

Escrow Agreement

AGREEMENT, effective as of the _____ day of April, 2001, by and among:

PURCHASER Steel City Radio, Inc.
Post Office Box 444
Spartanburg, South Carolina, 29304

SELLER: Mortenson Broadcasting Company, Inc.

ESCROW AGENT: National Bank of South Carolina
1855 East Main Street
Spartanburg, South Carolina 29302

WITNESSETH:

WHEREAS, Purchaser and Seller have entered into an Asset Purchase Agreement with respect to the purchase and sale of AM Broadcast Station WWNL, 50 kw for operation, 1080 kilohertz at Pittsburgh, Pennsylvania, said Agreement dated the date hereof and being by reference incorporated herein and made a part of hereof (hereinafter the "Asset Purchase Agreement"); and

WHEREAS, the parties wish to provide for an orderly disposition of the funds deposited into escrow pursuant to said Asset Purchase Agreement; and

NOW, THEREFORE, in consideration of these premises, promises and mutual covenants contained herein, the parties do hereby agree as follows:

1. DEPOSIT OF ESCROW FUNDS. Upon the execution of this Escrow Agreement, Purchaser is delivering or causing to be delivered to the Escrow Agent, the sum of Forty-Five Thousand and no/100 Dollars (\$45,000.00).

2. INVESTMENT OF ESCROW FUND. The Escrow Agent shall, invest and reinvest

the escrow funds in federally insured savings accounts or in bank certificates of deposit, or otherwise as Purchaser shall instruct; provided, however, that the Escrow Agent shall not be required to invest in or hold any instrument in bearer form. The Escrow Agent shall hold said escrow funds together with all interest accumulated thereon and proceeds therefrom and dispose of the same as hereinafter provided.

3. **DISPOSITION OF ESCROW FUND.** The Escrow Agent shall distribute and dispose of the escrow funds as follows:

(a) In the event the purchase and sale closes in the manner contemplated in the Asset Purchase Agreement, the escrow funds shall be paid over at closing in accord with said Asset Purchase Agreement. In such event, all interest earned and accumulated thereon and proceeds therefrom shall be paid over to Purchaser at closing.

(b) In the event the purchase and sale does not close as contemplated in the Asset Purchase Agreement due to the material breach by or default of the Purchaser under the terms of the Asset Purchase Agreement or if FCC nonapproval is due to the fault of the Purchaser, then the escrow funds shall be paid over to Seller. Interest earned and accumulated thereon and the proceeds therefrom shall be paid to Purchaser.

(c) In the event the purchase and sale does not close as contemplated in the Asset Purchase Agreement due to the material breach by or default of the Seller under the terms of the Asset Purchase Agreement or if FCC nonapproval is due to the fault of the Seller, then the escrow funds shall be paid over to Purchaser together with all interest earned and accumulated thereon and the proceeds therefrom.

(d) In all other events, if the Asset Purchase Agreement is terminated or if the transactions or closing contemplated thereby are not consummated, the escrow funds shall be returned to the Purchaser together with all interest earned and accumulated thereon and the proceeds therefrom.

(e) If any provision of this Paragraph with respect to the disposition of the escrow fund is in conflict with any provision of the Asset Purchase Agreement with respect to such disposition, then such provision in the Asset Purchase Agreement shall control.

4. **CONTROVERSIES WITH RESPECT TO ESCROW FUND.** The Escrow Agent shall discharge its duties to dispose of the escrow fund in accord with the provisions of paragraph 3 above upon the joint written instructions of the Seller and Purchaser or their duly designated representatives. If the Escrow Agent shall not have received such joint written instructions or a controversy shall exist between Purchaser and Seller as to the correct disposition of the escrow funds, the Escrow Agent shall continue to hold the escrow funds and the income earned or accrued thereon until:

(a) The receipt by the Escrow Agent of the joint written instructions of the Seller and Purchaser as to the disposition of the escrow funds; or

(b) The receipt by the Escrow Agent of a final order entered by a court of competent jurisdiction determining the disposition of the escrow funds and the income earned or accrued thereon; or

(c) The Escrow Agent shall have paid the escrow funds and all income earned or accrued thereon into a court of competent jurisdiction, in which event, the Escrow Agent's duties, responsibilities and liabilities with respect to the escrow fund, proceeds therefrom and this Agreement shall terminate.

5. CONCERNING THE ESCROW AGENT. The following shall control the fees, resignation, discharge, liabilities and indemnification of the Escrow Agent:

(a) The Escrow Agent shall charge no fees for its services hereunder.

(b) The Escrow Agent may resign and be discharged from its duties hereunder at any time by giving written notice of such resignation to the parties hereto, specifying the date when such resignation shall take effect. Upon such notice, a successor escrow agent shall be appointed with the unanimous consent of the parties hereto, and the service of such successor escrow agent shall be effective as of the date of resignation specified in such notice, which date shall not be less than thirty (30) days after giving such notice. If the parties hereto are unable to agree upon a successor agent within thirty (30) days after such notice, the Escrow Agent shall be authorized to appoint its successor. The Escrow Agent shall continue to serve until its successor accepts the escrow by written notice to the parties hereto and the Escrow Agent deposits the escrow fund with such successor escrow agent.

6. MISCELLANEOUS.

(a) This Escrow Agreement shall be construed by and governed in accordance with the laws of the State of South Carolina, applicable to agreements executed and wholly to be performed therein.

(b) This Escrow Agreement shall be binding upon and shall inure to the benefit of the parties, their successors and assigns.

(c) This Escrow Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

(d) Paragraph headings contained in this Escrow Agreement have been inserted for

reference purposes only, and shall not be construed as part of this Escrow Agreement.

(e) All notices, requests, demands and other communications hereunder shall be in writing, shall be given simultaneously to all parties hereunder and shall be deemed to have been duly given if delivered or mailed (certified mail, postage pre-paid, return receipt requested) as set out above.

7. TERMINATION. This Escrow Agreement shall automatically terminate upon the distribution of the escrow fund in accord with the terms hereof.

IN WITNESS WHEREOF, the parties have caused their hands, or those of their duly authorized officers, and seals to be affixed as of the date first above written.

Witnesses:

MORTENSON BROADCASTING COMPANY, INC.

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By: _____

Jack Mortenson
President

—

STEEL CITY RADIO, INC.

By: _____

Robert L. Wilkins, Jr.
President

NATIONAL BANK OF SOUTH CAROLINA

By: _____

Name: _____

Title: _____

