

## SECURITY AGREEMENT

This Security Agreement made this \_\_\_\_ day of \_\_\_\_\_, 2000, by and between CSN International (ACSN@) and Educational Media Corp. (AEMC@):

### WITNESSETH

WHEREAS, CSN and EMC have entered into an Asset Purchase Agreement as of December \_\_\_\_, 2001 (AAgreement@) regarding the tangible assets of FM Stations WJYJ(FM), Fredericksburg, Virginia, and WJYA(FM), Emporia, Virginia, and certain translators used to retransmit the signals of those stations (the AStations and Translators@); and

WHEREAS, closing on the transaction contemplated in that Agreement has taken place on the date hereof; and

WHEREAS, pursuant to said Agreement, CSN has agreed to mortgage the tangible personal property used in the operations of CSN's broadcast stations to secure a Promissory Note of even date herewith in the principal amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) (the ANote@);

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, the parties intending to be legally bound agree as follows:

1. CSN hereby grants to EMC title to and a security interest in and to the following property to secure the payments and obligations of CSN (hereinafter referred to as the ACollateral@): all of the tangible personal property of CSN which is used in connection with the operation of the radio broadcast stations licensed to CSN by the Federal Communications Commission (AFCC@).

2. The security interest granted hereby is to secure the payment and performance of the CSN's obligations under the Agreement by and between EMC and CSN and the payments due pursuant to CSN's Note payable to the order of EMC of even date herewith in the principal amount of \$\_\_\_\_\_. This Security Agreement also secures all advances, charges, costs and expenses, including but not limited to reasonable attorneys fees, which EMC incurs in validly exercising or enforcing any right, power or remedy conferred by this Security Agreement, the Agreement, and the Note for which the Collateral provided for hereunder is security.

3. Until default under the terms of the Note, CSN may have possession of the Collateral and use the same in any lawful manner not inconsistent with this Security Agreement or with any policy of insurance of any of the Collateral. Until Default, CSN may dispose of any of the Collateral in the normal course of its business operations; any assets that are acquired after the date of

this Security Agreement will become part of the Collateral upon acquisition.

4. In the event of default and upon the provision of written notice to CSN at least fifteen (15) business days in advance (or such longer period if required by law), EMC may proceed to enforce the security interest according to law; provided, however that in no event shall EMC have any obligation to proceed against Collateral or against any persons, firm or entity in order to enforce EMC's rights. In the event that EMC seeks to enforce its security interest, EMC will be required to first proceed against the assets of the Stations and Translators. Thereafter, in the event that the assets of the Stations and Translators do not satisfy the obligation of CSN to EMC under the note, EMC shall have the right to proceed against the assets of other broadcast stations owned by CSN until such time that CSN's obligation to EMC has been fully satisfied. This Security Agreement gives EMC no control nor rights to operate any of the stations for which CSN has received an FCC license.

5. It is further agreed that upon default by the CSN and the sale of Collateral under the power given to EMC under Section 4 hereof, EMC may bid on the sale, or make a purchase of Collateral, or any part thereof.

6. No delay or failure on the part of the EMC in the exercise of any right or remedy shall operate as a waiver thereof, and no single or partial exercise by the EMC of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy.

7. All necessary notices, demands and requests required or permitted to be given under the provisions of this Security Agreement shall be deemed duly given upon receipt if mailed by certified or registered mail, postage prepaid, or by overnight courier service and addressed as follows (or to a substituted address as to which the other party has been notified consistent with the provisions of this Section).

(a) If to EMC:

Educational Media corp.  
c/o Mr. Peter Stover

\_\_\_\_\_  
\_\_\_\_\_

(b) If to CSN:

CSN International  
c/o Jeff Smith, Vice President  
3232 W. MacArthur Blvd.  
Santa Ana, CA 92704

8. Neither CSN nor EMC may assign this Security Agreement absent the prior written consent of the other.

9. This Security Agreement shall be governed, construed and enforced in accordance with the laws of the Commonwealth of Virginia.

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

EDUCATIONAL MEDIA CORP.

CSN INTERNATIONAL

By: \_\_\_\_\_  
President

By: \_\_\_\_\_  
Vice President