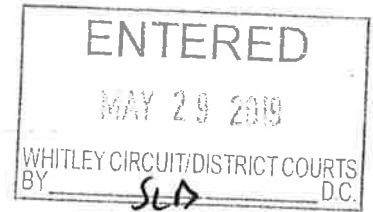


COMMONWEALTH OF KENTUCKY
34TH JUDICIAL CIRCUIT
WHITLEY CIRCUIT COURT
DIVISION I
CIVIL ACTION NO. 18-CI-00552



ELECTRONICALLY FILED

FIRST STATE BANK OF THE SOUTHEAST,

PLAINTIFF,

VS.

CHOICE RADIO CORPORATION,
JONATHAN L. SMITH,
KAREN MOSES-BOWLING,

DEFENDANTS.

DEFAULT JUDGMENT and ORDER AUTHORIZING TRANSFER OF COLLATERAL

*** **

This matter is before the Court upon the Motion of plaintiff, First State Bank of the Southeast, seeking Judgment by Default against the defendants, Choice Radio Corporation, Jonathan L. Smith, individually, and Karen Moses-Bowling, individually, and authorizing the Bank to transfer the collateral in which the Bank holds a perfected lien to a third party purchaser. The Court has reviewed the record and each of the defendants have been served with summons and the Complaint and are in default and Judgment by default is accordingly proper.

IT IS THEREFORE HEREBY ORDERED that the Motion for Default Judgment is SUSTAINED and the plaintiff, First State Bank of the Southeast, shall be and hereby is granted JUDGMENT BY DEFAULT against the defendants, Choice Radio Corporation, Jonathan L. Smith, individually, and Karen Moses-Bowling, individually, jointly and severally, in the principal sum of Two Hundred Sixty-Eight Thousand Four Hundred Fifty-Nine Dollars and Eighty-Seven Cents (\$268,459.87) as of October 4, 2018 with interest accruing thereon at 6.35% per annum until paid. Plaintiff, First State Bank, is further awarded its attorney fees and costs as against all defendants, jointly and severally, in the amount of Two Thousand Four Hundred

Thirteen Dollars and Sixty-Eight Cents (\$2,413.68) as of March 31, 2019 plus such reasonable attorney fees, costs, and litigation expenses as First State Bank of the Southeast may incur subsequent to March 31, 2019 in furtherance of collecting on the subject indebtedness or enforcement of the Judgment obtain herein.


IT IS FURTHER ORDERED that plaintiff, First State Bank of the Southeast, is deemed to be the first lien holder on the following personalty by virtue of the terms of the note and security agreements executed by the defendants and by virtue of that certain UCC financing statement filed of record in the office of the Kentucky Secretary of State on April 18, 2016: all of Choice Radio Corporation's equipment, furniture, fixtures, accounts, inventory, general intangibles, and contract rights.

Upon entry of this Order, First State Bank may take possession of all such equipment, furniture, fixtures, accounts, inventory, and general intangibles and may sell the same in a commercially reasonable manner free and clear of the claims of the defendants herein so as to satisfy its indebtedness. The Bank is further authorized to enter upon the property where such collateral is located, with the assistance of the Sheriff of the County, to recover possession of same.

IT IS FURTHER ORDERED THAT the Bank is hereby deemed to be the first lien holder upon one thousand (1000) shares of Choice Radio Corporation stock based upon the note and security agreement and its possession of the stock certificates. Upon the entry of this Order, First State Bank of the Southeast is authorized to market for sale and sell the subject stock shares to a third party purchaser in a commercially reasonable manner free and clear of the claims of the defendants herein so as to satisfy its indebtedness and this corresponding Judgment.

THIS IS A FINAL AND APPEALABLE JUDGMENT THERE BEING NO JUST
REASON FOR DELAY IN ITS ENTRY.

THIS THE 23 DAY OF May 2019.


HON. KENT HENDRICKSON, SPECIAL JUDGE
WHITLEY CIRCUIT COURT, DIVISION I

DISTRIBUTION TO:

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 CWB 5/29/19
Clerk's Initials & Date