

## **ESCROW AGREEMENT**

This Escrow Agreement, made and entered into this 19th day of February, 2002, by and among CALYPSO COMMUNICATIONS, a general partnership ("Seller"), LKK GROUP CORPORATION, a California corporation ("Buyer") and PEPPER & CORAZZINI, L.L.P. ("Escrow Agent").

### **WITNESSETH:**

**WHEREAS**, Seller and Buyer are parties to a certain Asset Purchase Agreement dated February 19, 2002 (the "Agreement"), whereby Buyer has agreed to acquire certain assets of Seller that are used in the operation of WVGN(FM), Charlotte Amalie, Virgin Islands (FCC Facility ID No. 14999); and

**WHEREAS**, the Agreement requires that the sum of Fourteen Thousand Five Hundred Dollars (\$14,500) ("Escrowed Funds") be deposited with the Escrow Agent, to be held and subsequently disbursed in accordance with the terms set forth herein.

**NOW, THEREFORE**, for and in consideration of the mutual promises and in consideration of the mutual benefits to be derived therefrom, the parties hereto agree as follows:

1. The Escrow Agent shall deposit the Escrowed Funds in a money market account or savings account that is federally insured (up to the available limits of such insurance) and will act hereunder as a depository. Seller and Buyer acknowledge that Escrow Agent has served as legal counsel to Buyer and will continue to so serve and agree to waive any potential conflict between its role as such legal counsel and its duties as Escrow Agent hereunder.

2. The Escrow Agent shall not be liable for any action that it may in good faith take or refrain from taking in connection herewith, believed by it to be authorized or within the rights and powers conferred upon it by this Agreement, and may consult with counsel of its own choice and shall have full and complete authorization and protection for any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel. The costs and expenses incurred by Escrow Agent with respect to such consultation (including the fees of such counsel) shall be paid jointly and severally by Seller and Buyer.

3. The Escrow Agent is authorized to act upon any document, request, or notice which it believes in good faith to be genuine and signed or presented by the proper party or parties, and shall be protected in so acting.

4. All notices as required or provided for herein shall be made in writing and sent by certified or registered mail, return receipt requested, postage prepaid, or USPS Express air service, overnight air courier service or same day delivery service, to the address specified below (or at such other address which party shall specify to the other party in accordance herewith):

(a) If to Seller:

Calypso Communications  
Attn: Robert Miller  
22249 Solomon, Suite 3224  
Novi, MI 48375

with copy to:

Shelley Sadowsky  
Rosenman & Colin LLP  
805 15<sup>th</sup> St., N.W.  
9<sup>th</sup> Floor  
Washington, DC 20005-2212

(b) If to Buyer:

LKK Group Corporation  
Attn: Keith Bass  
6233 Wilshire Boulevard  
Los Angeles, CA 90048

with a copy to:

John F. Garziglia, Esq.  
Pepper & Corazzini, L.L.P.  
1776 K Street, N.W.  
Suite 200  
Washington, D.C. 20006

Notice shall be deemed to have been given three business days after mailing if sent by registered or certified mail, or on the next business day if sent by USPS express mail, overnight air courier or same day delivery service.

5. The Escrow Agent shall disburse the Escrowed Funds and accrued interest thereon as follows:

(a) Upon the Closing. If the Closing of the transactions contemplated by the Purchase Agreement occurs, then upon receipt of joint written instructions from Buyer and Seller, the Escrow Agent shall deliver the Escrowed Funds as instructed by such joint instructions.

(b) Failure to Close.

(i) If Escrow Agent receives a written notice from Seller stating that Seller is entitled to the Escrowed Funds, Escrow Agent shall provide notice thereof to Buyer and, unless Escrow Agent has received a written notice of objection from Buyer within ten (10) business days after such delivery, Escrow Agent shall release the Escrowed Funds in accordance with written instructions signed by Seller, and without further action or written instructions by Buyer, shall deliver the funds received therefrom to Seller and shall deliver any accrued interest to Buyer. If Escrow Agent so receives a written notice of objection from Buyer, the Escrow Agent shall act in accordance with Section 6 below.

(ii) If Escrow Agent receives a written notice from Buyer stating that the Buyer is entitled to return of the Escrowed Funds, Escrow Agent shall provide notice thereof to Seller and, unless Escrow Agent has received a written notice of objection from Seller within ten (10) business days after such delivery, Escrow Agent shall deliver the Escrowed Funds and any accrued interest, to Buyer. If Escrow Agent so receives a written notice of objection from Seller, the Escrow Agent shall act in accordance with Section 6 below.

(c) Notwithstanding the foregoing, the Escrow Agent shall comply with any instructions signed by both Seller and Buyer concerning disposition of the Escrowed Funds.

6. In the event of any disputes concerning the Escrowed Funds or the duties of the Escrow Agent hereunder, then the Escrow Agent may, at its sole option, (a) continue to hold the Escrowed Funds and collect and deposit all interest earned thereon or (b) advise all parties of the filing of an interpleader action in a court of competent jurisdiction in Washington, D.C., whereupon the Escrow Agent shall then promptly file the interpleader action and place the Escrowed Funds in the registry of the Court. Seller and Buyer jointly and severally agree to pay the Escrow Agent's costs, including reasonable attorney's fees which the Escrow Agent may expend or incur in such interpleader suit, the amount of such costs to be fixed and judgment therefor to be rendered by the Court in such suit. Upon the filing of the interpleader action and the payment of the Escrowed Funds into the registry of the Court, the Escrow Agent shall be fully released and discharged from all obligations imposed on it in this Agreement.

7. The Escrow Agent shall not be liable, except for its own gross negligence or willful misconduct and, except with respect to claims based upon such gross negligence or willful misconduct that are successfully asserted against Escrow Agent. The other parties hereto shall jointly and severally indemnify and hold harmless Escrow Agent (and any successor Escrow Agent) from and against any and all losses, liabilities, claims, actions, damages and expenses, including reasonable attorneys' fees and disbursements arising out of and in connection with this Agreement.

8. The Escrow Agent may resign at any time by giving 30 days' prior notice thereof to Seller and Buyer, and upon providing Seller and Buyer with evidence that a substitute escrow agent has agreed to all of the terms and conditions of this Agreement and agrees to be bound hereunder.

9. This Agreement shall be construed and enforced in accordance with the substantive laws of the District of Columbia without reference to the principles of conflicts of law in effect in such jurisdiction.

10. This Agreement may be signed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. In addition, this Agreement may contain more than one counterpart of the signature page and this Agreement may be signed by the affixing of the signature of each party to one of such counterpart signature pages; all of such counterpart signature pages shall be read as though one, and they shall have the same force and effect as though all of the signers had signed a single signature page.

**IN WITNESS WHEREOF**, the parties hereto have caused this Escrow Agreement to be executed on the day and year first above written.

**CALYPSO COMMUNICATIONS**

By: *Robert E. Miller*  
Name: Robert E. Miller  
Title: *General Partner*

**LKK GROUP CORPORATION**

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

**PEPPER & CORAZZINI, L.L.P.**

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

9. This Agreement shall be construed and enforced in accordance with the substantive laws of the District of Columbia without reference to the principles of conflicts of law in effect in such jurisdiction.

10. This Agreement may be signed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. In addition, this Agreement may contain more than one counterpart of the signature page and this Agreement may be signed by the affixing of the signature of each party to one of such counterpart signature pages; all of such counterpart signature pages shall be read as though one, and they shall have the same force and effect as though all of the signers had signed a single signature page.

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**CALYPSO COMMUNICATIONS**

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

**LKK GROUP CORPORATION**

By:  \_\_\_\_\_  
Name: *Keith Bess*  
Title: *Pres.*

**PEPPER & CORAZZINI, L.L.P.**

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

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**CALYPSO COMMUNICATIONS**

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

**LKK GROUP CORPORATION**

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

**PEPPER & CORAZZINI, L.L.P.**

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