

## ESCROW AGREEMENT

THIS ESCROW AGREEMENT (the "Agreement") is made and entered into as of the 26<sup>th</sup> day of September, 2006, by and among PIEDMONT TELEVISION HOLDINGS LLC, a Delaware limited liability company ("Holdings"), PIEDMONT TELEVISION COMMUNICATIONS LLC, a Delaware limited liability company ("PTC"), PIEDMONT TELEVISION OF SPRINGFIELD LLC, a Delaware limited liability company ("Springfield"), PIEDMONT TELEVISION OF SPRINGFIELD LICENSE LLC, a Delaware limited liability company ("Springfield License Sub" and together with Springfield, "Sellers"), KY 3, Inc., a Missouri corporation ("KY3") and PERKIN MEDIA, LLC, a Missouri limited liability company ("Perkin" and collectively with KY3, "Buyers") and LASALLE BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, with its principal office in Chicago, Illinois (the "Escrow Agent"). Sellers, Holdings and PTC are collectively referred to herein as the "Piedmont Companies".

### RECITALS:

A. The Piedmont Companies and Buyers are parties to that certain Asset Purchase Agreement dated of even date herewith (the "Purchase Agreement"), pursuant to which Sellers have agreed to sell, assign, convey, transfer and deliver to Buyers, and Buyers have agreed to purchase, certain Assets of Sellers at the Closing under the Purchase Agreement. The capitalized terms used but not defined herein shall have the meanings ascribed to them in the Purchase Agreement.

B. Pursuant to the Purchase Agreement, KY3 has agreed to deposit with the Escrow Agent the sum of One Million One Hundred Thousand Dollars (\$1,100,000) (the "Deposit") to serve as security for Buyers' timely performance and fulfillment of their obligations under the Purchase Agreement.

C. The Escrow Agent is willing to accept the Deposit and to hold, disburse and apply the same in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

### **ARTICLE I** **ESTABLISHMENT OF ESCROW**

1.1 KY3 agrees to deposit with the Escrow Agent, and the Escrow Agent agrees to acknowledge receipt of, the Deposit, which shall be deemed to be deposited with Escrow Agent for the account of Sellers, subject to the terms and conditions of this Agreement. The Deposit, together with any and all interest or earnings thereon, shall hereinafter collectively be referred to as the "Escrow Fund."

1.2 Buyers and the Piedmont Companies hereby appoint the Escrow Agent, and the Escrow Agent hereby agrees to serve, as the escrow agent and depository subject to the terms and conditions set forth herein. The Escrow Agent agrees to hold the Escrow Fund in a separate and distinct account (the "Escrow Account"), which will be available for disbursement in accordance with the terms of this Agreement. The Escrow Agent shall not distribute or release any of the Escrow Fund except in accordance with the express terms and conditions of this Agreement.

## **ARTICLE II**

### **INVESTMENT OF ESCROW FUND**

2.1 The Escrow Fund shall be invested as soon as reasonably practicable, including income earned on said investment, in a LaSalle Enhanced Liquidity Management account. All income earned on the Escrow Fund shall be taxable to the Sellers and shall be credited to the Escrow Account. The Escrow Agent shall have no responsibility for the tax consequences of this Agreement.

2.2 The Escrow Agent shall not be responsible to the Piedmont Companies, Buyers or any other person or entity for any loss or liability arising in respect of any directed investment in Section 2.1, except to the extent that such loss or liability arose from the Escrow Agent's gross negligence or willful misconduct.

## **ARTICLE III**

### **DISBURSEMENTS FROM THE ESCROW ACCOUNT**

3.1 If the transactions contemplated by the Purchase Agreement are consummated, then the Escrow Agent shall disburse the Escrow Fund to Sellers at the Closing, upon receipt of joint written disbursement instructions from Sellers and Buyers.

3.2 If the Purchase Agreement is terminated by Sellers as provided in Section 12.1(c) or Section 12.1(d) thereof (but, with respect to Section 12.1(d), if and only if Buyers are then in material breach or default of their representations, warranties, covenants or obligations under the Purchase Agreement or the LMA), then the Escrow Agent shall disburse the Escrow Fund to Sellers in accordance with Section 12.2(b)(i) of the Purchase Agreement promptly upon receipt of joint written disbursement instructions from Sellers and Buyers.

3.3 If the Purchase Agreement is terminated for any reason other than by Sellers as provided in Section 12.1(c) or 12.1(d) thereof (but, with respect to Section 12.1(d), if and only if Buyers are then in material breach or default of their representations, warranties, covenants or obligations under the Purchase Agreement or the LMA), then the Escrow Agent shall disburse the Escrow Fund to KY3 promptly upon receipt of joint written disbursement instructions from Sellers and KY3.

3.4 Any dispute between or among the Piedmont Companies (or any of them), on the one hand, and Buyers (or either of them), on the other hand, regarding the right of any of Buyers or the Piedmont Companies, as the case may be, to disbursement from the Escrow Fund shall be governed by the terms and conditions of the Purchase Agreement. If any dispute arises regarding

the Escrow Fund, the Escrow Agent may take such actions as are set forth in Section 5.3 of this Agreement pending resolution of such dispute by the written agreement of Buyers and the Piedmont Companies or by judicial resolution of the same. A copy of any written agreement or a final non-appealable order by a court of competent jurisdiction resolving any such dispute shall be delivered to Buyers and the Piedmont Companies; shall be a conclusive determination of the matter upon Buyers, the Piedmont Companies and the Escrow Agent; shall not be contested by any of the parties to this Agreement; and, upon receipt of the mutual written agreement or order, the Escrow Agent shall disburse the Escrow Fund as directed therein. If requested by Escrow Agent, any such court order shall be accompanied by a legal opinion by counsel for the presenting party satisfactory to the Escrow Agent to the effect that such order is final and enforceable and is not subject to further appeal.

#### **ARTICLE IV** **COMPENSATION; EXPENSES**

4.1 For each year or any portion thereof that it holds the Escrow Fund and renders services hereunder, the Escrow Agent shall receive a fee in the amount and at the time specified in Schedule A to this Agreement and shall be reimbursed upon request for all reasonable expenses, disbursements and advances, including reasonable fees of outside counsel, if any, incurred or made by it in connection with the preparation of this Agreement and the carrying out of its duties under this Agreement. All such fees, expenses and reimbursements shall be paid fifty percent (50%) by Buyers and fifty percent (50%) by the Piedmont Companies. To the extent any amount due to the Escrow Agent pursuant to this Section 4.1 is not paid when due, the Escrow Agent may deduct the same from the Escrow Fund. In the event the Escrow Agent has offset such fees and expenses from the Escrow Fund, the party or parties failing to pay the same directly to the Escrow Agent shall promptly reimburse the Escrow Fund for the same.

#### **ARTICLE V** **EXCULPATION AND INDEMNIFICATION OF ESCROW AGENT**

5.1 The obligations and duties of the Escrow Agent are confined to those specifically set forth in this Agreement. In the event that any of the terms and provisions of any other agreement between any of the parties hereto conflict or are inconsistent with any of the terms and provisions of this Agreement, the terms and provisions of this Agreement shall govern and control in all respects. The Escrow Agent shall not be subject to, nor be under any obligation to ascertain or construe the terms and conditions of any other instrument, whether or not now or hereafter deposited with or delivered to the Escrow Agent or referred to in this Agreement, nor shall the Escrow Agent be obligated to inquire as to the form, execution, sufficiency, or validity of any such instrument nor to inquire as to the identity, authority, or rights of the person or persons executing or delivering same.

5.2 The Escrow Agent shall not be personally liable for any act that it may do or omit to do hereunder absent gross negligence, bad faith or willful misconduct. Any act done or omitted to be done by the Escrow Agent pursuant to the advice of its attorneys shall be deemed conclusively to have been performed or omitted in good faith by the Escrow Agent.

5.3 In the event the Escrow Agent is notified of any dispute, disagreement or legal action between the Piedmont Companies, on the one hand, and Buyers, on the other hand, or any other action or claim that may affect the ownership or disbursement of the Escrow Fund or the performance of the Escrow Agent's duties under this Agreement, the Escrow Agent will not be required to determine the controversy or to take any action regarding it. The Escrow Agent may hold all documents and funds and may wait for settlement of any such controversy by final appropriate legal proceedings, arbitration, or other means as, in the Escrow Agent's discretion, it may require. In such event, the Escrow Agent will not be liable for damages to Buyers, the Piedmont Companies or any other person. Furthermore, the Escrow Agent may, at its option, file an action of interpleader requiring the parties to answer and litigate any claims and rights among themselves. The Escrow Agent is authorized, at its option, to deposit with the clerk of the court all documents and funds held in escrow, except all costs, expenses, charges, and reasonable attorneys' fees incurred by the Escrow Agent due to the interpleader action, which shall be paid as provided in Section 4.1 hereof. Upon initiating such action, the Escrow Agent shall be fully released and discharged of and from all obligations and liability imposed by the terms of this Agreement.

5.4 The Piedmont Companies and Buyers hereby agree, jointly and severally, to indemnify and hold the Escrow Agent, and its directors, officers, employees, and agents, harmless from and against all costs, damages, judgments, attorneys' fees (whether such attorneys shall be regularly retained or specifically employed), expenses, obligations and liabilities of every kind and nature which the Escrow Agent, and its directors, officers, employees, and agents, may incur, sustain, or be required to pay in connection with or arising out of this Agreement, unless the aforementioned results from the Escrow Agent's gross negligence or willful misconduct, and to pay the Escrow Agent on demand the amount of all such costs, damages, judgments, attorneys' fees, expenses, obligations, and liabilities. Without limiting the joint and several nature of their obligations to the Escrow Agent pursuant to the preceding sentence, Buyers, on the one hand, and the Piedmont Companies, on the other hand, agree that, solely as among themselves, the foregoing indemnification obligations shall be borne fifty percent (50%) by Buyers and fifty percent (50%) by the Piedmont Companies. Buyers, on the one hand, and the Piedmont Companies, on the other hand, shall have the right of contribution against the other to the extent either of them shall be called upon by the Escrow Agent to pay more than their respective shares. The costs and expenses of enforcing this right of indemnification also shall be borne fifty percent (50%) by Buyers and fifty percent (50%) by the Piedmont Companies. The foregoing indemnities in this Section shall survive the resignation or substitution of the Escrow Agent or the termination of this Agreement.

## **ARTICLE VI**

### **TERMINATION OF AGREEMENT**

6.1 This Agreement shall terminate at such time as the entire Escrow Fund has been delivered to KY3 or the Sellers, as the case may be, in accordance with the terms hereof.

**ARTICLE VII**  
**DISCHARGE OR RESIGNATION OF ESCROW AGENT**

7.1 Buyers and the Piedmont Companies may, upon written notice signed by Buyers and the Piedmont Companies, discharge the Escrow Agent and appoint a new escrow agent. The Escrow Agent shall, upon receipt of such notice and payment of any fees and costs then due, transfer the Escrow Fund in accordance with such written instructions as are jointly submitted by Buyers and the Piedmont Companies.

7.2 The Escrow Agent may resign at any time upon giving at least thirty (30) days prior written notice to Buyers and the Piedmont Companies; *provided, however*, that no such resignation shall become effective until the appointment of a successor escrow agent which shall be accomplished as follows: Buyers and the Piedmont Companies shall use their commercially best efforts to jointly select a successor escrow agent within thirty (30) days after receiving such notice. If Buyers and the Piedmont Companies fail to appoint a successor escrow agent within such time, the Escrow Agent shall have the right to appoint a successor escrow agent. The successor escrow agent shall execute and deliver an instrument accepting such appointment and it shall, without further acts, be vested with all the estates, properties, rights, powers, and duties of the predecessor escrow agent as if originally named as escrow agent. Upon delivery of such instrument and transfer of the Escrow Fund to the successor, the Escrow Agent shall be discharged from any further duties under this Agreement and from any liability for any claims, demands, actions, or causes of action arising thereafter. The Escrow Agent shall be paid any outstanding fees and expenses prior to transferring the Escrow Fund to a successor escrow agent.

**ARTICLE VIII**  
**NOTICES**

8.1 All notices required or permitted by this Agreement shall be in writing and shall be deemed to have been duly delivered and received (a) on the date transmitted if sent by facsimile transmission (with a confirming copy sent the same Business Day by registered or certified mail, return receipt requested), (b) on the date delivered if delivered by hand or by nationally recognized overnight courier (with signed acknowledgement of receipt), or (c) on the third (3rd) Business Day after deposit in the U.S. mail if sent by registered or certified mail, postage pre-paid, return receipt requested, in each case to the addresses of the parties set forth below (or such other address for a party as shall be specified by like notice):

If to Sellers or the other Piedmont Companies:	Piedmont Television Holdings LLC 7621 Little Avenue Charlotte, North Carolina 28226 Attn: Paul Brissette Telephone: (704) 341-0945 Fax: (704) 341-0944
---	---

with a copy to:

Wyrick Robbins Yates & Ponter LLP  
The Summit  
4101 Lake Boone Trail, Suite 300  
Raleigh, North Carolina 27607  
Attn: Carolyn W. Minshall, Esq.  
Telephone: (919) 781-4000  
Fax: (919) 781-4865

If to KY3:

KY3, Inc.  
999 W. Sunshine  
Springfield, Missouri 65807  
Attn: Michael A. Scott, President and General Manager  
Telephone: (417) 268-3010  
Fax: (417) 268-3360

and

Schurz Communications, Inc.  
225 W. Colfax Ave.  
South Bend, Indiana 46626  
Attn: Marci Burdick, Senior Vice President - Broadcast  
Telephone: (574) 236-1769  
Fax: (574) 287-2257

with a copy to:

Barnes & Thornburg LLP  
600 1<sup>st</sup> Source Bank Center  
100 N. Michigan  
South Bend, Indiana 46601  
Attn: Brian J. Lake, Esq.  
Telephone: (574) 233-1171  
Fax: (574) 237-1125

If to Perkin Entity:

Perkin Media, LLC  
6178 S. Bluff Ridge  
Ozark, Missouri 65721  
Attn: Bill Perkin  
Telephone: (417) 823-9444  
Fax: (417) 823-7262

with a copy to:

Sciarrino & Associates, PLLC  
5425 Tree Line Dr.  
Centreville, Virginia 20120  
Attn: Dawn M. Sciarrino  
Telephone: (703) 830-1679  
Fax: (703) 991-7120

If to the Escrow Agent: LaSalle Bank National Association  
135 South LaSalle Street  
Suite 1563  
Chicago, Illinois 60603  
Attn: Anthony Veloz  
Telephone: (312) 904-6841  
Fax: (312) 904-4019

**ARTICLE IX**  
**GOVERNING LAW**

9.1 This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Illinois applicable to contracts made and to be performed in such state, without regard to its choice of law provisions.

**ARTICLE X**  
**AUTOMATIC SUCCESSION**

10.1 Any bank or corporation into which the Escrow Agent may be merged or with which it may be consolidated, or any bank or corporation to whom the Escrow Agent may transfer a substantial amount of its Escrow business, shall be the successor to the Escrow Agent without the execution or filing of any paper or any further act on the part of any of the parties, anything herein to the contrary notwithstanding.

**ARTICLE XI**  
**ENTIRE AGREEMENT; AMENDMENT AND MODIFICATION**

11.1 This Agreement and the Purchase Agreement contain the entire agreement among the parties with respect to the transactions contemplated herein and supersede all prior agreements, written and oral, with respect thereto. The Escrow Agent shall be bound only by the terms of this Agreement and shall not be bound by or have any responsibility or incur any liability with respect to any agreement or understanding between or among Buyers and the Piedmont Companies.

11.2 No modification, amendment or waiver of the terms of this Agreement shall be valid or effective unless in writing and signed by all of the parties hereto.

**ARTICLE XII**  
**COUNTERPARTS**

12.1 This Agreement may be executed in any number of counterparts (including via facsimile), each of which shall be an original and all of which taken together shall constitute one and the same instrument. In making proof of this Agreement it shall be necessary to produce or account for only one such counterpart signed by or on behalf of the party sought to be charged herewith. The signature page to this Agreement may be delivered by facsimile and the signatures thereon shall be deemed effective upon receipt by the intended receiving party.

**ARTICLE XIII**  
**INTERPRETATION**

13.1 The headings used in this Agreement are for convenience only and shall not constitute a part of this Agreement.

13.2 As used in this Agreement, "Business Day" means a day other than a Saturday, Sunday, or other day when banking institutions in Chicago, Illinois are authorized or required by law or executive order to be closed.

**ARTICLE XIV**  
**SEVERABILITY**

14.1 The parties agree that if any provision of this Agreement shall under any circumstances be deemed invalid or inoperative this Agreement shall be construed with the invalid or inoperative provisions deleted and the rights and obligations of the parties shall be construed and enforced accordingly.

**[Signature Page Follows]**

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

PIEDMONT TELEVISION HOLDINGS LLC

By: Paul Bassett  
Name: PAUL BASSETT  
Title: President, CEO

PIEDMONT TELEVISION COMMUNICATIONS LLC

By: Paul Bassett  
Name: PAUL BASSETT  
Title: President, CEO

PIEDMONT TELEVISION OF SPRINGFIELD LLC

By: Paul Bassett  
Name: PAUL BASSETT  
Title: President, CEO

PIEDMONT TELEVISION OF SPRINGFIELD  
LICENSE LLC

By: Paul Bassett  
Name: PAUL BASSETT  
Title: President, CEO

KY 3, INC.

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

PERKIN MEDIA, LLC

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

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

PIEDMONT TELEVISION HOLDINGS LLC

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

PIEDMONT TELEVISION COMMUNICATIONS LLC

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

PIEDMONT TELEVISION OF SPRINGFIELD LLC

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

PIEDMONT TELEVISION OF SPRINGFIELD LICENSE LLC

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

KY 3, INC.

By: Michael A. Scott  
Name: Michael A. Scott  
Title: Pres./GM

PERKIN MEDIA, LLC

By: William Perkin  
Name: William Perkin  
Title: Pres.