

PROMISSORY NOTE

November __, 2014

[\$91,833.34]

FOR VALUE RECEIVED, the undersigned, GREGORY COMMUNICATIONS, INC., a North Carolina corporation ("GCI"), and GREGORY COMMUNICATIONS LICENSE, INC., a North Carolina corporation (together with GCI, the "Makers" and, individually, a "Maker"), jointly and severally, unconditionally promise to pay to the order of MAX RADIO OF THE CAROLINAS LLC, a Virginia limited liability company (the "Noteholder"), without offset, at 900 Laskin Road, Virginia Beach, Virginia 23451, or at such place as the holder of this Note may designate, the principal amount of [**Ninety-One Thousand Eight Hundred Thirty-Three and 34/100 Dollars (\$91,833.34)**], (the "Principal Amount") together with interest accruing thereon as provided in this note (this "Note"). This Note is the Note referenced in Section 2(a) of that certain Asset Purchase Agreement, dated as of September 1, 2014, by and between Max Radio of the Carolinas License LLC, a Virginia limited liability company, and the Noteholder (as Seller) and the Makers (as Buyer) (the "Purchase Agreement").

1. Payment. The Makers shall pay the Noteholder the Principal Amount in monthly installments of One Thousand Five Hundred Eighty-Three Dollars and Thirty-Three Cents (\$1,583.33) each on the first day of each calendar month beginning December 1, 2014 until all obligations due under this Note are paid in full. So long as the Note is not in default, no interest shall be payable on the unpaid Principal Amount. If not sooner paid, the entire unpaid Principal Amount, accrued and unpaid interest, if any, and all other sums owed under this Note shall be due and payable in full on August 31, 2019. This Note may be prepaid in whole or in part at any time, or times, without penalty or premium and without the prior written consent of the Noteholder.

2. Default Interest. During any period during which an Event of Default has occurred and is continuing, interest will accrue on the Principal Amount at the rate of twelve percent (12%) per annum on the total of the unpaid Principal Amount, until paid in full without prejudice to any of the other rights or remedies of the Noteholder. Interest and fees, if any, shall be computed on the basis of a 360-day year.

3. Manner of Payment; Application. All payments of interest and principal shall be made in lawful money of the United States of America no later than 5:00 PM Eastern Time on the date on which such payment is due by cashier's check, certified check, or by wire transfer of immediately available funds to the Noteholder's account at a bank specified by the Noteholder in writing to the Makers from time to time. All payments shall be applied first to the payment of any costs or expenses of the Noteholder due hereunder, then to interest due and any balance of such payments shall be applied to reduction of principal.

4. Security Agreements. The obligations of the Makers under this Note are secured as provided in (a) a Security Agreement between the Makers and the Noteholder of even date with this Note and (b) a Stock Pledge Agreement among George Gregory and GCI (the "Pledgors") and the Makers and the Noteholder of even date with this Note (collectively, the "Security Agreements").

5. Events of Default. On the occurrence of an Event of Default (defined below), the entire unpaid principal balance of this Note together with any accrued interest thereon and all other sums due the Noteholder hereunder shall, at the option of the Noteholder, at once become due and payable, without presentment, demand, protest or notice of any kind, all of which are hereby waived by the Makers. The happening of any one of the following events shall constitute an “*Event of Default*”:

a. failure to make within five (5) days after it is due any installment of principal;

b. failure to make within five (5) days after notice any other payment due under this Note;

c. the inability of a Maker to pay its his debts as they become due, the insolvency of a Maker, the application for the appointment of a receiver or custodian for a Maker or the property of a Maker, the entry of an order for relief or the filing of a petition by or against a Maker under the provisions of any bankruptcy or insolvency law, or any assignment for the benefit of creditors by or against a Maker (provided, however, that the filing of an involuntary petition in bankruptcy against a Maker shall not constitute an event of default unless it has not been dismissed within sixty days (60) days after its filing);

d. the entry of a judgment against a Maker or the issuance or service of any attachment, levy or garnishment against a Maker or the property of a Maker;

e. a default in the performance or observance of any covenant, agreement or other term or provision of this Note by a Maker or that remains uncured after thirty (30) days’ notice from the Noteholder to the Makers;

f. a default in the performance or observance of any covenant, agreement or other term or provision by the Makers of their obligations under the Purchase Agreement that remains uncured after ten (10) days’ notice from the Noteholder to the Makers; or

g. a default in the performance or observance of any covenant, agreement or other term or provision by the Pledgors or the Makers under the Security Agreements that remains uncured after ten (10) days’ notice from the Noteholder to the Makers.

6. Waiver of Certain Defenses.

a. Each person liable on this Note in any capacity, whether as the Maker, co-maker, endorser, surety and guarantor hereof (collectively referred to as a “Party”) jointly and severally (i) waives presentment, demand, protest and notice of dishonor and any and all lack of diligence or delays in collection or enforcement hereof, (ii) waives all exemptions, whether homestead or otherwise, as to the obligation evidenced by this Note, (iii) agrees that, without notice to any Party and without affecting any such Party’s liability, the Noteholder, at any time or times, may grant extensions of the time for any payment due on this Note, release any such Party from its obligations to make payments on this Note, permit the renewal of this Note, or permit the

substitution, exchange or release of any security of this Note, and (iv) agrees that no course of dealing or verbal agreement will be effective to modify any of the terms of this Note.

b. Each Party agrees that all obligations and payments owing to the Noteholder hereunder shall not be affected by any right of setoff, counterclaim, recoupment, credit, defense or other right that such Party might have against the Noteholder, all of which rights are hereby expressly waived by such Party.

7. **Time of the Essence.** Time is of the essence with regard to the payment of any amounts due under this Note and the performance of the covenants, terms and conditions of this Note.

8. **Costs and Expenses.** The Makers and any other Party liable under this Note shall also be obligated to pay, as part of such indebtedness, all costs of collection that may be incurred by the Noteholder in the collection and enforcement of this Note, including, without limitation, reasonable attorney's fees and all court costs and other litigation expenses.

9. **Severability.** If any covenant, term or condition of this Note is held for any reason to be invalid, illegal or unenforceable in any respect, the invalidity, illegality or unenforceability of such covenant, term or condition shall not affect the validity, legality or enforceability of the remaining covenants, terms and conditions of this Note.

10. **Successors and Assigns.** This Note may be assigned, transferred or negotiated by the Noteholder to any person at any time without the consent of the Makers. The Makers may not assign or transfer this Note or any of its rights hereunder without the prior written consent of the Noteholder. This Note shall inure to the benefit and be binding upon the parties hereto and their permitted assigns.

11. **WAIVER OF JURY TRIAL. TO THE FULLEST EXTENT POSSIBLE, THE MAKERS WAIVE IN FULL THE RIGHT TO A TRIAL BY JURY IN REGARD TO ANY DISPUTES, CLAIMS, CAUSES OF ACTION, OBLIGATIONS, DAMAGES, COMPLAINTS, LITIGATION OR ANY MATTER WHATSOEVER AND OF ANY TYPE OR NATURE, WHETHER IN CONTRACT, TORT OR OTHERWISE, THAT THE MAKER MAY HAVE NOW OR IN THE FUTURE MAY HAVE RELATING TO THIS NOTE OR ANY MATTER RELATING TO THE LOAN THAT THIS NOTE EVIDENCES. BY EXECUTION OF THIS NOTE, THE MAKERS REPRESENT AND WARRANT THAT THEY ARE REPRESENTED BY COMPETENT COUNSEL WHO HAS FULLY AND COMPLETELY ADVISED THE MAKERS OF THE MEANING AND RAMIFICATIONS OF THE RIGHT OF THE MAKER TO A TRIAL BY JURY OR HAD THE FULL AND COMPLETE OPPORTUNITY TO CONSULT SUCH COUNSEL AND CHOSE NOT TO DO SO, AND, THEREFORE, THE MAKER FREELY AND VOLUNTARILY WAIVES SUCH RIGHT TO TRIAL BY JURY.**

12. **Interest Rate Limitation.** To the extent any late charges or rate of interest stated in this Note exceeds the late charge or maximum rate of interest that may be charged on obligations of the type and nature evidenced by this Note, then such late charges or rate of interest shall be abated and reduced to the extent necessary to conform with applicable law.

13. Amendments and Waivers; Remedies Cumulative. No term of this Note may be waived, modified or amended except by an instrument in writing signed by both parties hereto. Any waiver of the terms hereof shall be effective only in the specific instance and for the specific purpose given. No failure to exercise and no delay in exercising on the part of the Noteholder, of any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

14. Notices. All notices and other communications permitted or required under this Note shall be in writing and shall be deemed effectively given or delivered on personal delivery (or refusal thereof), or the second business day after delivery to a courier service which guarantees delivery on the next business day, or ten (10) days after deposit with the U.S. Post Office, by registered or certified mail, postage prepaid, and, in the case of courier or mail delivery, addressed as follows (or at such other address for a party as shall be specified by like notice):

If to the Makers: **[Harold Barnes
2121 Partridge Place
Suffolk, VA 23433]**

with a copy (which shall not
constitute notice) to:

Howard Weiss
Fletcher, Heald, and Hildreth, PLC
1300 North 17th Street, Suite 1100
Arlington, VA 22209

If to the Noteholder: Max Radio of the Carolinas LLC
900 Laskin Road
Virginia Beach, VA 23451
Attention: David J. Wilhelm

with a copy (which shall not
constitute notice) to:

Stephen W. Burke
Williams Mullen
222 Central Park Avenue, Suite 1700
Virginia Beach, VA 23462

15. Governing Law. This Note and the rights and obligations of the parties hereunder shall be governed and construed in accordance with the laws of the Commonwealth of Virginia. If

any provision of this Note conflicts with any statute or rule of law of the Commonwealth of Virginia or is otherwise unenforceable, such provision shall be deemed null and void only to the extent of such conflict or unenforceability, and shall be deemed separate from and shall not invalidate any other provision of this Note.

16. Submission to Jurisdiction; Venue. The Makers hereby irrevocably and unconditionally (i) agree that any legal action, suit or proceeding arising out of or relating to this Note may be brought in the courts of the Commonwealth of Virginia or of the federal courts of the United States of America located in the Eastern District of Virginia, and (ii) submit to the exclusive jurisdiction of any such court in any such action, suit or proceeding. The Makers irrevocably and unconditionally waive, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Note in any court referred to in this Section 16 and the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

IN WITNESS WHEREOF, Gregory Communications, Inc. and Gregory Communications License, Inc. have caused this Promissory Note to be executed and sealed by authorized representatives thereof as of the day and year first above written.

GREGORY COMMUNICATIONS, INC.

_____(Seal)
By: _____, President

GREGORY COMMUNICATIONS LICENSE,
INC.

_____(Seal)
By: _____, President