

ESCROW AGREEMENT

This Escrow Agreement (this "Agreement"), made as of the 14th day of August, 2003, is among KMAP, Inc., a California corporation ("Seller"), IHR Educational Broadcasting, a California non-profit corporation ("Buyer"), and Dennis J. Kelly, a member of the District of Columbia Bar ("Escrow Agent").

Buyer and Seller have entered into an Asset Purchase Agreement, dated as of even date herewith (the "Purchase Agreement"), for the purchase and sale of radio broadcast Station KMAP, 1050 kHz, Frazier Park, California (the "Station").

Section 2(a) of the Purchase Agreement requires that Buyer deposit Thirty-Five Thousand Dollars (\$35,000.00) (the "Escrow Deposit") with Escrow Agent upon execution of the Purchase Agreement.

Escrow Agent has agreed to accept, hold and disburse the Escrow Deposit, and any interest earned thereon, in accordance with this Agreement.

Therefore, in consideration of the above recitals and of the mutual agreements and covenants contained in this Agreement, the parties, intending to be bound legally, agree as follows:

1. Delivery of Escrow Deposit. Upon Buyer's delivery of the Escrow Deposit to Escrow Agent, Escrow Agent agrees to accept, provide Seller an acknowledgment of receipt of, and maintain on deposit in an interest-bearing account the Escrow Deposit.

2. Disposition of the Escrow Deposit.

(a) The Escrow Deposit shall be disposed of as follows:

(i) Upon receipt by Escrow Agent of a joint notice from Seller and Buyer stating that the closing under the Purchase Agreement has occurred, Escrow Agent shall immediately pay the Escrow Deposit to Seller, and the interest thereon to Buyer.

(ii) Upon receipt by Escrow Agent of any other joint notice from Seller and Buyer, Escrow Agent shall immediately deliver the Escrow Deposit and interest thereon to such person or entity at such address as is provided in such instructions.

(iii) Upon receipt by Escrow Agent of a notice from Buyer stating that Buyer is entitled to return of the Escrow Deposit and/or interest thereon

and following the failure of Seller to make a timely protest after receipt of notice from Escrow Agent pursuant to Paragraph 2(b) hereof, Escrow Agent shall immediately deliver the Escrow Deposit and/or interest thereon to Buyer.

(iv) Upon receipt by Escrow Agent of a notice from Seller stating that Seller is entitled to the Escrow Deposit and/or interest thereon and following the failure of Buyer to make a timely protest after receipt of notice from Escrow Agent pursuant to Paragraph 2(b) hereof, Escrow Agent shall immediately deliver the Escrow Deposit and/or interest thereon to Seller.

(b) In the event that Buyer or Seller (for purposes of this paragraph referred to as the "Demanding Party") gives notice to Escrow Agent as provided in Paragraph 2(a)(iii) and 2(a)(iv) hereof and makes demand upon Escrow Agent for delivery of the Escrow Deposit and/or interest thereon, Escrow Agent shall forthwith serve upon the other party (the "Notified Party"), a copy of the Demanding Party's notice. Unless the Notified Party protests such delivery in a writing delivered to Escrow Agent within 15 days after the Notified Party's receipt of the Demanding Party's notice from Escrow Agent, Escrow Agent shall thereupon make delivery to the Demanding Party as required by such demand in accordance with Paragraph 2(a)(iii) and 2(a)(iv) hereof. If the Notified Party timely and duly protests, Escrow Agent shall hold the Escrow Deposit and interest thereon until the disagreement is resolved. In calculating the 15-day period, the day of delivery shall not be included, and the 15th day shall end at 5:00 p.m. California time on the 15th day (or, if the 15th day falls on a Saturday, Sunday or national holiday, on the first business day immediately following the 15th day). If Escrow Agent has any reasonable doubt as to whether or not a notice of protest has been timely made, then Escrow Agent shall hold the Escrow Deposit and interest thereon as though such protest has been timely made.

3. Deleted.

4. Limitations on Liability of Escrow Agent.

(a) The duties and obligations of Escrow Agent shall be determined solely by the express provisions of this Escrow Agreement, and no implied duties or obligations shall be read into this Escrow Agreement against Escrow Agent. Escrow Agent shall be under no obligation to refer to the Purchase Agreement or to any other documents between the parties related in any way to this Escrow Agreement, except as specifically provided herein.

(b) Escrow Agent shall not be liable to anyone by reason of any error of judgment, any action or omission by Escrow Agent, or any mistake of fact or law, unless caused by or arising out of Escrow Agent's gross negligence or bad faith.

(c) Escrow Agent shall be entitled to rely upon, and shall be protected in acting in reasonable reliance upon any writing furnished to Escrow Agent by any party in accordance with the terms hereof and shall be entitled to treat as genuine any letter, paper or other document furnished to Escrow Agent by any party and reasonably believed by Escrow Agent to be genuine and to have been signed by the proper party and/or parties as required.

(d) Escrow Agent may consult with Escrow Agent's own counsel with respect to any questions relating to its duties or responsibilities hereunder and shall not be liable for any action taken or omitted in good faith on advice of such counsel. Any reasonable expense so incurred shall be for the account of Buyer and Seller and will be reimbursed equally by them upon Escrow Agent's request.

(e) In the event of any disagreement between the parties to this Escrow Agreement resulting in adverse claims and demands being made in connection with or against the Escrow Deposit and/or the interest thereon, Escrow Agent shall refuse to comply with the claims or demands of any party until such disagreement is finally resolved by mutual agreement of the parties or by a court of competent jurisdiction, and, in so doing, Escrow Agent shall not be or become liable to any party. Seller and Buyer agree to jointly and severally indemnify Escrow Agent against all costs and other expenses (including, without limitation, reasonable legal fees and expenses) incurred by Escrow Agent in connection with or as a result of any disagreement among or between the parties hereto or the performance by Escrow Agent of its duties hereunder.

(f) Any action requested to be taken by Escrow Agent hereunder and not otherwise specifically set forth herein shall require the agreement of Seller, Buyer and Escrow Agent.

(g) If Escrow Agent desires to resign as Escrow Agent, it shall provide 15-days written notice (a "Resignation Notice") of its intention to resign to Buyer and Seller. The resignation of Escrow Agent shall be effective following the expiration of 15 days following the date of the Resignation Notice. Notwithstanding the foregoing, if following the resignation of Escrow Agent there would be no replacement escrow agent hereunder, Escrow Agent's resignation shall not be effective until Seller and Buyer shall have mutually agreed in writing to the appointment of a replacement escrow agent and such appointment shall have been accepted in writing. Seller and Buyer agree to pay to any such replacement escrow agent its reasonable fees for the performance of its duties hereunder.

(h) Because Escrow Agent is counsel for Buyer in this transaction, Escrow Agent shall not be entitled to any fee for performance of its duties under this Agreement.

5. Term. The term of this Agreement shall commence on the date first above written, and shall terminate upon the delivery of the Escrow Deposit and interest thereon.

6. Amendments. This Escrow Agreement cannot be changed or terminated orally, and no waiver of compliance with any provisions or condition hereof shall be effective unless evidenced by a written instrument duly executed by all of the parties hereto.

7. Effect of this Escrow Agreement. This Escrow Agreement sets forth the entire understanding of the parties with respect to the subject matter hereof and supersedes any and all prior agreements, arrangements and understandings relating to the subject matter hereof. This Escrow Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and legal representatives. The paragraph headings of this Escrow Agreement are for convenience of reference only and do not form a part hereof and do not in any way modify, interpret or construe the intentions of the parties. The construction and performance of this Agreement shall be governed by the law of the State of California without regard to its principles of conflict of law.

8. Notices. Any notice, demand or request required or permitted to be given under the provisions of this Escrow Agreement shall be in writing, addressed to the following addresses, or to such other address as any party may request in writing.

If to Seller:

Michael D. Allen, Vice-President
KMAP, Inc.
1328 – 34th Street, Suite B
Bakersfield, CA 93301
Fax No.: 661-327-0797
E-mail:

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

Dennis P. Corbett, Esquire
Leventhal Senter & Lerman, PLLC
2000 K Street, NW, Suite 600
Washington, DC 20006-1809
Fax No.: 202-293-7783
E-mail: dcorbett@lsl-law.com

If to Buyer:

Mr. Douglas M. Sherman, President
IHR Educational Broadcasting

Post Office Box 180
Tahoma, CA 96142
Fax No.: 530-584-5705
E-mail: dougs@ihradio.org

with a copy to (which shall not constitute notice:

Dennis J. Kelly, Esquire
Law Office of Dennis J. Kelly
Post Office Box 41177
Washington, DC 20018
Fax No.: 410-626-1794
E-mail: dkellyfcclaw1@comcast.net

If to Escrow Agent:

Dennis J. Kelly, Esquire
Law Office of Dennis J. Kelly
Post Office Box 41177
Washington, DC 20018
Fax No.: 410-626-1794
E-mail: dkellyfcclaw1@comcast.net

Any such notice, demand or request shall be deemed to have been duly delivered and received (i) on the date of personal delivery, or (ii) on the date of transmission, if sent by facsimile (but only if a hard copy is also sent by overnight courier), or (iii) on the date of receipt, if mailed by registered or certified mail, postage prepaid and return receipt requested, or (iv) on the date of a signed receipt, if sent by an overnight delivery service, but only if sent in the same manner to all persons entitled to receive notice or a copy.


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8. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be duly executed as of the date first written above.

SELLER

KMAP, INC.

By 
Michael D. Allen
Vice-President

BUYER

IHR EDUCATIONAL BROADCASTING

By _____
Douglas M. Sherman
President

ESCROW AGENT

DENNIS J. KELLY, ESQ.
