

ESCROW AGREEMENT

This Escrow Agreement (this "Agreement") is made as of the ___ day of May, 2003 by and among Sea-Comm, Inc., a North Carolina corporation ("Purchaser"), Gary E. Burns, a Virginia resident ("Seller"), and United Bank (the "Escrow Agent").

WHEREAS, Seller and Purchaser are parties to that certain Asset Purchase Agreement dated as of the date hereof (the "Purchase Agreement") pursuant to which Purchaser has agreed to purchase from Seller substantially all the assets of Seller used in the operation of commercial radio stations WLTT (FM) and WCCA (FM), Shallotte, North Carolina (the "Stations"). Capitalized terms used in this Agreement and not otherwise defined herein shall have the meanings given to such terms in the Purchase Agreement.

WHEREAS, pursuant to Section 1.3(b) of the Purchase Agreement, Purchaser has agreed to place in escrow with the Escrow Agent, pursuant to this Agreement, cash in the amount of One Hundred Fifty Thousand Dollars (\$150,000) (the "Escrow Amount"). The Escrow Amount and any interest thereon are referred to as the "Escrow Funds." The Escrow Funds shall be held and released by the Escrow Agent in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants contained in this Escrow Agreement, the parties hereto agree as follows:

1. **Appointment of Escrow Agent.** Purchaser and Seller designate and appoint the Escrow Agent to act as Escrow Agent under this Agreement, and the Escrow Agent accepts such appointment on the terms and conditions set forth in this Agreement.
2. **Deposit of Escrow Amount.** Upon execution and delivery of this Agreement, Purchaser shall deliver to the Escrow Agent the Escrow Amount. The Escrow Agent agrees to hold the Escrow Funds in escrow in accordance with the terms of this Agreement.
3. **Disbursement of Escrow.** The Escrow Agent shall hold and disburse the Escrow Funds as follows:
 - (a) Upon receipt of written instructions signed by Seller and Purchaser stating that the Closing has occurred, the Escrow Agent shall deliver the Escrow Funds to Purchaser.
 - (b) If Seller delivers to the Escrow Agent, with a copy delivered contemporaneously to Purchaser, written instructions signed by Seller, stating that the Escrow Amount is to be released to Seller due to the termination of the Purchase Agreement pursuant to Section 15.1(b)

thereof, or pursuant to Section 15.1(d) as a result of Purchaser's breach of the LMA (either such termination a "Purchaser's Default Termination"), then Escrow Agent shall, following the expiration of ten Business Days after receipt of such instructions by the Escrow Agent, pay Escrow Funds equal to the Escrow Amount to Seller and shall pay any remaining Escrow Funds to Purchaser; provided, however, that Escrow Agent shall not release any Escrow Funds to Seller if within such ten Business Day period Purchaser delivers to the Escrow Agent a written objection to such release, in which event the Escrow Agent shall hold and release the Escrow Funds pursuant to Section 4(c) hereof.

- (c) If Purchaser delivers to the Escrow Agent, with a copy delivered contemporaneously to Seller, written instructions signed by Purchaser, stating that the Escrow Amount is to be released to Purchaser due to the termination of the Purchase Agreement other than as a result of a Purchaser's Default Termination, then Escrow Agent shall, following the expiration of ten Business Days after receipt of such instructions by the Escrow Agent, pay all Escrow Funds to Purchaser; provided, however, that Escrow Agent shall not release any Escrow Funds to Purchaser if within such ten Business Day period Seller delivers to the Escrow Agent a written objection to such release, in which event the Escrow Agent shall hold and release the Escrow Funds pursuant to Section 4(c) hereof.
- (d) Purchaser and Seller agree to execute and deliver to the Escrow Agent written instructions signed by both parties (i) in accordance with Section 3(a) above upon consummation of the Closing, (ii) instructing the Escrow Agent to release Escrow Funds equal to the Escrow Amount to Seller, and the remaining Escrow Funds to Purchaser, upon termination of the Purchase Agreement as a result of a Purchaser's Default Termination, or (iii) instructing the Escrow Agent to release all Escrow Funds to Purchaser upon termination of the Purchase Agreement other than as a result of a Purchaser's Default Termination.
- (e) For purposes of this Agreement, a "Business Day" shall be a day on which the Escrow Agent is open for business.

4. Responsibility of Escrow Agent.

- (a) The Escrow Agent shall be obligated only for the performance of such duties as are specifically set forth in this Agreement and may rely on any instrument believed by it to be genuine and to have been signed or presented by both Purchaser and Seller. The Escrow Agent shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized herein. 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 or the escrow instructions, nor shall the Escrow Agent be obliged 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 the same.

- (b) The Escrow Agent shall not be liable for any act performed by it or any omission by it unless such act or omission is done in bad faith, or the Escrow Agent is grossly negligent in the performance thereof. Any act done or omitted 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. It is understood that the Escrow Agent has no responsibility for Purchaser's or Seller's respective responsibilities and duties to each other under this Agreement or under any other agreement contemplated by this Agreement.
 - (c) If at any time a dispute or disagreement shall exist or arise as to the duties of Escrow Agent under the terms of this Agreement or if a disagreement between the parties hereto results in conflicting or adverse claims or demands being made in connection with the Escrow Funds, the Escrow Agent is authorized and directed to retain all or any part of the Escrow Funds and in doing so Escrow Agent shall not become liable in any way to any person for its failure or refusal to comply with such conflicting or adverse claims or demands unless or until:
 - A. the rights of all claimants have been duly adjudicated by a court of competent jurisdiction evidenced by a certified copy of such final judgment, together with written evidence that any right of appeal has expired, or
 - B. a written agreement is reached by and between all disputing parties, satisfactory to Escrow Agent, and a copy of such agreement signed by all disputing parties is delivered to Escrow Agent.
5. **Fee to Escrow Agent.** For its services rendered pursuant to this Escrow Agreement, the Escrow Agent shall be paid the fee (the "Fee") set forth on Exhibit A hereto. Purchaser and Seller hereby authorize the Escrow Agent to draw amounts from the Escrow Funds to the extent necessary to pay the Fee. The Fee, and all other reasonable charges and reasonable expenses, including all out-of-pocket costs and expenses or attorneys' fees associated with this Agreement incurred by Escrow Agent in connection with the provisions of this Agreement shall be borne equally by each of Purchaser and Seller. It is understood that any other reasonable costs and expenses incurred by the Escrow Agent in undertaking

any other activities on behalf of both Purchaser and Seller other than those set forth in this Escrow Agreement shall be borne equally by each of the Purchaser and Seller, unless such activities are requested by one of the parties for that party's benefit in which case such cost and expense shall be borne solely by that party.

6. **Notices.** All notices, certifications, requests, demands, payments and other communications hereunder shall be in writing and shall be deemed to have been duly given and delivered if sent by nationally recognized overnight courier service for delivery the next Business Day, or delivered personally, or if sent by telecopier with transmission confirmed by telecopy equipment:

If to Purchaser:

Sea-Comm, Inc.
45 Pecan Acres
Hattiesburg, MS 39402
Attn: N. Eric Jorgensen
Telecopier: (601) 450-8586

with a copy to (which shall not constitute notice):

Paul, Hastings, Janofsky & Walker LLP
1299 Pennsylvania Avenue, N.W.
Tenth Floor
Washington, D.C. 20004-2400
Attention: John Griffith Johnson, Jr., Esq.
Telecopier: (202) 508-8578

If to Seller:

Gary E. Burns
PO Box 348
Forest, Virginia 24551
Telecopier: (434) 534-9526

with a copy to (which shall not constitute notice):

Richard J. Hayes, Jr.
Attorney at Law
8404 Lee's Ridge Road
Warrenton, VA 20186
Telecopier: (202) 478-0048

If to the Escrow Agent:

United Bank
2071 Chain Bridge Road
Vienna, Virginia 22182
Attention: David Graul
Telephone: (703) 442-7130
Telecopier: (703) 917-8332

or to such other address or addresses as may hereafter be specified by notice given by any of the above to the others. All notices given under this Section 6 shall be effective upon delivery.

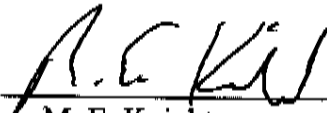
7. **Indemnification.** Purchaser and Seller shall indemnify, defend and hold the Escrow Agent harmless from and against any claim, demand, damage, loss, expense, obligation or liability which arises from or relates to the Escrow Agent's execution or performance of this Agreement, and to pay to the Escrow Agent on demand the amount of all such costs, damages, judgments, attorney's fees, expenses, obligations, and liabilities; provided, however, that such indemnification shall not cover any act or omission which constitutes gross negligence or willful misconduct.
8. **Counterparts.** This Agreement and any instructions to be delivered hereunder may be executed simultaneously in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.
9. **Governing Law.** The validity and effectiveness of this Escrow Agreement shall be governed by and construed and enforced in accordance with the laws of Virginia applicable to contracts made in, and to be performed entirely in, Virginia, without giving effect to the provisions, policies or principles thereof relating to choice or conflict of laws.
10. **Amendment.** This Agreement may only be amended or modified by an instrument executed by all the parties hereto which states specifically that it is intended to amend or modify this Agreement.
11. **Successors and Assigns.**
 - (a) This Agreement shall be binding upon and inure to the benefit of the parties hereto and to their respective successors and permitted assigns. Neither Purchaser nor Seller may assign its or his rights or obligations under this Agreement without the prior written consent of the other. Nothing contained herein is intended to confer upon any person other than

the parties hereto and their respective successors and permitted assigns as aforesaid, any rights or remedies under or by reason of this Agreement.

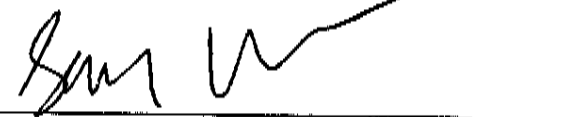
- (b) Escrow Agent may resign and be discharged from its duties or obligations under this Agreement by giving thirty (30) days notice in writing of such resignation, whereupon a successor Escrow Agent shall be appointed by Seller and Purchaser. If a successor Escrow Agent is not appointed within such thirty-day period, Escrow Agent may petition any court of competent jurisdiction to name a successor Escrow Agent.
- 12. **Interpretation.** Headings to Sections herein are inserted for convenience of reference only and are not intended to be part of or to affect the meanings or interpretation of this Agreement.
 - 13. **Effectiveness.** This Agreement shall become effective on the date of execution and delivery, and shall terminate on the date on which the Escrow Funds are disbursed in accordance with this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as the date first above written.

SEA-COMM, INC.

By: 
M. E. Knight
Vice-president

GARY E. BURNS


[Signature]

UNITED BANK

By: _____
Name:
Title:

EXHIBIT A

(Escrow Agent Fees)

FEEES FOR ESCROW ACCOUNT

Escrow services are provided for an annual fee:

\$1,500

An amount of \$500 should be paid at account opening date. This amount is included in the annual fee. The remaining fee will be billed to party(s) concerned at three month intervals.

