

DEED OF GIFT

THIS DEED OF GIFT (this "Deed") is executed by James S. Bumpous d/b/a Big Bend Broadcasting(the "Donor") on the date set forth opposite his name, below. It is also executed by IHR Educational Broadcasting, a California non-profit corporation (hereinafter "Donee") on the date set forth opposite its name, below, with respect to certain matters. This Deed is made with reference to the following:

WHEREAS, Donor is the owner of a construction permit issued by the Federal Communications Commission ("FCC") for a new FM Translator Station on Channel 269, 101.7 MHz, to serve Daly City, California, File No. BNPFT-20030828AKU, FCC Facility ID # 147348, granted July 27, 2004, expires July 27, 2007 (the "Station") and any rights or interests associated therewith, (collectively, the "Gifted Assets"); and

WHEREAS, Donee was formed in 1998 for educational, religious and charitable purposes generally, has obtained tax-exempt status pursuant to a letter ruling of the district director of the Internal Revenue Service, 26 U.S.C. §501(c)(3), and is the licensee of non-commercially operated AM and FM Broadcast Stations; and

WHEREAS, Donor and Donee believe that the Gifted Assets will further Donee's purpose of broadcasting non-commercial Catholic religious programming; and

WHEREAS, Donor desires to donate and contribute for no consideration, subject to the prior written consent of the Federal Communications Commission ("FCC") all of its right, title and interest in the Gifted Assets to Donee for Donee's use in connection with its charitable purposes; and

WHEREAS, Donee desires to accept a charitable contribution of all of Donor's right, title and interest in and to the Gifted Assets; and

WHEREAS, Donor and Donee acknowledge that Donor may wish to deduct some or all of the value of his contribution of the Gifted Assets to the Donee for purposes of computing his federal and state income tax liabilities; and

WHEREAS, Donor and Donee acknowledge that Donee cannot give tax advice concerning the deductibility of Donor's contribution to Donee, but Donee desires to provide Donor with certain information concerning its tax-exempt status.

WHEREAS, Donee is providing such information to Donor as an accommodation, and not as any form of consideration for Donor's transfer.

NOW, THEREFORE, the parties hereto provide as follows:

1. Gift of Gifted Assets.

1.1 Subject to paragraph 1.2 below, for no value received but as a gift made with donative intent, Donor does hereby gift, convey, transfer, assign and deliver to Donee, without warranty, whether statutory, expressed or implied, and Donee does hereby accept from Donor, all of Donor's right, title and interest in and to the Gifted Assets, including, but not limited to, any copyrights with respect to the Gifted Assets, whether at common law or otherwise. An inventory of the Gifted Assets is attached hereto as Schedule A. The Assets shall be donated on an "as is, where is" basis. Other than to title, Donor makes no warranties or representations as to fitness for their intended purposes. Donee will not assume any contracts, leases, agreements or debts of the Donor.

1.2 The parties hereto agree and understand that this gift may not take effect, and that the FCC license for the Station may not be assigned from Donor to Donee, unless and until the prior written consent of the FCC has been granted. The parties will file an application on FCC Form 314 to obtain said consent, and the parties have agreed to make this Gift effective within ninety (90) calendar days of the date upon which the FCC or its staff acting pursuant to delegated authority grants the Assignment Application.

TO HAVE AND TO HOLD the Gifted Assets hereby contributed, assigned, transferred and conveyed unto Donee, its successors and assigns, to its and their own use and behalf forever, subject as noted above to the prior written consent of the Federal Communications Commission.

2. Representations, Warranties and Covenants. Donee hereby represents, warrants and covenants to Donor as follows:

2.1 Donee is a corporation, trust, or community chest, fund, or foundation described in Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986, as amended ("Code"). Donee has received a determination from the Internal Revenue Service that it is a tax-exempt entity, and such determination remains in full force and effect as of the date hereof. Donee has no knowledge of any facts existing as of the date hereof which could reasonably be expected to result in the future termination of such tax-exempt status.

2.2 Donee is not a private foundation described in Code Section 509(a).

2.3 Donee will use the Gifted Assets in connection with its functions as set forth in the Recitals of this Deed. These functions constitute the basis for the donee's exemption from taxation under Code Section 501.

2.4 Donee will use the Gifted Assets exclusively within the United States.

2.5 Donee shall not voluntarily dispose of the Gifted Assets prior to the third anniversary of the date of this Deed.

2.6 Donee is authorized to accept the Gifted Assets, and to make the representations, warranties, covenants, and assurances set forth herein, all in accordance with its governing documents and internal practices.

2.7 This "Deed of Gift" shall neither be effective nor legally enforceable unless and until all of the conditions precedent stated in Schedule B hereto (which is incorporated herein by reference) shall have occurred.

2.8 Donee agrees to accept the assets being donated in an "as is, where is" condition and waive any and all rights, claims and causes of action against Donor as to the condition of the assets being donated. Donee agrees to defend, indemnify and hold Donor harmless from any claims and causes of action of any nature whatsoever, including but not limited to damages, costs, expenses and attorneys fees arising from or incurred in defending the claim(s) or causes of action related to the Station and its Assets arising subsequent to the Act of Donation. Donor agrees to defend, indemnify and hold Donee harmless from any claims and causes of action of any nature whatsoever, including but not limited to damages, costs, expenses and attorneys fees arising from or incurred in defending the claim(s) or causes of action related to the Station and its assets arising prior to the Act of Donation.

3. Further Assurances.

3.1 Donee will provide an authorized representative to execute IRS Form 8283 in connection with Donor's gift of the Gifted Assets, and will provide an authorized representative to execute such other documents in connection with Donor's gift of the Gifted Assets to Donee as may be necessary or desirable to give effect to the gift hereby consummated.

3.2 Donor shall, at any time and from time to time after the date hereof, upon the request of Donee, execute, acknowledge and deliver all such further acts, deeds, assignments, transfers, conveyances, powers of attorney and assurances, and take all such further actions, as shall be necessary or desirable to give effect to the gift made hereunder. Without limiting the generality of the foregoing, Donor hereby appoints Donee, and its successors and assigns, the true and lawful attorney of Donor, in the name of Donee or in the name of Donor but for the benefit and at the expense of Donee, to demand and receive any and all interests and assets hereby transferred; to give releases and acquittances for or in respect of the same or any part thereof; to institute and prosecute, in the name of Donor or otherwise, any and all proceedings at law, in equity or otherwise, which Donee, or its successors and assigns, may deem necessary or advisable to collect, assert or enforce any claim, right, title, debt or account hereby assigned; and to defend and compromise any and all actions, suits or proceedings in respect of any of the interests and assets hereby assigned that Donee, or its successors or assigns, shall deem necessary or advisable. Donor hereby declares that the foregoing powers are coupled with an interest and shall be irrevocable.

3.3 From the date hereof until the date of the Act of Donation, Donor and Donee agree that they will keep confidential (except for disclosure to attorneys, bankers, etc. as may be appropriate in the furtherance of this transaction) all information obtained or discovered by them from the other in the negotiation of the transactions contemplated by this Letter of Intent. In the event that said transactions are not consummated, the parties will return to the other any and all documents and other materials obtained in the course of negotiations and due diligence.

3.4 Prior to the date of the Event of Donation, no party hereto will issue any press release or make any other announcement relative to the transactions contemplated hereby without the consent of the other party. The parties will arrange for the required public notice to be published in accordance with 47 CFR §73.3580.

3.5 The parties agree that the construction and performance of any documents entered into by them shall be governed by the laws of the State of California.

3.6 Donor and Donee hereby mutually represent that there are no finders, consultants or brokers involved in this transaction and that neither Donee nor Donor has agreed to pay any brokers', finders' or consultants' fees in connection with this transaction.

3.7 This instrument may be signed in counterparts, all of which taken together shall constitute one instrument, and any of the parties hereto may execute this Instrument by signing any such counterpart.

IN WITNESS WHEREOF, Donor and Donee have executed this Deed on the day and in the year set forth opposite their names.

DONOR

**JAMES S. BUMPOUS d/b/a
BIG BEND BROADCASTING**



By _____

James S. Bumpous
Owner

DONEE

IHR EDUCATIONAL BROADCASTING

By _____

Douglas M. Sherman
President

SCHEDULE A

INVENTORY OF PROPERTY TO BE DONATED

FCC Construction Permit, File No. BNPFT-20030828AKU, granted July 27, 2004