Agreement or consummate the Transactions.

3.5 Entity Action. All actions and proceedings necessary to be taken by or on the part of Buyer or its members, if required by applicable law, in connection with the performance, execution and delivery of this Agreement have been duly and validly taken, and this Agreement has been duly and validly authorized, executed and delivered by Buyer and constitutes the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with and subject to its terms.

3.6 Brokers. There is no broker or finder or other Person who would have any valid claim through Buyer against any of the parties to this Agreement for a commission or brokerage fee or payment in connection with this Agreement or the Transactions as a result of any agreement of or action taken by Buyer.

#### **ARTICLE 4 - COVENANTS OF SELLER PENDING THE CLOSING**

Seller covenants and agrees that, from the date hereof until the completion of the Closing:

4.1 Operation of the Station. Seller shall use its commercially reasonable efforts to continue the operation of the Station as in the past, except that Seller may at any time commence retransmission of the program stream of WDAC-HD.

4.2 Representations and Warranties. Seller shall give written notice to Buyer promptly on learning of the occurrence of any event that would cause or constitute a material breach, or that would have caused such a breach had such event occurred or been known to Seller on or before the date of this Agreement, of any of Seller's representations or warranties contained in this Agreement or in any Schedule attached hereto.

4.3 Notice of Proceedings. Seller will notify Buyer in writing on: (a) receiving notice of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of the Transactions contemplated hereunder; or (b) receiving any notice from any governmental department, court, agency or commission of its intention (i) to institute an investigation into, or institute a suit or proceeding to restrain or enjoin, the consummation of such Transactions, or (ii) to nullify this Agreement or render such Transactions ineffective if consummated.

4.4 Consummation of Agreement. Seller shall use its commercially reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement.

4.5 FCC Applications. Within three business days of the execution of this Agreement, Seller shall file an application with the FCC requesting the FCC's written consent to

the assignment of the FCC Authorizations to Buyer (the "Assignment Application"). Buyer shall cooperate with Seller by timely providing Buyer's information necessary to the completion of the Assignment Application. Also, no later than January 28, 2016, Seller shall file with the FCC an application (the "Modification Application") to modify the facilities of the Station to relocate the Station's transmitting antenna to the antenna tower of station WDAC (licensed to serve Lancaster, Pennsylvania) near New Providence, Pennsylvania with operating power of at least 200 Watts. Buyer shall cover the expense of the preparation of the Modification Application and any applicable FCC filing fees. Seller shall take all steps that are proper and necessary to expedite the grant of the Modification Application. Seller shall promptly provide Buyer with copies of any documents served on Seller relating to the Modification Application.

4.6 Exclusivity. Seller will not (i) solicit, initiate, or encourage the submission of any proposal or offer from any Person relating to the acquisition of the Station Assets, or (ii) participate in any discussions or negotiations regarding, furnish any information with respect to, assist or participate in, or facilitate in any other manner any effort or attempt by any Person to do or seek any of the foregoing.

4.7 Confidentiality. Any and all information, disclosures, knowledge or facts regarding Buyer and its operations derived from or resulting from Seller's acts or conduct (including, without limitation, acts or conduct of such Seller's managers, directors, shareholders, officers, employees, counsel, agents, consultants or representatives, or any of them (collectively, "Representatives") under the provisions of this Section or otherwise obtained by Seller (or its Representatives pursuant to or in connection with this Agreement, shall be confidential and shall not be divulged, disclosed or communicated to any other Person, except as required by law and to Seller's Representatives and their respective attorneys for the purpose of consummating the Transactions. Seller shall be responsible for any breach of confidentiality by any such Person. If this Agreement terminates before Closing, Seller shall promptly return any confidential information obtained regarding Buyer and shall instruct its Representatives also to return any such information.

## **ARTICLE 5 - COVENANTS OF BUYER PENDING THE CLOSING**

Buyer covenants and agrees that, from the date hereof until the completion of the Closing:

5.1 Representations and Warranties. Buyer shall give written notice to Seller promptly on learning of the occurrence of any event that would cause or constitute a breach, or that would have caused a breach had such event occurred or been known to Buyer on or before the date of this Agreement, of any of Buyer's representations or warranties contained in this Agreement or in any Schedule attached hereto.

5.2 Notice of Proceedings. Buyer will promptly notify Seller in writing on: (a) becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of the Transactions; or (b) receiving any notice from any governmental department, court, agency or commission of its intention (i) to institute an investigation into, or institute a suit or proceeding to restrain or enjoin, the consummation of

such Transactions, or (ii) to nullify this Agreement or render such Transactions ineffective if consummated.

5.3 Consummation of Agreement. Buyer shall fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement and to cause the Transactions to be fully carried out.

5.4 FCC Applications. No later than 3 pm EST on January 28, 2016, Buyer shall deliver to Seller a draft of the Modification Application. Within three business days of the execution of this Agreement, Buyer shall cooperate with Seller to prepare and file the application requesting the FCC's written consent to the assignment of the FCC Authorizations.

5.5 Publicity. Buyer shall not issue or cause the publication of any press release or any other public statement or any correspondence or other communication with respect to the execution and Closing of this Agreement unless Seller shall have had the prior opportunity to review and comment thereon and such release or statement has been consented to by Seller.

5.6 Confidentiality Any and all information, disclosures, knowledge or facts regarding Seller and the Assets derived from or resulting from Buyer's acts or conduct (including, without limitation, acts or conduct of Buyer's Representatives) under the provisions of this Section or otherwise obtained by Buyer (or its Representatives) pursuant to or in connection with this Agreement, shall be confidential and shall not be divulged, disclosed or communicated to any other Person, except as required by law and to Buyer's Representatives and their respective attorneys for the purpose of consummating the Transactions contemplated by this Agreement. Buyer shall be responsible for any breach of confidentiality by any such Person. If this Agreement terminates before Closing, Buyer shall return promptly any information obtained regarding Seller or the Assets and Buyer shall instruct its Representatives also to return any such information.

## **ARTICLE 6 - CONDITIONS TO SELLER'S OBLIGATIONS**

The obligations of Seller under this Agreement are subject to the fulfillment of the following conditions before or on the Closing Date:

### **6.1 Representations, Warranties and Covenants.**

(a) Representations True. Each of the representations and warranties of Buyer contained in this Agreement shall have been true and correct as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall then be true and correct in all material respects except to the extent changes are permitted or contemplated pursuant to this Agreement;

(b) Buyer Compliance. Buyer shall have performed and complied in all material respects with each and every covenant and agreement required by this Agreement to be performed or complied with by it before or on the Closing Date;



(c) Other Documents. Seller shall be furnished with such documents or instruments with respect to Buyer as Seller may have reasonably requested before the Closing to carry out the intent and purposes of this Agreement.

#### 6.2 Proceedings.

(a) No Injunction. No party shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the Transactions.

(b) Postponement. If a restraining order or injunction is in effect, this Agreement may not be terminated by Seller pursuant to this Section 6.2 before the Final Closing Date but the Closing shall be delayed during such period. This Agreement may be terminated after such date if such restraining order or injunction remains in effect.

6.3 Deliveries. Buyer shall have complied with each and every one of its obligations set forth in Section 8.2.

6.4 Authorizations. The FCC Orders for the modification application and assignment application shall have been granted.

### **ARTICLE 7 - CONDITIONS TO BUYER'S OBLIGATIONS**

The obligations of Buyer under this Agreement are subject to the fulfillment of the following conditions before or on the Closing Date:

#### 7.1 Representations, Warranties and Covenants.

(a) Representations True. Each of the representations and warranties of Seller contained in this Agreement shall have been true and correct as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall then be true and correct in all material respects except to the extent changes are permitted or contemplated pursuant to this Agreement;

(b) Seller's Performance. Seller shall have performed and complied in all material respects with each and every covenant and agreement required by this Agreement to be performed or complied with by it before or on the Closing Date;

(c) Seller's Certificates. Seller shall have furnished Buyer with certificates, dated the Closing Date and duly executed by an officer of Seller, to the effect that the conditions set forth in Sections 7.1(a) and (b) have been satisfied; and

(d) Other Documents. Buyer shall be furnished with such certificates, documents or instruments with respect to Seller as Buyer may have reasonably requested before the Closing to carry out the intent and purposes of this Agreement.

## 7.2 Proceedings.

(a) No Injunction. No party shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the Transactions.

(b) Postponement. If such a restraining order or injunction is in effect, then this Agreement may not be terminated by Buyer pursuant to this Section before the Final Closing Date, but the Closing shall be delayed during such period. This Agreement may be terminated after such date if such restraining order or injunction remains in effect.

7.3 Liens Released. All Security Interests pertaining to the Assets shall be released of record and there shall be no liens in respect of the Assets, except Permitted Encumbrances.

7.4 Deliveries. Seller shall have complied with each and every one of its obligations set forth in Section 8.1.

7.5 Authorizations. The FCC Orders shall have been granted.

7.6 Other Consents. Seller shall have obtained all material Consents, including, without limitation, all approvals and waivers of governmental agencies as are required for the consummation of the Transactions contemplated by this Agreement, without any change in the terms thereof, except these approved by Buyer in writing.

## **ARTICLE 8 - ITEMS TO BE DELIVERED AT THE CLOSING**

8.1 Deliveries by Seller At the Closing, Seller shall deliver to Buyer, duly executed by Seller, such bills of sale, endorsements, assignments and other good and sufficient instruments of sale, conveyance, transfer and assignment, in form and substance satisfactory to Buyer, sufficient to sell, convey, transfer and assign to Buyer all right, title and interest of Seller in and to the Assets.

8.2 Deliveries by Buyer. At the Closing, Buyer shall deliver to Seller the Purchase Price (which shall be paid in the manner specified in Section 1.4) as well as an executed assignment and assumption agreement as to the FCC Authorizations and, if Buyer should agree to assume any contracts or obligations of Seller, an appropriate assumption agreement, duly executed by Buyer.

## **ARTICLE 9 – SURVIVAL**

9.1 Survival. All representations and warranties contained in this Agreement, or in any Exhibit, Schedule, certificate, agreement or statement delivered pursuant hereto, shall survive for one year after the Closing Date, whereupon all such representations, warranties, and indemnities with respect thereto, shall expire and terminate and shall be of no further force or effect. If a material breach of a party's representations and warranties is asserted by either party before the expiration of the survival or limitations period, the party's claim shall survive until the existence and amount of such breach have been finally established and resolved as provided below.

## **ARTICLE 10 – MISCELLANEOUS**

10.1 Termination of Agreement. This Agreement may be terminated at any time on or before the Closing Date: (a) by the mutual consent of Seller and Buyer; (b) by written notice either party hereto if the Closing has not taken place within the date that is two years after the date of this Agreement (the “Final Closing Date”), provided, however, that if either the Modification Application or the Assignment Application has not been granted as of the Final Closing Date, then the Final Closing Date shall be extended to that date which is ten business days after both the FCC Consent and the Modification Application have been granted; or (c) by written notice of either party if the other party breaches in any material respect any terms of this Agreement, or defaults in any material respect in the performance of any of its covenants or agreements herein contained, and such breach or default is not cured within thirty days of receipt of written notice of such breach or default.

10.2 Effect of Termination. A termination of this Agreement pursuant to clause 10.1(c) shall not relieve any party of any liability it would otherwise have for a material breach of this Agreement. However, if this Agreement is terminated pursuant to clauses 10.1(a) or 10.1(b), all further obligations of the parties hereunder shall terminate. This paragraph shall not apply to a termination pursuant to a consummation of the Transactions as the parties’ post-Closing obligations are governed by Article 9.

10.3 Specific Performance; Damages. The parties acknowledge that the operation of the Station is of a special, unique and extraordinary character. Upon a material breach by Seller of its representations, warranties, covenants and agreements under this Agreement, Buyer shall be entitled to an injunction restraining any such breach or threatened breach or to enforcement of this Agreement by a decree or decrees of specific performance requiring Seller to fulfill its obligations under this Agreement as well as all other remedies at law or in equity; provided, however, Buyer shall not be entitled to specific performance if it is in material breach of its representations, warranties, covenants and agreements under this Agreement. Upon a material breach by Buyer of its representations, warranties, covenants and agreements under this Agreement, Seller shall be entitled to any remedy at law or in equity.

10.4 Expenses. Each party hereto shall bear all of its expenses incurred in connection with the Transactions including, without limitation, accounting and legal fees incurred in connection with this Agreement, except that in the event of a material breach of this Agreement (in which case the party in breach shall be responsible for all damages incurred by the other party in consequence of such breach, including the attorneys’ fees and other enforcement costs incurred by the non-breaching party from the date of such breach).

10.5 Remedies Cumulative. The remedies provided in this Agreement shall be cumulative and shall not preclude the assertion by any party hereto of any other rights or the seeking of any other remedies against the other party hereto.

10.6 Further Assurances. From time to time before, on and after the Closing Date, each party hereto will execute all such instruments and take all such actions as any other party, being advised by counsel, shall reasonably request, without payment of further consideration,

in connection with carrying out and effectuating the intent and purpose hereof including, without limitation, and any and all actions which may be reasonably necessary or desirable to complete the Transactions. The parties shall cooperate fully with each other and with their respective counsel and accountants in connection with any steps required to be taken as part of their respective obligations under this Agreement.

10.7 Risk of Loss. The risk of loss, damage or destruction to any of the Assets from fire or other casualty or cause shall be borne by Seller at all times before the Closing Date. On any such loss, damage or destruction, the proceeds of any claim for any loss, payable under any insurance policy with respect thereto, shall be used to repair, replace or restore any such property to its former condition, subject to the conditions stated below. In the event of any loss or damage to any of the Assets from fire, casualty or other causes before the Closing, Seller shall notify Buyer of same in writing immediately. Such notice shall specify with particularity the loss or damage incurred, the cause thereof (if known or reasonably ascertainable) and the insurance coverage.

10.8 Successors and Assigns. Except as otherwise expressly provided herein, this Agreement shall be binding on and inure to the benefit of the parties hereto, and their respective representatives, successors and assigns. Neither party may assign any of its rights or delegate any of its duties hereunder without the prior written consent of the other party.

10.9 Amendments; Waivers. The terms, covenants, representations, warranties and conditions of this Agreement may be changed, amended, modified, waived, discharged or terminated only by a written instrument executed by the party waiving compliance. The failure of any party at any time or times to require performance of any provision of this Agreement shall in no manner affect the right of such party at a later date to enforce the same. No waiver by any party of any condition or the breach of any provision, term, covenant, representation or warranty contained in this Agreement, whether by conduct or otherwise, in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of any other provision, term, covenant, representation or warranty of this Agreement.

10.10 Notices. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly made and received when personally served, or when delivered by confirmed email or by Federal Express or a similar overnight courier service, expenses prepaid, addressed as set forth below:

If to Seller to:

Four Rivers Community Broadcasting Corporation  
(for FedEx) 746 Route 113  
Souderton, PA 18964  
(for US mail) P. O. Box 186  
Sellersville, PA 18960  
Email: cloughery@wordfm.org

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

Malcolm G. Stevenson  
Schwartz, Woods & Miller  
2001 L Street NW, Suite 900A  
Washington, DC 20036  
Email: Stevenson@swmlaw.com

If to Buyer:

Richard T. Crawford  
WDAC Radio Company  
P. O. Box 3022  
Lancaster, PA 17604  
684 Lancaster Pike  
New Providence, PA 17560  
Email: R4vango@comcast.net  
And dmyer@wdac.com

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

Barry D. Wood  
Wood, Martin & Hardy, PC  
3300 Fairfax Drive, Suite 202  
Arlington, Virginia 22201  
Email: wood@legalcompass.com

Any party may alter the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section providing for the giving of notice.

10.11 Captions. The captions of Articles and Sections of this Agreement are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

10.12 Governing Law. This Agreement and all questions relating to its validity, interpretation, performance and enforcement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without giving effect to principles of conflicts of laws that may direct the application of the laws of another jurisdiction.

10.13 Entire Agreement. This Agreement, the Schedules and the other documents delivered hereunder constitute the full and entire understanding and agreement between the parties,

and supersede all prior agreements, understandings, inducements or conditions, express or implied, oral or written, relating to the subject matter hereof. The express terms hereof control and supersede any course of performance and/or usage of trade inconsistent with any of the terms hereof.

10.14 Execution: Counterparts and Facsimile. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories. Delivery of an executed counterpart of a signature page to this Agreement by emailed pdf or by facsimile shall be as effective as delivery of a manually executed counterpart of this Agreement.

10.15 Gender and Tense. Where appropriate to the context, pronouns of other terms expressed in one number or gender will be deemed to include all other numbers or genders. The use of a word in one tense will include the other tenses, where appropriate to the context.

10.16 Third-Party Beneficiaries. This Agreement is intended to benefit only the parties to this Agreement, their successors and permitted assigns. No other Person is an intended or incidental beneficiary of this Agreement.

10.17 No Party Deemed Drafter. The parties acknowledge that they have been represented by counsel in connection with this Agreement, or have had the opportunity for such representation. Accordingly, any rule of law or any legal decision that would require interpretation of any claim ambiguities in this Agreement against the party that drafted it has no application and is expressly waived.

10.18 Partial Invalidity. The provisions of this Agreement shall be interpreted in a reasonable manner to effect the intent of the parties. Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable law, but in case any provision contained herein shall, for any reason, be held to be invalid or unenforceable, such provision shall be ineffective to the extent of such invalidity or unenforceability without invalidating the remainder of such provision or any other provisions hereof, unless such a construction would be unreasonable.

10.19 Time of the Essence. Time is of the essence of this Agreement and of each and every provision hereof.

**[SIGNATURES ON NEXT PAGE]**

**IN WITNESS WHEREOF**, the parties have caused this Asset Purchase Agreement to be duly executed by their duly authorized signatories, all as of the day and year first above written.

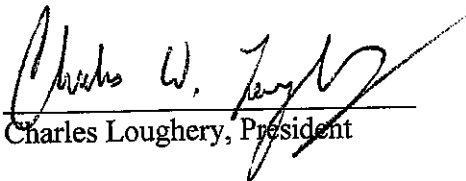
**BUYER:**

**WDAC RADIO COMPANY**

By: \_\_\_\_\_  
Richard T. Crawford, President

**SELLER:**

**FOUR RIVERS COMMUNITY BROADCASTING  
CORPORATION**

By:  \_\_\_\_\_  
Charles Loughery, President

**IN WITNESS WHEREOF**, the parties have caused this Asset Purchase Agreement to be duly executed by their duly authorized signatories, all as of the day and year first above written.

**BUYER:**

**WDAC RADIO COMPANY**

By: Richard T. Crawford  
Richard T. Crawford, President

**SELLER:**

**FOUR RIVERS COMMUNITY  
BROADCASTING CORPORATION**

By: \_\_\_\_\_  
Charles Loughery, President



Schedule A  
FCC Authorizations

1. W284BF, New Providence, PA (FCC Facility I.D. No. 144103)

Schedule B  
Allocation of Purchase Price

Transmitter, Antenna and other equipment	\$20,000
FCC Authorizations	\$60,000

## ESCROW AGREEMENT

**THIS ESCROW AGREEMENT ("Escrow Agreement")** is entered into as of January 27, 2016, by and among WDAC Radio Company, a Pennsylvania corporation ("Buyer"); Four Rivers Community Broadcasting Corporation, a Pennsylvania non-profit corporation ("Seller"), and Wood, Martin & Hardy, PC, a professional corporation formed under the laws of the District of Columbia ("**Escrow Agent**").

### RECITALS:

A. **WHEREAS**, Buyer and Seller have entered into an Asset Purchase Agreement dated as of the date hereof (the "**Purchase Agreement**"), under which Buyer agrees, subject to the terms and conditions set forth therein, to purchase the assets used or useful in the operation of FM radio broadcast translator station W284BF (the "**Station**"); and

B. **WHEREAS**, the parties have agreed that Buyer will deposit in escrow with Escrow Agent the sum of Ten Thousand Dollars (the "**Escrow Deposit**") to be held and applied under this Escrow Agreement toward the Purchase Price of the Station pursuant to the terms of the Purchase Agreement, or as otherwise contemplated hereunder in the event the Closing does not occur;

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in consideration of the promises, agreements and covenants set forth herein, the parties hereto, intending legally to be bound, hereby agree as follows:

#### 1. **Appointment of Escrow Agent.**

Buyer and Seller hereby jointly appoint Wood, Martin & Hardy, PC as Escrow Agent to receive, hold, administer and deliver the Escrow Deposit in accordance with this Escrow Agreement and the Purchase Agreement, and Wood, Martin & Hardy, PC hereby accepts such appointment, all subject to and upon the terms and conditions set forth herein. Escrow Agent shall not charge a fee for its services as escrow agent.

#### 2. **Escrow Deposit.**

Buyer herewith deposits with Escrow Agent the Escrow Deposit and Escrow Agent acknowledges such deposit.

### **3. Escrow Agent's Role Purely Ministerial; Consents.**

Escrow Agent's duties hereunder are purely ministerial and it shall not have any duties or liabilities hereunder except those specifically set forth and undertaken by it herein. The parties (a) recognize that Escrow Agent serves as counsel for Seller in this matter, and (b) hereby consent to any conflict between Escrow Agent's roles as counsel and escrow agent. Further, Buyer and Seller agree that if Escrow Agent shall at any point decide that the circumstances relating to the Escrow present a conflict of interest of a dimension making it advisable for Escrow Agent to terminate its services as escrow agent hereunder, Escrow Agent may withdraw from its duties as Escrow Agent, and the parties shall choose a successor escrow agent. In the event of such withdrawal, if the parties cannot agree on a successor escrow agent, Escrow Agent shall designate a successor escrow agent.

### **4. Investments.**

4.1 **Approved Investments.** Except as otherwise provided herein, Escrow Agent shall hold, invest and reinvest the Escrow Deposit in Escrow Agent's client escrow account at SunTrust Bank, N.A., or in another federally insured savings, money market account(s) or certificate(s) of deposit of any commercial bank, or in securities of the United States of America, of not more than two months duration, or as may be otherwise jointly directed in a writing signed by both Buyer and Seller.

4.2 **Payment of Interest Together with Escrow Deposit.** The parties recognize that due to the small amount of the Escrow Deposit, the short time in which it is anticipated that the escrow will be in effect and the current low-interest-rate environment, it may not be worthwhile to place the subject funds in an interest-bearing account. If the Escrow Deposit does produce interest or other earnings, all interest and earnings derived from said investments shall accrue to the Escrow Deposit and shall be paid to the party receiving the Escrow Deposit unless otherwise jointly directed in a writing signed by both Buyer and Seller or by a court having jurisdiction.

### **5. Release of Escrow Deposit.**

Escrow Agent shall hold the Escrow Deposit until it delivers all or part of the Escrow Deposit as provided below.

5.1 **Payment to Seller.** Upon receipt of a written notice, signed by Buyer and Seller, the Escrow Agent shall deliver to Seller the amount of the Escrow Deposit (together with any interest and earnings derived thereon).

If Escrow Agent receives a written notice signed by the Seller stating that the Closing has not and will not occur due to Buyer's Breach, Escrow Agent shall hand-deliver a copy thereof to Buyer and, unless Escrow Agent receives a written objection from the Buyer within ten (10) business days after such hand-delivery, Escrow Agent shall deliver the balance of the Escrow Deposit (together with all interest and earnings derived thereon, if any) to Seller. If Escrow Agent receives a written objection from the Buyer, Escrow Agent shall continue to hold

the balance of the Escrow Deposit until such dispute is resolved in accordance with Section 5.4. At the same time that Seller provides to Escrow Agent any written notice stating its entitlement to the balance of the Escrow Deposit, Seller shall also provide Buyer with a copy thereof. At the same time that Buyer provides to Escrow Agent any written objection, Buyer shall also provide Seller with a copy thereof.

5.2 **Payment to Buyer.** If Escrow Agent receives a written notice signed by the Buyer stating that the Purchase Agreement has been terminated (i) as a result of Seller's Breach, (ii) denial of the FCC Application, or (iii) at the election of both parties, Escrow Agent shall hand-deliver a copy thereof to Seller and, unless Escrow Agent receives a written objection from Seller within ten (10) business days after such hand-delivery, Escrow Agent shall deliver to Buyer the balance of the Escrow Deposit (together with all interest and earnings derived thereon, if any). If Escrow Agent receives a written objection from Seller, Escrow Agent shall continue to hold the balance of the Escrow Deposit until such dispute is resolved in accordance with Section 5.4. At the same time that Buyer provides to Escrow Agent any written notice stating its entitlement to the balance of the Escrow Deposit, Buyer shall also provide Seller with a copy thereof. At the same time that Seller provides to Escrow Agent any written objection, Seller shall also provide Buyer with a copy thereof.

5.3 **Disputes.** In the event of any dispute as to whether Buyer or Seller is entitled to receive the balance of the Escrow Deposit (together with all interest and earnings derived thereon, if any) pursuant to either (i) the second paragraph of Section 5.2 or (ii) Section 5.3, then Buyer and Seller shall work in good faith to resolve any such dispute within ten business days after the dispute first arises thereunder. In the event that Buyer and Seller are unable to resolve such dispute within such time period, then either party may seek resolution via the procedures set forth in the Purchase Agreement, and either party may seek a judgment in any court of competent jurisdiction (subject to Section 9.6) to resolve such dispute.

5.4 **Immediate Funds.** All deliveries of funds by Escrow Agent to Seller, Buyer or successor escrow agent as provided for herein shall be in immediately available funds.

## **6. Limited Liability of Escrow Agent.**

Escrow Agent has been induced to accept its duties under this Escrow Agreement subject to the following terms and conditions:

6.1 **General Limitation of Liability.** In performing any of its duties hereunder, or upon the claimed failure to do so, Escrow Agent shall not be liable to anyone for any damage, loss, expense or other claim which may be incurred as a result of Escrow Agent's alleged action or omission; provided however, Escrow Agent shall be liable only for damages directly caused by its default or misconduct.

6.2 **Limitation of Liability for Investment Decisions.** Without limiting the foregoing, Escrow Agent shall not in any event be liable, and Seller and Buyer shall jointly and severally indemnify and hold Escrow Agent harmless, in connection with Escrow Agent's investment or reinvestment of the Escrow Deposit in good faith, including without limitation any

delays (not resulting from its gross misconduct or willful default) in the investment or reinvestment of the Escrow Deposit, or any loss of income incident to any such delays.

6.3 **Escrow Agent Indemnification.** Buyer and Seller each hereby agree to indemnify and hold Escrow Agent harmless against any and all losses, claims, damages, liabilities and expenses, including, without limitation, reasonable costs of investigation, litigation and counsel fees and disbursements which may be imposed upon Escrow Agent or incurred by it in connection with its acceptance of this appointment as Escrow Agent hereunder or the performance of its duties hereunder, including, without limitation, any litigation arising from this Escrow Agreement or involving the subject matter hereof; except as provided in Section 6.1 of this Escrow Agreement.

6.4 **Escrow Deposit Must Be Held Until Dispute Resolved.** In the event of any dispute or disagreement between Buyer and Seller resulting in adverse claims or demands being made in connection with the Escrow Deposit, or if Escrow Agent in good faith is in doubt as to any action it should take hereunder, Escrow Agent shall be entitled to hold the Escrow Deposit until it receives (1) a final non-appealable order of a court of competent jurisdiction in the state of or (2) a written agreement executed by Buyer and Seller directing delivery of the Escrow Deposit, in which event Escrow Agent shall deliver the Escrow Deposit in accordance with such order or agreement.

6.5 **Escrow Deposit Tendered in Court or to Arbitrator Upon Dispute.** In alternative to Section 6.4 of this Escrow Agreement, in the event of any dispute or disagreement between Buyer and Seller sufficient in the sole discretion of Escrow Agent to justify its doing so, Escrow Agent shall be entitled to tender the Escrow Deposit (or then-balance thereof) into the registry or custody of any court of competent jurisdiction in the Commonwealth of Pennsylvania and to initiate such legal proceedings as it deems appropriate, including, without limitation, an interpleader action, for determination of the respective rights, titles and interests of Seller and Buyer therein and thereafter shall be forthwith released and discharged from all further duties, liabilities and obligations under this Escrow Agreement. Any such legal action may be brought in any such court as Escrow Agent shall determine to have jurisdiction and each party agrees to submit to the jurisdiction of the court.

6.6 **No Obligations under Purchase Agreement.** This Escrow Agreement expressly sets forth all the duties of Escrow Agent with respect to any and all matters pertinent hereto. Escrow Agent shall only be bound by the provisions of this Escrow Agreement and shall not be bound by or incur any liability with respect to the Purchase Agreement or any other agreements or understandings between Buyer and Seller except as herein expressly provided. Specifically, Escrow Agent shall not make, be required to make, or be liable in any manner for its failure to make, any determination under the Purchase Agreement or any other agreements, including without limitation any determination of whether Buyer or Seller has complied with the terms of the Purchase Agreement or is entitled to delivery of payment of any or all of the Escrow Deposit or to any other right or remedy under the Purchase Agreement.

6.7 **Escrow Agent Not a Beneficiary.** Except as stated herein, Escrow Agent does not have any interest in the Escrow Deposit held hereunder, but is serving as escrow holder only.

**7. Resignation, Replacement and Successor Escrow Agent.**

7.1 **Resignation.** Escrow Agent (and any successor escrow agent) may at any time resign as such by delivering notice of its resignation to Buyer and Seller and by delivering the Escrow Deposit to a successor escrow agent or escrow agents jointly designated by Buyer and Seller in writing, or if Buyer and Seller cannot agree on the successor escrow agent within thirty days of notice of Escrow Agent's resignation, to any court of competent jurisdiction (subject to Section 9.6), whereupon the resigning Escrow Agent shall be discharged of and from any and all further obligations arising in connection with this Escrow Agreement.

7.2 **Replacement.** Buyer and Seller may at any time replace Escrow Agent (and any successor escrow agent) with a successor escrow agent or escrow agents if jointly agreed to in writing and notice of replacement is delivered to Escrow Agent. Upon receiving notice of replacement, Escrow Agent shall deliver the Escrow Deposit to the successor escrow agent or escrow agents within five business days, whereupon the replaced Escrow Agent shall be fully discharged of and from any and all liabilities and obligations arising in connection with this Escrow Agreement.

**8. Notices.**

Any notices, objections or other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given (i) on the date of personal delivery to an officer of the other party, or (ii) if sent by email to the email addresses provided by each party to the others, on the date of such confirmed email transmission, provided that a copy is also sent to such other party by commercial overnight delivery service, prepaid, or by certified US mail, return receipt requested, and shall be addressed as follows (or to such other address as a party may request in accordance with written notice given under this Section of a change of address):

If to Seller, to:

Four Rivers Community Broadcasting Corporation  
(for FedEx) 746 Route 113  
Souderton, PA 18964  
(for US mail) P. O. Box 186  
Sellersville, PA 18960  
Email: cloughery@wordfm.org

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

Malcolm G. Stevenson  
Schwartz, Woods & Miller

2001 L Street NW, Suite 900A  
Washington, DC 20036  
Email: Stevenson@swmlaw.com

If to Buyer:

Richard T. Crawford  
WDAC Radio Company  
P. O. Box 3022  
Lancaster, PA 17604  
684 Lancaster Pike  
New Providence, PA 17560  
Email: R4vango@comcast.net  
And dmyer@wdac.com

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

Barry D. Wood  
Wood, Martin & Hardy, PC  
3300 Fairfax Drive, Suite 202  
Arlington, Virginia 22201  
Email: wood@legalcompass.com

If to Escrow Agent:

Wood, Martin & Hardy, PC  
3300 Fairfax Drive, Suite 202  
Arlington, Virginia 22201  
Email: wood@legalcompass.com

Notices or communications so given shall be deemed to have been given on the date so delivered or mailed; provided however that no notice or communication given to Escrow Agent shall be deemed effective until actually received by Escrow Agent. Any address set forth above may be changed by notice given pursuant to this Section 8.

## **9. Miscellaneous.**

9.1 **Partial Invalidity.** Any provision of this Escrow Agreement, which may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective or unenforceable without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. It is expressly understood, however, that the parties hereto intend each and every provision of this Escrow Agreement to be valid and enforceable and hereby knowingly waive all rights to object to any provision of this Escrow Agreement.



9.2 **No Assignment.** This Escrow Agreement shall be binding upon and inure solely to the benefit of the parties hereto and their respective successors and assigns, and shall not be enforceable by or inure to the benefit of any third party. No party may assign any of its rights or obligations under this Escrow Agreement without the written consent of the other parties, except to the extent that Buyer or Seller may assign their respective rights under the Purchase Agreement as may be provided therein.

9.3 **Modification; Waiver.** This Escrow Agreement may only be modified or terminated by a writing signed by the parties hereto. No waiver of any right arising hereunder shall be effective unless such waiver shall have been expressed in a writing signed by the party to be charged with such waiver.

9.4 **Counterparts.** This Escrow Agreement may be executed in multiple counterparts (including by facsimile or PDF), all of which taken together shall constitute one and the same instrument.

9.5 **Headings.** The headings contained herein are for reference purposes only, and shall not in any way affect the meaning or interpretation of the respective provisions of this Escrow Agreement.

9.6 **Governing Law.** This Escrow Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to any conflict of laws rules thereof that might indicate the application of the laws of any other jurisdiction. Any claim arising out of or relating to this Escrow Agreement or the transactions contemplated hereby shall be instituted exclusively in any federal or state court located within Lancaster County, Pennsylvania, and each party agrees not to assert, by way of motion, as a defense or otherwise, in any such claim, that it is not subject personally to the jurisdiction of such court, that the claim is brought in an inconvenient forum, that the venue of the claim is improper or that this Escrow Agreement or the subject matter hereof may not be enforced in or by such court. Each party further irrevocably submits to the jurisdiction of such courts in any such claim.

9.7 **Time of the Essence.** Time is of the essence of this Escrow Agreement and of each and every provision hereof.

9.8 **Termination.** This Escrow Agreement shall terminate upon the final disposition of the Escrow Deposit in accordance with this Escrow Agreement.

*[Remainder of the page left blank intentionally; the next page is the signature page]*

IN WITNESS WHEREOF, the parties hereto have duly executed this Escrow Agreement as of the date first written above.

**BUYER:**

**WDAC RADIO COMPANY**

By: Richard T. Crawford  
Richard T. Crawford, President

**SELLER:**

**FOUR RIVERS COMMUNITY BROADCASTING CORPORATION**

By: Charles Loughery  
Charles Loughery, President

**ESCROW AGENT:**

**WOOD, MARTIN & HARDY, P.C.**

By: Barry D. Wood  
Barry D. Wood  
President