

## PROMISSORY NOTE

Rose Hill, North Carolina

June \_\_, 2014

\$ 45,000.00

For Value Received, GRACE MISSIONARY BAPTIST CHURCH D/B/A GRACE CHRISTIAN SCHOOL ("Maker") promises to pay to the order of Conner Media Corporation ("Holder") the principal amount of Forty-Five Thousand Dollars (\$45,000.00) as specified herein.

Payment of this Note shall be made in a single lump sum that shall be due twelve (12) months after the date on which the Federal Communications Commission ("FCC") issues a construction permit for FM translator station W277CF [formerly W276BR], Rose Hill, NC (the "Station") to relocate to such location and specifying such facilities as Maker may specify in an application (the "CP Application") to be filed within two months of the date hereof.

1. Events of Default. Upon the occurrence of one or more defaults as defined below, the Holder shall have the option of declaring immediately due and payable the entire unpaid principal of this Note plus accrued interest thereon. The following shall be events of default:

(a) If the Maker shall default in payment of this Note on the date provided herein for such payment;

(b) If a receiver, conservator, custodian, liquidator or trustee of Maker, or of all or any substantial part of Maker's assets, is appointed by court order and such order remains in effect for more than 60 days; or an order for relief is entered under the federal bankruptcy laws with respect to Maker; or any of the material amount of Maker's assets is sequestered by court order and such order remains in effect for more than 60 days; or a petition is filed against Maker under the bankruptcy reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within 60 days after such filing;

(c) If Maker files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment or debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under any such law;

(d) If Maker makes an assignment for the benefit of its creditors, or admits in writing its inability to pay, or in fact does not pay, its debts generally as they become due, or consents to the appointment of a receiver, conservator, custodian, liquidator or trustee, or of all or any substantial part of its assets;

(e) Failure or neglect to materially comply with any of the terms, provisions, warranties or covenants of this Note;

(f) Any loss or theft or any substantial damage or destruction of any substantial part of the tangible assets owned by Maker that is not repaired or replaced reasonably promptly, or the voluntary or involuntary transfer of any of such substantial assets by way of judicial sale, attachment, levy, garnishment or other judicial process; or

(g) Maker's failure to timely file the CP Application or to prosecute and defend it diligently.

2. Covenants of the Maker of this Note. As long as this Note shall remain outstanding, the Maker of this Note warrants, covenants and agrees as follows:

(a) That Maker will be licensee of the Station and shall materially and timely comply with all of its obligations under the rules and regulations of the FCC and other applicable governmental authorities.

(b) That Maker, at its sole expense, shall keep the Station's tangible personal property insured with reputable insurance companies reasonably satisfactory to Holder against physical damage for not less than the full insurable value. If Maker fails to procure insurance, Holder has the option, but is not obligated, to do so at Maker's expense.

3. Notices. All notices, demands and requests hereunder shall be deemed duly given (i) if mailed by registered or certified mail, postage prepaid, (ii) if sent by an overnight courier providing written confirmation of receipt, or (iii) if sent via electronic mail providing confirmation of receipt, addressed as follows:

Maker: Grace Missionary Baptist Church d/b/a Grace Christian School  
520 Roberts Road  
Newport, NC 24771  
Attn: Pastor Clyde I. Eborn, President  
Email: \_\_\_\_\_

Holder: Conner Media Corporation  
702 Hartness Road  
Statesville, NC 28677  
Attn: Dr. Ronald Benfield, President  
Email: rwbpdh@yahoo.com

4. Default Remedies. If an event of default as provided in paragraph 1 shall occur, the Holder may elect, in its sole unfettered discretion, to declare the entire principal and all interest accrued on this Note to be, and the Note shall forthwith become, due and payable, without any presentment, demand, protest or other notice of any kind, all of which are hereby expressly

waived and (subject to the rules and regulations of the FCC), whereupon the Note shall bear interest in an amount equal to twelve percent (12%) per annum or such lesser amount as may be the maximum permitted under law, and the Holder may exercise any right, power or remedy permitted to such holder by law, and shall have, in particular, without limiting the generality of the foregoing, the right to proceed to protect and enforce its rights either by suit or in equity and/or by action at law or proceed to obtain judgment or any other relief whatsoever appropriate to the action or proceeding, or proceed to enforce any other legal or equitable right of any holder of the Note. Under the remedies described above, the Holder shall be entitled to recover the costs and expenses, including, but not limited to, reasonable attorneys' fees, actually incurred by such holder in pursuing such remedy, together with the costs and expenses incurred by Holder pursuant to paragraph 2(b) hereof.

5. Prepayment and Application of Payments Made. Prepayment of this Note may be made at any time without prior written consent of the Holder. All prepayments will be applied first to accrued interest, if any.

6. Security. This note is secured only by the Holder's reliance upon the reputation and good faith of the Maker.

7. Miscellaneous. Maker hereby waives all notices, presentment for payment, demand, protest, notice of protest and notice of dishonor and agrees to remain bound until the principal and all interest are paid in full, notwithstanding any extension of time for payment that may be granted even though the period or periods of extension be indefinite and notwithstanding any inaction by, or failure to assert any legal rights available to, the Holder of this Note.

8. Governing Law. This Note shall be governed by and construed in accordance with the laws of the State of North Carolina.

ATTEST:

GRACE MISSIONARY BAPTIST CHURCH

\_\_\_\_\_

By: \_\_\_\_\_  
Pastor Clyde I. Eborn, President