

SECURITY AGREEMENT

THIS SECURITY AGREEMENT, made this _____ day of _____ 2007, by and between EBC Buffalo, Inc., (hereinafter called the "Debtor"), and Renard Communications Corp. (hereinafter called the "Secured Party"):

WITNESSETH:

1. Debtor hereby grants to the Secured Party a security interest in, and lien upon all tangible and intangible property, used and/or useful in the operation of Stations WBQM-LP, Brooklyn, New York (the "Station"), including without limitation, the property of Debtor described in Schedule 1 attached hereto (hereinafter referred to as the "Collateral") and shall include the proceeds, products, and accessions of and to any thereof. It is expressly understood that the security interest granted herein shall also attach to all property of the class and character described above which the Debtor may hereafter acquire at any time for use solely in connection with the Station, but Secured Party's interest in all such later acquired replacement property will be secondary to any purchase money mortgages on such property. Subject to the foregoing it is expressly understood the security interest granted herein shall attach to all property of the class and character described above which the Debtor may hereafter acquire at any time as it relates solely to the Station until the termination of this Security Agreement. Debtor also grants Secured Party a security interest in the proceeds of the sale, if any, of the broadcast license(s) held in connection with the Station. The Parties agree that this Security Agreement will be primary and subordinate to no other lien. However, the Secured Party recognizes that Debtor's primary lender, Wells Fargo/Foothill, will be able to file a lien against the Collateral, that is subordinate to and subject to this Security Agreement. Further, Debtor recognizes it has no lien or security interest, and therefore no legal recourse, against any and all assets, tangible and intangible property, used and/or useful in the operation of

WMBQ-CA, Manhattan, New York, or any other assets held or operated by the Debtor that are not related solely to the use and operation of the Station.

2. The security interest granted herein is to secure the payment of the Note from EBC Buffalo, Inc., to Renard Communications Corp., of even date herewith in the amount of Two Million Dollars (\$2,000,000).

3. The Debtor agrees:

a. The Collateral will be kept at either the Debtor's principal place of business or the Station facilities, and will not be sold or otherwise disposed of without the written consent of the Secured Party, which shall not be unreasonably withheld, and excepting the disposal of equipment made in the ordinary course of business.

b. The Debtor shall use reasonable care in the custody and preservation of the Collateral and shall keep it in good order and repair and will not waste or destroy the Collateral.

c. Subject to the provisions of paragraph 1 above, the Debtor shall keep the Collateral free from any adverse security interest, liens, claims, charges, encumbrances, and will pay when due all taxes and assessments upon the Collateral and the Debtor shall keep the Collateral adequately insured at all times against loss by fire or other hazards.

d. Subject to the provisions of paragraph 1 above, upon Debtor's default in payment of the Promissory Note hereby secured, breach of this Security Agreement, insolvency, including without limitation bankruptcy, receivership, reorganization, assignment for the benefit of creditors, composition, or arrangement, whether voluntary or involuntary, pending or threatened (each an "Event of Default"), the Secured Party may at its option, discharge security interests, liens, claims, charges, and other encumbrances, taxes, or

assessments levied or placed on the Collateral, may pay for insurance on the Collateral, and may pay for the maintenance and preservation of the Collateral. The Debtor agrees to reimburse the Secured Party on demand for any payments made or expense incurred by the Secured Party under this Paragraph 3.d., and the payment of such sum shall be secured by this Security Agreement. And, the Secured Party under such circumstances is authorized and empowered at any time in its sole discretion:

- i. to require the Debtor to notify any debtor in the accounts or any party obligated under a contract of the fact of this assignment;
- ii. to demand, collect, or compromise any and all sums which are not or would later become due; and
- iii. to enforce payment thereof, either in its name or in the name of the Debtor.

e. Subject to the provisions of paragraph 1 above, the Debtor will not without prior written consent of the Secured Party borrow from anyone except the Secured Party or pledge or grant any security interest in any of the Collateral and in any after acquired property to any person except the Secured Party, except as indicated in paragraph 1 hereinabove.

In addition, if and when applicable laws, rules, and regulations shall permit, Debtor hereby grants to Secured Party a security interest in the FCC licenses, authorizations, and permits of the Station used by Debtor in the operation of the Station, which grant shall be effective at and from such time as such applicable laws, rules, and regulations shall permit such exercise such security interest; provided, however, that Secured Party will not exercise such security interest to operate or control the Station without first obtaining any necessary approval from the FCC. The parties acknowledge that no further action by the parties is necessary to effectuate provisions of this

paragraph; however, Debtor hereby agrees that upon request of Secured Party, and subject to the rules and regulations of the FCC, it will (at Debtor's expense) execute and deliver such documents and take such other actions as Secured Party shall request to effectuate the provisions of this paragraph, and to perfect Secured Party's security interest in the FCC licenses, authorizations, and permits of the Station used by Debtor in the operation of the Station.

4. Upon the occurrence of an Event of Default, Secured Party may apply to any court of competent jurisdiction for the appointment of a receiver for the benefit of the creditors of Debtor. If the court grants the application for receivership, such receiver shall be instructed immediately to seek from the FCC consent to an involuntary transfer of control of Debtor. Subject to the receipt of prior FCC approvals, the receiver shall have the power to dispose of the Station's FCC licenses, permits, and other authorizations (the "FCC Authorizations") and the Collateral in any manner lawful in the jurisdiction in which his or her appointment is confirmed, including the power to conduct a public or private sale of the FCC Authorizations and the Collateral. Secured Party may bid at any such public or private sale.

5. Upon the occurrence of an Event of Default, Secured Party shall have the right to require that Debtor join with the successful bidder or other purchaser at a foreclosure sale regarding the Collateral in seeking from the FCC all applicable prior approvals of the assignment of the FCC Authorizations to such bidder or other purchaser. In that regard, Debtor agrees to execute and deliver all applications, certificates, instruments, assignments and other documents and papers that may be required to obtain any necessary FCC consent, approval, or authorization. It is expressly understood that such sale shall be subject to all applicable consents and prior approvals of the FCC.

6. The Debtor warrants that, except for the security interest granted herein, or as otherwise provided in paragraph 1 above, to the extent that this Security Agreement grants a security

interest in after acquired property, the Collateral is free from any adverse lien, security interest, or encumbrances, and the Debtor will defend the Collateral against all claims and demands of all forms at any time claiming the same in any interest therein.

7. Upon the occurrence of an Event of Default, the Secured Party shall have all of the rights, powers, and remedies set forth in, the Note and this Agreement, together with the rights and remedies of a secured party under the Uniform Commercial Code of the jurisdictions where the Collateral is located, including without limitation the right to sell, lease, or otherwise dispose of any or all of the Collateral and to take possession of the Collateral. The Secured Party may require the Debtor to assemble the Collateral and make it available to the Secured Party at the place designated by the Secured Party, which is reasonably convenient to both parties. Any proceeds of any disposition of any of the Collateral may be applied by the Secured Party to the Payment or expenses in connection with the Collateral, including reasonable attorneys fees and legal expenses, and any balance of such proceeds may be applied by the Secured Party toward the payment of the indebtedness secured herein. Any required notice by the Secured Party of the sale or other disposition on default, when placed in the mail addressed to the Debtor at its offices or any subsequent offices, at least fifteen (15) days prior to such action, shall constitute reasonable notice. If Debtor defaults on this Security Agreement or the associated Promissory Note, Debtor will cooperate fully in transferring all of the Collateral to Secured Party. It will cooperate likewise with any related public or private sale of the FCC Authorizations and related public or private sale of the FCC Authorizations and applying to the FCC for consent to any related assignment or transfer of said FCC Authorizations.

8. The right is expressly granted to the Secured Party, at its discretion, to file one or more financing statements under the Uniform Commercial Code naming the Debtor and the Secured

Party and indicating therein the types or describing the items of Collateral herein specified. Subject to any administrative regulations and to the extent legally permissible, the Secured Party's efforts to perfect its security interest in the Collateral, including the FCC Licenses, shall not be frustrated by Debtor in any way.

9. The laws of New York shall govern the construction of this Agreement and the rights and duties of the parties hereto. The Secured Party's failure to exercise any right or take any action hereunder shall not constitute a waiver of that or any other right or action.

10. This Security Agreement may be executed in one or more counterparts, each of which shall constitute an original.

11. This Security Agreement shall be binding upon the Debtor, its successors and assigns, and the benefits hereof shall inure to the Secured Party, its successors and assigns.

EBC BUFFALO, INC.

By: _____

Name: _____

Title: _____

RENARD COMMUNICATIONS CORP.

By: _____

Name: _____

Title: _____