



First
Business

FIRST BUSINESS TRUST & INVESTMENTS

ESCROW AGREEMENT

WHEREAS, Evening Telegram Company d/b/a Morgan Murphy Media, a Wisconsin corporation ("Buyer"), and Saga Broadcasting, LLC and Saga Quad States Communications, LLC, each a Delaware limited liability company and wholly owned subsidiaries of parent company Saga Communications, Inc., (together, "Seller"), have caused or will cause certain funds to be deposited in escrow with FIRST BUSINESS TRUST & INVESTMENTS, A DIVISION OF FIRST BUSINESS BANK, a Wisconsin banking corporation ("Escrow Agent"), on terms and conditions more particularly described herein.

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

ARTICLE I TERMS AND CONDITIONS

1.1 Deposit of Escrow Funds. Pursuant to Section 2.1 of the Asset Purchase Agreement by and among Seller and Buyer dated MAY 9, 2017 the undersigned have caused or will cause to be deposited with the Escrow Agent the sum of \$3.5 million (such sum, or the balance thereof remaining, being referred to herein as the "Escrow Funds").

1.2 Treatment of Escrow Funds. The monies constituting the Escrow Funds shall be deposited in a segregated, interest-bearing account pursuant to the terms of this Escrow Agreement. Such account shall be titled Asset Purchase Agreement Deposit Escrow, with federal tax identification no. 39-0268400.

1.3 Investment of Escrow Funds. The Escrow Funds shall be invested and reinvested by the Escrow Agent in a short-term money market account maintained by the Escrow Agent. Buyer and Seller, jointly, may provide instructions changing the investment of the Escrow Funds by the furnishing of a Joint Written Direction to the Escrow Agent; provided, however, that no investment or reinvestment may be made except in the following: (i) direct obligations of the United States of America or obligations the principal of and the interest on which are unconditionally guaranteed by the United States of America; (ii) U.S. dollar denominated deposit accounts and certificates of deposits issued by any bank, (including Escrow Agent and its affiliates), which such deposits are insured by the Federal Deposit Insurance Corporation or a similar governmental agency; (iii) repurchase agreements with any bank (including Escrow Agent and its affiliates); or (iv) institutional money market funds.

Escrow Agent shall have the right to sell or liquidate any investments held in order to make required disbursements under this Escrow Agreement. All investment earnings shall become part of the Escrow Funds and investment losses shall be charged against the Escrow Funds. Escrow Agent shall have no liability for any loss sustained as a result of any investment made pursuant to this Escrow Agreement or as a result of any liquidation of any investment prior to its maturity or for any loss, cost or penalty resulting from any sale or liquidation of the Escrow Funds. With respect to any Escrow Funds received by Escrow Agent after twelve o'clock, p.m., Central Standard Time, Escrow Agent shall not be required to invest such funds or to effect any investment instruction until the next business day during which the Federal Reserve is open.

1.4 Statements. Escrow Agent will provide periodic statements to Seller and to Buyer reflecting transactions executed on behalf of the Escrow Fund.

1.5 Escrow Procedure and Payment Instruction. The Escrow Fund, together with all interest earned thereon, which interest shall become and remain a part of the Fund, shall be held and disbursed in accordance with the terms of this Escrow Agreement by joint written instruction of Seller and Buyer as set out in **Schedule A** attached

1.6 Termination. This Escrow Agreement shall terminate upon the first to occur of any of the following events:

A. The disbursement of the balance of the Fund in accordance with joint written instruction of Seller and Buyer and the provisions of **Schedule A** hereof.

B. The expiration of 365 days from the date of this Escrow Agreement, in which case the remaining balance of the Fund shall be disbursed by joint written instruction by Seller and Buyer in accordance with the provisions of **Schedule A** hereof.

1.7 Notice to Escrow Agent. Notwithstanding any term appearing in this Agreement to the contrary, in no instance shall the Escrow Agent be required or obligated to distribute any Escrow Property (or take other action that may be called for hereunder to be taken by the Escrow Agent) sooner than two (2) business days after (i) it has received the written instruction, in good form, under Section 3.2 of this Agreement, or (ii) passage of the applicable time period (or both, as applicable under the terms of this Agreement), as the case may be.

ARTICLE II PROVISIONS AS TO ESCROW AGENT

2.1. Limitation of Escrow Agent's Capacity.

A. This Escrow Agreement expressly and exclusively sets forth the duties of Escrow Agent with respect to any and all matters pertinent hereto, and no implied duties or obligations shall be read into this Escrow Agreement against Escrow Agent. This Escrow Agreement constitutes the entire agreement between the Escrow Agent and the other parties hereto in connection with the subject matter of this escrow, and no other agreement entered into between the parties, or any of them, shall be considered as adopted or binding, in whole or in part, upon the Escrow Agent notwithstanding that any such other agreement may be referred to herein or deposited with Escrow Agent or the Escrow Agent may have knowledge thereof, and Escrow Agent's rights and responsibilities shall be governed solely by this Escrow Agreement.

B. Escrow Agent is not responsible or liable in any manner whatsoever for the sufficiency, correctness, genuineness or validity of the subject matter of this Escrow Agreement or any part thereof, or for the form of execution thereof, or for the identity or authority of any person executing or depositing such subject matter. Escrow Agent shall be under no duty to investigate or inquire as to the validity or accuracy of any document, agreement, instruction or request furnished to it hereunder believed by it to be genuine and Escrow Agent may rely and act upon, and shall not be liable for acting or not acting upon, any such document, agreement, instruction or request. Escrow Agent shall in no way be responsible for notifying, nor shall it be its duty to notify, any party hereto or any other party interested in this Escrow Agreement of any payment required or maturity occurring under this Escrow Agreement or under the terms of any instrument deposited herewith.

2.2 Authority to Act.

A. Escrow Agent is hereby authorized and directed by the undersigned to deliver the subject matter of this Escrow Agreement only in accordance with the provisions of Article I of this Escrow Agreement.

B. Instructions to the Escrow Agent shall be made only by those persons designated in writing as authorized representatives of the entity(ies) signing below. Escrow Agent shall be protected in acting upon any written notice, request, waiver, consent, certificate, receipt, authorization, power of attorney or other paper or document which Escrow Agent in good faith believes to be genuine and what it purports to be, including, but not limited to, items directing investment or non-investment of funds, items requesting or authorizing release, disbursement or retainage of the subject matter of this Escrow Agreement and items amending the terms of this Escrow Agreement.

C. Escrow Agent may consult with legal counsel at the joint and several cost and expense of the undersigned (other than Escrow Agent) in the event of any dispute or question as to the construction of any of the provisions hereof or its duties hereunder, and it shall incur no liability and shall be fully protected in acting in accordance with the advice of such counsel.

D. In the event of any disagreement between any of the parties to this Escrow Agreement, or between any of them and any other person, resulting in adverse claims or demands being made in connection with the matters

covered by this Escrow Agreement, or in the event that Escrow Agent, in good faith, be in doubt as to what action it should take hereunder, Escrow Agent may, at its option, refuse to comply with any claims or demands on it, or refuse to take any other action hereunder, so long as such disagreement continues or such doubt exists, and in any such event, Escrow Agent shall not be or become liable in any way or to any person for its failure or refusal to act, and Escrow Agent shall be entitled to continue so to refrain from acting until (i) the rights of all interested parties shall have been fully and finally adjudicated by a court of competent jurisdiction, or (ii) all differences shall have been adjudged and all doubt resolved by agreement among all of the interested persons, and Escrow Agent shall have been notified thereof in writing signed by all such persons. Notwithstanding the foregoing, Escrow Agent may in its discretion obey the order, judgment, decree or levy of any court, whether with or without jurisdiction, or of any agency of the United States or any political subdivision thereof, or of any agency of the State of WISCONSIN or of any political subdivision thereof, and Escrow Agent is hereby authorized in its sole discretion, to comply with and obey any such orders, judgments, decrees or levies.

2.3 Compensation. Escrow Agent shall be entitled to reasonable compensation as well as reimbursement for its reasonable costs and expenses incurred in connection with the performance by it of service under this Escrow Agreement (including reasonable fees and expenses of Escrow Agent's counsel) and the undersigned (other than Escrow Agent) agree to so pay Escrow Agent reasonable compensation and reimburse Escrow Agent for reasonable costs and expenses. The parties hereto agree that escrow fees shall be due and payable in accordance with Schedule B attached hereto and that each of Buyer and Seller shall be liable for, and shall pay, one-half (1/2) of such escrow fees upon receipt of an itemized invoice. In the event that escrow fees are not timely paid by the parties, such fees may be deducted by the Escrow Agent from the Fund from time to time, pursuant to the terms of the applicable fee schedule. Escrow funds can be withheld until all Agent fees have been paid in full.

2.4 Indemnification. The parties to this Escrow Agreement (other than Escrow Agent) hereby jointly and severally agree to indemnify and hold Escrow Agent, its affiliates and their officers, employees, successors, assigns, attorneys and agents (each an "Indemnified Party") harmless from all losses, costs, claims, demands, expenses, damages, penalties and attorney's fees suffered or incurred by any Indemnified Party or Escrow Agent as a result of anything which it may do or refrain from doing in connection with this Escrow Agreement or any litigation or cause of action arising from or in conjunction with this Escrow Agreement or involving the subject matter hereof or Escrow Funds or monies deposited hereunder or for any interest upon any such monies, including, without limitation, arising out of the negligence of Escrow Agent; provided that the foregoing indemnification shall not extend to the gross negligence or willful misconduct of Escrow Agent.

2.5 Resignation of Escrow Agent. Escrow Agent may resign and be discharged from the performance of its duties hereunder at any time by giving thirty days' prior written notice to the Buyer and Seller specifying a date when such resignation shall take effect. Upon any such notice of resignation, the Escrow Representatives jointly shall appoint a successor Escrow Agent hereunder prior to the effective date of such resignation. If the Escrow Representatives cannot agree upon a successor Escrow Agent, then each Escrow Representative shall select an individual or entity (each, a "Person"), and the two Persons selected shall appoint the successor Escrow Agent. If no successor escrow agent is named by the Escrow Representatives the Escrow Agent may apply to a court of competent jurisdiction for appointment of a successor escrow agent.

The retiring Escrow Agent shall transmit all records pertaining to the Escrow Funds and shall pay all Escrow Funds to the successor Escrow Agent, after making copies of such records as the retiring Escrow Agent deems advisable and after deduction and payment to the retiring Escrow Agent of all fees and expenses (including court costs and attorneys' fees) payable to, incurred by, or expected to be incurred by the retiring Escrow Agent in connection with the performance of its duties and the exercise of its rights hereunder. After any retiring Escrow Agent's resignation, the provisions of this Escrow Agreement shall continue to obligate it and inure to its benefit as to any actions taken or omitted to be taken by it while it was Escrow Agent under this Escrow Agreement. Any corporation or association into which the Escrow Agent may be merged or converted or with which it may be consolidated, or any corporation or association to which all or substantially all of the escrow business of the Escrow Agent's corporate trust line of business may be transferred, shall be the Escrow Agent under this Escrow Agreement without further act.

2.6 Taxes. To the extent either party receives any portion of the Escrow Property and/or interest thereon, that party agrees (a) to assume any and all obligations imposed now or hereafter by any applicable tax law with respect to any payment or distribution of the Escrow Property or performance of other activities under this Agreement, and (b) to indemnify and hold the Escrow Agent (and its directors, officers and employees) harmless from any liability or obligation on account of taxes, assessments, additions for late payment, interest, penalties, expenses and other

governmental charges that may be assessed or asserted against the Escrow Agent (and its directors, officers and employees) in connection with, on account of or relating to the Escrow Property, the management established hereby, any payment or distribution of or from the Escrow Property pursuant to the terms hereof or other activities performed under the terms of this Agreement. The foregoing indemnification and agreement to hold harmless shall survive the termination of this Agreement.

The Agent will provide a Form 1099 to such party or parties as are designated in writing in this agreement. Such parties shall timely provide the Agent with a valid IRS Form W-9 or IRS form W-8 as appropriate. At the end of each calendar year, the Escrow Agent shall timely prepare and file the appropriate IRS Forms 1099 and shall deliver copies of such form to Seller and Buyer.

2.7 Miscellaneous.

A. Identifying Information. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a Trust, or other legal entity, Escrow Agent requires documentation to verify its formation and existence as a legal entity. Escrow Agent may ask to see financial statements, licenses, identifications and authorization documents from individuals claiming authority to represent the entity or other relevant documentation. Buyer and Seller acknowledge that a portion of the identifying information set forth herein is being requested by the Escrow Agent in connection with the USA Patriot Act, Pub.L. 107-56, and Buyer and Seller agree to provide any additional information requested by Escrow Agent in connection with such act or any similar legislation or regulation to which Escrow Agent is subject, in a timely manner.

B. All representations, covenants, and indemnifications contained in this Article II shall survive the termination of this Escrow Agreement.

ARTICLE III GENERAL PROVISIONS

3.1 Discharge of Escrow Agent. Upon the delivery of all of the subject matter or monies pursuant to the terms of this Escrow Agreement, the duties of Escrow Agent shall terminate and Escrow Agent shall be discharged from any further obligation hereunder.

3.2 Notice. Any payment, notice, request for consent, report, or any other communication required or permitted in this Escrow Agreement shall be in writing and shall be deemed to have been given when (a) personally delivered to the party hereunder specified; (b) by facsimile (in which case, it will be effective on the first business day after receipt of confirmation of good transmission); (c) by overnight delivery by a nationally recognized courier service (in which case, it will be effective on the first business day after being deposited with such courier service); (d) by electronic transmission receipt confirmed (e.g. via email w/ "PDF" attached); or (e) when placed in the United States mail, registered or certified, with return receipt requested, postage prepaid and addressed as follows:

If to Escrow Agent:

FIRST BUSINESS TRUST & INVESTMENTS
401 Charmany Drive
Madison, WI 53719
Attn: Cymbre Van Fossen

Fax: (608) 232-5994
Phone: (608) 232-5752
Email: cvanfossen@firstbusiness.com

If to Seller:

SAGA COMMUNICATIONS, INC.
73 Kercheval Avenue, Suite 201
Grosse Pointe Farms, Michigan 48236
Attention: Samuel D. Bush

Fax: (313) 886-7150
Phone: (313) 886-7070
Email: sbush@sagacom.com

If to Buyer:

EVENING TELEGRAM COMPANY D/B/A MORGAN MURPHY MEDIA
7025 Raymond Road
Madison, WI 53719
Attn: Brian Burns, Chief Operating Officer

Fax: (608) 278-5568
Phone: (608) 277-5109, Ch
Email: brian@embtv.com

and

EVENING TELEGRAM COMPANY D/B/A MORGAN MURPHY MEDIA
7025 Raymond Road
Madison, WI 53719
Attn: Glenn R. Krieg, CFO/Treasurer

Fax: (608) 278-5568
Phone: (608) 277-5193
Email: glenn@embtv.com

Any party may unilaterally designate a different address by giving notice of each such change in the manner specified above to each other party. Notwithstanding the foregoing, no notice to the Escrow Agent shall be deemed given to or received by the Escrow Agent unless actually delivered to an officer of the Escrow Agent having responsibility under this Escrow Agreement.

3.4 Governing Law. This Escrow Agreement is being made in and is intended to be construed according to the laws of the State of WISCONSIN. It shall inure to and be binding upon the parties hereto and their respective successors, heirs and assigns.

3.5 Construction. Words used in the singular number may include the plural and the plural may include the singular. The section headings appearing in this instrument have been inserted for convenience only and shall be given no substantive meaning or significance whatsoever in construing the terms and conditions of this Escrow Agreement.

3.6 Amendment. The terms of this Escrow Agreement may be altered, amended, modified or revoked only by an instrument in writing signed by all of the undersigned and Escrow Agent.

3.7 Force Majeure. Escrow Agent shall not be liable to the undersigned for any loss or damage arising out of any acts of God, strikes, equipment or transmission failure, war, terrorism, or any other act or circumstance beyond the reasonable control of Escrow Agent.

3.8 Written Agreement. This Escrow Agreement represents the final agreement between the parties, and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

EXECUTED as of the dates set forth below.

Date: May 9, 2017

SAGA COMMUNICATIONS, INC.

By: Samuel D. Bush
Name: Samuel D. Bush
Title: Senior Vice President and Chief Financial Officer

EVENING TELEGRAM COMPANY D/B/A MORGAN MURPHY MEDIA

Date: _____

By: _____
Name: Brian Burns
Title: Vice President/Chief Operating Officer

FIRST BUSINESS TRUST & INVESTMENTS, A DIVISION OF FIRST BUSINESS BANK, Escrow Agent, hereby accepts its appointment as Escrow Agent as described in the foregoing Escrow Agreement, subject to the terms and conditions set forth therein.

FIRST BUSINESS TRUST & INVESTMENTS,
A DIVISION OF FIRST BUSINESS BANK,

Date: _____

By: _____
Name: _____
Title: _____

3.8 Written Agreement. This Escrow Agreement represents the final agreement between the parties, and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

EXECUTED as of the dates set forth below.

SAGA COMMUNICATIONS, INC.

Date: _____

By: _____

Name: Samuel D. Bush

Title: Senior Vice President and Chief Financial Officer

EVENING TELEGRAM COMPANY D/B/A MORGAN MURPHY MEDIA

Date: 5/9/17

By: 

Name: Brian Burns

Title: Vice President/Chief Operating Officer

FIRST BUSINESS TRUST & INVESTMENTS, A DIVISION OF FIRST BUSINESS BANK, Escrow Agent, hereby accepts its appointment as Escrow Agent as described in the foregoing Escrow Agreement, subject to the terms and conditions set forth therein.

FIRST BUSINESS TRUST & INVESTMENTS,
A DIVISION OF FIRST BUSINESS BANK,

Date: _____

By: _____

Name: _____

Title: _____

3.8 **Written Agreement.** This Escrow Agreement represents the final agreement between the parties, and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

EXECUTED as of the dates set forth below.

SAGA COMMUNICATIONS, INC.

Date: _____

By: _____
Name: _____
Title: _____

EVENING TELEGRAM COMPANY D/B/A MORGAN MURPHY MEDIA

Date: _____

By: _____
Name: _____
Title: _____

FIRST BUSINESS TRUST & INVESTMENTS, A DIVISION OF FIRST BUSINESS BANK, Escrow Agent, hereby accepts its appointment as Escrow Agent as described in the foregoing Escrow Agreement, subject to the terms and conditions set forth therein.

FIRST BUSINESS TRUST & INVESTMENTS,
A DIVISION OF FIRST BUSINESS BANK,

Date: 5/9/2017

By: Cymbre G. Van Fossen
Name: Cymbre G. Van Fossen
Title: Vice President

SCHEDULE A

DISBURSEMENT REQUEST

Pursuant to that certain Escrow Agreement dated effective _____, 2017 among EVENING TELEGRAM COMPANY D/B/A MORGAN MURPHY MEDIA, SAGA COMMUNICATIONS, INC., and FIRST BUSINESS TRUST & INVESTMENTS, A DIVISION OF FIRST BUSINESS BANK, the parties hereby request disbursement of funds from the "Asset Purchase Agreement Deposit Escrow" Account, pursuant to the joint written instruction of Seller and Buyer, attached hereto.

Joint written instructions to Escrow Agent must be signed by authorized parties for Buyer and Seller as follow:

If to Seller:

Samuel D. Bush
Saga Communications, Inc.
73 Kercheval Avenue, Suite 201
Grosse Pointe Farms, Michigan 48236

If to Buyer:

Brian Burns, Chief Operating Officer
Evening Telegram Company d/b/a Morgan Murphy Media
7025 Raymond Road
Madison, WI 53719

or

Glenn R. Krieg, CFO/Treasurer
Evening Telegram Company d/b/a Morgan Murphy Media
7025 Raymond Road
Madison, WI 53719

BUYER

By: _____

Name: _____

Title: _____

Date: _____

SELLER

By: _____

Name: _____

Title: _____

Date: _____



SCHEDULE B

FEE SCHEDULE

ESCROW SERVICES

The following schedule is applicable when First Business Trust & Investments provides **custody** services to individual and institutional clients.

SERVICES PROVIDED

- Safekeeping of escrow funds
- Free receipt and delivery of securities
- Security position reconciliation
- Security trade settlement
- Income processing
- Principal payment processing
- Capital gain distribution processing
- Capital action notification and follow-up processing
- Called bond and maturity processing
- Cash receipt and disbursement processing
- Cash management (sweep) processing
- Security pricing
- Forwarding of proxy information to manager
- Maintaining cost basis information on securities
- Providing tax information as appropriate
- Account statements -- providing full accounting of all transactions and current holdings
- 24/7 internet access to account information
- Regular client meetings as agreed upon

FEE STRUCTURE

Annual fee on Market Value

0.20%	on the first \$10,000,000
0.10%	on the balance of assets

\$25.00	wire transfer fee
\$100.00	annual tax reporting fee
\$2,500.00	annual minimum fee

PER AGREEMENT – MINIMUM \$2,500.00 ANNUAL FEE ONLY FOR FIRST 12 MO. PERIOD (REGARDLESS OF ACTUAL TERM OF ESCROW); SUBSEQUENT YEARS WILL BE CHARGED AT \$2,500 MINIMUM BUT REDUCED PRO RATA FOR ANY PARTIAL YEAR ESCROW TERM.

ANNUAL TAX REPORTING FEE OF \$100.00 FOR UP TO TWO (2) 1099S CHARGED ON CALENDAR YEAR BASIS

ADDITIONAL FEE INFORMATION

Fees may be collected from the account as the parties agree including up-front charges of entire annual fee. First Business reserves the right to charge additional fees for unusual or extraordinary services based at an hourly rate of \$100 to \$250. Hourly time charges do not reduce minimum fees.

Effective date: 04-30-2017