

PROMISSORY NOTE LOAN

\$100,000

_____, 2018

FOR VALUE RECEIVED, **Two Hearted Media, LLC**, a Michigan limited liability company (the “Maker”), promises to pay to the order of **David L. Smith**, an individual, or assigns (the “Lender” or the “Holder”), at 17 Glen Eagles Ct., Chillicothe, OH 45601, or at such other place as the Holder of this Note may from time to time designate, the principal amount of ONE HUNDRED THOUSAND DOLLARS (\$100,000), in lawful money of the United States of America, without offset.

Commencing on the first business day after thirty (30) days of the date hereof, this Note shall be payable in ninety-six (96) monthly installments of principal and interest (at an annual interest rate of four percent (4%)), in arrears, so that each monthly installment payment shall be ONE THOUSAND TWO HUNDRED AND EIGHTEEN DOLLARS AND NINETY-THREE CENTS (\$1,218.93).

Notwithstanding the foregoing payment schedule, the entire outstanding principal balance hereof, together with any accrued and unpaid interest hereon, shall be due and payable in full at the option of Lender (i) on the sale or transfer of station WMJT(FM), 96.7 MHz, McMillan, Michigan, FCC Facility ID No. 164160 (the “Station”), or (ii) the sale or transfer of a majority of the outstanding ownership interests of the Maker or substantially all of the assets of the Maker; each such event or proposed event, a “Change Event.”

The unpaid principal amount of this Note may be prepaid in whole or in part at any time or times without premium or penalty. Unless the Lender otherwise elects, all prepayments shall be applied first, to the payment of any fees or expenses owing to the Lender under the Loan Documents (as hereinafter defined), second, to the payment of accrued and unpaid interest, and then, to the unpaid principal balance of this Note.

This Note evidences the Purchase Price for certain assets purchased pursuant to that certain Asset Purchase Agreement between Maker and Holder made as of September 1, 2018 (the “Purchase Agreement”). This Note is secured by (i) the Security Agreement, dated as of the date hereof, made and executed by the Maker, as grantor, for the benefit of the Holder (the “Security Agreement”), (ii) the Pledge Agreement, dated as of the date hereof, made and executed by the sole Member of the Maker, as pledgor, for the benefit of the Holder (the “Pledge Agreement”), and (iii) the Guaranty of the Member/President of Maker, dated as of the date hereof (the “Guaranty”). The Holder is entitled to the benefits of the Security Agreement, the Pledge Agreement and the Guaranty and reference is made to the Security Agreement, the Pledge Agreement and the Guaranty for a description of the collateral and the rights and remedies of the Holder thereunder. This Note, the Security Agreement, the Pledge Agreement, the Guaranty, and all other assignments, agreements, certifications, documents and instruments required by, referred to in, or delivered or to be delivered pursuant to, this Note, the Security Agreement, the Pledge Agreement and/or the Guaranty are hereinafter collectively referred to as

the “Loan Documents.” Neither references herein to the Loan Documents nor to any provision thereof shall affect or impair the absolute and unconditional obligation of each Obligor (which term shall include the Maker, and all other makers, sureties, guarantors, endorsers and other persons assuming obligations pursuant to this Note) to pay the principal amount hereof, together with interest accrued thereon and all other sums payable hereunder, when due.

This Note shall evidence, and the Loan Documents shall secure, the indebtedness described herein under the Loan Documents.

The occurrence of any one or more of the following shall constitute an event of default (“Event of Default”) hereunder:

- (1) Failure to pay any interest or the outstanding principal balance of this Note when due, whether at stated maturity, by acceleration, by notice of prepayment or otherwise; or
- (2) The occurrence of any event of default under any other Loan Document.

Upon the occurrence of any such Event of Default hereunder, the entire principal amount hereof, and all accrued and unpaid interest thereon, and any other amounts due under the Loan Documents, shall be accelerated, and shall be immediately due and payable, at the option of the Holder, without demand or notice. Each right, power and remedy of the Holder as provided for in this Note is in addition to, and not in substitution for, every other right, power and remedy exercisable by the Holder upon an event of default under any Loan Document, or as provided by applicable law. No single or partial exercise by the Holder of any right, power or remedy referred to above shall preclude any other or further exercise thereof or the exercise of any other of such rights, powers or remedies. No delay or omission on the part of the Holder to exercise such option or to pursue any of such rights, powers or remedies shall constitute a waiver of such option or such other remedies or of the right to exercise any of the same in the event of any subsequent Event of Default hereunder.

In the event that the Maker fails to make any payment on the date such payment is due and payable pursuant to this Note or any other Loan Document, and such failure shall continue for more than ten (10) days after written notice by the Holder to the Maker, the Maker shall pay to the Holder, upon demand therefor, a late payment fee (the “Late Payment Fee”) equal to five percent (5%) of the amount of such payment. The Late Payment Fee shall be in addition to, and not in lieu of, any other right or remedy the Holder may have and is in addition to any reasonable fees and charges of any agents or attorneys which the Holder is entitled to pursuant to the terms hereof or of any other Loan Document or by law.

Each Obligor promises to pay all reasonable costs and expenses (including, without limitation, reasonable attorneys’ fees and disbursements) incurred in connection with the collection hereof or in the protection or realization of any collateral now or hereafter given as security for the repayment hereof (including, without limitation the security provided under the Security Agreement and the Pledge Agreement). Each Obligor promises to perform each and

every covenant or agreement to be performed by such Obligor under this Note and each other Loan Document. Each Obligor promises to inform the Lender in writing of a Change Event, at least ten (10) days prior to such planned Change Event.

Any payment on this Note coming due on a Saturday, a Sunday, or a day which is a legal holiday in the place at which a payment is to be made hereunder shall be made on the next succeeding day which is a business day in such place, and any such extension of the time of payment shall be included in the computation of interest hereunder.

Each Obligor hereby waives presentment, protest, demand, notice of dishonor, and all other notices, and all defenses and pleas on the grounds of any extension or extensions of the time or payments or the due dates of this Note, in whole or in part, before or after maturity, with or without notice. No renewal or extension of this Note, no release or surrender of any collateral given as security for this Note, no release of any Obligor, and no delay in enforcement of this Note or in exercising any right or power hereunder, shall affect the liability of any Obligor. The pleading of any statute of limitations as a defense to any demand against any Obligor is expressly waived.

Whenever used herein, the words "Maker," "Lender", "Holder" and "Obligor" shall be deemed to include their respective successors and assigns.

This Note shall be governed by and construed under and in accordance with the laws of the State of Michigan (but not including the choice of law rules thereof).

[SIGNATURES ON THE NEXT PAGE]

IN WITNESS WHEREOF, the undersigned has caused this Note to be duly executed on its behalf as of the day and year first hereinabove set forth.

WITNESS:

Two Hearted Media, LLC

Name: _____

By: _____
Name: Travis Sumbera
Title: Member and President