

OPTION AGREEMENT

THIS OPTION AGREEMENT (this “Agreement”) is made and entered into as of February 19, 2014, by and among Donna Curtis McClatchey, as Trustee of the Curtis Legacy Trust u/a/d December 21, 2012 (together with its successors and permitted assigns, “Option Holder”), Triangle Marketing Associates, Inc., a North Carolina corporation (together with its successors and permitted assigns, the “Company”), and Richard Heilmann, Sr., a resident of North Carolina and sole owner, officer, and director of the Company (together with his successors and permitted assigns, “Grantor”).

WITNESSETH

WHEREAS, Reference is hereby made to that certain Asset Purchase Agreement (the “APA”) by and between New Age Communications, Inc. a North Carolina corporation, and the Company dated as of January 3, 2014, and as amended as of February 19, 2014, and with respect to Radio Station WWPL(FM) (102.3 MHz), Smithfield, North Carolina (FCC Facility ID# 61259) (the “Station”).

WHEREAS, Grantor is the sole stockholder in the Company;

WHEREAS, effective upon the closing (the “Station Acquisition Closing”) of the transactions contemplated by the APA with respect to the sale and transfer of the assets used in the operation of the Station (the “Station Assets”), including the licenses and other authorizations issued by the FCC for the operation of the Station (collectively, the “FCC Licenses”), Grantor and the Company desire to grant Option Holder, and Option Holder desires to acquire from Grantor and the Company, as applicable, an option to purchase, at Option Holder’s election, (i) all of Grantor’s stock in Company or (ii) additional stock to be issued by the Company in an amount equal to (80%) of the total equity interests in the Company, in either case on the terms and conditions set forth herein; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties, intending to be legally bound, agree as follows:

1. Option Grant. Grantor and the Company, as applicable, each hereby gives, grants, transfers and conveys to Option Holder, and its successors and assigns, the sole and exclusive right, privilege and option to purchase (the “Option”), on the terms and conditions hereinafter set forth and effective on and after the date of the Station Acquisition Closing (the “Effective Date”), at Option Holder’s election, either (i) all equity interests in or with respect to the Company now held or hereinafter acquired by Grantor (“Option A”) or (ii) additional stock to be issued by the Company in an amount equal to eighty percent (80%) of the equity interests in the Company (“Option B”) (in each case, the “Subject Interests”) the consummation of which purchase, following exercise in accordance with the terms and conditions hereof, is hereinafter referred to as the “Option Closing”):

2. Consideration for Option / Guarantee. This Option is granted for the period set forth in Section 3 hereof in exchange for Option Holder hereby agreeing to guarantee the indebtedness of the Company’s lender financing with Wells Fargo in connection with the

Company's consummation of the APA and purchase of the Station (the "Acquisition Financing").

3. Option Period. The Option shall be effective commencing on the Effective Date and ending upon the full release of Option Holder's obligations with respect to the Acquisition Financing, whether in connection with the Company's payment and satisfaction in full of all of the Acquisition Financing or otherwise.

4. Exercise of Option; Withdrawal.

(a) Option Holder may exercise the Option at any time during the Option Period by delivery of written notice thereof (the "Exercise Notice") to Grantor, specifying whether Option Holder is exercising the Option with respect to the Option A or Option B. Upon exercise of the Option, Option Holder, Grantor and the Company shall be obligated to enter into the transactions to be consummated hereunder at the Option Closing, subject to the provisions of Sections 9 and 10 hereof, and Section 4(b) below.

(b) Option Holder may withdraw any Exercise Notice prior to the Option Closing by written notice to Grantor of such withdrawal. No such withdrawal (and no withdrawal of any subsequent Exercise Notice) will affect Option Holder's right subsequently to exercise the Option by delivering to Grantor during the Option Period one or more other Exercise Notices.

5. Purchase Price and Contemplated Transactions.

(a) **Purchase Price.** At the Option Closing, and pursuant to the terms and subject to the conditions set forth in this Agreement, Option Holder shall pay to Grantor or the Company, as the case may be, an amount equal to the Cash Purchase Price (as defined on Schedule 5(a) hereto) by federal wire transfer of same-day funds pursuant to wire instructions delivered to Option Holder by Grantor at least two business days prior to the date on which such Option Closing is to occur (the "Option Closing Date") (or such other method of funds transfer as may be agreed upon by Option Holder and Grantor).

(b) **Purchase of Subject Interests.** Subject to Section 4(b), upon the exercise of the Option, Grantor shall, on the Option Closing Date, deliver any and all documentation required to effect the transfer of the Subject Interests to Option Holder.

(c) **Option Closing.** Upon the exercise of the Option, the Option Closing shall take place no later than ten business days after the satisfaction or, to the extent permissible by law, the waiver (by the party for whose benefit the closing condition is imposed) of, the conditions specified in Sections 9 and 10 hereof. Alternatively, the Option Closing may take place at such other place, time or date as the parties may mutually agree upon in writing.

6. Representations and Warranties of Grantor and the Company. Grantor and the Company, jointly and severally, represent and warrant to Option Holder as follows:

(a) The Company was organized as a North Carolina corporation on December 16, 2013. Prior to the date hereof, the Company has not engaged in any business and does not have any liabilities or obligations, except those liabilities and obligations incurred in

connection with its organization, the negotiation, execution, delivery and performance of this Agreement and related matters. The Company has no indebtedness for borrowed money, other than indebtedness in connection with the Acquisition Financing, to which Option Holder is a guarantor.

(b) Each of Grantor and the Company has the power and authority and full legal capacity to enter into and to perform its obligations under this Agreement.

(c) The execution, delivery and performance of this Agreement by each of Grantor and the Company has been duly authorized and this Agreement constitutes a valid and binding obligation of each of Grantor and the Company enforceable against each of them in accordance with its terms, except as may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights in general and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(d) As of the date hereof and the Option Closing, Grantor owns 100% of the equity in the Company, and Grantor has good and valid title to his equity in the Company free and clear of all liens, subject to the Acquisition Financing. No stock, other than those presently outstanding, shall be issued to any third party without the written consent of Option Holder while the Option is outstanding.

7. Representations and Warranties of Option Holder. Option Holder represents and warrants to Grantor and the Company as follows:

(a) Option Holder is a trust duly formed, validly existing and in good standing under the laws of the State of North Carolina.

(b) Option Holder has the power and authority to enter into and perform its obligations under this Agreement.

(c) The execution, delivery and performance of this Agreement by Option Holder has been duly authorized and this Agreement constitutes a valid and binding obligation of Option Holder enforceable against it in accordance with its terms, except as may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights in general and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

8. Covenants of Grantor and the Company. During the Option Period, Grantor and the Company, jointly and severally, covenant to:

(a) Maintain adequate insurance on the Station Assets and with respect to the operation of the Station;

(b) Operate the Station in all material respects in accordance with the terms of the FCC Licenses, the Communications Act of 1934, as amended (the "Communications

Act”), the rules and published policies of the FCC (“FCC Rules”) and all other statutes, ordinances, rules and regulations of governmental authorities;

(c) Refrain from taking any action that would cause the FCC Licenses not to be in full force and effect or to be revoked, suspended, cancelled, rescinded, terminated or expired;

(d) File all material returns, reports, and statements that Grantor or the Company, as the case may be, is required to file with the FCC;

(e) Other than pursuant to an Acquisition Financing, not to mortgage, pledge, subject to any lien or otherwise encumber (or cause any of the foregoing to occur) any of the Station Assets, the Company equity or any other outstanding equity interests or assets of the Company;

(f) Not sell, lease or otherwise dispose of any of the Station Assets in a manner that is inconsistent with this Agreement, except for properties and assets sold or replaced with others of like kind and value in the ordinary course of business; and

(g) Not issue any subscription, warrant, option, calls, commitments or other rights to purchase or acquire any equity or debt interests, or any securities convertible into or exchangeable for any equity or debt interests, of Grantor or the Company (other than pursuant to the Acquisition Financing).

9. Grantor and the Company Option Closing Conditions. Subject to the exercise of the Option pursuant to the terms and subject to the conditions of this Agreement, the obligations of Grantor and the Company hereunder are subject to satisfaction or waiver, at or prior to the Option Closing, of each of the following conditions:

(a) **Representations, Warranties and Covenants.** The representations and warranties of Option Holder made in this Agreement shall be true and correct in all material respects at and as of the Option Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Option Holder at or prior to the Option Closing shall have been complied with or performed in all material respects. Grantor shall have received a certificate dated as of the Option Closing Date from Option Holder to the effect that the conditions set forth in this Section 9(a) have been satisfied.

(b) **FCC Consent.** The FCC Consent shall have been obtained and be in effect and no court or governmental order prohibiting the Option Closing shall be in effect.

(c) **No Prohibitions.** No injunction, restraining order or decree of any nature of any governmental authority of competent jurisdiction shall be in effect that restrains or prohibits any party from consummating the transactions contemplated by this Agreement.

10. Option Holder Option Closing Conditions. Subject to the exercise of the Option pursuant to the terms and subject to the conditions of this Agreement, the obligations of Option

Holder hereunder are subject to satisfaction or waiver, at or prior to the Option Closing, of each of the following conditions:

(a) **Representations, Warranties and Covenants.** The representations and warranties of Grantor and the Company made in this Agreement shall be true and correct in all material respects at and as of the Option Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Grantor and the Company at or prior to the Option Closing shall have been complied with or performed in all material respects. Option Holder shall have received certificates dated as of the Option Closing Date from each of the Company and Grantor, executed by an authorized officer or manager of Company and by Grantor to the effect that the conditions set forth in this Section 10(a) have been satisfied.

(b) **FCC Consent.** The FCC Consent shall have been obtained and constitute a Final Order, and no court or governmental order prohibiting the Option Closing shall be in effect. For purposes hereof, “Final Order” shall mean an action by the FCC or other regulatory authority having jurisdiction (i) with respect to which action no timely request for stay, motion or petition for reconsideration or rehearing, application or request for review or notice of appeal or other judicial petition for review is pending and (ii) as to which the time for either filing any such request, motion, petition, application, appeal or notice and also for entry of any orders staying, reconsidering or reviewing, on the FCC’s or such other regulatory authority’s own motion, has expired.

(c) **No Prohibitions.** No injunction, restraining order or decree of any nature of any governmental authority of competent jurisdiction shall be in effect that restrains or prohibits any party from consummating the transactions contemplated by this Agreement.

11. Specific Performance. Grantor, the Company and Option Holder acknowledge and agree that, due to the unique nature of the subject matter of this Agreement, Option Holder would suffer irreparable damages in the event of breach of this Agreement, which damages could not adequately be compensated except by specific performance of this Agreement. Accordingly, without limiting any other remedy that may be available to Option Holder at law or equity, in the event of a breach by Grantor or the Company of this Agreement, it is agreed that Option Holder shall be entitled to temporary and permanent injunctive relief, including, but not limited to, specific performance hereof, without any showing of actual damage or inadequacy of legal remedy, in any proceeding before a court of law with proper jurisdiction to hear the matter, which may be brought to enforce this Agreement. Grantor and the Company hereby waive any defense that there is an adequate remedy at law for such breach of this Agreement.

12. Further Assurances. Subject to the terms and conditions of this Agreement, each of the parties hereto will use all commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the transactions contemplated by this Agreement.

13. Amendment and Modification. This Agreement may be amended, modified or supplemented only by written agreement of Grantor, the Company and Option Holder.

14. Waiver of Compliance; Consents. Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliances as set forth in this Section 14.

15. Notices. All notices, requests, demands and other communications which are required or may be given pursuant to the terms of this Agreement shall be in written or electronic form, and shall be deemed delivered (a) on the date of delivery when (i) delivered by hand or (ii) sent by reputable overnight courier maintaining records of receipt or (b) on the date of transmission when sent by facsimile or other electronic transmission during normal business hours with confirmation of transmission by the transmitting equipment; provided, however, that any such communication delivered by facsimile or other electronic transmission shall only be effective if such communication is also delivered by hand or deposited with a reputable overnight courier maintaining records of receipt within two business days after its initial delivery by facsimile or other electronic transmission. All such communications shall be addressed to the parties at the addresses set forth in Exhibit A, or at such other address as a party may designate upon ten days' prior written notice to the other party.

19. Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, but, except as provided for herein, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by Grantor or the Company without the prior written consent of Option Holder, which consent shall not be unreasonably withheld. Without the consent of Grantor and the Company, Option Holder may assign its rights and obligations under this Agreement to any other party or parties; provided, however, that Option Holder, as assignor, shall not thereby be released of its obligations hereunder.

20. No Third Party Beneficiaries. Except as expressly provided herein, this Agreement is not intended to, and shall not, confer upon any other person except the parties hereto any rights or remedies hereunder.

21. Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of North Carolina without giving effect to the choice of law provisions thereof.

22. Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid or enforceable, the parties hereto shall negotiate in good faith to modify this

Agreement so as to effect the original intent of the parties as closely as possible in any acceptable manner to the end that the transactions contemplated hereby are fulfilled to the greatest extent possible.

24. FCC Approval. Notwithstanding any provision to the contrary herein, Option Holder's rights under this Agreement are subject to the Communications Act and the FCC Rules. To the extent applicable, as soon as reasonably practicable, but in no event later than five (5) business days after Option Holder's delivery of the Exercise Notice, the parties shall file an application (the "Consent Application") with the FCC requesting the FCC's written consent to the transfer of control of the Company from Grantor to Option Holder. In addition, in connection with foregoing, each party hereto covenants and agrees to (u) prepare, file and prosecute any alternative application, petition, motion, request or other filing (including, upon the request of Option Holder, any motion for leave to withdraw or dismiss any Consent Application or other filing made by the parties in connection with the transactions contemplated by this Agreement) (collectively, the "Additional Applications" and, together with the Consent Application, the "FCC Applications"); (v) file any amendment or modification to the FCC Applications; (w) provide to Option Holder any information, documents or other materials reasonably requested by Option Holder in connection with the preparation of any such FCC Applications; (x) prosecute the FCC Applications with commercially reasonable diligence and otherwise use their commercially reasonable efforts to obtain a grant of the FCC Applications; (y) otherwise take any other action with respect to the FCC as may be reasonably necessary or reasonably requested by Option Holder in connection with the transactions contemplated hereby; and (z) cooperate in good faith with the other party with respect to the foregoing covenants, all as may be determined by Option Holder to be reasonably necessary or appropriate or advisable in order to consummate the transactions contemplated hereby upon the exercise of the Option. Each party shall promptly provide the other with a copy of any pleading, order or other document served on it relating to the FCC Applications, shall furnish all information required by the FCC and shall be represented at all meetings or hearings scheduled to consider the FCC Application. The FCC's written consent to the transfer of the Subject Interests contemplated hereby is referred to herein as the "FCC Consent." The parties each agree to comply with any condition imposed on them by any FCC Consent, except that no party shall be required to comply with a condition if such condition requires such party to divest any of its direct or indirect assets. The parties shall oppose any petitions to deny or other objections filed with respect to the application for any FCC Consent and any requests for reconsideration or review of any FCC Consent.

25. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The delivery of an executed counterpart of the Agreement by facsimile or electronic transmission will be deemed to be an original counterpart of the Agreement so transmitted.

27. Headings. The section headings contained in this Agreement are solely for the purpose of reference, are not part of the agreement of the parties and shall not in any way affect the meaning or interpretation of this Agreement.

28. Entire Agreement. This Agreement, including the documents delivered pursuant to this Agreement or other written agreements referring specifically to this

Agreement, and the Letter Agreement embody the entire agreement and understanding of the parties hereto in respect of the transactions contemplated by this Agreement. The Schedule(s) and Exhibit(s) hereto are an integral part of this Agreement and are incorporated by reference herein. This Agreement supersedes all prior negotiations, agreements and understandings between the parties with respect to the transactions contemplated by this Agreement and all letters of intent and other writings executed prior to the date hereof relating to such negotiations, agreements and understandings.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned have executed this Option Agreement as of the day and year first written above.

OPTION HOLDER:

**The Curtis Legacy Trust u/a/d
December 21, 2012**

By: Donna C McClatchey
Donna McClatchey
Trustee

COMPANY:

Triangle Marketing Associates, Inc.

By: Richard Heilmann, Sr.
Richard Heilmann, Sr.
President

GRANTOR:

Richard Heilmann, Sr.

Richard Heilmann, Sr.
(In his individual capacity)

Exhibit A - Notices

If to Option Holder, to:

Donna McClatchey, Trustee
The Curtis Legacy Trust u/a/d December 21, 2012
3516 Chaucer Place
Raleigh, NC 27609-7001

If to Grantor or the Company to:

Richard Heilmann, Sr.
1012 Newington Way
Apex, NC 27502-4360

Schedule 5(a)

The "Cash Purchase Price" shall be as follows:

- If Option Holder exercises Option A, an amount equal to \$125,000.00 to be paid to Grantor, which shall increase each year during the Option Period by an amount equal to 12% on a prorated basis.
- If Option Holder exercises Option B, an amount equal to \$500,000.00 to be paid to the Company.