

## ESCROW AGREEMENT

**THIS ESCROW AGREEMENT** (the "Escrow Agreement"), dated as of the 3<sup>rd</sup> day of March, 2005, is made by and among **RED ROCK COMMUNICATIONS, LTD.**, and **RED ROCK COMMUNICATIONS II, LTD.**, both Arizona corporations (together, "Seller"), **GREMAX BROADCASTING LLC**, a Delaware limited liability company ("Buyer"), and **FIDELITY NATIONAL TITLE INSURANCE COMPANY** (the "Escrow Agent").

### W I T N E S S E T H

**WHEREAS**, Buyer and Seller have entered into that certain Asset Purchase Agreement, of even date herewith (the "Purchase Agreement"), pursuant to which certain assets of Seller are being sold to Buyer under and subject to the terms and conditions of the Purchase Agreement;

**WHEREAS**, pursuant to the Purchase Agreement and as part of the transactions contemplated thereby, the parties have agreed to enter into this Escrow Agreement and for Seller to deposit the Escrow Funds (as defined below);

**WHEREAS**, the parties hereto desire to more specifically set forth their rights and obligations with respect to the Escrow Funds and the distribution and release thereof; and

**WHEREAS**, the execution and delivery of this Escrow Agreement is a condition to the parties' obligations under the Purchase Agreement;

**NOW, THEREFORE**, in consideration of the mutual covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties intending to be legally bound hereby, agree as follows:

1.     Definitions.

Capitalized terms used herein but not otherwise defined, shall have the meanings assigned to them in the Purchase Agreement.

2.     Appointment of Escrow Agent.

Seller and Buyer hereby appoint and designate the Escrow Agent for the purposes set forth herein, and the Escrow Agent hereby accepts such appointment.

3.     Establishment of Escrow Account.

(a)     On the date of this Escrow Agreement, Buyer shall deliver to Escrow Agent the sum of Five Hundred Thousand Dollars (\$500,000) in immediately available funds (the "Escrow Funds"). The Escrow Agent shall invest the Escrow Funds as provided in paragraph 3(c) below pursuant to the terms of this Escrow Agreement.

(b) The Escrow Agent shall maintain records setting forth information pertaining to the purchase, sale or liquidation of any Permitted Investments in the Escrow Account. The Escrow Agent shall also maintain a record setting forth the foregoing information on an aggregate basis with respect to the Escrow Funds. Copies of such information shall be provided, upon request, to Seller and to Buyer.

(c) Concurrent with the delivery of the initial deposit under paragraph 3(a), Buyer shall direct the Escrow Agent in writing through an Initial Buyer Request to invest the initial deposit in a Permitted Investment (defined below) in accordance with that request and from time to time to invest any cash constituting part of the Escrow Funds in stocks, bonds, securities or other investments of the type listed on Exhibit A attached hereto ("Permitted Investments").

4. Release of the Escrow Funds to Seller Prior to Closing.

The following procedures shall be followed by the parties, in the event of a request by Seller for distribution of the Escrow Funds prior to Closing.

(a) *Instructions from Seller.* Upon delivery by Seller of written instructions to Escrow Agent ("Seller Instructions") citing that under Section 10.3 (Liquidated Damages) of the Purchase Agreement that the Escrow Funds are to be distributed, then Escrow Agent shall distribute all Escrow Funds (together with all interest accrued thereon) in accordance with the Seller Instructions no later than the third business day after provision of such written instructions, provided that:

(i) Seller has provided to the Escrow Agent a copy of such instructions with the signature of an officer or agent of Buyer reflecting the consent of Buyer to such distribution reflected thereon; or

(ii) If the instructions do not include a signature of an officer or agent of Buyer, the Escrow Agent may nevertheless distribute the Escrow Funds provided: (1) Seller has delivered a copy of the Seller Instructions to Buyer in a manner and at a location consistent with paragraph 12 ("Notices") below, and Seller has retained a receipt acceptable under paragraph 12 as proof of delivery to Buyer ("Proof of Delivery") and provided the same to the Escrow Agent, and (2) Escrow Agent has not received from Buyer a written objection ("Buyer Objection") to the Seller Instructions to distribute the Escrow Funds within seven (7) business days following the date of delivery of the Notice to Buyer as evidenced by the Proof of Delivery to the Escrow Agent. Under the circumstances of (ii) (1) & (2), then on the eighth (8<sup>th</sup>) business day, the Escrow Agent shall, in accordance with the provisions of the Seller Instructions distribute the Escrow Funds.

(b) *Buyer Objection.* With respect to any Buyer Objection, Buyer shall not unreasonably withhold its consent to Seller Instructions, and any Buyer Objection shall set forth a basis for its objection with specific reference to the provisions of Article 10 of the Purchase Agreement.

(c) *Escrow Agent's Determinations.* The Escrow Agent shall not be responsible for determining whether the Seller Instructions, or the Buyer Objection, comply with the requirements of the Purchase Agreement.

(d) *Disputes.* If Buyer delivers to the Escrow Agent a Buyer Objection, within seven (7) business days following the Escrow Agent's receipt of proof of delivery to Buyer of the Seller Instructions, then, the Escrow Agent shall not distribute the Escrow Funds until the Escrow Agent receives either (1) written instructions signed by both Seller and Buyer authorizing a distribution, or (2) enforcement of an arbitration award in accordance with Section 11.5 (Resolution of Disputes) of the Purchase Agreement through a final decision of a court of competent jurisdiction which is either nonappealable or with respect to which the time for appeal has expired without the filing of a timely appeal directing a distribution of the Escrow Funds. Upon receipt of such written instructions or such final decision, as the case may be, the Escrow Agent shall distribute the Escrow Funds in accordance with such written instructions or final decision.

5. Release of a Portion of the Escrow Funds to Seller at Closing.

The following procedures shall be followed by the parties in the event of a request by Seller for distribution of the Escrow Funds at Closing. Upon delivery by Seller and Buyer of joint written instructions to Escrow Agent stating that the Closing is taking place, a portion of the Escrow Funds in the amount of Two Hundred Fifty Thousand Dollars (\$250,000) is to be distributed by the Escrow Agent to Seller (with interest thereon disbursed to Buyer), and the remainder of the Escrow Funds, being Two Hundred Fifty Thousand Dollars (\$250,000) (the "Post Closing Escrow Funds"), shall continue to be held by the Escrow Agent as a post-closing escrow and distributed in accordance with the provisions of paragraph 6 below.

6. Release of the Post-Closing Escrow Funds.

The Post-Closing Escrow Funds shall be distributed to Seller in accordance with the following schedule, *subject, however*, to any valid instructions by Buyer for distribution of such funds in accordance with the procedures set forth in subparagraphs (c) through (f) below.

(a) *Six Months After Closing.* After the expiration of six (6) months from the Closing Date, One Hundred Twenty Five Thousand Dollars (\$125,000) of the Post-Closing Escrow Funds shall be distributed to Seller.

(b) *Nine Months After Closing.* After the expiration of nine (9) months from the Closing Date, One Hundred Twenty Five Thousand Dollars (\$125,000) of the Post-Closing Escrow Funds shall be distributed to Seller.

(c) *Instructions from Buyer.* Upon delivery by Buyer of written instructions to Escrow Agent ("Buyer Instructions") citing that under Section 9.2(a) (Indemnification) of the Purchase Agreement that Buyer has an indemnity claim against Seller for Damages (the "Indemnity Claim"), and that such claim has not been paid in accordance with Section 9.3, then in that event Escrow Agent shall distribute to Buyer the amount of such Indemnity Claim out of the Post-Closing Escrow Funds in accordance with the Buyer

Instructions no later than the third business day after provision of such written instructions, provided that:

(i) Buyer has provided to the Escrow Agent a copy of such instructions with the signature of an officer or agent of Seller reflecting the consent of Seller to such distribution reflected thereon; or

(ii) If the instructions do not include a signature of an officer or agent of Seller, the Escrow Agent may nevertheless distribute the Indemnity Claim out of the Post-Closing Escrow Funds provided: (1) Buyer has delivered a copy of the Buyer Instructions to Seller in a manner and at a location consistent with paragraph 12 ("Notices") below, and Buyer has retained a receipt acceptable under paragraph 12 as proof of delivery to Seller ("Proof of Delivery") and provided the same to the Escrow Agent, and (2) Escrow Agent has not received from Seller a written objection ("Seller Objection") to the Buyer Instructions to distribute the Indemnity Claim out of the Post-Closing Escrow Funds within seven (7) business days following the date of delivery of the Notice to Seller as evidenced by the Proof of Delivery to the Escrow Agent. Under the circumstances of (ii) (1) & (2), then on the eighth (8<sup>th</sup>) business day, the Escrow Agent shall, in accordance with the provisions of the Buyer Instructions distribute the Indemnity Claim out of the Post-Closing Escrow Funds.

(d) *Seller Objection.* With respect to any Seller Objection, Seller shall not unreasonably withhold its consent to Buyer Instructions, and any Seller Objection shall set forth a basis for its objection with specific reference to the provisions of Article 9 (Survival; Indemnification) of the Purchase Agreement.

(e) *Escrow Agent's Determinations.* The Escrow Agent shall not be responsible for determining whether the Buyer Instructions, or the Seller Objection, comply with the requirements of the Purchase Agreement.

(f) *Disputes.* If Seller delivers to the Escrow Agent a Seller Objection, within seven (7) business days following the Escrow Agent's receipt of proof of delivery to Seller of the Buyer Instructions, then, the Escrow Agent shall not distribute the Indemnity Claim out of the Post-Closing Escrow Funds, and the Escrow Agent shall also suspend all distributions of the Post-Closing Escrow Funds to Seller under subparagraphs (a) and (b), until the Escrow Agent receives either (1) written instructions signed by both Seller and Buyer authorizing a distribution, or (2) enforcement of an arbitration award in accordance with Section 11.5 (Resolution of Disputes) of the Purchase Agreement through a final decision of a court of competent jurisdiction which is either nonappealable or with respect to which the time for appeal has expired without the filing of a timely appeal directing a distribution of the Post-Closing Escrow Funds. Upon receipt of such written instructions or such final decision, as the case may be, the Escrow Agent shall distribute the Post-Closing Escrow Funds in accordance with such written instructions or final decision.

7. Escrow Agent's Fees.

The fees and expenses of the Escrow Agent shall be as set forth on Exhibit B. The Escrow Agent's fees, if any, will be paid equally by Seller and Buyer. In case of any disagreement or dispute arising under the provisions of this Escrow Agreement, the Escrow Agent shall be entitled to prompt reimbursement for all costs and expenses incurred by reason of such disagreement or dispute, with any reimbursement pursuant to the foregoing paid equally by Seller and Buyer.

8. Termination.

This Escrow Agreement shall terminate upon the final distribution by Escrow Agent of the Escrow Funds pursuant to the provisions of this Escrow Agreement. Any termination of this Escrow Agreement shall not affect any of the obligations of Seller or Buyer under this Escrow Agreement arising prior to such termination, including the obligation to pay Escrow Agent's fees pursuant to paragraph 7 above.

9. Escrow Agent.

(a) The duties and responsibilities of the Escrow Agent shall be limited to those expressly set forth in this Escrow Agreement. No implied duties of the Escrow Agent shall be read into this Escrow Agreement and the Escrow Agent shall not be subject to, or obliged to recognize any other agreement, including, but not limited to the Purchase Agreement, between, or direction or instruction of, either or both Seller or Buyer hereto even though reference thereto may be made herein.

(b) In the event all or any part of the Escrow Funds shall be attached, garnished or levied upon pursuant to any court order, or the delivery thereof shall be stayed or enjoined by a court order, or any other order, judgment or decree shall be made or entered by any court affecting the Escrow Funds, or any part thereof, or any act of Escrow Agent, Escrow Agent is hereby expressly authorized to obey and comply with all final writs, orders, judgments or decrees so entered or issued by any court; and, if Escrow Agent obeys or complies with such writ, order, judgment or decree, it shall not be liable to Buyer, Seller, or to any other person by reason of such compliance.

(c) Escrow Agent shall not be liable to anyone for any damages, losses or expenses incurred as a result of any act or omission of Escrow Agent, unless such damages, losses or expenses are caused by Escrow Agent's willful misconduct or negligence. Accordingly, Escrow Agent shall not incur any such liability with respect to (i) any action taken or omitted in good faith upon the advice of counsel for Escrow Agent given with respect to any question relating to the duties and responsibilities of Escrow Agent under this Escrow Agreement or (ii) any action taken or omitted in reliance upon any instrument, including any written notice or instruction provided for herein, not only as to its due execution by an authorized person and as to the validity and effectiveness of such instrument, but also as to the truth and accuracy of any information contained therein that Escrow Agent shall in good faith believe to be genuine, to have been signed

by a proper person or persons and to conform to the provisions of this Escrow Agreement.

(d) The Escrow Agent shall not be responsible for the sufficiency or accuracy, or the form, execution, validity or genuineness, of documents or securities now or hereafter deposited or received hereunder, or of any endorsement thereon, or for any lack of endorsement thereon, or for any description therein, nor shall it be responsible or liable in any respect on account of the identity, authority or rights of any person executing, depositing or delivering or purporting to execute, deposit or deliver any such document, security or endorsement or this Escrow Agreement, or on account of or by reason of forgeries, false representations, or the exercise of its discretion in any particular manner, nor shall the Escrow Agent be liable for any mistake of fact or of law or any error of judgment, or for any act or omission, except as a result of its negligence or willful malfeasance. Unless otherwise required by law, or upon the request of Seller and Buyer, Escrow Agent is not authorized and shall not disclose the contents of this Escrow Agreement. Under no circumstances shall the Escrow Agent be liable for any general or consequential damages or damages caused, in whole or in part, by the action or inaction of Buyer, Seller, or any of their respective agents or employees. Escrow Agent shall not be liable for any damage, loss, liability, or delay caused by accidents, strikes, fire, flood, war, riot, equipment breakdown, electrical or mechanical failure, acts of God or any cause which is reasonably unavoidable or beyond its reasonable control.

(e) The Escrow Agent may consult with legal counsel of its own choosing and shall be fully protected in acting or refraining from acting in good faith and in accordance with the opinion of such counsel.

(f) In the event of a dispute between or among Seller and Buyer which is sufficient in the discretion of Escrow Agent to justify its doing so, Escrow Agent shall be entitled to tender the Escrow Funds into the registry or custody of any court of competent jurisdiction, to initiate such legal proceedings as it deems appropriate, and thereupon to be discharged from all further duties and liabilities under this Escrow Agreement. Any such legal action may be brought in any such court as Escrow Agent shall determine to have jurisdiction over the Escrow Funds. The filing of any such legal proceedings shall not deprive Escrow Agent of its compensation hereunder earned prior to such filing.

#### 10. Indemnification of Escrow Agent.

Seller and Buyer hereby agree to jointly and severally protect, defend, indemnify and hold harmless the Escrow Agent, its officers, directors, agents and employees from and against any and all costs, losses, claims, damages, disbursements, liabilities and expenses, including reasonable costs of investigation, court costs and attorney's fees, which may be imposed upon or incurred by Escrow Agent in connection with its acceptance of, or appointment as, Escrow Agent hereunder, or in connection with the performance of its duties hereunder, including any litigation arising out of this Escrow Agreement or involving the subject matter hereof; provided, however, that said indemnity shall not cover costs, losses, claims, damages, disbursements, liabilities and expenses arising out of Escrow Agent's willful misconduct or negligence. This indemnification obligation shall survive the termination of this Escrow Agreement or the resignation or removal

of the Escrow Agent. Without affecting their indemnification liability to the Escrow Agent under this paragraph 10, Seller and Buyer agree as among themselves that any such indemnification liability shall be allocated among them on a fair and equitable basis reflecting the merits of their respective positions and the responsibility of each of them for the controversy or other circumstances with respect to which indemnification is required.

11. Resignation of Escrow Agent.

It is understood that the Escrow Agent reserves the right to resign as Escrow Agent at any time by giving written notice of its resignation, specifying the effective date thereof, to each other party hereto. Within thirty (30) days after receiving the aforesaid notice, Seller and Buyer shall appoint a mutually agreeable successor Escrow Agent to which the Escrow Agent shall transfer the Escrow Funds (or the Post-Closing Escrow Funds, as applicable) then held hereunder, less its fees, costs and expenses which may remain unpaid at that time. If a successor Escrow Agent has not been appointed and has not accepted such appointment by the end of such thirty (30)-day period, the Escrow Agent may apply to a court of competent jurisdiction for the appointment of a successor Escrow Agent and the fees, costs and expenses (including reasonable counsel fees and expenses) which it incurs in connection with such a proceeding shall be paid equally by Seller and Buyer.

12. Notices.

All notices provided for hereunder shall be in writing (including facsimile transmission) and shall be deemed to be given: (a) when delivered to the individual and acknowledged by such individual, or to an officer of the company, to which the notice is directed; or (b) when delivered by an overnight delivery service with receipt acknowledged and with all charges prepaid by the sender; or (c) when delivered by facsimile communications equipment, with a hard copy sent by an overnight delivery service pursuant to subparagraph (b) hereof. Notices shall be directed as follows:

if to Seller, then to:

Red Rock Communications, Ltd.  
2909 N. Campbell Avenue  
Suite 342  
Tucson, AZ 85719  
Attention: Thomas S. Rockler, President  
Facsimile: (520) 299-5061

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

Wiley Rein & Fielding LLP  
1776 K Street, NW  
Washington, DC 20006  
Attention: Brian A. Johnson  
Jessica N. Rosenthal  
Facsimile: (202) 719-7049

if to Buyer, then to:

Grenax Broadcasting LLC  
10337 Carriage Club Drive  
Lone Tree, CO 80124  
Attention: Greg Dinetz  
Facsimile: (303) 790-4315

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

Fletcher, Heald & Hildreth  
1300 N. 17<sup>th</sup> Street, 11<sup>th</sup> Floor  
Arlington, VA 22209  
Attention: M. Scott Johnson  
Facsimile: (703) 812-0486

if to Escrow Agent, then to:

Fidelity National Title Insurance Company  
5151 East Broadway, Suite 185  
Tucson, AZ 85711  
Attn: Robin Bateman  
Facsimile: (520) 570-1199

or at such other place or places or to such person or persons as shall be designated by notice by any party hereto.

13. Entire Agreement; Binding Effect.

This Escrow Agreement and matters and agreements referred to herein contain the entire understanding by and among the parties hereto and shall be binding upon and shall inure to the benefit of the parties hereto, and their respective successors and assigns.

14. Modification; Assignment; Successor.

None of the terms or conditions of this Escrow Agreement may be changed, waived, modified or varied in any manner whatsoever unless in writing duly signed by the parties hereto. Except as may be provided with respect to the Escrow Agent in the next succeeding sentence, this Escrow Agreement may not be assigned by any party except with the prior written consent of the other parties. This Escrow Agreement, and the rights and obligations of the Escrow Agent hereunder, may be assigned to any corporation into which the Escrow Agent may be merged or converted, or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Escrow Agent shall be a party, or any corporation to which substantially all of the corporate trust business of the Escrow Agent may be transferred, upon written notice by the Escrow Agent to the other parties hereto.

15. Enforceability.

Whenever possible, each provision of this Escrow Agreement shall be interpreted in such manner as to be effective and valid under Arizona law, but if any provision shall be prohibited by or be invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Escrow Agreement. Seller and Buyer shall be entitled to remedies available at



law or equity in the courts of Arizona under the laws of Arizona, and the successful party is entitled to reasonable attorney fees and costs. In addition, Seller and Buyer each agree that in any action to enforce the provisions of this Escrow Agreement, each shall waive the defense that there is an adequate remedy at law or equity, and agree that the other party shall have the right to obtain specific performance of the terms of this Escrow Agreement without being required to prove actual damages, post bond or furnish other security.

16. Governing Law.

This Escrow Agreement shall be construed, enforced and administered as provided by Section 11.5 (Resolution of Disputes) of the Purchase Agreement, in accordance with the laws of the State of Arizona.

17. Headings Descriptive.

The headings of the several sections of this Escrow Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Escrow Agreement.

18. Business Day.

Business Day shall mean a day on which commercial banks in Tucson, Arizona are open for the general transaction of business. If any action or time for performance pursuant to this Escrow Agreement is to occur on any Saturday, Sunday or holiday, such time for action or performance shall be extended to the next Business Day.

19. Taxpayer Identification.

The taxpayer identification numbers for each of Buyer and Seller are as follows:

Buyer: \_\_\_\_\_

Seller: \_\_\_\_\_

20. Execution in Counterpart.

This Escrow Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed an original, but all of which shall together constitute one and the same instrument.

12303889

**[SIGNATURES APPEAR ON THE NEXT PAGE]**

**SIGNATURE PAGE TO ESCROW AGREEMENT**

IN WITNESS WHEREOF, Seller, Buyer, and Escrow Agent have caused this Escrow Agreement to be executed by their authorized representatives as of the date first above written.

**BUYER:**

**GRENAX BROADCASTING LLC**

By: 

Name: Greg Dinetz  
Title: President/CEO

**SELLER:**

**RED ROCK COMMUNICATIONS, LTD.  
RED ROCK COMMUNICATIONS II, LTD.**

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

Name: Thomas S. Rockler  
Title: President

**ESCROW AGENT:**

**FIDELITY NATIONAL TITLE INSURANCE COMPANY**

By: 

Name: Robin Bateman  
Title: Assistant Vice President

**SIGNATURE PAGE TO ESCROW AGREEMENT**

IN WITNESS WHEREOF, Seller, Buyer, and Escrow Agent have caused this Escrow Agreement to be executed by their authorized representatives as of the date first above written.

**BUYER:**

**GRENAX BROADCASTING LLC**

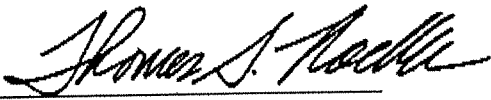
By: \_\_\_\_\_

Name: Greg Dinetz  
Title: President/CEO

**SELLER:**

**RED ROCK COMMUNICATIONS, LTD.  
RED ROCK COMMUNICATIONS II, LTD.**

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

  
Name: Thomas S. Rockler  
Title: President

**ESCROW AGENT:**

**FIDELITY NATIONAL TITLE INSURANCE COMPANY**

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

Name: Robin Bateman  
Title: Assistant Vice President

**SIGNATURE PAGE TO ESCROW AGREEMENT**

IN WITNESS WHEREOF, Seller, Buyer, and Escrow Agent have caused this Escrow Agreement to be executed by their authorized representatives as of the date first above written.

**BUYER: GRENAX BROADCASTING LLC**

By: \_\_\_\_\_  
Name: Greg Dinetz  
Title: President/CEO

**SELLER: RED ROCK COMMUNICATIONS, LTD.  
RED ROCK COMMUNICATIONS II, LTD.**

By: \_\_\_\_\_  
Name: Thomas S. Rockler  
Title: President

**ESCROW AGENT: FIDELITY NATIONAL TITLE INSURANCE COMPANY**

By: Mandated for Robin Bateman  
Name: Robin Bateman  
Title: Assistant Vice President

## **EXHIBIT A**

### **Permitted Investments**

Permitted investments shall include any investment-grade taxable or tax-free fixed income instrument rated A3 (Moody's) or A- (Standard and Poor's) or higher. Therefore, authorized investments shall include, but are not limited to, U.S. Treasury securities, government agency securities, corporate notes and bonds, mortgage-backed securities, asset-backed securities, and any tax-free note or bond issued by any U.S. state or municipality (including Puerto Rico) as long as the above credit rating requirement is met. In addition, permitted investments shall include any taxable or tax-free money market fund routinely used by Fidelity National Title Insurance Company.

**EXHIBIT B**

**Escrow Fees and Expenses**

\$500