

5% SECURED NOTE

\$65,000¹

_____, 2012

For value received, **AURICLE COMMUNICATIONS**, a New Jersey not-for-profit corporation (the “**Issuer**”), hereby promise to pay to the order of **DIGITAL RADIO BROADCASTING, INC.**, a New York corporation, its successors or assigns (the “**Holder**”), at its offices at P.O. Box 920, 15 Neversink Drive, Port Jervis, NY 12771, or at such other place as Holder may from time to time designate, the principal sum of [SIXTY FIVE THOUSAND AND NO/100 DOLLARS (\$65,000)], as such sum may be adjusted pursuant to Section 3 herein (the “**Indebtedness**”), together with interest thereon, as provided herein (“**Interest**”), from the date set forth above until fully paid. This 5% Secured Note (this “**Note**”) is issued pursuant to an Asset Purchase Agreement dated as of the date hereof (as amended, modified, or replaced from time to time, the “**Asset Purchase Agreement**”) by and among Issuer and Holder. All capitalized terms not otherwise defined herein shall have the meanings provided them in the Asset Purchase Agreement.

1. **Interest Rate:** Interest shall accrue on the outstanding principal balance at the end of each day on which any amount is outstanding under this Note at the rate of five percent (5%) per annum (the “**Interest Rate**”), compounded quarterly. Commencing on the last day of the calendar quarter in which the Closing Date occurs and continuing on the last day of each calendar quarter thereafter until the Maturity Date (as defined below), Issuer shall pay to Holder at the address specified above, Interest in arrears on the outstanding principal balance. Interest hereunder will be calculated, accrued and imposed on the basis of a 365-day year for the actual number of days elapsed. Upon the occurrence of an Event of Default, interest shall accrue on the outstanding principal balance at the end of each day on which any amount is outstanding under this Note at the rate of ten percent (10%) per annum (“**Default Interest Rate**”)

2. **Payments:** On the first date of each month following the Closing Date and continuing until the Maturity Date, Issuer shall pay to Holder an amount equal to _____ Dollars (\$_____) per month as set forth on Schedule 1, which amount shall be adjusted in accordance with any adjustment to the Indebtedness pursuant to Section 3 herein (“**Monthly Payment**”).

3. **Adjustment of Principal:** In accordance with Section 3 of the Asset Purchase Agreement, upon any adjustment to the Purchase Price, the Indebtedness will be decreased or increased, as the case may be, retroactive to the date hereof in accordance with such adjustment to the Purchase Price, and the Annual Payments required pursuant to Section 2 herein will be recalculated accordingly.

4. **Final Installment:** If not sooner paid or accelerated pursuant to the terms hereof, the entire outstanding Indebtedness, together with all accrued and unpaid Interest, shall be due and payable in one full and final installment on [_____, 20__]² (the “**Maturity Date**”).

¹ [Principal amount subject to adjustment at closing pursuant to Section 2.2 of the Asset Purchase Agreement]

5. Prepayment: This Note may be prepaid in whole or in part at any time without the prior written consent of Holder and without premium, fee or penalty; provided, however, that any prepayment amount shall include all accrued and unpaid Interest as of such date. All prepayments made hereunder shall be applied first to the payment of accrued and unpaid Interest and then applied to the unpaid Indebtedness. Principal prepayments will be applied in inverse order of maturity, which, for the avoidance of doubt, will not result in a reduction of the Annual Payment, but shall result in the Maturity Date being accelerated.

6. Subordination. THIS NOTE AND THE OBLIGATIONS EVIDENCED HEREBY SHALL NOT BE SUBORDINATED OR MADE JUNIOR IN RIGHT OF PAYMENT TO ANY OTHER OBLIGATION OF ISSUER.

7. Default: As used herein an “Event of Default” shall include any of the following events: (i) Issuer fail to make any of the payments required by this Note within ten (10) days after the due date thereof, (ii) either Issuer becomes insolvent, commits any act of bankruptcy, makes an assignment for the benefit of creditors, files a voluntary petition in bankruptcy, fails to dismiss an involuntary petition of bankruptcy within sixty (60) days of its filing, (iii) either Issuer has a receiver appointed for any substantial portion of its property, (iv) any pledger or Issuer breaches the pledge agreement contemporaneously executed with this Note (the “Pledge Agreement”); or (v) Issuer breach any covenant set forth in Section 9 of this Note. Upon the occurrence of an Event of Default, at the option of Holder at any time thereafter and without prior notice or demand, the unpaid Indebtedness and all accrued and unpaid Interest, shall become immediately due and payable and Holder may exercise any other remedy available to it at law or at equity. Holder shall not have any security or reversionary interest in the FCC License for Station W219DQ, Dillyville, New York, Facility Id. No. 41548, but Holder shall have a security interest, to the fullest extent permitted by applicable law, in the proceeds of the sale of W219DQ. If an Event of Default shall occur, the parties hereto acknowledge that Holder has the right upon nonpayment to cause Issuer to seek FCC approval for the sale of W219DQ or to cause W219DQ to be assigned, subject to compliance with FCC requirements, to a court-appointed receiver and for the proceeds from any such sale to be applied first to satisfaction of this Note and then to Issuer. Failure to exercise any of said options shall not constitute a waiver on the part of Holder of the right to exercise the same at any other time.

8. Notices: All notices, requests, demands, waivers, consents and other communications required or permitted hereunder shall be in writing and be deemed to have been duly given when delivered in person (against receipt) to the party to be notified at the address set out below or sent by registered or certified mail, or by express mail or courier, postage prepaid, return receipt requested, addressed to the party to be notified, as follows:

If to Holder:

Bud Williamson, President
P.O. Box 920
15 Neversink Drive
Port Jervis, NY 12771

² [The Maturity Date shall be the third anniversary of the Closing Date.]

If to Issuer:

Ken Freedman, President
Auricle Communications
43 Montgomery Street
Jersey City, NJ 07302

Any party may change its address for notices by written notice to the other parties given pursuant to this Section. Any notice purportedly given by a means other than as provided in this Section shall be invalid and shall have no force or effect.

9. Covenants. Issuer shall not, and shall cause any and all affiliated entities not to, (1) create, incur, assume or permit to exist any additional indebtedness for borrowed money or (2) guarantee, assume or otherwise be or agree to become directly or indirectly liable in any way for any additional indebtedness for borrowed money of any other person, except in favor of Holder. Issuer shall not, and shall cause any and all affiliated entities not to, create, permit or suffer the creation or existence of any liens or encumbrances on any of its property or assets (real or personal, tangible or intangible), other than: (a) liens imposed by law (such as liens of carriers, warehousemen, mechanics, materialmen and landlords), and other similar liens incurred in the ordinary course of Issuer's businesses, for sums not constituting borrowed money and that are not overdue for a period of more than 30 days; (b) liens for taxes, assessments or other governmental charges or statutory obligations that are not delinquent or remain payable without penalty; (c) secondary liens in favor of Holder and (d) the liens described on Exhibit A hereto.

10. No Assignment or Transfer of this Note: Neither this Note, nor any right hereunder, may be assigned, conveyed or transferred by any means whatsoever by Issuer without the prior written consent of Holder, and any assignment, conveyance or transfer without Holder's consent shall be void *ab initio*.

11. Waiver: No failure to accelerate the debt evidenced hereby by reason of an Event of Default shall be construed: (i) as a novation of this Note or as a reinstatement of the Indebtedness or as a waiver of such right of acceleration or of the right of Holder thereafter to insist upon strict compliance with the terms of this Note, or (ii) to prevent the exercise of such right of acceleration or any other right granted hereunder or by the laws of the United States or any State thereof. No extension of the time for payment of this Note or any installment due hereunder, made by agreement with any person now or hereafter liable for the payment of this Note, shall operate to release, discharge, modify, change, or affect the original liability of Issuer of this Note, either in whole or in part, unless Holder agrees otherwise in writing. This Note may not be changed orally, but only by agreement in writing signed by the party against whom enforcement of any waiver, change, modification, or discharge is sought.

12. Governing Law and Related Matters: This Note is intended to constitute a contract under and shall be construed, interpreted and enforced in accordance with the laws of the State of New York. If any provision of this Note shall be deemed unenforceable under applicable law, such provision shall be ineffective, but only to the extent of such unenforceability, without invalidating the remainder of such provision or the remaining provisions of this Note. All of the terms and provisions of this Note shall be applicable to and be

binding upon each and every Issuer, endorser, surety, guarantor and all other persons who are or may become liable for the payment hereof and their heirs, personal representatives, successors, assigns, executors, estates and legal representatives.

12. WAIVER OF JURY TRIAL AND COUNTERCLAIMS: ISSUER AND HOLDER HEREBY WAIVE (TO THE EXTENT PERMITTED BY APPLICABLE LAW) TRIAL BY JURY IN ANY LITIGATION IN ANY COURT WITH RESPECT TO, IN CONNECTION WITH, OR ARISING OUT OF THIS NOTE, OR THE VALIDITY, PROTECTION, INTERPRETATION, COLLECTION, OR ENFORCEMENT THEREOF, OR THE MONIES, THE OBLIGATIONS, OR HOLDER'S CONDUCT WITH RESPECT TO ANY OF THE FOREGOING. ISSUER AGREES THAT THIS SECTION 12 IS A SPECIFIC AND MATERIAL ASPECT OF THIS NOTE AND ACKNOWLEDGES THAT HOLDER WOULD NOT LOAN THE INDEBTEDNESS IF THIS SECTION 12 WERE NOT PART OF THIS NOTE.

13. Avoidance of Usury: If fulfillment of any provision of this Note, or fulfillment of any provision of any other instrument evidencing or securing the Indebtedness, would (at the time performance of such provision is due) involve exceeding the limit of validity presently prescribed by any applicable law, then the obligation to be fulfilled shall be reduced to the limit of such validity, so that in no event shall any exaction be possible under this Note or under any other instrument evidencing or securing the Indebtedness that is in excess of the current limit of such validity, but such obligations shall be fulfilled to the limit of such validity. In determining whether or not the rate of Interest hereunder exceeds the highest lawful rate, Issuer and Holder agree and intend that all sums paid hereunder which are deemed interest for the purposes of determining usury shall be prorated, allocated, or spread in equal parts over the longest period of time permitted under the applicable laws of the State of New York.

14. Inurement: This Note shall bind and inure to the benefit of Issuer and Holder and their respective heirs, executors, successors, assigns and legal representatives, whether by voluntary action or by operation of law.

15. Presentment, Demand, Protest and Notice: Issuer hereby waive demand, presentment, protest, notice of nonpayment, notice of protest and any and all other notices required by law.

16. Captions: The captions of the paragraphs of this Note are for convenience only and are not intended to be nor shall be construed as being a part hereof and shall not limit, expand or otherwise affect any of the terms hereof.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Issuer have executed and delivered this 5% Secured Note on the date first written above.

ISSUER:

AURICLE COMMUNICATIONS

By: _____
Ken Freedman
President

Accepted and Agreed this
_____ day of _____, 2012:

DIGITAL RADIO BROADCASTING, INC.

By: _____
Charles Williamson
President