

# ESCROW AGREEMENT

AGREEMENT, effective as of the 13<sup>th</sup> day of October, 2021, by and among:

BUYER: Zula Com, LLC  
Address: 207 S 25 Mile Ave.  
Hereford, Tx 79045  
Email: ZulaComTx@outlook.com

SELLER: Tomlinson-Leis Communications, L.P.  
Address: PO Box 3649  
Palestine, Tx. 75802-3649  
Email: bubbat@tomleis.com

ESCROW AGENT: Whitley Broadcast Media, Inc.  
Address: 1131 Rockingham Dr. Suite 108  
Richardson, TX 75080  
Email: Whitleytx@cs.com

## WITNESSETH:

WHEREAS, Buyer and Seller have entered into an Agreement of Purchase and Sale with respect to Palestine APA, from Seller to Buyer, said Agreement dated the 13<sup>th</sup> day of October, 2021, being by reference incorporated herein and made a part hereof (hereinafter the "Purchase Agreement"), and

WHEREAS, the parties wish to provide for an orderly disposition of the funds deposited into escrow pursuant to said Purchase Agreement;

NOW, THEREFORE, in consideration of these premises, promises and mutual covenants contained herein, the parties do hereby agree as follows:

1. DEPOSIT OF ESCROW FUNDS. Upon the execution of this Escrow Agreement, buyer is delivering or causing to be delivered to the Escrow Agent, the sum of Seven Thousand Five Hundred Dollars via wire transfer or delivered check.

2. INVESTMENT OF ESCROW FUND. The Escrow Agent shall invest and reinvest the escrow funds in an FDIC insured Commercial Bank. The Escrow Agent shall not be held responsible for the failure of any financial institution or entity into which the escrow funds are deposited or for the loss of all or any part of the escrow funds, after they have been deposited with such financial institution or entity or as otherwise deposited or invested in accordance with the provisions herein. The Escrow Agent shall hold said escrow funds and dispose of the same as hereinafter provided.

*WLP*  
10-18-21  
TS  
10/13/21

3. DISPOSITION OF ESCROW FUND. The Escrow Agent shall distribute and dispose of the escrow funds, less any expense reimbursement due Escrow Agent, as follows:

(a) In the event the purchase and sale closes in the manner contemplated in the Purchase Agreement, the escrow funds shall be paid over at closing in accord with said Purchase Agreement.

(b) In the event the purchase and sale does not close as contemplated in the Purchase Agreement due to the material breach by or default of the Buyer under the terms of the Purchase Agreement, then the escrow funds shall be paid over to Seller.

(c) In the event the purchase and sale does not close as contemplated in the Purchase Agreement due to the material breach by or default of the Seller under the terms of the Purchase Agreement, then the escrow funds shall be paid over to Buyer..

(d) In all other events, if the Purchase Agreement is terminated or if the transactions or closing contemplated thereby are not consummated, the escrow funds shall be returned to the Buyer..

(e) If any provision of this Paragraph with respect to the disposition of the escrow fund is in conflict with any provision of the Purchase Agreement with respect to such disposition, then such provision in the Purchase Agreement shall control.

4. CONTROVERSIES WITH RESPECT TO ESCROW FUND. The Escrow Agent shall discharge his duties to dispose of the escrow fund in accord with the provisions of paragraph 3 above upon the joint written instructions of the Seller and Buyer or their duly designated representatives. If the Escrow Agent shall not have received such joint written instructions or a controversy shall exist between Buyer and Seller as to the correct disposition of the escrow funds, the Escrow Agent shall continue to hold the escrow funds and the income earned or accrued thereon until:

(a) The receipt by the Escrow Agent of the joint written instructions of the Seller and Buyer as to the disposition of the escrow funds; or

(b) The receipt by the Escrow Agent of a final order entered by a court of competent jurisdiction determining the disposition of the escrow funds ; or

(c) The Escrow Agent shall have, at its option, filed an action or bill in interpleader, or similar action for such purpose, in a court of competent jurisdiction and paid the escrow funds into said court, in which event, the Escrow Agent's duties, responsibilities and liabilities with respect to the escrow fund, proceeds therefrom and this Agreement shall terminate.

5. CONCERNING THE ESCROW AGENT. The following shall control the fees, resignation, discharge, liabilities and indemnification of the Escrow Agent:

(a) The Escrow Agent shall charge no fees for its services hereunder, but shall be reimbursed for all reasonable expenses, disbursements and advancements incurred or made by the Escrow Agent in performance of his duties hereunder including but not limited to wire transfer fees and its attorney's fees; one-half (1/2) of any such expenses, disbursements and advances to be paid by Buyer and one-half (1/2) by the Seller upon Escrow Agents request, other than for expenses for investments authorized hereunder which shall be borne by Buyer.

(b) The Escrow Agent may resign and be discharged from its duties hereunder at any time by giving written notice of such resignation to the parties hereto, specifying the date when such resignation shall take effect. Upon such notice, a successor escrow agent shall be appointed with the unanimous consent of the parties hereto, and the service of such successor escrow agent shall be effective as of the date of resignation specified in such notice, which date shall not be less than thirty (30) days after giving such notice. If the parties hereto are unable to agree upon a successor agent within thirty (30) days after such notice, the Escrow Agent shall be authorized to appoint its successor. The Escrow Agent shall continue to serve until its successor accepts the escrow by written notice to the parties hereto and the Escrow Agent deposits the escrow fund with such successor escrow agent.

462  
10-18-21 TC  
10/13/21

(c) The Escrow Agent undertakes to perform such duties as are specifically set forth herein and may conclusively rely, and shall be protected in acting or refraining from acting, on any written notice, instrument or signature believed by it to be genuine and to have been signed or presented by the proper party or parties duly authorized to do so. The Escrow Agent shall have no responsibility for the contents of any writing contemplated herein and may rely without any liability upon the contents thereof. Escrow Agent shall be under no obligation to refer to the Purchase Agreement or to any other documents between the parties related in any way to this Escrow Agreement, except as specifically provided herein

(d) The Escrow Agent shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized hereby or within the rights and powers conferred upon it hereunder, nor for action taken or omitted by it in good faith, or in accordance with advice of counsel (which counsel may be of the Escrow Agent's own choosing) and it shall not be liable for any mistake of fact or error of judgment or for any acts or omissions of any kind unless caused by its own misconduct or gross negligence.

(e) Each of the Buyer and Seller agrees to indemnify the Escrow Agent and hold it harmless against any and all liabilities incurred by it hereunder. Buyer and Seller agree jointly to indemnify the Escrow Agent and hold it harmless against any and all liabilities incurred by it hereunder, except in the case of liabilities incurred by the Escrow Agent resulting from its own misconduct or gross negligence.

(f) The Escrow Agent acts hereunder as a depository only, and is not responsible or liable in any manner for the sufficiency, correctness, genuineness or validity of any cash, letter of credit or security deposited with it.

#### 6. MISCELLANEOUS.

(a) This Escrow Agreement shall be construed by and governed in accordance with the laws of the State of Texas, applicable to agreements executed and wholly to be performed therein.

(b) This Escrow Agreement shall be binding upon and shall inure to the benefit of the parties, their successors and assigns.

(c) This Escrow Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

(d) Paragraph headings contained in this Escrow Agreement have been inserted for reference purposes only, and shall not be construed as part of this Escrow Agreement.

(e) All notices, requests, demands and other communications hereunder shall be in writing, shall be given simultaneously to all parties hereunder and shall be deemed to have been duly given if delivered or mailed (certified mail, postage pre-paid, return receipt requested) as follows:

If to Buyer: Zula Com, LLC  
207 S. 25 Mile Ave. Hereford, Tx. 79045  
Attention: Tiffany B. Spearman  
Email: ZulaComTx@outlook.com

If to Seller: Tomlinson-Leis Communications, L.P.  
PO Box 3649 Palestine, Tx. 75802-3649  
Attention: Edward B. Tomlinson  
Email: bubbat@tomleis.com

*EMP* 10-18-21  
TS  
10/13/21

If to Agent: Whitley Broadcast Media, Inc  
1131 Rockingham Dr. Suite 108 Richardson, TX 75080  
Attention: Bill Whitley  
Email: whitleytx@cs.com

or to such other addresses as any party may have furnished to the other in writing, in accord herewith.

7. TERMINATION. This Escrow Agreement shall automatically terminate upon the distribution of the escrow fund in accord with the terms hereof.

IN WITNESS WHEREOF, the parties have caused their hands, or those of their duly authorized officers, and seals to be affixed as of the date first above written.

ATTEST:

  
\_\_\_\_\_

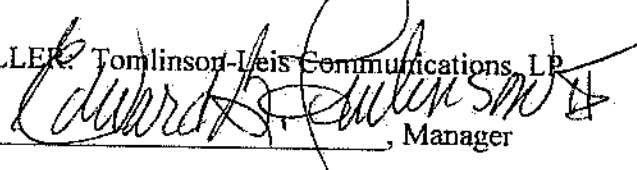
BUYER: Zula Com. LLC

By:  \_\_\_\_\_, Manager

ATTEST:

\_\_\_\_\_  
\_\_\_\_\_

SELLER: Tomlinson-Leis Communications, LP

By:   
\_\_\_\_\_, Manager

ATTEST:

\_\_\_\_\_  
\_\_\_\_\_

Whitley Broadcast Media, INC.

By: \_\_\_\_\_

TSB  
10/13/12