

SECURED PROMISSORY NOTE

\$600,000.00

_____, 2021

FOR VALUE RECEIVED, the undersigned, **Bustos Media Holdings, LLC** (“Maker”), a _____ limited liability company, hereby irrevocably and unconditionally promises to pay to the order of **Jackman Holding Company, LLC**, a Virginia limited liability Company (“Payee”), in immediately available funds, the principal amount of **SIX HUNDRED THOUSAND DOLLARS (\$600,000)**.

1. Payment. The entire amount of indebtedness hereunder, including principal and interest, shall be paid as follows:

A. Interest shall accrue on the unpaid balance at the rate of five percent (5%) per annum simple interest to be adjusted annually at 1% over the Wall Street Journal prime rate. In no event shall the interest rate be lower than 5% or higher than 8%. The monthly payment shall be amortized over 20 years with a balloon payment of the balance still outstanding in 60 months. The monthly payment shall be \$3,959 with a balloon payment of \$500,729 plus any outstanding late fees or other incurred charges.

B. The first interest payment of shall be due and payable one (1) month from the date of this Note. Payments shall be due monthly thereafter.

2. Prepayment. Maker may prepay this Note in whole or in part without a premium or penalty. Any partial prepayments or extra payments shall not relieve Maker from making monthly interest payments as required above except to the extent such payments have been paid and are no longer due. Any partial prepayments of this Note shall first be applied to any interest

due on the Note at the time the payment is made and the balance shall be applied to payment of principal.

3. Default Interest. In the event of any default by Maker in the payment of any amount due and payable under this Note which is not cured pursuant to Paragraph 12 herein, simple interest shall thereupon commence to accrue upon the unpaid balance of this Note at the rate of interest rate of twelve percent (12%) per annum (the "Default Interest"). At such time that the applicable default has been cured, the imposition of the Default Interest shall stop.

4. Late Charges. Maker hereby acknowledges that in the event Maker should fail to pay any payment when due under this Note, Payee will incur administrative and other costs associated with such late payment. Accordingly, in the event Maker fails to pay any amount of principal and/or interest on this Note for five (5) calendar days after such payment becomes due, whether by acceleration or otherwise, Payee may, at its option, whether immediately or at the time of final payment of the indebtedness evidenced by this Note, impose a delinquency or "late" charge of Two Hundred Dollars (\$200.00) for each payment due, in respect of each and every past-due payment in addition to any applicable default interest; provided, however, that if any such delinquency or "late" charge is in excess of the amount permitted to be charged to Maker under applicable law, Payee shall be entitled to collect a delinquency or "late" charge at the highest rate permitted by such law. Maker agrees that any such delinquency or "late" charge shall not be deemed to be additional interest or a penalty, but shall be deemed to be a fair estimate of the expenses which will be suffered by Payee by reason of such late payment since computing the actual amount of Payee's expenses in advance is presently impracticable or extremely difficult.

5. Usury. It is the intention of the parties to conform strictly to the usury laws, whether state or federal, applicable to this Note. None of the terms and provisions contained in this Note or any other document or instrument securing the indebtedness evidenced hereby or related hereto shall ever be construed to create a contract for the use, forbearance, or detention of money requiring payment of interest in excess of the maximum amount permissible under applicable federal or state usury laws. If under any circumstances whatsoever fulfillment of any provision hereof or any documents, at the time performance of such provision shall be due, shall involve exceeding the limit of validity prescribed by law, then the obligation to be fulfilled shall be reduced to the limit of such validity; and if under any circumstances Payee shall ever receive an amount deemed interest by applicable law which would exceed the highest lawful rate, such amount that would be excessive interest under applicable usury laws shall be applied to the reduction of the principal amount owing hereunder and not to the payment of interest; or if such excessive interest exceeds the unpaid balance of principal, the excess shall be deemed to have been a payment by mistake and shall be refunded to Maker or to any other person making such payment on Maker's behalf. All sums paid or agreed to be paid to Payee for the use, forbearance or detention of the indebtedness of Maker evidenced hereby, outstanding from time to time, shall to the extent permitted by law, and to the extent necessary to preclude exceeding the limit of validity prescribed by law, be amortized, pro-rated, allocated and spread from the date of this Note so that the actual rate of interest on account of such indebtedness is uniform throughout the term hereof. To the extent of a conflict between the terms and provisions of this Paragraph and any other provision of this Agreement or the other agreements between Maker and Payee, the terms and provisions of this Paragraph shall control.

6. Asset Purchase Agreement; KXXP (FM) Transaction. This Note evidences the partial payment of the Purchase Price to be paid by Maker to Payee pursuant to the terms and conditions of that certain Asset Purchase Agreement (the “Purchase Agreement”) between Maker and Payee regarding radio broadcast station KXXP(FM) White Salmon, WA (the “Station”).

7. Secured Transaction. Maker’s obligations under this Note shall be secured by the following:

- (a) A UCC Filing with the Secretary of State, of Washington and Oregon; and
- (b) A security agreement (the “Security Agreement”) between Maker and Payee, dated of even date herewith. The UCC and the Security Agreement shall be known collectively as the “Security Documents.”

8. Events of Default. Any one or more of the following events shall constitute an “Event of Default” under this Note, whereupon subject only to the right to cure as provided in Paragraph 12 if applicable, limitations arising under the rules, regulations and policies of the Federal Communications Commission or any other law, the holder of this Note may, at its option, elect to exercise any or all rights, powers and remedies afforded hereunder and under the Security Documents and all other documents related thereto and under applicable law, including, without limitation, the right to accelerate the maturity of this Note and declare all unpaid principal and all accrued interest and other amounts owing in respect to this Note to be immediately due and payable in full and the right to collect from Maker all sums due under the Note:

(a) If Maker shall fail to make any payment within five (5) days after the date due and payable hereunder (Late Payment); or if Maker makes more than four Late Payments in any one year

(b) If Maker shall fail to perform any of its material obligations hereunder, under the Security Documents, under the Purchase Agreement or under any other agreement between Maker and Payee;

(c) If any of the Security Documents are canceled, terminated, revoked or rescinded (other than by Payee in connection with satisfaction of Maker's obligations hereunder) or any proceeding to cancel, revoke, or rescind the Security Documents shall be commenced by a third party and is not dismissed within thirty (30) days after its commencement;

(d) If Maker shall become insolvent, make an assignment for the benefit of creditors, or any case or proceeding under any laws relating to bankruptcy, insolvency, readjustment of debt, dissolution or liquidation shall be commenced with respect to the Maker; provided, however, in any case or proceeding under any laws relating to bankruptcy, insolvency, readjustment of debt dissolution, or liquidation commenced against Maker, Maker shall not be in default if said case or proceeding is discharged within thirty (30) days;

(e) If Maker liquidates or dissolves; or

(f) If Maker shall assign or seek authorization to assign the Station's licenses, or if there is an ownership change where Maker owns or controls less than 51% of the of Station (other than with the prior written consent by Payee).

Each party shall notify the other in writing upon becoming aware of any Event of Default.

9. No Waiver. No delay or omission on the part of the Payee in exercising any right hereunder shall operate as a waiver of such right or of any other right of such Payee, nor shall

any delay, omission or waiver on any one or more occasions be deemed a bar to or waiver of the same or any other right on any future occasion.

10. Collection Costs and Expenses. If Payee retains an attorney in connection with any such default or to collect, enforce or defend this Note or the Security Documents in any lawsuit or in any reorganization, bankruptcy or other proceeding, or if Maker sues any holder in connection with this Note or the Security Documents and does not prevail, then Maker agrees to pay to each such holder and/or Payee, in addition to principal and interest, all reasonable costs and expenses incurred by such holder in attempting to collect this Note or in any such suit or proceeding, including reasonable attorneys' fees, and all other reasonable costs and expenses incurred by or on behalf of Payee in connection with Payee's exercise of any and all of its remedies under this Note.

11. Jurisdiction. Any litigation based hereon, or arising out of, under, or in connection with, this Note, or any course of conduct, course of dealing, statements (whether verbal or written) or actions of Payee or Maker shall be brought and maintained in the Commonwealth of Virginia. Maker hereby expressly and irrevocably submits to the jurisdiction of the courts of the Commonwealth of Virginia.

12. Cure Provisions. In the event of an Event of Default by Maker, Payee shall deliver to Maker a Notice of Default and Maker shall have a period of time not to exceed ten (10) days in which to cure such default.

Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed delivery by a nationally recognized overnight courier service, and shall be addressed as follows (or to such other address as any party may request by written notice). Any Notice shall also be sent by email

if to Payee:

Jackman Holding Company, LLC
6139 Franklin Park Rd.
McLean VA 22101
Attention: Wray Fitch
Telephone: 703 489 5004
Email: awf@gg-law.com

if to Maker:

Amador S. Bustos, President
BUSTOS MEDIA HOLDINGS, LLC
5110 SE Stark Street
Portland, OR 97215
Telephone: (916) 216-1423
Email: abustos@bustosmedia.com

13. Waivers. Maker hereby waives and renounces, for itself and its successors, presentment for payment, demand, protest and notice of demand, notice of dishonor, notice of nonpayment, and all other notices. Notwithstanding the foregoing, Payee shall give prior written notice of demand for any payment it claims is past due or otherwise deficient in any way. No failure to accelerate the debt evidenced hereby by reason of default hereunder, acceptance of a past due amount, or indulgences granted from time to time shall be construed (a) as a novation of this Note or a reinstatement of the indebtedness evidenced hereby or as a waiver for such right of acceleration or of the right of Payee thereafter to insist upon strict compliance with the terms of this Note, or (b) to prevent the exercise of such right of acceleration or any other right granted hereunder or by applicable law. No extension of the time for the payment of this Note, 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 Maker under this Note, either in whole or in part, unless Payee agrees otherwise in writing. No provision of this Note may be changed, waived, discharged, or terminated except by an instrument in writing signed by the

party against whom enforcement of the waiver, change, modification or discharge is sought. Payee may, without the consent of Maker, release or discharge any Maker, guarantor, accommodation party, or surety or release, surrender, waive, substitute, compromise, or discharge any security herefor without affecting the liability of the Maker hereunder.

14. Business Purpose. Maker hereby declares, represents, and warrants that the indebtedness evidenced hereby is made in a commercial transaction for business purposes.

15. Assignment. Maker may not assign, pledge or otherwise transfer all or any portion of its interest in this Note at any time without the prior written consent of Payee, which may be granted or denied in Payee's sole discretion. The Payee may sell, assign, pledge or otherwise transfer all or any portion of its interest in this Note at any time or from time to time without prior notice to or consent of and without releasing any party liable or becoming liable hereon. The rights and obligations of the parties hereto shall be binding upon and benefit the successors, administrators and permitted transferees of the parties.

16. Headings. All headings used herein are used for convenience only and shall not be used to construe or interpret this Note.

[Signature on following page]

IN WITNESS WHEREOF, the undersigned has caused this Note to be signed by Maker in its corporate name by its duly authorized officers as of the date and year first written above.

Bustos Media Holdings, LLC

By: _____
Amador S. Bustos
President

4833-5333

State of _____

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County of _____

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I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that _____ who is personally well known to me as the party who executed this Promissory Note, personally appeared before me in the said jurisdiction aforesaid and acknowledged the same to be his act and deed.

Give under my hand and seal this _____ day of _____

Notary Public
My Commission Expires: _____

[Notary Seal]