

## ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this "Agreement"), is made as of the 27th day of October, 2000 by and among Nash Communications Corporation, a Delaware corporation ("Seller"), Radio One, Inc., a Delaware corporation ("Buyer"), and Wilmington Trust Company (the "Escrow Agent"). Buyer, Seller and Escrow Agent are referred to collectively herein as the "parties".

### Recitals

Buyer and Seller are parties to a Merger Agreement of even date herewith (the "Purchase Agreement") pursuant to Section 2(e) of which, Buyer and Seller have agreed that Buyer shall deposit certain funds in escrow; and

It is a condition to the obligations of the Buyer and Seller under the Purchase Agreement that Buyer, Seller and the Escrow Agent execute and deliver this Escrow Agreement.

### Agreement

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions. All capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Purchase Agreement.

2. Deposit of Funds. In accordance with Section 2(e) of the Purchase Agreement, Buyer has delivered, or simultaneously herewith shall deliver, to the Escrow Agent the sum of One Million One Hundred Ninety Thousand Dollars (\$1,190,000) (the "Cash Deposit") by wire transfer of immediately available funds, receipt of which is hereby acknowledged by the Escrow Agent. The Cash Deposit, plus any and all accrued or paid interest or dividends on such Cash Deposit, minus any funds disbursed to Buyer or Seller in accordance with the terms of this Escrow Agreement is herein referred to collectively as the "Escrow Amount." The Escrow Amount shall be held by the Escrow Agent in a separate and distinct account in the name of Wilmington Trust Company, as Escrow Agent (the "Escrow Account") in accordance with the terms and conditions hereinafter set forth. The federal employer identification number for the Escrow Account shall be that of Buyer as the Buyer, assuming the due consummation of the Closing under the Purchase Agreement, is entitled to receive the accrued interest or dividends on the Cash Deposit, and Buyer shall pay any taxes attributable thereto.

3. Investments.

(a) Permitted Investments. The Escrow Agent shall invest and reinvest the Cash Deposit in any or all of the following, as directed by Buyer: (i) short-term direct obligations of, or obligations fully guaranteed by, the United States of America or any agency thereof; (ii) certificates of deposit issued by any bank, trust company or national banking association having total capital and surplus in excess of \$500,000,000 and rated at least AAA by Standard & Poor's Ratings Group and AAA by Moody's Investors Service, Inc., to the maximum extent permitted by law; (iii) commercial paper rated in the highest grade by Standard & Poor's Ratings Group and/or Moody's Investors Service, Inc., in each case having maturities of not more than thirty days; or (iv) the U.S. Government portfolio of the Wilmington Fund (fka the Rodney Square Fund), a money market mutual fund which is registered under the Investment Company Act of 1940 and which is an affiliate of the Escrow Agent and is rated in the highest grade by Standard & Poor's Rating Group and Moody's Investors Service, Inc. (such investments described above in (i)-(iv) being collectively referred to herein as the "Permitted Investments"). Investment earnings shall be credited to the Escrow Account until disbursed in accordance with Section 5 hereof. Any loss incurred from an investment or sale thereof ("Investment Loss") other than any losses resulting directly or indirectly from the gross negligence or willful misconduct of the Escrow Agent, shall be deducted from the Escrow Amount. The Escrow Agent shall not be responsible for any losses on any uninvested cash remaining in the Escrow Account, which may occur because of bank failure or the Cash Deposit exceeding the Federal Deposit Insurance Corporation limits.

(b) Disposition of Securities. At the time the Escrow Agent shall be required to make any payment under this Escrow Agreement, the Escrow Agent shall promptly and timely liquidate the Permitted Investments held hereunder to the extent necessary to make such payment in accordance with the terms hereof.

(c) Reports. The Escrow Agent shall deliver to Buyer and Seller monthly statements on the Escrow Account and shall otherwise respond to reasonable telephone and other requests for account balances with respect thereto.

4. Rights to Escrow Account. The Escrow Account shall be for the exclusive benefit of Buyer, Seller and their respective permitted successors and assigns. No other person or entity shall have any right, title to or interest in the Escrow Account, except as otherwise permitted herein or by the Purchase Agreement.

5. Disbursement of Escrow Amount. The Escrow Agent shall disburse the Escrow Account in accordance with the joint written instructions of Buyer and Seller substantially in the form attached hereto as *Exhibit A* and providing for the release of funds in the Escrow Account to Buyer or Seller, as set forth therein (the "Consent Notice"). Within two business days of receipt of a Consent Notice, the Escrow Agent shall transfer from the Escrow Account to the party or parties named in the Consent Notice, in immediately available funds, the amounts specified therein.

6. Settlement of Disputes. Any dispute which may arise under this Agreement with respect to the rights of Buyer or Seller to the Escrow Amount (or any part thereof) or the duties of the Escrow Agent hereunder shall be settled as follows:

(a) By mutual agreement of the parties concerned (evidenced by appropriate notice of settlement and instructions in writing to the Escrow Agent, signed by both the Buyer and the Seller); or

(b) If the parties concerned mutually agree to submit the dispute to arbitration, by binding arbitration; or

(c) By a final order, decree or judgment of a court of competent jurisdiction in the United States of America (the time for appeal having expired and no appeal having been perfected).

The non-prevailing party(ies) shall pay all of the reasonable costs and expenses of the Escrow Agent (including reasonable attorneys' fees) associated therewith. The Escrow Agent shall be under no duty to institute or defend any such proceedings.

7. Termination. This Escrow Agreement shall automatically terminate on the date on which all amounts and documents in the Escrow Account have been distributed pursuant to Section 5 hereof.

8. The Escrow Agent.

(a) Obligations.

(i) The obligations of the Escrow Agent are those specifically provided in this Escrow Agreement. The Escrow Agent shall have no liability under, and no duty to inquire into the terms and provisions, of any other agreement between Buyer and Seller. The Escrow Agent is acting hereunder as an accommodation to the Buyer and Seller. The Escrow Agent's duties hereunder are purely ministerial in nature, and it shall not incur any liability in connection with the performance of such duties, except for willful misconduct or gross negligence. The Escrow Agent may consult with counsel of its choice.

(ii) The Escrow Agent shall not have any responsibility for the genuineness or validity of any document or other item deposited with it or of any signature thereon for the identity, authority or right of any person executing or depositing the same and shall not have any liability for acting in accordance with any written instructions or certificates given to it hereunder signed by the proper parties.

(b) Resignation and Removal. The Escrow Agent may resign and be discharged from its duties hereunder at any time by giving at least thirty days prior written notice of such resignation to Buyer and Seller and specifying a date upon which such resignation shall take effect; provided that the Escrow Agent shall continue to serve until its successor accepts the Escrow Amount. Upon receipt of such notice, a successor escrow agent shall be appointed by Buyer and Seller, to become the Escrow Agent hereunder on the resignation date specified in

such notice. If an instrument of acceptance by a successor escrow agent shall not have been delivered to the Escrow Agent within forty-five days after the giving of such notice of resignation, the resigning Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor escrow agent. Buyer and Seller, acting jointly, may at any time substitute a new escrow agent by giving ten days notice thereof to the Escrow Agent and paying all fees and expenses of the Escrow Agent.

(c) Indemnification. Subject to the penultimate sentence in Section 6 hereof, Buyer and Seller shall jointly and severally hold the Escrow Agent harmless from and against and indemnify the Escrow Agent for any loss, liability, expense (including reasonable attorneys' fees and expenses either paid to retained attorneys or amounts representing the fair value of legal services rendered to itself), claim or demand arising out of or in connection with its acceptance of appointment as Escrow Agent or the performance of its obligations in accordance with the provisions of this Escrow Agreement, except for any of the foregoing arising out of the gross negligence or willful misconduct of the Escrow Agent and except for expenses of the Escrow Agent described under Section 8(d) hereof. The foregoing indemnities in this Section 8(c) shall survive the resignation or substitution of the Escrow Agent and the termination of this Escrow Agreement. The Escrow Agent shall have a first lien against the Escrow Account to secure the obligations of Buyer and Seller hereunder.

(d) Expenses and Fees of the Escrow Agent.

(i) Subject to the penultimate sentence in Section 6 hereof, the Escrow Agent shall be promptly reimbursed by Buyer and Seller (50% by Buyer and 50% by Seller) for reasonable expenses, including those identified in Sections 8(c), 8(d)(ii) and (iii) and 8(e) incurred by the Escrow Agent in the performance of services pursuant to this Escrow Agreement including, but not limited to, reasonable legal fees ("Escrow Expenses").

(ii) The Escrow Agent shall receive as compensation for its services hereunder a fee of \$2,500.00 and, if the Escrow Account remains unliquidated for a period in excess of one year from the date hereof, an annual service fee for the second and subsequent years determined from time to time by the application of the current rates then charged by Escrow Agent for accounts of similar size and character, with a maximum rate of \$2,500.00 per annum ("Escrow Fees"). The Escrow Fees shall be paid one half by Seller and one-half by Buyer. In the event Escrow Agent renders any extraordinary services in connection with the Escrow Account at the request of Buyer and/or Seller, the Escrow Agent shall be entitled to additional reasonable compensation therefor from the party requesting such services prior to performing such services. The terms of this Section shall survive termination of this Agreement.

(iii) The Escrow Agent shall have a first lien against the Escrow Account to secure the obligations of Buyer and Seller hereunder.

(e) Interpleader. In the event conflicting demands for payment of the Escrow Account are made or conflicting notices are served on the Escrow Agent growing out of or directly related to its duties under this Escrow Agreement which remain unresolved, Seller and Buyer hereto expressly agree and consent that the Escrow Agent may file, at the expense of Seller and Buyer, an interpleader action in a Court of competent jurisdiction in the State of

Delaware and notify Seller and Buyer pursuant to the notice provision set out in Section 9(c) hereof. The Escrow Agent shall then promptly file the interpleader action and place the Escrow Account in the registry of said Court. Upon the filing of the interpleader action and the tender of the Escrow Account into the registry of said Court the Escrow Agent shall, ipso facto, be fully released and discharged from all obligations imposed on it in this Escrow Agreement.

(f) Conflict. In the event of any conflict between the terms and provisions of this Agreement and those of the Purchase Agreement, the terms and provisions of this Agreement shall control as to the rights, duties, obligations and liabilities of the Escrow Agent regarding the Escrow Amount, and the terms of the Purchase Agreement shall control as to the respective rights of Seller and Buyer regarding the Escrow Amount.

9. Miscellaneous.

(a) Counterparts. This Agreement may be executed in one or more counterparts, all of which taken together will constitute one and the same agreement.

(b) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware exclusive of the conflict of law principles thereof.

(c) Notices. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing (which shall include notice by telex or facsimile transmission) and shall be deemed to have been duly made and received when personally served, or when delivered by Federal Express or a similar overnight courier service, expenses prepaid, or, if sent by telex, graphic scanning or other facsimile communications equipment, delivered by such equipment, addressed as follows:

If to Buyer:

Radio One, Inc.  
5900 Princess Garden Parkway, 8th Floor  
Lanham, MD 20706  
ATTN: Alfred C. Liggins  
Facsimile No.: (301) 306-9694

With copies (which shall not constitute notice) to:

Radio One, Inc.  
5900 Princess Garden Parkway  
8<sup>th</sup> Floor  
Lanham, MD 20706  
ATTN: Linda J. Eckard  
Facsimile No.: (301) 306-9638

If to Seller:

Nash Communications Corporation  
90 Warren Street  
Boston, MA 02119  
Attn: Bernadine Foster Nash  
Facsimile No.: (617) 427-2677

With copies (which shall not constitute notice) to:

Pepper & Corazzini, L.L.P.  
1776 K Street, N.W.  
Suite 200  
Washington, D.C. 20006  
Attn: John Garziglia, Esq.  
Facsimile No.: (202) 296-5572

If to Escrow Agent:

Wilmington Trust Company  
1100 North Market Street  
Rodney Square North  
Wilmington, Delaware 19890  
ATTN: Corporate Custody  
Telecopier: (302) 651-8464

Any party may alter the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section providing for the giving of notice.

(d) Benefits of Agreement. This Escrow Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns whether so expressed or not. This Agreement may be assigned in a manner permitted by the Purchase Agreement.

(e) Entire Agreement. This Agreement and the agreements and documents referred to herein supersede any prior understandings, agreements or representations by or between the parties, written or oral, which may have related to the subject matter hereof in any way.

(f) Headings. Section and subsection headings are included for convenience of reference only and shall not constitute a part of this Escrow Agreement for any other purpose or be given any substantive effect.

(g) Amendments. This Escrow Agreement may be amended or modified at any time or from time to time in a writing signed by each of the parties hereto.

(h) Severability. In case any provision or obligation under this Escrow Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not be affected or impaired thereby.

[SIGNATURE PAGE FOLLOWS]

833237

SIGNATURE PAGE TO ESCROW AGREEMENT

IN WITNESS WHEREOF, the parties hereto have executed this Escrow Agreement as of the day and year first above written.

**SELLER:**

NASH COMMUNICATIONS CORPORATION

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

**BUYER:**

RADIO ONE, INC.

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

**ESCROW AGENT:**

WILMINGTON TRUST COMPANY

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

EXHIBIT A

FORM OF CONSENT NOTICE

[date]

WILMINGTON TRUST COMPANY  
1100 North Market Street  
Rodney Square North  
Wilmington, Delaware 19890  
Attn: Corporate Custody

Reference is made to that certain Escrow Agreement (the “Escrow Agreement”), dated \_\_\_\_\_, 2000, by and among . This notice is a Consent Notice contemplated by Section 5 of the Escrow Agreement.

You are hereby directed to release funds from the Escrow Account as follows:

To: [name of party]  
Description: [dollar amount to be released]  
Transfer Instruction: [wire instruction or other payment/delivery direction]

To: [name of party]  
Description: [dollar amount to be released]  
Transfer Instruction: [wire instruction or other payment/delivery direction]

The undersigned hereby represent and warrant to you that the foregoing parties are entitled to be paid the amounts accompanying their respective names. The undersigned hereby agree that nothing contained herein in any way impairs or otherwise affects your rights under Section 8 of the Escrow Agreement.

BUYER:

[name]  
[title]

SELLER:

[name]  
[title]