

PROMISSORY NOTE

_____, 2023

\$427,500.00

FOR VALUE RECEIVED, SKYLINE MEDIA OF RUTHERFORDTON, LLC, a South Carolina limited liability company (“Maker”), promises to pay to the order of ISOTHERMAL BROADCASTING COMPANY, INC., a North Carolina corporation (“Payee”), the principal sum of FOUR HUNDRED TWENTY SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$427,500.00), together with interest on the unpaid principal balance outstanding from time to time until paid in full at the interest rate set forth herein, calculated on the basis of the actual number of days elapsed over a year.

1. Interest Rate. The interest rate applicable to this Note shall be 4% per annum.
2. Payments of Principal and Interest. Maker shall make 120 monthly installments of principal and interest based on a twenty-year amortization of \$2,575.42 with the first payment due 90 days after closing, and continuing monthly thereafter, as shown in the attached amortization schedule; and on the first month following the month the 120th monthly payment is due, Maker shall pay a balloon payment equal to the balance of the loan in full together with any additional outstanding principal, accrued but unpaid interest, and any other costs and fees that are due.
3. Prepayment. Maker may prepay the outstanding principal balance of this Note in whole or in part without premium or penalty, provided that such prepayment shall be made together with accrued interest on the amount prepaid to the date of prepayment.
4. Representations and Warranties. Maker hereby represents and warrants to Payee that:
 - (a) Validity of Note. The execution, delivery and performance by Maker of this Note has been duly authorized by all necessary action and, when executed and delivered by Maker, will constitute the valid and binding agreements of Maker, enforceable in accordance with its terms.
 - (b) Existing Defaults. Maker is not in default in the performance or observance of any material obligation, agreement, covenant, or condition contained in any bond, debenture, note, or other evidence of indebtedness or in any contract, indenture, mortgage, agreement, loan agreement, lease, or other agreement or instrument to which Maker is a party or by which it, or any of its properties, is bound.
 - (c) No Default in Other Agreements. The execution and delivery and performance by Maker of this Note, the incurrence of the obligations set forth herein, and the consummation of the transactions contemplated hereby, will not conflict with or result in a breach of any bond, debenture, note, contract, indenture, mortgage, loan agreement, lease, or any other evidence of indebtedness, agreement or instrument to which Maker is a party or by which it or any of its properties may be bound, or result

in the violation by it of any law, order, rule, or regulation of any court or governmental agency or body having jurisdiction over it or any of its properties.

- (d) No Consents. No consent, approval, authorization, or other acknowledgment of, or the provision of notice to, any court or governmental agency or body, or any other person, that has not already been obtained, is required for the consummation by Maker of any of the transactions contemplated by this Note.

5. Acceleration of Note. All outstanding principal, together with all accrued but unpaid interest thereon, shall become due and payable immediately upon the occurrence of any of the following: (i) a Change of Control (as defined below) of the Maker or the licensee of either Station (as defined in Section 7 below); (ii) a sale, transfer, or assignment by Maker of all or substantially all of the assets used in the operation of either Station; or (iii) a sale, transfer, or assignment by Maker of the Federal Communications Commission license(s) of either Station. A “Change of Control” with respect to an entity occurs when (i) such entity merges into another entity or (ii) any person or entity (or group of persons or entities acting in concert) acquires, directly or indirectly, the power to elect or appoint a majority of the board of directors or managers of such entity, or otherwise to direct the management or affairs of such entity, whether through voting agreements or trusts, acquiring securities, by contract or otherwise.

6. Method of Payment or Repayment. Payments hereunder shall be made in lawful money of the United States of America by check or draft on the date payment is due, or in such other manner, and at such place, as the Payee may from time to time direct in writing to the Maker, provided that such “other manner” of payment does not require the Maker to incur additional costs in the making of payments hereunder (e.g., wire transfer fees, etc.).

7. Purchase Agreement. This Note is delivered to Payee in connection with Maker’s purchase of certain of the assets owned by Payee or its affiliated and used in connection with the operation of commercial radio stations WCAB (AM) 590 kHz, Rutherfordton, NC (FCC Facility ID #29261) and W265DW (FX) 100.9 MHz, Rutherfordton, NC (FCC Facility ID #202956) (collectively, the “Stations”). This Note is issued in connection with, and is entitled to the benefits of and is subject to the terms and conditions of, the Asset Purchase Agreement dated November 28, 2022, relating to the purchase and sale of the Stations (the “APA”). Reference is made to the APA for a statement of the rights, obligations, and duties of Payee and Maker in relation thereto.

8. Security. This Note is secured by, and/or Maker has provided Payee with certain remedies under a Security & Membership Pledge Agreement of even date herewith executed by Maker in favor of Payee granting and conveying to Payee a first priority security interest in the collateral described therein and a pledge of all the membership interests of Maker (the “Security & Membership Pledge Agreement”, also known as the “Collateral Documents”).

9. Event of Default; Remedies. Each of the following shall constitute an “Event of Default”, whatever the reason for such event and whether it shall be voluntary or involuntary, or within or without the control of Maker or be effected by operation of law or pursuant to any

judgment or order of any court or any order, rule, or regulation of any governmental or nongovernmental body:

- (a) failure by Maker to make any scheduled payment when due, and such failure shall continue unremedied for twenty (20) days after such payment is due;
- (b) any representation or warranty by Maker in this Note, the APA or the Collateral Documents, or any representation or warranty by any pledgor in the Pledge Agreement, shall at any time prove to have been incorrect or misleading in any material respect when made;
- (c) any failure by Maker to comply, perform or observe of any term, covenant, condition, or agreement contained in this Note or the APA (other than a term, covenant, condition, or agreement a default in the performance or observance of which is elsewhere in this Note specifically dealt with, (e.g. the payment of amounts owing on this Note)) and, if capable of being remedied, shall remain uncured for a period of thirty (30) days following written notification of such matter to Maker from Payee;
- (d) any default under or breach of any of the Collateral Documents that remains uncured beyond the applicable cure period set forth therein, if any; or
- (e) (i) a filing of any petition or answer by Maker seeking to adjudicate Maker bankrupt or insolvent, or seeking for Maker any liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition or adjustment of Maker's debts under any law relating to bankruptcy, insolvency, or reorganization or relief of debtors, or seeking, consenting to, or acquiescing in the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for Maker or for any substantial part of Maker's property or any action taken by Maker to authorize any of the actions set forth above; (ii) the entry of an order for relief or approving a petition for relief or reorganization or any other petition seeking any reorganization, arrangement, adjustment, protection, relief, or composition or adjustment of Maker's debts under any law relating to bankruptcy, insolvency, or reorganization or any similar statute, law or regulation, or the filing of any such petition against Maker which petition shall not be dismissed within ninety (90) days; or (iii) without the consent or acquiescence of Maker, the entering of an order appointing a trustee, custodian, receiver or liquidator of the Maker (as applicable) or of all or any substantial part of the property of Maker which order shall not be dismissed within sixty (60) days.

10. Remedies.

- (a) Upon the occurrence and during the continuance of any Event of Default, and at all times thereafter until such default is cured or the remainder of the principal sum, together with all interest accrued thereon shall have been paid in full (each

such period, a "Default Period"), the interest rate hereunder shall be nine percent (9%) and interest shall accrue on the unpaid principal balance at such rate during the Default Period.

- (b) Upon the occurrence and during the continuance of any Event of Default other than an Event of Default described in Section 9(e) hereof, Payee may, in its sole discretion, declare this Note, including, without limitation, the remainder of the principal sum plus all interest accrued thereon and any costs of collection (including, without limitation, actual reasonable attorney's fees and disbursements if collected by or through an attorney at law or in bankruptcy, receivership or other judicial proceedings), all without presentment, demand, protest or notice. Failure to exercise this option shall not constitute a waiver of the right to exercise the same at any other time.
- (c) Upon the occurrence of an Event of Default described in Section 9(e), this Note including, without limitation, the remainder of the principal sum plus all interest accrued thereon and any costs of collection (including, without limitation, actual reasonable attorney's fees and disbursements if collected by or through an attorney at law or in bankruptcy, receivership or other judicial proceedings), shall become immediately due and payable, without presentment, demand, protest or any other notice of any kind, all of which are expressly waived.
- (d) Upon the occurrence of an Event of Default and acceleration of this Note as provided in this Section 10, Payee may pursue any remedy available under this Note, the Collateral Documents, or available at law or in equity, all of which shall remain cumulative. The order and manner in which the rights and remedies of Payee may be exercised shall be determined by Payee in its sole discretion.

11. Waiver of Protest. Maker hereby waives presentment, protest, notice of protest and non-payment, or other notice of default, notice of acceleration and intention to accelerate and agrees that its liability under this Note shall not be affected by any renewal or extension in the time of payment hereof, or by any indulgences, or by any release or change in any security for the payment of the indebtedness evidenced by this Note, and hereby consents to any and all renewals, extensions, indulgences, releases or changes, regardless of the number of such renewals, extensions, indulgences, releases or changes.

12. Rights and Waivers. No waiver or modification of any right, power or privilege of Payee or of any obligation of Maker shall be effective unless such waiver or modification is in writing, and signed by Payee and then only to the extent set forth therein. A waiver by Payee of any right, power, or privilege hereunder on any one occasion shall not be construed as a bar to, or waiver of, the exercise of any such right, power or privilege which Payee otherwise would have on any subsequent occasion.

13. Costs of Collection. Upon an Event of Default, Maker agrees to pay all costs of collection, including, but not limited to, court costs and reasonable actual attorneys' fees calculated on the basis of such attorneys' usual hourly rate multiplied by the number of hours

spent in enforcing Payee's rights hereunder and not on the basis of any percentage of the outstanding balance of this Note.

14. Assignment. This Note may be assigned or transferred, in whole or in part, by Payee to any person or entity at any time without notice to or the consent of Maker. Maker may not assign or transfer this Note or any of its rights hereunder without the prior written consent of Payee. This Note shall inure to the benefit of and be binding upon the parties hereto and their permitted assigns.

15. Governing Law. This Note shall be construed in accordance with and governed by the law of the State of North Carolina, without regard to its choice of law principles.

16. Jurisdiction. Any judicial proceeding against Maker brought by Payee with respect to any term, condition or breach of this Note, or any other present or future agreement between Maker and Payee related to this Note may be brought by Payee in a court of competent jurisdiction in the State of North Carolina, and, by execution and delivery of this Note, Maker accepts for itself and in connection with its properties, generally and unconditionally, the nonexclusive jurisdiction of the aforesaid courts, and irrevocably agrees to be bound by any final judgment rendered thereby in connection with this Note, or any other present and future agreement between Maker and Payee. Maker waives any bond or surety or security upon such bond or surety which might, but for this waiver, be required of Payee. Nothing contained in this section affects the right of Payee to bring any action or proceeding against Maker or its property in the courts of any other jurisdiction. Any judicial proceeding by Maker against Payee involving, directly or indirectly, any matter or claim in any way arising out of, related to or connected with this Note, its actual or threatened breach, or any other present or future agreement or other dispute of any nature between Payee and Maker related to this Note, may be brought only in a North Carolina state court sitting in Rutherford County, North Carolina (and the appropriate appellate courts therefrom). Maker waives any objection to jurisdiction and venue of any action instituted hereunder or in connection herewith and may not assert any defense based on lack of jurisdiction or venue or based upon *forum non conveniens*. Payee or Maker may file an original counterpart or a copy of this agreement with any court as written evidence of the waivers and consents contained herein.

17. Severability. The provisions of this Note are severable and if any one clause or provision hereof shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Note in any jurisdiction.

18. Business Purpose. The loan evidenced by this Note represents credit extended for business, commercial, investment or other similar purpose, and not for personal, family, household or other consumer purposes.

19. Binding Effect. This Note shall bind and inure to the benefit of the parties, their legal representatives, successors, and assigns.

[SIGNATURES ON NEXT PAGE]

SAMPLE - TO BE SIGNED AT CLOSING

IN WITNESS WHEREOF, Maker has caused this Note to be executed by its duly authorized officer the date first above written.

SKYLINE MEDIA OF RUTHERFORDTON, LLC

By: _____

Name: Todd Fowler

Title: Manager

SAMPLE - TO BE SIGNED AT CLOSING

Amortization Schedule

[TBD]

SAMPLE - TO BE SIGNED AT CLOSING