

SECURED PROMISSORY NOTE

\$490,000.00

Redding, California
_____, 2010

FOR VALUE RECEIVED, COOPER COMMUNICATIONS, LLC, a California limited liability company, whose address is 215 Lake Boulevard, Suite 26, Redding, California 96003, ("Maker") promises to pay to MILDRED D. COOPER, TRUSTEE OF THE COOPER FAMILY TRUST DATED APRIL 26, 2002, "Payee"), or her order, at 6931 Terra Linda Way, Redding, California 96003, or at such other place or in such other manner, including, but not limited to, electronic transfer, as may be designated in writing by Payee from time to time, the principal sum of Four Hundred Ninety Thousand and 00/100 Dollars (\$490,000.00).

The sum of Fifteen Thousand Dollars (\$15,000.00) shall bear no interest, and shall be paid in monthly installments of Three Thousand Dollars (\$3000.00) commencing on _____, 2010, and continuing thereafter for four consecutive months.

The sum of Four Hundred Seventy-Five Thousand Dollars (\$475,000.00) together with interest at the rate of four percent (4%) per annum shall be paid in consecutive monthly installments commencing the first day of the sixth month after the initial payment, or _____ 1, 2010, and continuing on the first day of each month thereafter until paid in full. No interest shall accrue during the five month period following the closing. Monthly payments shall be as follows:

Three Thousand Five Hundred Thirteen and 52/100 Dollars (\$3,513.52) per month for the first twelve (12) months;

Five Thousand Five Hundred Thirteen and 52/100 Dollars (\$5,513.52) per month for the second twelve (12) months;

Six Thousand Thirteen and 52/100 Dollars (\$6,013.52) per month for the third twelve (12) months;

Six Thousand Five Hundred Thirteen and 52/100 Dollars (\$6,513.52) per month for the fourth twelve (12) months;

Seven Thousand Thirteen and 52/100 Dollars (\$7,013.52) per month for the fifth twelve (12) months;

Seven Thousand Seven Hundred Sixty-Three and 52/100 Dollars (\$7,763.52) per month for the sixth twelve (12) months;

Eight Thousand Two Hundred Sixty-Three and 52/100 Dollars (\$8,263.52) per month for the next twelve (12) months, with any remaining balance of principal and accrued but unpaid interest due with the final monthly payment.

Payments hereon shall be applied first to the payment of any costs, fees, late charges or

other charges incurred in connection with the indebtedness evidenced by this Note; then to the payment of accrued interest, if any; and lastly to the outstanding principal balance of this Note.

No interest shall accrue on the Purchase Price (as defined in the Redemption Agreement referred to below) portion of the Note during the five (5) month period following the Closing.

Maker shall have the right to prepay all or any part of this Note, at any time, without penalty, provided that notwithstanding any such prepayment, Seller shall be entitled, in addition to the remaining principal, any and all interest payments which Seller would have been entitled to if the Note were paid and amortized over its full term. Any such prepayments shall be applied to reduce or eliminate the final payments due on the Note, as set forth above.

Each of the following shall be an "Event of Default" under this Note:

(a) Any failure by Maker to make any payment of interest, principal or other charge payable under this Note when due; or

(b) Any breach or default by Maker of any of its obligations under that certain Redemption Agreement dated as of _____, 2010, between Payee and Maker (the "Redemption Agreement"); or

(c) Any breach or default by Maker of any of Maker's obligations under the Security Agreement given by Maker to Payee to secure this Note, or any other document, instrument, contract or agreement executed and delivered by Maker to Payee in connection with the Redemption Agreement or the conduct and operation of the Business, as hereinafter defined; or

(d) Any breach or default by James Phillips of his obligations under that certain Pledge Agreement of even date herewith and referred to in the Redemption Agreement (the "Pledge Agreement"); or

(e) Any breach or default by Maker of any obligation, term, covenant or condition contained in any other agreement between Maker and Payee; or

(f) The appointment of a receiver, conservator or liquidator of or for Maker whether voluntary or involuntary; or

(g) Maker making a general assignment for the benefit of creditors; or

(h) Maker filing a voluntary petition in bankruptcy or the approval of an involuntary petition in bankruptcy

Upon the occurrence of an Event of Default Payee shall provide written notice to Maker of Maker's default, and Maker shall have ten (10) business days from receipt of actual written notice from Payee to cure the default or to notify Payee of the existence of a dispute concerning such default. Maker may provide such notice of dispute by regular mail, electronic mail, personal delivery or facsimile. In the event that Maker has not cured the default within 10 business days of receipt of actual notice thereof by Maker or provided notice to Payee of Maker's dispute concerning the noticed default, Payee may, at her sole option, exercise any one or more of the following remedies: (i) accelerate the maturity date of this Note and declare the entire principal balance of this Note, together with all accrued but unpaid interest and any other charges or amounts payable hereunder, to be immediately due and payable, and/or (ii) pursue any other rights and remedies available to Payee under this Note, the Security Agreement, the Pledge Agreement or any documents or instruments securing this Note, applicable law, or otherwise, against Maker or Maker's assigns.

In the event of default hereunder, Payee or her successors may pursue her remedies hereunder only against Maker or its assigns under the Security Agreement and against James and Tracey Phillips under the Pledge Agreement, and not against James Phillips and Tracey Phillips personally or their personal successors and assigns.

Maker hereby acknowledges that late payment of amounts due under this Note will cause the Payee to incur costs not contemplated by this Note. Such costs include, without limitation, processing and accounting charges. Therefore, if any payment is not received by Payee when due, Maker agrees to pay to Payee, as a late charge, an additional sum of \$200. The parties agree that this late charge represents a reasonable sum considering all the circumstances existing on the date of this Note and represents a fair and reasonable estimate of the costs that Payee will incur by reason of late payment. The parties further agree that proof of actual damages would be costly or inconvenient. Acceptance of any late charge by Payee will not constitute a waiver of the default with respect to the overdue amount and will not prevent Payee from exercising any other rights and remedies available at law or in equity.

If Maker fails to perform any of its covenants or agreements contained in this Note, the Redemption Agreement, the Security Agreement or in any document or instrument securing this Note, or if James and Tracey Phillips fail to perform their obligations under the Pledge Agreement, then Maker shall pay all out-of-pocket expenses of Payee (including but not limited to reasonable fees and actual disbursements of counsel) incurred by reason of or in response to such nonperformance, together with interest thereon at the rate of seven percent (7%) per annum from the date such expenses are incurred until paid.

If any, action or arbitration is instituted to enforce this Note or to pursue any remedy resulting from an Event of Default, Maker promises to pay, in addition to the costs and disbursements otherwise allowed by law, such sum as the arbitrator may adjudge reasonable attorneys' fees and costs in such suit or action to Payee as the prevailing party.

If, without Payee's prior written consent, Maker sells, conveys, leases, alienates, further encumbers or otherwise transfers the Business, as such term is hereinafter defined, or any assets thereof or any interest therein, including, but not limited to additional membership interests therein, or if James Phillips sells, assigns or otherwise transfers or disposes of his membership interest in Maker, or any part thereof, whether by operation of law or otherwise, or Maker or James Phillips enters into any agreement to do any of the foregoing, this Note, irrespective of the maturity date expressed herein, at the option of Payee, and upon written notice to Maker, shall immediately become due and payable.

This Note is secured by a security agreement of even date herewith (the "Security Agreement") between Maker and Payee with respect to the assets of Maker's business (the "Business") and by a pledge agreement of even date herewith between James and Tracey Phillips and Payee (the "Pledge Agreement") with respect to the membership interests of the Company.

This Note has been executed, delivered and accepted in the State of California and shall be governed by and construed in accordance with the laws of such state.

[Signature Page, Promissory Note]

**COOPER COMMUNICATIONS, LLC,
a California limited liability company**

By: _____
James Phillips, Joint Member

By: _____
Tracey Phillips, Joint Member