

## **ESCROW AGREEMENT**

ESCROW AGREEMENT dated as of August 30, 2004 (the "Agreement") among **Frank Boyle & Company, L.L.C.** (the Escrow Agent), **Centennial Broadcasting, LLC**, a North Carolina limited liability company (the "Buyer") and **Travis Media, LLC**, a Virginia limited liability company (the "Seller").

WHEREAS, the Seller is the licensee and operator of radio broadcast stations WZZI, FCC Facility Identification Number ("FIN") 9047, licensed to Vinton, Virginia and Station WZZU, FIN 17407, licensed to Lynchburg, Virginia (Collectively, the "Stations"), holding valid authorization for the operation thereof from the Federal Communications Commission (together with any successor thereto, the "FCC") and the owner of all tangible and intangible personal property and all real property, owned or leased, used or useful in connection with the operation of the Stations;

WHEREAS, Buyer and Seller have executed concurrently herewith an Asset Purchase Agreement (the "Purchase Agreement") for the purchase of substantially all of the assets of the Seller used for the operation of the Stations; unless otherwise defined herein, capitalized terms shall have the meaning set forth in the Purchase Agreement; and

WHEREAS, pursuant to Section 1.1 of the Purchase Agreement, Buyer has agreed to deliver the sum of One Hundred Eighty Five Thousand Dollars (\$185,000.00) (together with all earnings thereon, and any and all other amounts deposited from time to time thereafter, the "Escrow Amount") to the Escrow Agent; and

WHEREAS, the Escrow Agent has agreed to accept, hold and disburse the Escrow Amount pursuant to this Agreement.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants set forth herein, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Appointment. The Escrow Agent agrees to receive, hold, administer and dispose of the Escrow Amount as set forth herein. The use of the phrase "Escrow Agent" is solely for purposes of identification and, except as otherwise set forth herein, does not indicate or imply that the Escrow Agent has any agency or other fiduciary obligations to any other person or entity.

2. Rights, Duties and Immunities. Acceptance by the Escrow Agent of its duties under this Agreement is subject to the following terms and conditions, which all parties to this Agreement hereby agree shall govern and control the rights, duties and immunities of the Escrow Agent:

(i) the Escrow Agent undertakes to perform such duties and only such duties as are expressly set forth herein, and no implied agreements or obligations shall be read into this Escrow Agreement against the Escrow Agent; the Escrow Agent shall not be liable except for the performance of such duties and obligations as are expressly set out in this Agreement.

(ii) the Escrow Agent shall not be responsible in any manner whatsoever for any failure or inability of the Buyer or the Seller, or of anyone else other than Escrow Agent, to honor any of the provisions of this Agreement, the Purchase Agreement or any other agreement;

(iii) the Seller and the Buyer jointly will within ten (10) days following demand, reimburse and indemnify the Escrow Agent for, and hold it harmless from and against, any loss, liability or expense, including but not limited to reasonable counsel fees, arising out of or in connection with its acceptance of, or the performance of its duties and obligations under, this Agreement, except for losses, liabilities and expenses caused by the bad faith, willful misconduct or gross negligence of the Escrow Agent;

(iv) the Escrow Agent shall be fully protected in acting on and relying upon any written notice, direction, request, waiver, consent, receipt or other paper or document which the Escrow Agent in good faith believes to have been signed or presented by the proper party or parties;

(v) the Escrow Agent shall not be liable for any error of judgment, or for any act done or step taken or omitted by it in good faith or for any mistake of fact or law, or for anything which it may do or refrain from doing in connection herewith, except its own bad faith, willful misconduct or gross negligence;

(vi) the Escrow Agent may seek the advice of legal counsel in the event of any dispute or question as to the construction of any of the provisions of this Agreement or its duties hereunder, and it shall incur no liability and shall be fully protected in respect of any action taken, omitted or suffered by it in good faith in accordance with the opinion of such counsel;

(vii) the Escrow Agent makes no representation as to the validity, value, genuineness or collectibility of any security, document or instrument delivered to it; and

(viii) no provisions of this Escrow Agreement shall require the Escrow Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

3. Investment. Unless otherwise instructed in writing by both Buyer and Seller, the Escrow Agent shall invest and reinvest the Escrow Amount in one or more segregated FDIC insured interest bearing "NOW" accounts or other similar FDIC insured accounts (with no penalty for immediate withdrawal) customarily used by the Escrow Agent to invest funds held in circumstances similar to those contemplated hereby. The Escrow Agent shall not commingle the Escrow Amount with any other funds without the written permission of the other parties.

4. Release of Escrow Amount. The Escrow Agent shall hold, invest and reinvest the Escrow Amount until it delivers the Escrow Amount as provided in this Section 4, as follows:

(a) The Escrow Agent, upon receipt of written instructions signed by both Seller and Buyer regarding the disbursement of the Escrow Amount, shall disburse the Escrow Amount, or a portion thereof, in accordance with such written instructions.

(b) If the Escrow Agent receives written notice signed by the Buyer stating that the Buyer is entitled to the Escrow Amount or a portion thereof, the Escrow Agent shall deliver or mail a copy thereof to the Seller and, unless the Escrow Agent has received a written notice of objection from the Seller specifying the amount to which Seller claims entitlement within fifteen (15) business days after such mailing, the Escrow Agent shall deliver the Escrow Amount or the requested portion thereof, as the case may be, to the Buyer. If the Escrow Agent so receives a written notice of objection from the Seller, as provided above, a controversy shall be deemed to have occurred with respect to such contested amount for purposes of Section 4(d) hereof.

(c) If the Escrow Agent receives written notice signed by the Seller stating that the Seller is entitled to the Escrow Amount or a portion thereof, the Escrow Agent shall deliver or mail a copy thereof to the Buyer and, unless the Escrow Agent has received a written notice of objection from the Buyer specifying the portion of the Escrow Amount to which Buyer claims entitlement, within fifteen (15) business days after such mailing, the Escrow Agent shall deliver the Escrow Amount or the requested portion thereof, as the case may be, to the Seller. If the Escrow Agent so receives a written notice of objection from the Buyer, as provided above, a controversy shall be deemed to have occurred with respect to such contested amount for purposes of Section 4(d) hereof.

(d) If a controversy arises between one or more of the parties hereto, or between any of the parties hereto and any person not a party hereto, as to whether or not or to whom the Escrow Agent shall deliver the Escrow Amount or as to any other matter arising out of or relating to the Escrow Amount or this Agreement, the Escrow Agent shall not be required to determine the same and shall not make any delivery of the Escrow Amount but shall retain it until the Escrow Agent shall have received either (i) written instructions signed by both Buyer and Seller, (ii) a final arbitration decision and award rendered in accordance with Section 17 of the Purchase Agreement declaring the respective rights of the buyer and Seller with respect to the Escrow Amount or (iii) a final, non-appealable judgment of a court of competent jurisdiction declaring the respective rights of the Buyer and Seller with respect to the Escrow Amount, in which case the Escrow Agent shall disburse the Escrow Amount in accordance with such instructions or judgment. The Escrow Agent shall be entitled to assume that no such controversy has arisen unless it has received a written notice that such a controversy has arisen which refers specifically to this Agreement; provided, however, that the Escrow Agent shall not be bound by any such notice unless it is received before the Escrow Agent delivers the Escrow Amount, or any portion thereof, so long as the Escrow Agent has done so in accordance with the other provisions of this Agreement. If a controversy of the type referred to in this paragraph arises, the Escrow Agent may, in its sole discretion (but shall not be obligated to), commence interpleader or similar actions or proceedings for determination of the controversy.

5. Successor Escrow Agent.

(a) The Escrow Agent (and any successor escrow agent) may at any time resign as such by delivering the Escrow Amount to any successor escrow agent jointly designated in writing by the Buyer and the Seller, whereupon the Escrow Agent shall be discharged of and from any and all further obligations arising in connection with this Escrow Agreement. The resignation of the Escrow Agent shall take effect on the earlier of the appointment of a successor escrow agent or the day which is 30 days after the date of delivery of the Escrow Agent's written notice of resignation to the other parties hereto. In the event that a successor escrow agent has not been appointed at the expiration of such 30-day period, the Escrow Agent's sole responsibility hereunder shall be the safekeeping of the Escrow Amount until a successor is jointly appointed.

(b) If the Escrow Agent receives a written notice signed by the Seller and the Buyer stating that they have selected another escrow agent, the Escrow Agent shall deliver the Escrow Amount to the successor escrow agent named in the aforesaid notice within two business days.

(c) Following the resignation or removal of the Escrow Agent as provided in (a) or (b) above, the parties hereto shall jointly shall appoint a successor Escrow Agent hereunder. Upon the acceptance in writing of any appointment as the Escrow Agent hereunder by a successor Escrow Agent, such successor Escrow Agent shall thereupon succeed to and become vested with all the rights, powers, privileges, and duties of the retiring Escrow Agent, and the retiring Escrow Agent shall be discharged from its duties and obligations under this Escrow Agreement, but shall not be discharged from any liability for actions taken as the Escrow Agent hereunder prior to such succession. After any retiring Escrow Agent's resignation or removal, the provisions of this Escrow Agreement shall inure to its benefit as to any actions taken or omitted to be taken by it while it was the Escrow Agent under this Escrow Agreement.

6. Construction. This Agreement shall take effect as a sealed instrument and be construed under and governed by and enforced in accordance with the laws of the State of Virginia.

7. Notices. Any notice or communication given pursuant to this Agreement by any party to any other party shall be in writing and shall deemed given when personally delivered or when sent (i) by registered or certified mail, return receipt requested, postage prepaid, or (ii) by next business day courier service (such as Federal Express) to the parties at their addresses set forth below or to such other address as any party may hereafter designate to the other party by like notice:

(a) If to the Seller:

Travis Media, LLC  
210 First Street, S.W.  
Suite 240  
Roanoke, VA 24011

Fax: 540-951-9863  
Attn: Karen Travis, President

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

David Tillotson, Esquire  
4606 Charleston Terr., N.W.  
Washington, D.C. 20007  
Fax: 202/965-2018

(b) If to the Buyer:

Centennial Broadcasting, LLC  
3443 Robinhood Road, Suite H  
Winston-Salem, NC 27106  
Fax: 336/794-7971  
Attn: Allen B. Shaw, President & CEO

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

Heather K. Mallard, Esquire  
150 Fayetteville Street Mall, Suite 2100  
Raleigh, NC 27601  
Fax: 919/755-6077

(c) If to the Escrow Agent:

Frank Boyle & Company, L.L.C.  
2001 West main Street, Suite 280  
Stamford, CT 06902  
Fax: 203/316-0800  
Attn: Frank Boyle, [title]

8. Headings. The headings of the paragraphs of this Agreement are inserted as a matter of convenience and for reference purposes only, are of no binding effect, and in no respect define, limit or describe the scope of this Agreement or the intent of any paragraph.

9. Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signatures to each were upon the same instrument.

10. Entire Agreement. This Agreement represents the entire understanding and agreement between the parties hereto with respect to the subject matter hereof, supersedes all prior negotiations between the parties, and can be amended, modified, supplemented, extended, terminated, discharged, waived or changed only by an agreement in writing which makes specific reference to this Agreement and which is signed by both parties (or in the case of waiver, the

granting party). No waiver of any of the provisions of this Agreement shall constitute waiver of any other provision.

11. Successors and Assigns. This Agreement shall be binding upon and inure solely to the benefit of the parties hereto and their permitted successors and assigns and shall not be enforceable by or create or evidence any right of any third party; provide, that this Agreement cannot be assigned without the express written consent of the parties.

12. Severability. Any provision of this Agreement which may be determined by a court of competent jurisdiction to be prohibited or unenforceable shall be ineffective without invalidating the remaining provisions hereof. Moreover, if any term or provision hereof shall for any reason be held to be excessively broad as to time, duration, activity, scope or subject, it shall be construed, by limiting and reducing it, so as to be enforceable to the extent permitted under applicable law as it shall then exist

13. Termination. Upon the first to occur of the disbursement of all Escrow Funds pursuant to Section 4 hereof or the disbursement of all Escrow Funds to a court pursuant to Section 4 hereof, this Escrow Agreement shall terminate and the Escrow Agent shall have no further obligation or liability whatsoever with respect to this Escrow Agreement or the Escrow Funds.

14. Tax Reporting. Each of the parties hereto agrees that, for tax reporting purposes, all interest or other income earned from the investment of the Escrow Funds in any tax year shall (i) to the extent such interest or other income is distributed by the Escrow Agent to any person or entity pursuant to the terms of this Escrow Agreement during such tax year, be allocated to such person or entity, and (ii) otherwise shall be allocated to Seller.

**\*\*The Next Page is the Signature Page\*\***

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be duly executed in its name and on its behalf, all as of the date first above written.

BUYER:

CENTENNIAL BROADCASTING, LLC

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

Name:

Title:

SELLER:

TRAVIS MEDIA, LLC

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

Name:

Title:

ESCROW AGENT:

FRANK BOYLE & COMPANY, L.L.C.

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

Name:

Title: