

## **GENERAL SECURITY AGREEMENT**

This General Security Agreement (Agreement) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2009, by and between \_\_\_\_\_ ("Debtor") and KIMTRON, INC., a New York Corporation ("Secured Party").

In consideration of the loan of monies pursuant to a certain Agreement of Sale dated \_\_\_\_\_, (hereinafter the "Sale Agreement") by and between Debtor and Secured Party for the sale of Assets of Radio Station WLGZ-FM, Rochester, New York, Debtor hereby agrees that Secured Party shall have the rights, remedies and benefits hereinafter set forth.

### **1. DEFINITIONS.**

For the purposes of this Agreement:

(a) The term "Liabilities" shall include any and all indebtedness, obligations and liability of any kind arising in any way of the Debtor to Secured Party, now existing or hereafter created, under the Sale Agreement or otherwise, including any future advances, whether obligatory or voluntary, or refinancings, renewals or extensions of or substitutions for, any existing or future debt; all liabilities and obligations of the Debtor hereunder; as well as all costs, expenses, advances and liabilities which may be made or incurred by Secured Party in any way in connection with any of the Liabilities or any collateral security therefor.

(b) The term "Collateral" shall mean all personal property owned by the Debtor, or in which the Debtor has an interest, including without limitation, all inventory, equipment, furnishings and fixtures together with all replacements thereof or additions or accessions thereto, accounts, general intangibles, now owned or hereafter acquired, wherever

located, and all proceeds and products thereof and shall include, but shall not be limited to, all property set forth on any Schedule which may be attached hereto. In all events, and notwithstanding the foregoing, Collateral shall without exception exclude all licenses and authorizations issued by the Federal Communications Commission.

**2. SECURITY INTEREST.**

As security for the payment of all Liabilities, Debtor hereby grants to Secured Party a first priority security interest in all the Collateral and any part thereof.

**3. INSURANCE.**

Debtor will maintain insurance on all of the Collateral of an insurable nature with reputable and financially sound insurance companies approved by Secured Party in coverage and amounts as required by Secured Party and as additional security for the payment of all Liabilities, Debtor hereby assigns to Secured Party any proceeds of any and all insurance on any of the Collateral and authorizes Secured Party to collect any such proceeds and to execute in Debtor's name all proofs of loss, drafts, checks and any other documents necessary to accomplish such collection. At Secured Party's request, Debtor agrees to furnish Secured Party with copies or a schedule of such insurance policies and to cause Secured Party to be named as an additional insured and/or the loss payee thereof as its interest may appear, and to provide Secured Party with proof of payment of all premiums therefor.

**4. REPRESENTATIONS AND WARRANTIES.**

The Debtor represents and warrants that:

(a) The office(s) where its respective records are kept concerning accounts, contract rights and other similar Collateral are set forth in the Sale Agreement, or as stated herein:

(b) The location(s) where its inventories, equipment, fixtures and other similar Collateral are kept are \_\_\_\_\_.

(c) It conducts business under and through the names and business entities of \_\_\_\_\_.

(d) It will promptly notify and provide Secured Party with a complete description of the opening of any new places of business, the closing of any existing places of business, the conduct of business under any names or through any entities other than those set forth above, the relocation of any of the Collateral and the acquisition or construction of additional equipment, fixtures and other similar property.

(e) It has good title to the Collateral, free and clear of any liens and encumbrances, excepting the security interest granted hereby.

##### **5. DEBTOR'S OBLIGATIONS.**

At any time and from time to time, upon the request of Secured Party, Debtor will, at its own expense:

(a) Timely pay all the Liabilities and defend the Collateral against the claims and demands of all persons.

(b) Where appropriate, keep and maintain the Collateral in good condition and repair and permit Secured Party and its agents to inspect the Collateral at any reasonable time.

(c) Give, execute, deliver and file or record in the proper governmental offices, any instrument, paper or document, including but not limited to one or more financing statements under the Uniform Commercial Code, satisfactory to Secured Party, or take any action, which Secured Party may deem necessary or desirable in order to create, preserve, perfect, extend, modify, terminate or otherwise affect any security interest granted pursuant hereto, or to enable Secured Party to exercise or enforce any of its rights hereunder.

(d) Keep, and stamp or otherwise mark, any of its documents, instruments and chattel paper and its individual books and records relating to any of the Collateral in such manner as Secured Party may require.

(e) Allow Secured Party to notify, after default, any persons or parties owing money to the Debtor to pay their obligations directly to Secured Party.

(f) Pay, or reimburse Secured Party in the amount of, all expenses (including attorney's fees) incurred in any way in connection with the exercise, defense or assertion of any rights or interests of Secured Party hereunder, the enforcement of any provisions hereof, or the management, preservation, maintenance, collection, possession, disposition or enforcement of any of the Collateral (all such expenses to be Liabilities hereunder).

## **6. RESTRICTIONS.**

Without the prior written consent of Secured Party, Debtor shall not (i) transfer, sell or assign any of the Collateral except on customary terms in the ordinary course of business; (ii) incur any debt of any nature or kind; (iii) or allow or permit any other security interest,

encumbrance or lien of any nature or kind to attach to the Collateral; (iv) file, or authorize or permit to be filed, in any jurisdiction any financing statement relating to any of the Collateral unless Secured Party is named as sole secured party; (v) permit any of the Collateral to be levied upon under any legal process; (vi) permit anything to be done that may impair the value of any of the Collateral or the security intended to be afforded hereby; or (vii) permit the Collateral to become an accession to other property except in the ordinary course of business.

**7. ADDITIONAL RIGHTS OF SECURED PARTY.**

A. Secured Party is hereby appointed Debtor's attorney-in-fact to do all acts and things which Secured Party may deem necessary to perfect and continue perfected the security interest created hereby and to protect and preserve the Collateral.

B. Secured Party may at any time transfer to, or register in the name of itself or any of its nominees, any of the Collateral which may come into the possession, custody or control of Secured party or any of its agents.

**8. DEFAULT AND REMEDIES.**

Upon default by the Debtor in the performance of any covenant or agreement herein or in the Sale Agreement or any other agreement or document covering any of the Liabilities or in the discharge, payment or performance of any of the Liabilities, or if any representation or warranty herein should prove untrue, Secured Party shall have with respect to the Collateral all of the rights and remedies of a secured party under the Uniform Commercial Code or any other applicable law and all rights provided herein or in any other applicable security, loan or other agreement, all of which rights and remedies shall, to the full extent permitted by law, be cumulative. Secured Party may require the Debtor to assemble all or any portions of the

Collateral and make it available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to Secured Party and Debtor. Any notice of sale, disposition or other intended action by Secured Party, sent to Debtor at least five (5) days prior to such action, shall constitute reasonable notice to Debtor.

9. **MODIFICATION.**

No provision hereof shall be modified except by a writing signed by Secured Party and Debtor expressly referring to the provision hereof so modified.

10. **BENEFIT.**

This Agreement shall be binding upon and shall inure to the benefit of the heirs, personal representatives, assigns or successors of Debtor and Secured Party and shall constitute a continuing agreement, applying to all future as well as existing transactions between the Secured Party and Debtor, or their heirs, personal representatives, successors or assigns. Debtor shall not assign this agreement or the security interest without the prior written consent of Secured Party.

11. **WAIVER.**

No delay, failure to enforce, or single or partial exercise on the part of the Secured Party in connection with any of its rights hereunder shall constitute an estoppel or waiver thereof, or preclude other or further exercise or enforcement thereof and no waiver of any default hereunder shall be a waiver of any subsequent default.

12. **APPLICABLE LAW.**

This Agreement shall be governed as to its validity, interpretation and effect in accordance with the laws of the State of New York and unless the context otherwise requires, all

terms used herein which are defined in the Uniform Commercial Code as enacted in New York shall have the meanings therein stated.

13. **BOOKS AND RECORDS.**

Debtor agrees to maintain full and accurate books of account covering the Collateral and deliver to Secured Party such of the books as relate to the Collateral, if and when requested by Secured Party or upon the occurrence of an Event of Default, including, without limitation, all agreements, documents and instruments of any kind or nature relating to the Collateral. Secured Party or its authorized agent shall at all reasonable times have access to Debtor's ledgers, books of account, and other written records evidencing or relating to the Collateral and Secured Party or its authorized agent shall at all reasonable times have the right to be present at the Debtor's places of business to examine all communications, documents and remittances relating to the Collateral.

14. **CONTRACTS, LICENSES, TRADEMARKS, ETC.**

Debtor will maintain in full force and effect all contracts, licenses, trademarks, trade names, patents, and other similar rights constituting part of the Collateral and will not modify or amend any such contracts or rights without the prior written consent of Secured Party.

15. **INDEMNITY.**

The Debtor will indemnify and save and hold the Secured Party harmless from and against any and all claims, damages, loss, liability or judgments which may be incurred or sustained by the Secured Party or asserted against the Secured Party, directly or indirectly, in connection with the existence of or the exercise of any of the rights of the Secured Party under this Agreement.

16. **NOTICES.**

All notices, requests, demands, instructions, and other communications called for hereunder or contemplated hereby shall be given to Debtor in the manner and to the addresses set forth below and to Secured Party as follows:



DEBTOR: DJRA Broadcasting, LLC  
c/o Donald B. Crawford, Jr.  
KAAM-AM  
3201 Royalty Row  
Irving, TX 75062  
Telephone: 1-719-570-1530  
FAX: 1-972-438-6574

With a copy to:

SECURED PARTY: KIMTRON, INC.  
P.O. Box 3003  
Blue Bell, PA 19422-0735  
Telephone: 215-628-3500  
FAX: 215-628-0709

With a copy to: Robert J. Edelmayer, Esquire  
28 West Airy Street  
Norristown, PA 19401  
Telephone: 610-277-3434  
FAX: 610-277-7238

17. **SECTION HEADINGS.**

The section headings contained in this Agreement are for convenient reference only and shall not in any way affect the meaning or interpretation of this Agreement.

18. **SEVERABILITY.**

If any term, condition, clause or provision of this Agreement shall be deemed to be void or invalid in law or otherwise then only that term, condition, clause or provision shall be stricken from this Agreement as is held to be void or invalid and in all other respects this Agreement shall be valid and in full force and operation.

19. **DEBT.**

The terms of Paragraphs 30 and 33 of that certain Agreement of Sale by and between KIMTRON, INC. (Seller) and Donald B. Crawford, Jr. (Buyer) concerning the sale of radio stations WPTR-FM and WDCD-AM, Clifton Park and Albany, New York, respectively are incorporated herein by reference as fully as though the same were herein set forth at length and enforceable in accordance therewith and in accordance with the terms of this Agreement.

20. **COUNTERPARTS.**

This Agreement may be executed in counterparts, and all counterparts so executed shall collectively constitute one agreement, binding on all the parties hereto, notwithstanding that all the parties may not be signatory to the original or same counterpart. Faxed signatures shall constitute original signatures.

IN WITNESS WHEREOF and intending to be legally bound hereby, the parties hereto have executed this Agreement the day and year first above written.

KIMTRON, INC.

Attest: \_\_\_\_\_  
Secretary

by: \_\_\_\_\_  
Donald B. Crawford, President  
Secured Party

, Debtor

by: \_\_\_\_\_  
Donald B. Crawford, Jr.  
Manager/Sole Member

STATE OF \_\_\_\_\_ :  
COUNTY OF \_\_\_\_\_ : SS

On this the \_\_\_\_\_ day of \_\_\_\_\_, 2009, before me, the undersigned officer, personally appeared Donald B. Crawford, Jr. who acknowledged himself to be the Manager/Sole Member of \_\_\_\_\_, a limited liability company, and that he as such, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the company by himself as Manager/Sole Member.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

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Notary Public

COMMONWEALTH OF PENNSYLVANIA :  
COUNTY OF MONTGOMERY : SS

On this the \_\_\_\_\_ day of \_\_\_\_\_, 2009, before me, the undersigned officer, personally appeared Donald B. Crawford who acknowledged himself to be the President of KIMTRON, INC., a corporation, and that he as such President, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

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Notary Public