

## EXECUTION COPY

### ESCROW AGREEMENT

This Escrow Agreement ("*Escrow Agreement*"), made as of October 1, 2006, is by and among NM Licensing LLC, a Delaware limited liability company ("*NM License*"), NextMedia Operating, Inc., a Delaware corporation ("*NM Operating*," which together with NM License may be referred to herein as "*Seller*"), Beasley FM Acquisition Corp., a Delaware corporation ("*Buyer*"), and Star Media Group, Ltd. ("*Escrow Agent*").

NM License is the licensee of, and with NM Operating, operates radio broadcast station WJBR-FM, 99.5 MHz, Wilmington, Delaware, Facility ID No. 14374, Wilmington, Delaware (the "*Station*"), pursuant to licenses issued by the Federal Communications Commission (the "*FCC*").

Seller and Buyer have agreed that Seller will sell and Buyer or Buyer's designee will acquire certain assets used in connection with the operation of the Station, on the terms and subject to the conditions set forth in an Asset Purchase Agreement of even date herewith (the "*Purchase Agreement*").

Section 2.2 of the Purchase Agreement requires that a letter of credit in the principal amount of One Million Seven Hundred Fifty Thousand Dollars (\$1,750,000) (the "*Initial Letter of Credit*") be deposited by Buyer with Escrow Agent upon the execution and delivery of the Purchase Agreement, and that if the transactions contemplated under the Purchase Agreement have not been consummated by March 1, 2007, a second letter of credit in the principal amount of Seven Hundred Fifty Thousand Dollars (\$750,000) (the "*Second Letter of Credit*") shall be deposited by Buyer with Escrow Agent in addition to the Initial Letter of Credit. The Initial Letter of Credit and the Second Letter of Credit shall be substantially in the form of Exhibit A hereto. As used herein, the term "Escrow Deposit" shall mean the amount held by the Escrow Agent including cash and the amounts represented by the Initial Letter of Credit and, if applicable, the Second Letter of Credit.

Escrow Agent has agreed to accept, hold and disburse the Escrow Deposit in accordance with this Agreement.

Therefore, in consideration of the above recitals and of the mutual agreements and covenants contained in this Agreement, the parties, intending to be bound legally, agree as follows:

**1. Delivery of Escrow Deposit.** Upon Buyer's delivery of the Initial Letter of Credit and, if required, the Second Letter of Credit, to Escrow Agent, Escrow Agent agrees to accept, provide Seller an acknowledgment of receipt of, and maintain on deposit the Escrow Deposit.

## **2. Disposition of the Escrow Deposit.**

(a) The Escrow Deposit shall be disposed of as follows:

(i) Upon receipt by Escrow Agent of a joint notice from Seller and Buyer stating that the closing under the Purchase Agreement has occurred, Escrow Agent shall immediately return the Escrow Deposit to Buyer.

(ii) Upon receipt by Escrow Agent of any other joint notice from Seller and Buyer, Escrow Agent shall either immediately deliver the Escrow Deposit to such person or entity at such address as is provided in such joint notice, or if stated in such joint notice, Escrow Agent shall immediately take such steps as are necessary to convert the Initial Letter of Credit and/or Second Letter of Credit to cash and pay the Escrow Deposit in immediately available funds to the party entitled to receive it pursuant to the joint notice.

(iii) Upon receipt by Escrow Agent of a notice from Buyer stating that Buyer is entitled to return of the Escrow Deposit and following the failure of Seller to make a timely protest after receipt of notice from Escrow Agent pursuant to Paragraph 2(b) hereof, Escrow Agent shall immediately deliver the Escrow Deposit to Buyer.

(iv) Upon receipt by Escrow Agent of a notice from Seller stating that Seller is entitled to the Escrow Deposit and following the failure of Buyer to make a timely protest after receipt of notice from Escrow Agent pursuant to Paragraph 2(b) hereof, Escrow Agent shall immediately take such steps as are necessary to convert the Initial Letter of Credit and/or Second Letter of Credit to cash and pay the Escrow Deposit in immediately available funds to Seller.

(b) In the event that Buyer or Seller (for purposes of this paragraph referred to as the “*Demanding Party*”) gives notice to Escrow Agent as provided in Paragraph 2(a)(iii) or 2(a)(iv) hereof and makes demand upon Escrow Agent for delivery of the Escrow Deposit, Escrow Agent shall forthwith serve upon the other party (the “*Notified Party*”), a copy of the Demanding Party’s notice. Unless the Notified Party protests such delivery in a writing delivered to Escrow Agent within 15 days after the Notified Party’s receipt of the Demanding Party’s notice from Escrow Agent, Escrow Agent shall thereupon make delivery to the Demanding Party as required by such demand in accordance with Paragraph 2(a)(iii) or 2(a)(iv) hereof. If the Notified Party timely and duly protests, Escrow Agent shall hold the Escrow Deposit until the disagreement is resolved as provided in Paragraph 4(e) below. In calculating the 15-day period, the day of delivery shall not be included, and the 15th day shall end at 5:00 p.m. Wilmington, Delaware time on the 15th day (or, if the 15th day falls on a Saturday, Sunday or national holiday, on the first Business Day immediately following the 15th day). If Escrow Agent has any reasonable doubt as to whether or not a notice of protest has been timely made,

then Escrow Agent shall hold the Escrow Deposit as though such protest has been timely made.

**3. Replacement or Renewal of Initial Letter of Credit or Second Letter of Credit; Payment in Contemplation of Expiration.** On the tenth Business Day prior to the date of expiration of the Initial Letter of Credit or, as the case may be, the Second Letter of Credit, Escrow Agent shall notify Buyer and Seller that the Initial Letter of Credit or Second Letter of Credit, as the case may be, is about to expire. Unless Buyer has replaced the Initial Letter of Credit or Second Letter of Credit, as the case may be, with another letter of credit in substantially the same form prior to the expiration date of such Initial Letter of Credit or Second Letter of Credit (in which case such replacement letter of credit will thereafter be the "Initial Letter of Credit" or "Second Letter of Credit" as the case may be, for purposes of this Agreement), the Escrow Agent, upon receipt of written instructions to that effect from Seller, with a copy of such instructions provided concurrently to Buyer, will, prior to the expiration of the Initial Letter of Credit or Second Letter of Credit, as the case may be, present to the issuing bank in accordance with the draw instructions for the Initial Letter of Credit or Second Letter of Credit a draft for payment to the Escrow Agent in the amount of the Initial Letter of Credit or Second Letter of Credit, as the case may be. The draft for payment shall be signed by Seller and Seller shall direct the issuing bank to deposit the drawn funds into an account designated by Escrow Agent. Escrow Agent shall invest and reinvest the funds and any interest earned thereon in an interest bearing federally insured money market account or in short-term U.S. Treasury obligations or the equivalent thereof, and such funds shall become part of the Escrow Deposit. From and after the presentation of such draft for payment to the issuing bank by the Escrow Agent, any demand for delivery of the Initial Letter of Credit and/or the Second Letter of Credit as set forth in Section 2 hereof will be deemed a demand for disbursement of the funds drawn upon such Initial Letter of Credit and/or the Second Letter of Credit, as the case may be.

**4. Limitations on Liability of Escrow Agent.**

(a) The duties and obligations of Escrow Agent shall be determined solely by the express provisions of this Escrow Agreement, and no implied duties or obligations shall be read into this Escrow Agreement against Escrow Agent. 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.

(b) Escrow Agent shall not be liable to anyone by reason of any error of judgment, any action or omission by Escrow Agent, or any mistake of fact or law, unless caused by or arising out of Escrow Agent's gross negligence or bad faith.

(c) Escrow Agent shall be entitled to rely upon, and shall be protected in acting in reasonable reliance upon, any writing furnished to Escrow Agent by any party in accordance with the terms hereof and shall be entitled to treat as genuine any letter,

paper or other document furnished to Escrow Agent by any party and reasonably believed by Escrow Agent to be genuine and to have been signed by the proper party and/or parties as required.

(d) Escrow Agent may consult with Escrow Agent's own counsel with respect to any questions relating to its duties or responsibilities hereunder and shall not be liable for any action taken or omitted in good faith on advice of such counsel. Any reasonable expense so incurred shall be for the account of Buyer and Seller and will be reimbursed equally by them upon Escrow Agent's request.

(e) In the event of any disagreement between the parties to this Escrow Agreement resulting in adverse claims and demands being made in connection with or against the Escrow Deposit, Escrow Agent shall refuse to comply with the claims or demands of any party until such disagreement is finally resolved by mutual agreement of the parties or by a court of competent jurisdiction, and, in so doing, Escrow Agent shall not be or become liable to any party. Seller and Buyer agree to jointly and severally indemnify Escrow Agent against all costs and other expenses (including, without limitation, reasonable legal fees and expenses) incurred by Escrow Agent in connection with or as a result of any disagreement among or between the parties hereto or the performance by Escrow Agent of its duties hereunder.

(f) Any action requested to be taken by Escrow Agent hereunder and not otherwise specifically set forth herein shall require the agreement of Seller, Buyer and Escrow Agent.

(g) If Escrow Agent desires to resign as Escrow Agent, it shall provide 15-days written notice (a "*Resignation Notice*") of its intention to resign to Buyer and Seller. The resignation of Escrow Agent shall be effective following the expiration of 15 days following the date of the Resignation Notice. Notwithstanding the foregoing, if following the resignation of Escrow Agent there would be no replacement escrow agent hereunder, Escrow Agent's resignation shall not be effective until Seller and Buyer shall have mutually agreed in writing to the appointment of a replacement escrow agent and such appointment shall have been accepted in writing. Seller and Buyer agree to pay to any such replacement escrow agent its reasonable fees for the performance of its duties hereunder.

(h) Escrow Agent is acting as broker for Seller in this transaction, and therefore, Escrow Agent shall not be entitled to any fee for performance of its duties under this Agreement.

**5. Term.** The term of this Agreement shall commence on the date first above written, and shall terminate upon (a) the delivery of the Escrow Deposit to Buyer under Paragraph 2(a); or (b) the delivery of the Escrow Deposit to Seller under Paragraph 2(a).

**6. Amendments.** This Escrow Agreement cannot be changed or terminated orally, and no waiver of compliance with any provisions or condition hereof shall be effective unless evidenced by a written instrument duly executed by all of the parties hereto.

**7. Effect of this Escrow Agreement.** This Escrow Agreement sets forth the entire understanding of the parties with respect to the subject matter hereof and supersedes any and all prior agreements, arrangements and understandings relating to the subject matter hereof. This Escrow Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and legal representatives. The paragraph headings of this Escrow Agreement are for convenience of reference only and do not form a part hereof and do not in any way modify, interpret or construe the intentions of the parties. The construction and performance of this Agreement shall be governed by the law of the State of Delaware without regard to its principles of conflict of law.

**8. Notices.** Any notice, demand or request required or permitted to be given under the provisions of this Escrow Agreement shall be in writing, addressed to the following addresses, or to such other address as any party may request in writing.

If to Seller:

NM Licensing LLC  
NextMedia Operating, Inc.  
6312 S. Fiddlers Green Circle  
#205E  
Englewood, CO 80111  
Attn: Sean Stover  
Telephone: (303) 694-4511  
Facsimile: (303) 694-4940

With a copy to:

Andrews Kurth LLP  
1717 Main Street, Suite 3700  
Dallas, TX 75201  
Attention: John Quattrocchi, Esq.  
Telephone: (214) 659-4400  
Facsimile: (214) 659-4401

If to Buyer:

Beasley Broadcast Group, Inc.  
3033 Riviera Drive, Suite 200  
Naples, FL 34103  
Attention: Caroline Beasley  
Telephone: (239) 263-5000

Facsimile: (239) 434-8950

With a copy to:

Leventhal, Senter & Lerman, P.L.L.C.  
2000 K Street, N.W.  
Suite 600  
Washington, D.C. 20006-1809  
Attention: Steven A. Lerman, Esq.  
Telephone: (202) 429-8970  
Facsimile: (202) 293-7783

If to Escrow Agent:

Star Media Group, Ltd.  
Suite 609 East  
5080 Spectrum Drive  
Addison, TX 75001  
Attention: Peter Handy  
Telephone: (972) 458-9300  
Facsimile: (972) 458-1330

Any such notice, demand or request shall be deemed to have been duly delivered and received (i) on the date of personal delivery, or (ii) on the date of transmission, if sent by facsimile (but only if a hard copy is also sent by overnight courier), or (iii) on the date of receipt, if mailed by registered or certified mail, postage prepaid and return receipt requested, or (iv) on the date of a signed receipt, if sent by an overnight delivery service, but only if sent in the same manner to all persons entitled to receive notice or a copy.

**9. Definitions.** Capitalized terms not defined herein shall have the meanings ascribed to them in the Purchase Agreement.

**10. Governing Law; Forum; Waiver of Jury Trial.** The construction and performance of this Escrow Agreement shall be governed by the laws of the State of Delaware without regard to its principles of conflict of law. The exclusive forum for the resolution of any disputes arising hereunder shall be the federal or state courts located in Wilmington, Delaware, and each party irrevocably waives the reference of an inconvenient forum to the maintenance of any such action or proceeding. **BUYER, SELLER AND ESCROW AGENT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING IN ANY WAY TO THIS AGREEMENT, INCLUDING ANY COUNTERCLAIM MADE IN SUCH ACTION OR PROCEEDING, AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE DECIDED SOLELY**

BY A JUDGE. Buyer, Seller and Escrow Agent hereby acknowledge that they have each been represented by counsel in the negotiation, execution and delivery of this Escrow Agreement and that their lawyers have fully explained the meaning of the Escrow Agreement, including in particular the jury-trial waiver.

**11. Counterparts.** This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.

[signatures on following page]

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

**BEASLEY FM ACQUISITION CORP.**

By: Caroline Beasley  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**NM LICENSING LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**NEXTMEDIA OPERATING, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**STAR MEDIA GROUP, LTD.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



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

**BEASLEY FM ACQUISITION CORP.**

By: \_\_\_\_\_  
Name:  
Title:

**NM LICENSING I LLC**

By: \_\_\_\_\_  
Name:  
Title:

**NEXTMEDIA OPERATING, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**STAR MEDIA GROUP, LTD.**

By: \_\_\_\_\_  
Name:  
Title:

39:23A FROM: HANDY  
4 00:02 FAX 8155501000

214-559-6185  
STAR MEDIA

TO: 9724581330  
STAR MEDIA

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

BEASLEY FM ACQUISITION CORP.

By:  
Name:  
Title:

FM LICENSING LLC

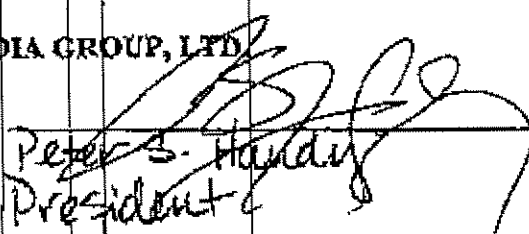
By:  
Name:  
Title:

SEXTMEDIA OPERATING, INC.

By:  
Name:  
Title:

STAR MEDIA GROUP, LTD.

By:  
Name:  
Title:

  
Peter S. Handy  
President