

SECURITY AGREEMENT

THIS SECURITY AGREEMENT (the "Security Agreement"), made as of this 6 day of August, 2004, by and between COLUMBIA BROADCASTING, INC., a South Carolina corporation (the "Grantor"), and WBHQ COLUMBIA, LLC, a Delaware limited liability company ("Lender").

WITNESSETH:

This Security Agreement is entered into by the parties in connection with that certain Promissory Note (the "Note") dated of even date herewith in the aggregate principal amount of Three Hundred Thousand Hundred Dollars (\$300,000), issued by Grantor to Lender in connection with that certain Asset Purchase Agreement dated of even date herewith, pursuant to which Lender is acquiring the licenses issued by the Federal Communications Commission (the "FCC") and other assets used or useful in the operation of television station WBHQ(TV), Sumpter, South Carolina (the "Station").

1. **GRANT OF SECURITY INTEREST.** To secure the prompt and complete repayment of all amounts due under the Note (the "Obligations"), Grantor hereby grants and conveys to Lender a security interest in the personal and real property and other assets, tangible and intangible, and all other rights and interests described hereunder with respect to and used or held for use in the business and/or operations of the Station (the "Station Assets"), including, without limitation:

(a) All machinery, equipment, transmitting towers, broadcast studio equipment, program and music libraries, transmitters, antennas, furnishings, microphones, audio equipment, video equipment, tape recorders, tools, and furniture and all merchandise, inventory, raw materials, work in process, finished goods, and supplies, whether now owned or hereafter acquired by Grantor or in which Grantor may now have or hereafter acquire an interest;

(b) All books, records, ledgers, customer lists, correspondence, computer hardware and software, and magnetic or other data storage media pertaining to any of the above-referenced items, whether in the possession of Grantor or otherwise;

(c) All cash and non-cash proceeds and products, including insurance proceeds of, and any indemnity or warranty payable by reason of damage to or loss of, any of the foregoing (the "Proceeds");

(d) All licenses, franchises, permits and authorizations heretofore or hereafter granted or issued to Grantor under federal, state or local laws (excluding, however, any licenses, permits and other authorizations issued by the FCC with respect to the Station which permit or pertain to the business of Grantor with respect to the Station (the "FCC Licenses") to the extent, and only to the extent, it is unlawful to grant a security interest in such licenses, franchises, permits and

authorizations, but including without limitation, to the maximum extent permitted by law, the right to receive all proceeds derived or arising from or in connection with the sale or assignment of such licenses, permits and other authorizations);

(e) All contract rights (including accounts receivable of the Station), instruments, certificates, securities (certificated or uncertificated), leases, rents, chattel paper, deposits, choses-in-action, patents, trademarks, copyrights, service marks, trade secrets, trade names, literary rights, rights to performance, call letters, and general intangibles, all re-issues, divisions, renewals, extensions, continuations, and continuations-in-part thereof, and goodwill associated with any of the foregoing, now in force or hereafter acquired ("General Intangibles"); and

(f) All Proceeds, substitutions or replacements, of, for and to (a) through (e) above, (with (a) through (e) and (f) being collectively referred to hereinafter as the "Collateral").

2. REPRESENTATIONS AND WARRANTIES; COVENANTS. Grantor represents, warrants, covenants and agrees as follows:

(a) To pay and perform all of the Obligations according to their terms;

(b) On demand of Lender to do the following: execute any written agreement and do all other acts necessary to effectuate the purposes and provisions of this Security Agreement, execute any instrument or statement required by law or otherwise in order to perfect, continue or terminate the security interest of Lender in the Collateral and pay all filing or other costs incurred in connection therewith;

(c) To defend title to the Collateral against all persons and all claims and demands whatsoever, which Collateral, except for the security interest granted or expressly permitted hereby, is lawfully owned by Grantor free and clear of any and all liens, security interests, claims, charges, encumbrances, taxes and assessments, other than those which secure Lender and are otherwise permitted hereunder;

(d) To keep the Collateral free and clear of all material liens, charges, encumbrances, taxes and assessments;

(e) Unless otherwise required by Lender, to retain possession of the Collateral during the existence of this Security Agreement and not to sell, exchange, assign, loan, deliver, lease or otherwise dispose of the Collateral without the prior written consent of Lender;

(f) To keep the various items of the Collateral at their present locations, and not to change the location of any Collateral, or permit any such change, without the prior written consent of Lender;

(g) To pay or cause to be paid when due all taxes, franchise fees and payments, assessments and license fees in any way relating to the Collateral;

(h) Upon request by Lender, Grantor will provide Lender with written reports of the

status of the Collateral, or any part thereof, as of the period specified, in form and substance satisfactory to Lender and not change the location of its books and records without giving Lender at least thirty (30) days' prior written notice;

(i) By execution of this Agreement, to acknowledge the appointment of Lender, and any officer or agent of Lender, as the true and lawful attorney-in-fact of Grantor with full power at any time, if Grantor be in default under this or any other agreement: (i) to enter upon the premises of Grantor at any time for the purpose of reducing to possession General Intangibles and all cash or non-cash proceeds thereof, or for the purpose of inspecting and/or auditing the books, records and procedures of Grantor; (ii) to compromise, extend, or renew any of the Collateral or deal with the same as it may deem advisable; (iii) to release, or make exchanges or substitutions, or surrender, all or any part of the Collateral; (iv) to endorse the name of Grantor upon any items of payment relating to the Collateral; (v) to file financing statements and continuation statements covering the Collateral on behalf of Grantor, as applicable, it being expressly understood and agreed that (x) Lender shall not be required or obligated in any manner to make any inquiries as to the nature or sufficiency of any payment received by it or to present or file any claims or take any other action to collect or enforce a payment of any amounts which may have been assigned to it or to which it may be entitled hereunder at any time or times, (y) Grantor ratifies and approves all acts of its attorney-in-fact hereby appointed, and (z) this power of attorney is coupled with an interest and shall be irrevocable as long as any of the indebtedness secured hereby shall remain outstanding, and shall not terminate on disability of Grantor;

(j) To comply with all federal, state and local laws and regulations applicable to its business, whether now in effect or hereinafter enacted, and upon request of Lender, will furnish to Lender evidence of compliance therewith; and

(k) To immediately notify Lender in writing of any change in or discontinuance of any Grantor's place or places of business.

3. EVENTS OF DEFAULT. For the purposes of this Security Agreement, each of the following shall constitute an "Event of Default" hereunder:

(a) Grantor shall fail to make any payment when due under the Note;

(b) Grantor fails to comply with or perform any material provision of this Security Agreement; or

(c) If any material representation, warranty or covenant made or given by Grantor in connection with this Security Agreement shall prove to have been incorrect or misleading or breached in any material respect on or as of the date when made (or remade).

4. CERTAIN REMEDIES UPON DEFAULT. Upon the occurrence of an Event of Default at the option of Lender:

(a) The Obligations shall immediately become due and payable in full without notice

or demand, and Lender shall have all of the rights, remedies and privileges with respect to repossession, retention and sale of the Collateral and disposition of the proceeds as are accorded to Lender by the applicable sections of the Uniform Commercial Code in the State of South Carolina (as the same may be amended from time to time, the "UCC").

(b) Without limiting the provisions of the foregoing clause (a), Lender may also (i) enter upon Grantor's premises, peaceably by Lender's own means or with legal process, and take possession of the Collateral, render it unusable or dispose of the Collateral on such premises, and Grantor agrees not to resist or interfere; and (ii) require Grantor to assemble the Collateral (to the extent that it is movable) and make it available to Lender at a place to be designated by Lender. Lender agrees that unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Lender will give Grantor reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. The requirements of reasonable notice will be met if such notice is mailed, postage prepaid, to the appropriate person at the address shown above, at least ten (10) days before the time of sale or disposition.

(c) Lender shall be entitled, in its own name or in the name of Grantor, or otherwise, but at the expense and cost of Grantor, to collect, demand, receive, sue for and/or compromise any and all of account receivables, and to give good and sufficient releases therefor, to endorse any checks, drafts or other orders for the payment of monies payable in payment thereof and, in its discretion, to file any claims or take any action or proceeding, either in its own name or in the name of Grantor, or otherwise, which Lender may deem necessary or advisable. It is expressly understood and agreed, however, that Lender shall not be required or obligated in any manner to make any inquiries as to the nature or sufficiency of any payment received by it or to present or file any claims or take any other action to collect or enforce a payment of any amounts which may have been assigned to it or to which it may be entitled hereunder at any time or times.

(d) Upon an Event of Default hereunder, Lender's reasonable attorney's fees and the legal and other expenses of pursuing, searching for, receiving, taking, keeping, storing, advertising and selling the Collateral shall be chargeable to Grantor.

(e) Lender may perform Grantor's obligation hereunder for Grantor's account, and any monies expended in so doing shall be chargeable with interest to the Grantor and added to the indebtedness secured hereby.

(f) Grantor shall take any action that Lender may reasonably request in order to enable Lender to obtain and enjoy the full rights and benefits granted to Lender hereunder, including without limitation, all rights necessary to obtain, use, sell, assign or otherwise transfer control of the FCC Licenses. Without limiting the generality of the foregoing, upon the occurrence of an Event of Default, at the written request of Lender and at Grantor's sole cost and expense, Grantor shall (i) assist Lender in obtaining any required FCC approval for any action or transaction contemplated hereby, including preparing, signing and filing with the FCC and/or any other governmental body with jurisdiction thereover, the assignor's or transferor's portion of any application or applications for consent to assign or transfer the Station's license necessary or appropriate under the Act or the rules and regulations of the FCC or any other governmental body for approval of any sale, assignment or transfer to Lender or any other person or entity of

any or all Collateral (including without limitation any FCC Licenses), and (ii) execute all applications and other documents and take all other actions requested by Lender to enable Lender, its designee, any receiver, trustee, or similar official or any purchaser of all or any part of the Collateral to obtain from the FCC or any other governmental body any required authority necessary to operate the broadcasting business of Grantor. If Grantor shall refuse to sign any application or other document necessary to be filed with the FCC or any other governmental body to enable Lender to exercise its rights hereunder, Lender may secure an order from a court of competent jurisdiction authorizing the clerk of the court or some other designee to sign such application or other document on behalf of Grantor.

5. ADDITIONAL RIGHT OF THE LENDER TO USE AND OPERATE COLLATERAL.
Upon the occurrence of any Event of Default hereunder:

(a) Subject to the provisions of the UCC, any required prior approval of the FCC, and any other applicable law, Lender shall have the right and power to take possession of all or any part of the Collateral and to exclude Grantor and all persons claiming under Grantor wholly or partly therefrom, to the extent necessary, thereafter to hold, store and/or use, operate, manage and control the Collateral. Upon any such taking of possession, Lender may, from time to time, at the expense of Grantor, make all such repairs, replacements, alterations, additions and improvements to and of the Collateral as Lender may deem proper. In any such case, subject to the prior approval of the FCC, to the extent necessary, Lender shall have the right to manage and control the Collateral and to carry on the business and exercise all rights and powers of Grantor respecting the Collateral, all as Lender shall deem best, including the right to enter into any and all such agreements with respect to the leasing and/or operation of the Collateral or any part thereof as Lender may see fit; and Lender shall be entitled to collect and receive all rents, issues, profits, fees, revenues and other income of the same and every part thereof. Such rents, issues, profits, fees, revenues and other income shall be applied to pay the expenses incurred in (i) holding and operating the Collateral; (ii) performing all maintenance, repairs, replacements, alterations, additions and improvements which Lender may be required or elect to make, if any; and (iii) paying all taxes, assessments, insurance and other charges upon the Collateral or any part thereof, and all other payments, which Lender may be required or authorized or elect to make (including legal costs and attorneys' fees). Any remaining rents, issues, profits, fees, revenues and other income shall be applied to the payment of the Obligations. Without limiting the generality of the foregoing, Lender shall have the right to apply for and have a receiver appointed by a court of competent jurisdiction in any action taken by Lender to enforce its rights and remedies hereunder in order to manage, protect or preserve the Collateral or continue the operation of the business of Grantor. Lender shall also have the right to collect all revenues and profits of Grantor's business and apply the same to the payment of all expenses and other charges of any such receivership until a sale or other disposition of the Collateral shall be finally made and consummated.

6. FCC APPROVAL. Notwithstanding anything to the contrary contained herein, Lender will not take any action pursuant to this Security Agreement which would constitute or result in any assignment of an FCC License or any change of control of the ownership or management of the Station if such assignment of FCC License or change of control would require under then

existing law (including the written rules and regulations promulgated by the FCC), the prior approval of the FCC, without first obtaining such approval of the FCC. Grantor agrees to take any action which Lender may reasonably request in order to obtain and enjoy the full rights and benefits granted to Lender by this Security Agreement and each other agreement, instrument and document delivered to Lender in connection herewith or in any document evidencing or securing the Collateral, including specifically, at Grantor's own cost and expense, the use of its best efforts to assist in obtaining approval of the FCC for any action or transaction contemplated by this Security Agreement which is then required by law.

7. ASSIGNMENT. Lender may assign its interests in this Security Agreement without the express written consent of Grantor.

8. NO ASSUMPTION OF DUTIES. The rights and powers granted to Lender hereunder are being granted in order to preserve and protect Lender's security interest in and to the Collateral granted hereby and shall not be interpreted to, and shall not, impose any duties on Lender in connection therewith.

9. FINANCING STATEMENTS. Lender is hereby authorized to file Financing Statements covering the Collateral.

10. MISCELLANEOUS. Captions used herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Security Agreement or the intent of any provision hereof. The gender and number used in this Security Agreement are used as reference terms only and shall apply with the same effect whether the parties are of the masculine or feminine gender, corporate or other form, and the singular shall likewise include the plural.

11. WAIVER. Waiver of or acquiescence in any default by Grantor, or failure of Lender to insist upon strict performance by Grantor of any warranties or agreements in this Security Agreement, shall not constitute a waiver of any subsequent or other default or failure.

12. BINDING EFFECT. The terms, warranties and agreements herein contained shall bind and inure to the benefit of the respective parties hereto, and their respective legal representatives, successors and assigns. The terms and conditions of this Security Agreement may not be waived, modified or amended orally, but may be waived, modified or amended only by an agreement in writing signed by the parties against whom any waiver, modification or amendment is sought. Any provisions in this Security Agreement which are or are declared invalid under any law shall not invalidate any other provision of this Security Agreement.

13. CHOICE OF LAW; VENUE AND JURISDICTION; SERVICE OF PROCESS. This Security Agreement shall be interpreted, and the rights and liabilities of the parties hereto determined, in accordance with the laws of the State of South Carolina, without regard to its principals of conflicts of law. Venue for any adjudication hereof shall be only in the state and Federal courts sitting in Columbia, South Carolina, to the jurisdiction of which courts Grantor hereby submits, as the agreement of such party, as not inconvenient and not subject to review by any court other than such courts in Columbia, South Carolina. Any notice, or service of any summons and/or complaint hereunder and any other process which may be served on Grantor in any action in respect hereto, may be made by registered mail or by delivering a copy of such process to the address specified in the Note. Grantor agrees that this submission to jurisdiction and consent to service of process are reasonable and made for the express benefit of Lender.

13. WAIVER OF JURY TRIAL. GRANTOR WAIVES ALL RIGHT TO TRIAL BY JURY OF ALL CLAIMS, DEFENSES, COUNTERCLAIMS AND SUITS OF ANY KIND DIRECTLY OR INDIRECTLY ARISING FROM OR RELATING TO THIS INSTRUMENT OR THE DEALINGS OF THE PARTIES IN RESPECT HERETO. GRANTOR ACKNOWLEDGES THAT THIS IS A WAIVER OF A LEGAL RIGHT AND THAT IT MAKES THIS WAIVER VOLUNTARILY AND KNOWINGLY AFTER CONSULTATION WITH, OR THE OPPORTUNITY TO CONSULT WITH, COUNSEL OF ITS CHOICE. GRANTOR AGREES THAT ALL SUCH CLAIMS, DEFENSES, COUNTERCLAIMS AND SUITS SHALL BE TRIED BEFORE A JUDGE, WITHOUT A JURY.

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IN WITNESS WHEREOF, the parties have executed this Security Agreement on the day and year first above written.

GRANTOR:

COLUMBIA BROADCASTING, INC.

By: James A. Thompson
Its: President

LENDER:

WBHQ COLUMBIA, LLC

By: Stephanie D. Rein
Its: Managing Member