

SECURED PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, Starlight Broadcasting LLC, an Oregon Limited Liability Company (“Maker”), with offices at 601 East C Street, Burns, Oregon, promises to pay to the order of Alexandra Communications, Inc. (“Payee”) the following amounts: (a) a principal amount of Seventy Five Thousand Dollars (\$75,000.00) (“Principal Amount”); (b) a premium (“Premium”), as set forth below; and (c) such additional amounts as may be disbursed to, or for the benefit of, Maker by Payee (“Additional Amounts”). The parties acknowledge that Payee has no obligation to disburse any Additional Amounts, and the decision to disburse any Additional Amounts lies in the sole and absolute discretion of Payee.

1. Interest and Payment Schedule.

(a) This Principal Amount and any Additional Amounts required to be paid by Maker pursuant to this Note shall be amortized over a six (6)-year period.

(b) At the outset of this Note, the amount of the Premium shall be Twenty Five Thousand Dollars (\$25,000), such that the total amount due at the outset of this Note shall be One Hundred Thousand Dollars (\$100,000). The Premium shall be increased by Twenty Five Percent (25%) on each dollar of any Additional Amounts provided by Maker for the benefit of Payee.

(c) Maker shall pay to Payee thirty-six (36) monthly payments, based upon the Principal Amount, as set forth on the Amortization Schedule attached hereto at Exhibit 1.

(d) On the first day of the thirty-seventh (37th) month, Maker shall pay to Payee a balloon payment of the remaining Principal Amount and all Additional Amounts, together with any accrued and unpaid interest thereon. Interest shall be computed hereunder based on a 365-day (or 366-day, if applicable) year and shall accrue for each and every day on which any indebtedness remains outstanding hereunder.

2. Form of Payment. All payments shall be made in lawful money of the United States of America, by check or confirmed wire transfer or cashier’s check, payable to Payee at Payee’s principal place of business: 45 S. Campbell Rd., Walla Walla, WA, 99362, or at such other place as the Payee may designate in writing, and shall be applied as follows: first, to the payment of any delinquency or “late” charges, if any; second, to accrued and unpaid interest; and third, to the reduction of principal. Time is of the essence for all payments due hereunder.

3. Prepayment. Maker may prepay this Note in whole or in part at any time without penalty. Any such prepayment shall be applied first to the payment of all accrued and unpaid interest. Partial payment of this Note will not release, discharge, or affect the remaining obligations of Maker or any guarantor, pledgor, or other maker or obligor under this Note or any other document executed in connection therewith.

4. Collateral/Security. The collateral associated with this Note, and Maker’s obligations pursuant hereto shall be secured by the following (collectively, “Collateral”):

(a) all licenses, permits and other authorizations issued by the FCC, including all rights to operate radio stations KSQB(FM), Burns, Oregon (Facility No. 62264); KYQT(AM), Burns, Oregon (Facility No. 62265); and FM translator K256DC, Burns, Oregon (Facility No. 200955), as any of them may be modified from time to time, and their related authorizations, licenses, permits and franchises (collectively, "FCC Licenses"). The parties expressly acknowledge that, currently, under federal law, including the Communications Act of 1934, as amended, and the rules and published policies of the Federal Communications Commission ("FCC") promulgated thereunder (collectively "Communications Laws"), prohibit liens on or collateralization of the FCC Licenses, but allow liens on or collateralization of the Proceeds from transactions involving the FCC Licenses. Such Proceeds shall be deemed Collateral even if such authorization, license, permit or franchise is excluded from Collateral and provided, further, that if any authorization, license or permit is excluded from Collateral because of such existing applicable law or legal restriction, the same shall automatically be and become Collateral hereunder as soon as such applicable law or legal restriction shall terminate;

(b) All intellectual property owned by Maker that is used in connection with the FCC Licenses; and

(c) All Proceeds of any of the foregoing including without limitation, all proceeds of any sales or dispositions, all Proceeds of any guaranty, indemnity or insurance, and all payments in connection with any requisition, confiscation, condemnation, seizure or forfeiture.

5. Purpose of Collateral. The Collateral shall secure the due and punctual payment and performance of the following debts, liabilities and obligations in each case, whether now or hereafter in existence, but without duplication:

(a) principal of, premium on and interest, if any, on the Note (including, without limitation, interest accruing after the date of any filing by Maker of any petition in bankruptcy or the commencement of any bankruptcy, insolvency or similar proceedings with respect to Maker, whether or not allowed as a claim in such proceeding under applicable law);

(b) any and all other fees, indemnities, costs, obligations and liabilities of Maker owing from time to time to the Payee; and

(c) all costs, expenses and liabilities which may be incurred in connection with this Note or the collateral security provided hereunder.

6. Events of Default. Any one or more of the following events shall constitute a default under this Note (each an "Event of Default"), whereupon subject only to limitations arising under the Communications Laws or any other law, Payee may elect to exercise any or all rights, powers and remedies afforded at law, including, without limitation, the right to accelerate the maturity of this Note and declare all amounts owing in respect to this Note to be due and payable in full:

(a) If Maker shall fail to make payments when due as follows:

(1) For three (3) months consecutively; or

(2) For six (6) months within any twelve (12)-month period; or

(3) For eight (8) months, cumulatively, during the Term.

(b) If Maker shall fail to perform any of its material obligations hereunder, or if any representation or warranty of Maker made herein is adjudged to be false by a body of competent jurisdiction by an order that it “final” and unappealable;

(c) If Maker shall become insolvent, make an assignment for the benefit of creditors, or any case or proceeding under any laws relating to bankruptcy, insolvency, readjustment of debt, dissolution or liquidation shall be commenced with respect to the Maker; provided, however, in any case or proceeding under any laws relating to bankruptcy, insolvency, readjustment of debt dissolution, or liquidation commenced against Maker, Maker shall not be in default if said case or proceeding is discharged within six (6) months.

(d) if any material inaccuracy shall exist in any other information furnished by or to be furnished by Maker to Payee to induce Payee to enter into this Note; or

(e) Subject to Section 14 hereof:

(i) if Maker shall file an application with the FCC for consent to the assignment of any of the FCC Licenses, in each case except through: (I) a *pro forma* application on FCC Form 316 or any successor form, or (II) an application for consent to the assignment of the FCC Licenses to Payee; UNLESS, upon consummation of any such assignment of the FCC Licenses, the Maker shall satisfy any still outstanding obligations to Payee pursuant to this Note.

(ii) if Maker shall (i) cease to maintain its corporate existence, (ii) sell or agree to sell all or substantially all of its assets (except as specified in Section 6(e)(i)), or (iii) merge or consolidate or agree to merge or consolidate with another entity other than each other (except as specified in Section 6(e)(i)).

7. Payee Action. Payee shall not take any action pursuant to the terms herein which would constitute or result in any assignment of a license authorized by the FCC for the operation of any of the Stations or any change of control of the licensee of the Stations if such assignment of license or change of control would require under existing law including the written rules and regulations promulgated by the FCC), the prior approval of the FCC, without first obtaining such prior approval of the FCC. Maker agrees to take or cause to be taken, by Maker, any actions which Payee may lawfully request in order to obtain and enjoy the full rights and benefits granted to Payee by the terms contained herein.

8. Default Interest. In the event that Maker on two (2) occasions fails to pay any amount due and payable under this Note that is not cured within ten (10) calendar days after its due date, simple interest shall thereupon commence to accrue upon the unpaid Principal Amount balance of this Note at the rate of interest of four percent (4%) per annum.

9. Representations and Warranties; Obligations of Maker.

(a) Maker represents and warrants on the date hereof to Payee that the execution and delivery by Maker of this Note and the performance by Maker of its obligations hereunder:

- (i) are within Maker's corporate power;
- (ii) have been duly authorized by all necessary or proper corporate action;
- (iii) are not in contravention of any provision of any of Maker's governing documents;
- (iv) will not violate any law or regulation, or any order or decree of any court or governmental authority that would, if violated, materially and adversely affect Maker or its property;
- (v) will not result in the breach or termination of, constitute a default under or accelerate any performance required by, any indenture, mortgage, deed of trust, lease, agreement or other instrument to which Maker is a party or by which Maker or any of its property is bound, which has been properly perfected pursuant to the Uniform Commercial Code as adopted in Oregon;
- (vi) do not require the consent, approval, authorization of or filing or registration with any governmental authority or any other person other than those which will have been duly obtained or made prior to the date hereof and which are in full force and effect; and
- (vii) will not result in the creation or imposition of any lien upon any of the property of Maker. Maker further represents and warrants on the date hereof to Payee that this Note has been duly executed and delivered by Maker and constitutes the legal, valid and binding obligation of Maker, enforceable against Maker in accordance with its terms.

(b) Maker shall not convey, sell or otherwise dispose of any FCC License, or grant a new security interest therein (as any collateral security for borrowed money) in any way that would be lead to a lien equal to, superior to, or of higher priority than the security interest of the Maker herein; provided, however, that in no event shall such prohibition impair Maker's right to license or sublicense the FCC Licenses in the normal course of business and provided, further, that in no event shall such prohibition impair Maker's right to dispose of any FCC License in the ordinary course of business if the net proceeds of such disposition are used to prepay this Note in such amount of net proceeds.

(c) Maker shall not issue any new membership interests (including by way of sales of treasury stock) provided that, notwithstanding the foregoing, Maker shall be permitted to issue new membership interests to a pledgor in connection with its creation so long as same is

pledged to Payee, unless the proceeds of such issuance allow Maker to satisfy this indebtedness to Payee evinced by this Note.

(d) Upon the filing of the UCC-1 financing statements in the office of the Secretary of State of the State of Oregon, no further action, including without limitation, any filing or recording of any document or the obtaining of any consent, is or will be necessary in order to establish, perfect (pursuant to the Uniform Commercial Code as in effect in all relevant jurisdictions) and maintain the Payee's first priority security interests in the Collateral, except for the periodic filing of continuation statements with respect to such UCC-1 financing statements. Without limiting the generality of the foregoing, no consent, approval or authorization of any Person (including, without limitation, any franchising authority) or recording, filing, registration, notice or other similar action with or to any Person (including, without limitation, any franchising authority), is required in order to insure the legality, validity, binding effect or enforceability of this Note or the validity, perfection or priority of any security interest provided hereunder as against all Persons, except as contemplated in the preceding sentence and except such filings or approvals as may be required in connection with a foreclosure or other remedial action after an Event of Default as contemplated in Section 6 herein.

(e) Maker hereby authorizes and appoints the Payee as attorney-in-fact to file in such offices as the Payee deems necessary or desirable such financing and continuation statements and amendments and supplements thereto as the Payee may require to perfect, preserve and protect the security interests granted herein. Maker will, from time to time, perform such other and further acts as may be reasonably requested by the Payee to perfect the security interests contemplated hereby.

(f) Payment of Taxes. Maker will pay promptly when due all taxes and assessments required to protect the Collateral from state action arising from any such nonpayment.

(g) Delivery of Instruments, Etc. At any time and from time to time that any Collateral consists of Instruments, certificated securities or other items that require possession by the Payee to perfect the security interest created hereby, Maker shall deliver such Collateral to the Payee.

(h) Notice of Changes in Representations. Maker shall notify the Secured Party in advance of any event or condition which could reasonably be expected to cause any representations set forth in this Section 9 to fail to be true, correct and complete.

(i) Further Assurances. At its sole cost and expense (both prior to and after an Event of Default) at the request of the Payee, Maker will duly execute and deliver or cause to be duly executed and delivered to the Payee such further instruments and do or cause to be done such further acts as may be necessary or proper in the reasonable opinion of the Payee to carry out more effectively the provisions and purposes of this Note.

10. Waivers, Consents, and Covenants.

(a) Maker hereby:

(i) except as set forth herein, waives presentment, demand, notice of demand, notice of intent to accelerate, and notice of acceleration or maturity, protest, notice of protest, notice of nonpayment, notice of dishonor, and any other notice required to be given under applicable law to Maker in connection with the delivery, acceptance, performance, default, or enforcement of this Note;

(ii) agrees that no such action, failure to act, or failure to exercise any right or remedy on the part of Payee shall in any way affect or impair the obligations of Maker or be construed as a waiver by Payee of, or otherwise affect, any of Payee's rights under this Note; and

(iii) agrees to pay, on three (3) days prior written notice, all costs and expenses after an Event of Default has occurred, and so long as it is continuing, of any enforcement of Payee's rights with respect to, or the realization upon, any property securing payment hereof, including, without limitation, reasonable attorneys' fees, including fees related to any bankruptcy proceeding.

(b) The failure at any time of Payee to exercise any of its rights or remedies hereunder shall not constitute a waiver thereof, nor shall it be a bar to the exercise of any of its rights or remedies at a later date. All rights and remedies of Payee shall be cumulative and may be pursued singly, successively, or together, at the option of Payee. The acceptance by Payee of any partial payment shall not constitute a waiver of any default or any of Payee's rights under this Note. No waiver of their rights hereunder, and no modification or amendment of this Note, shall be deemed to be made by Payee unless the same shall be in writing, duly signed on behalf of Payee; and each such waiver, if any, shall apply only with respect to the specific instance involved, and shall in no way impair the rights of Payee or the obligations of Maker to Payee in any other respect at any other time.

11. Appointment of Receiver. Without limiting the generality of the foregoing, upon the occurrence of an Event of Default, the Payee shall have the right to apply for and have a receiver appointed by a court of competent jurisdiction in any action taken by the Payee to enforce its rights and remedies hereunder in order to manage, protect and preserve the Collateral and continue all revenues and profits thereof and apply the same to the payment of all expenses and other charges of such receivership, including, without limitation, the compensation of the receiver, and to the payment of the obligations hereunder as aforesaid until a sale or other disposition of such Collateral shall be finally made and consummated.

12. Notice and Acceleration. Upon the occurrence of any Event of Default which is not cured within the time period established by this Note, the Payee may declare, by written notice of default given to Maker, this Note to be forthwith due and payable, and thereupon the principal amount of this Note, together with any accrued and unpaid interest, shall become immediately due

and payable without presentment, demand, protest, or other notice of any kind. Payee is hereby authorized at any time upon the occurrence and during the continuance of an Event of Default to setoff and charge against any property of Maker and any obligations of Payee to Maker, without notice or demand, any and all obligations due hereunder.

13. Usury Laws. It is the intention of the Parties to conform strictly to the usury laws, whether state or federal, applicable to this Note. None of the terms and provisions contained in this Note or any other document or instrument securing the indebtedness evidence hereby or related hereto shall ever be construed to create a contract for the use, forbearance, or detention of money requiring payment of interest in excess of the maximum amount permissible under applicable federal or state usury laws. If under any circumstances whatsoever fulfillment of any provision hereof or any documents, at the time performance of such provision shall be due, shall involve exceeding the limit of validity prescribed by law, then the obligation to be fulfilled shall be reduced to the limit of such validity; and if under any circumstances Payee shall ever receive an amount deemed interest by applicable law which would exceed the highest lawful rate, such amount that would be excessive interest under applicable usury laws shall be applied to the reduction of the principal amount owing hereunder and not to the payment of interest; or if such excessive interest exceeds the unpaid balance of principal, the excess shall be deemed to have been a payment by mistake and shall be refunded to Maker or to any other person making such payment on Maker's behalf. All sums paid or agreed to be paid to Payee for the use, forbearance or detention of the indebtedness of Maker evidenced hereby, outstanding from time to time, shall to the extent permitted by law, and to the extent necessary to preclude exceeding the limit of validity prescribed by law, be amortized, pro-rated, allocated and spread from the date of this Note so that the actual rate of interest on account of such indebtedness is uniform throughout the term hereof. The terms and provisions of this Section 13 shall control and supersede every other provision of all agreements between Maker and Payee.

14. Subsequent Sale of Stations. In the event of an assignment or transfer of control of any Station by Maker other than pursuant to a pro forma application on FCC Form 316 or any successor form, this Note shall be due and payable on the date the license assignment or transfer is consummated pursuant to Section 6(e)(i) hereto.

15. Assignability.

(a) This Note shall not be assigned by Maker without prior, written approval from Payee.

(b) Payee shall have the unconditional right to assign or pledge this Note and shall notify Maker of any such action in writing within thirty (30) days after such assignment or pledge.

16. Choice of Law. Maker and all persons who may become liable under this Note agree that this instrument and its performance shall be governed by and construed in accordance with the laws of the State of Oregon and that in the event of any legal or equitable action arising under this Note, jurisdiction and venue of such action shall lie exclusively with courts of competent jurisdiction in Harney County, Oregon.

17. Terms. Capitalized and other terms not otherwise defined herein are used herein as defined in the Oregon Uniform Commercial Code (or any other applicable Uniform Commercial Code). It is the intent of the parties that the definitions incorporated herein should be construed in their broadest sense so that collateral will be construed in its broadest sense. Accordingly, if there are, from time to time, proposed changes to defined terms in the Oregon Uniform Commercial Code, or any other applicable Uniform Commercial Code, that broaden the definitions, they are incorporated herein and if existing definitions in the Oregon Uniform Commercial Code, or any other applicable Uniform Commercial Code, are broader than the amended definitions, the existing ones shall be controlling.

[Signature Page Follows]

IN WITNESS WHEREOF, Maker has executed this Secured Promissory Note on the day and year first above written.

MAKER:

STARLIGHT BROADCASTING, LLC

BY: _____
Christopher Pruett, Managing Member

Dated: May 31, 2018