

## SECURITY AGREEMENT

This SECURITY AGREEMENT (this "Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2016 by and between, **WJXR, Inc., a Florida corporation** ("Secured Party"), **Norsan WJXR, LLC, a Florida limited liability company** ("Debtor"), and **Norberto Sanchez**, sole member of Debtor ("Member"), and is made with reference to the following facts:

A. Under even date herewith the Debtor has executed and delivered to the Secured Party that certain Promissory Note (the "Note") in the original principal sum of \$\_\_\_\_\_.

B. As security for the prompt and complete payment of all indebtedness evidenced by the Note and for certain other obligations of Debtor set forth in Section 2 below and set forth in that certain Asset Purchase Agreement dated January 2016, by and between Debtor and Secured Party (the "APA"), Debtor and Member have agreed to grant Secured Party a security interest in the property hereinafter described.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and agreements hereinafter contained, the parties hereto hereby agree as follows:

### 1. Grant of security interest.

As security for the obligations specified in Section 2 hereof, Debtor and, as to the Member's membership interest in the Debtor, Member hereby grant to Secured Party and each of Secured Party's heirs, legal representatives and assignees a continuing security interest in all of its and their respective right, title and interest in and to the following described property, together with any and all proceeds, increases, substitutions, replacements, repairs, additions and accessions thereof and thereto, all of the foregoing being hereinafter collectively referred to as the "Collateral." With respect to each particular item of Collateral, the security interest herein granted shall attach immediately upon Debtor's and Member's execution hereof or as soon as Debtor or Member acquires rights in and to such item of Collateral, whichever is later:

- (a) *Personal Property and Other Assets.* All current and future assets of Debtor, including without limitation, all machinery, equipment, furniture and fixtures, inventory, accounts receivable, general intangibles, stock, patents, copyrights, licenses, trademarks, chattel paper, instruments, money, good will, records and data, real property, personal property used in connection with the operation of Radio Station WJXR (FM), MacClenny, Florida (FCC Fac. # 73151) (the "Station") and all proceeds and products of or relating to any of the foregoing property;

Together with any changes, extensions, revisions, modifications or guarantees of performance related to any of the foregoing items.

- (b) *FCC Licenses.* To the extent permitted by law, any and all permits, licenses, and authorizations with respect to the Station, issued and outstanding or subsequently granted to Debtor by the Federal Communications Commission ("FCC") or any other governmental entity or otherwise in connection with the operation of the Station and any auxiliary broadcast or other facility associated with the Station. The parties recognize that as of the date of this Agreement a security interest may not extend to such FCC construction permits, licenses, and authorizations ("FCC Authorizations" or "FCC Licenses"), but that security interests are permitted to cover the proceeds of the sale, transfer, or other disposition of such FCC Authorizations. Accordingly, the parties agree that the security interests granted under this Agreement currently shall extend to the proceeds of any sale, transfer, or other disposition of such FCC Authorizations; provided, however, if the law in this regard is subsequently changed, in whole or in part, then all of the right, title, and

interest of Debtor in and to any FCC Authorizations, whether now held or hereafter acquired, shall automatically and immediately become subject to the Secured Party's security interests to the maximum extent permitted by law as then in force and effect.

- (c) *LLC Interest.* To the maximum extent allowed by law and the rules of the FCC and subject to any necessary FCC approvals all of Member's membership and/or ownership interest in Debtor arising pursuant to that certain Operating Agreement, dated as of December 19, 2014, to which Member is a party, as the same may be further amended from time to time (the "Operating Agreement") or otherwise. Without limiting the generality of the foregoing, subject to any necessary approval by the FCC, Secured Party is hereby granted a security interest in all of Member's right, title and interest arising under the Operating Agreement, including, without limitation, all rights of Member to receive any and all monies, properties, payments and distributions thereunder, whether in respect of operating profits, sales, exchanges, refinancings, condemnations or insured losses of Debtor assets, the liquidation of the Debtor's assets and affairs, management fees, guaranteed payments, repayment of loans, reimbursement of expenses, or otherwise (collectively the "Distributions"); all interests of Member in all assets, rights and interests of the Debtor (tangible or intangible), all rights, powers and prerogatives of Member arising under the Operating Agreement or under law, including, without limitation, all rights of Member to vote on any matter specified therein or under law; all rights of Member as a member in the Debtor and all rights to cause an assignee to be substituted in the Debtor as a member in the place and stead of Member; all rights and claims of Member for damages arising out of or for breach of or default under the Operating Agreement; all rights of Member to access to the books and records of the Debtor and to other information concerning or affecting the Debtor, and all rights of Member to terminate the Operating Agreement, to perform thereunder, to compel performance and otherwise to exercise all remedies thereunder.
- (d) *Proceeds, substitutions, etc.* To the extent not included in the items of Collateral set forth in Section 1 above, any and all proceeds, substitutions, replacements, repairs, additions and accessions to or of such items of Collateral, including, without limitation, all insurance and the proceeds thereof, all condemnation proceeds or the proceeds of any other form of taking thereof and all real property, equipment, inventory, accounts, general intangibles, contract rights, documents, instruments, chattel paper, money, deposit accounts and other tangible or intangible property received upon the sale or disposition of any of the foregoing now existing or herein arising.
- (e) *LLC acknowledgment and assignment of LLC interest.* Concurrently herewith, Debtor and Member shall execute and deliver to Secured Party an "Acknowledgment and Consent Regarding Security Agreement" in the form of that attached hereto as Exhibit "A".

Nothing in this Agreement shall be deemed to constitute an assumption by Secured Party of any liability or obligation of Member or Debtor with respect to any of the Collateral.

## 2. Security for obligations.

This Agreement secures, and the Collateral is security for, the prompt payment or performance in full and when due, whether at stated maturity, by acceleration or otherwise, of all obligations now or hereafter arising under the Note, whether for principal or interest (including, without limitation, interest which, but for the filing of a petition in bankruptcy with respect to Debtor, would accrue on such obligations) or payment of fees, expenses or otherwise, and all obligations of Debtor now or hereafter arising under this Agreement (all such obligations being the "Secured Obligations").

3. Debtor and Member remain liable.

Anything herein to the contrary notwithstanding, Debtor and Member shall remain liable under the Operating Agreement to perform all of its obligations thereunder to the same extent as if this Agreement had not been executed. The exercise by Secured Party of any of its rights hereunder shall not release Debtor or Member from any of its obligations under the Operating Agreement. Secured Party shall not have any obligation or liability under the Operating Agreement by reason of this Agreement, nor shall Secured Party be obligated to perform any of the obligations of Debtor or Member thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

4. Representations and warranties of debtor.

Debtor and Member hereby represent and warrant to Secured Party that:

- (a) *Status of debtor.* Debtor is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Florida, and is duly qualified or licensed to conduct business in each jurisdiction in which the nature of its business or assets requires such qualification or licensing under applicable law. Debtor and Member have the requisite power and authority to own its assets and to transact the business in which it is presently engaged and in which it proposes to engage and to grant to Secured Party the security interests in the Collateral as herein provided.
- (b) *Binding agreement.* This Agreement has been duly authorized and constitutes the legal, valid and binding obligation of Debtor and Member and is enforceable against Debtor and Member in accordance with its terms.
- (c) *No default or required consent.* Neither the execution and delivery of this Agreement by Debtor and Member nor the effectuation by Secured Party of any of its rights and remedies hereunder, whether upon default or otherwise, will result in a breach of, or constitute a default under, any regulations of Debtor, the Operating Agreement, or any other agreement or instrument to which Debtor or Member is a party or by which any of the Collateral is bound, nor violate any law or any rule or regulation of any administrative agency, or any order, writ, injunction or decree of any court or administrative agency, nor does any of the foregoing require the consent of any person, entity or governmental agency or any notice or filing with any governmental or regulatory body (except as may be required by the FCC or in connection with any sale or disposition of the Collateral by laws affecting the offering and sale of securities generally).
- (d) *Operating Agreement.* A true and complete copy of the Operating Agreement has been delivered to Secured Party. The Operating Agreement has been duly authorized, executed and delivered, has not been further amended or otherwise modified, is in full force and effect and is the legal, valid and binding obligation of the parties thereto, enforceable in accordance with its terms. There exists no default under the Operating Agreement by any party thereto.
- (e) *Enforceability of Collateral.* Debtor's and Member's rights to the Distributions are genuine, enforceable and are not subject to any defense, offset, counterclaim or contingency whatsoever.
- (f) *Title to Collateral.* Except for the security interest granted herein, either Debtor or Member has, and will, at all times during the term hereof have, good and marketable title to all and every part of the Collateral, free and clear of any mortgage, pledge, lien, security interest, encumbrance, adverse claim, conditional sales contract, lease or other title

retention agreement.

- (g) *Priority.* Upon the execution and delivery of this Agreement by Debtor and Member and the filing of appropriate financing statements with the proper governmental agencies, or, if applicable, upon Secured Party's taking possession of the Collateral, Secured Party shall have a perfected security interest in and to the Collateral and shall have first priority for the full amount of all of the Secured Obligations.
- (h) *No litigation.* There is no action, legal, administrative or other proceeding pending or threatened against Debtor's or Member's title to the Collateral or against Debtor's or Member's grant of a security interest therein hereunder, nor does Debtor or Member know of any basis for the assertion of any such claim.
- (i) *Location of Debtor's records.* The principal place of business of Debtor in the State of Florida and the place where Debtor keeps its books and records concerning the Collateral and a true, complete and confirmed copy of the Operating Agreement is and will remain at 9831-7 Beach Boulevard, Jacksonville, FL 32246, or such other address as Debtor may designate in writing to Secured Party pursuant to Section 5(b).
- (j) *Credit information.* Any and all credit or other information previously furnished to Secured Party by Debtor or Member in connection with the Secured Obligations, the financial condition, assets, liabilities, business or prospects of Member or Debtor, or the value or condition of the Collateral is true and correct, and all such information hereafter furnished to Secured Party by Debtor or Member will be true and correct when furnished.

5. Affirmative covenants:

*Concerning the Collateral:*

- (a) *Financing statements; further documents.* Debtor and Member shall concurrently herewith and from time to time at the request of Secured Party, whether before or after the occurrence of an Event of Default, execute and deliver to Secured Party such UCC-1 financing statements, amendments thereto, continuation statements and other agreements, instruments and documents as Secured Party may request, in form and substance satisfactory to Secured Party, showing Debtor and Member, as debtor, and Secured Party, as secured party, and Debtor and Member shall do such other acts and things as Secured Party shall deem necessary or desirable, in order to create, perfect, continue and preserve Secured Party's security interests in the Collateral and to preserve the priority thereof. Debtor and Member hereby authorize Secured Party, at any time and from time to time, to file and/or record any such financing statements, amendments, continuation statements, fixture filings, agreements, instruments and documents without the signature of Debtor or Member (where permitted by law).
- (b) *Records.* Debtor shall maintain its principal place of business and the place where it keeps its records pertaining to the Collateral and true and correct copies of the Operating Agreement and all amendments thereto at the location specified in Section 4(i), or at such other location within the United States as Debtor may designate by at least thirty (30) days' prior written notice to Secured Party.
- (c) *Protection of security and legal proceedings.* Debtor and Member shall, at their own expense, take any and all actions necessary to preserve, protect and defend the security interests of Secured Party in the Collateral and the perfection and priority thereof against all adverse claims, including appearing in and defending any and all actions and

proceedings which purport to affect any of the foregoing. Debtor shall promptly reimburse Secured Party for all sums, including costs, expenses and actual attorney's fees, which Secured Party may pay or incur in defending, protecting or enforcing its security interests in the Collateral or perfection or the priority thereof.

- (d) *Operating Agreement.* Debtor and Member shall, at their own expense, perform and observe all of the terms and provisions of the Operating Agreement to be performed or observed by them, maintain the Operating Agreement in full force and effect, enforce the Operating Agreement in accordance with its terms, and take all actions to any such end as may be reasonably requested from time to time by Secured Party. Debtor shall promptly deliver to Secured Party any notice of default which Debtor or Member receives with respect to the Operating Agreement.
- (e) *Compliance with laws; payment of taxes.* Debtor and Member shall comply with all laws, statutes and regulations pertaining to their ownership of the Collateral. Debtor shall pay or cause to be paid all taxes and other levies with respect to the Collateral when the same become due and payable. Debtor and Member shall timely file all federal, state, county and local income, excise, property, sales, use, franchise and other tax returns and reports which are required to be filed under applicable law. All monies required to be withheld by Debtor from employees of the Station for income taxes, social security and other payroll taxes shall be collected or withheld, and timely paid to the appropriate governmental authorities.
- (f) *Authorized sale.* If and only if permitted in writing to collect, sell, or dispose of any of the Collateral by the Secured Party, then Debtor shall keep the proceeds of any collection, sale or disposition of any Collateral authorized by Secured Party separate from Debtor's other property and, until otherwise notified by Secured Party, shall enforce all of Debtor's rights with respect to any such collection, sale or disposition, maintain accurate and complete records thereof, and promptly deliver to Secured Party the proceeds thereof as and when received. The foregoing shall not in any way authorize the Debtor to collect, sell, or dispose of any of the Collateral.
- (g) *Inspection.* Debtor shall maintain all FCC logs and other records that relate to the operation of the Station, and all files and other records of Debtor relating to the business or operation of the Station, including without limitation all schematics, blueprints, engineering data, customer lists, reports, specifications, projections, statistics, promotional graphics, original art work, mats, plates, negatives and other advertising, marketing or related materials, and all other technical and financial information concerning the Station or the Collateral. Debtor shall give Secured Party such information as may be requested concerning the Collateral and permit Secured Party and its agents and representatives to enter upon any premises upon which Debtor's records concerning the Collateral or the Debtor are located for the purpose of inspecting and auditing the same. Debtor shall also permit Secured Party and its agents and representatives full access upon request to all properties and records of the Debtor for the purpose of inspecting and auditing the same.
- (h) *Notification.* Debtor shall promptly notify Secured Party in writing of any event which affects the value of the Collateral, the ability of Debtor or Secured Party to dispose of the Collateral, or the rights and remedies of Secured Party in relation thereto, including, but not limited to, the levy of any legal process against the Collateral and the adoption of any order, arrangement or procedure affecting the Collateral, whether governmental or otherwise. Debtor shall promptly notify Secured Party of (x) any event or circumstance of which an officer, director, partner or member of Debtor is aware, that could have a material

adverse effect on the condition (financial or otherwise), operations, assets, liabilities, business or prospects of the Station, other than those affecting the radio station business generally; and (y) any litigation or FCC or other administrative proceeding or investigation concerning the operation of the Station or its FCC licenses or authorizations.

- (i) *Other documents.* Debtor and Member shall promptly deliver to Secured Party such documents and information pertaining to the status or condition of the Debtor, the Collateral and Secured Party's security interests therein as Secured Party may reasonably request from time to time.
- (k) *Authority of Secured Party.* With respect to any Collateral, Debtor and Member hereby consent and agree that the Debtor and Member shall be entitled to accept the provisions of this Security Agreement as conclusive evidence of the right of Secured Party, subject to any necessary FCC approval, to effect any transfer or exercise any right hereunder or with respect to any such Collateral, notwithstanding any other notice or direction to the contrary heretofore or hereafter given by Debtor or Member or any registrar, transfer agent or trustee of Debtor.
- (k) *Financial Statements.* Debtor shall, each month, furnish to Secured Party monthly financial statements for the prior calendar month, which at a minimum shall include an income statement and a balance sheet. Debtor and Member shall furnish to Secured Party no later than June 1<sup>st</sup> of each year, a copy of their respective federal and state income tax returns as filed for the previous calendar year. Each of the foregoing (x) shall be prepared in accordance with generally accepted accounting principles applied on a consistent basis throughout the periods involved and as compared with prior periods; and (y) fairly present the financial position, income, expenses, assets, liabilities, and the results of operations as of the dates and for the periods indicated. Debtor and Member shall promptly furnish to Secured Party such other reports and financial information as may be reasonably requested by Secured Party.
- (l) *Maintenance of Collateral.* Debtor and Member shall:
  - i. Cause the Station to be operated in compliance with the Communications Act and the rules, regulations, and policies of the FCC;
  - ii. Not misuse, abuse or waste the Collateral;
  - iii. Use the Collateral solely for the purpose of conducting the operations of Radio Station WJXR (FM), MacClenny, Florida (FCC Fac. # 73151);
  - iv. Maintain and keep in full force and effect all of the licenses and authorizations required under the Communications Act or the rules, regulations and policies of the FCC to be used in the operation of the Station and shall each exercise best efforts to ensure the foregoing are not revoked, suspended, canceled, rescinded or terminated and shall not expire or be terminated. Neither Debtor nor Member shall take or countenance any action which may cause the FCC to revoke, suspend, cancel, rescind or modify any of the FCC licenses or authorizations for the Station and shall monitor FCC proceedings and object to any application or action which may restrict or degrade the Station's signal or coverage (other than proceedings to amend FCC rules of general applicability).
  - v. Timely file all reports and filings required to be filed with, and timely pay all regulatory and other fees required to be paid to, the FCC with respect to the Station (including without limitation all required equal employment opportunity reports.)

Debtor shall maintain the public file for the Station as required by FCC rules. With respect to FCC licenses, permits and authorizations, Debtor shall operate only those facilities for which appropriate FCC licenses and authorizations have been obtained and are in effect, and Debtor shall meet the conditions of each such FCC requirement. Debtor shall timely file and prosecute any necessary applications for renewal of the FCC licenses and authorizations.

*Concerning Debtor:*

- i. *Maintenance of licenses.* Debtor shall do or cause to be done all things necessary to preserve in full force and effect its existence, properties, rights, licenses and qualifications to carry on business in all applicable jurisdictions.
- ii. *Conduct of business.* Debtor shall: (i) comply with all laws, statutes and regulations pertaining to its use and ownership of its properties and its conduct of its business; (ii) care for and maintain all of its properties in good condition, free of misuse, abuse, waste and deterioration, reasonable wear and tear caused by normal use excepted; (iii) observe and perform promptly all contracts or agreements to which it is a party or by which any of its properties is bound; and (iv) carry on its business in the ordinary course.
- iii. *Maintenance of insurance.* Debtor shall keep its properties and businesses insured against loss by fire, theft and other extended coverage hazards for the full replacement value thereof and against such losses, casualties and contingencies (including public liability and property damage and liability for defamation, libel, slander and invasion of privacy), of such types and in such amounts as is customary in the case of companies of established reputation engaged in the same or similar business as the Debtor.

6. Negative covenants.

Debtor and Member covenant that so long as any Secured Obligation remains outstanding, without the prior written consent of Secured Party:

*Concerning the Collateral:*

- (a) *Sale or hypothecation of collateral.* Neither Debtor nor Member shall directly or indirectly, whether voluntarily or involuntarily, by operation of law or otherwise: (i) sell, assign, transfer, exchange, lease, lend or dispose of any of the Collateral, or any of Debtor's or Member's rights therein; nor (ii) cause, suffer or permit any of the Collateral, or any of Debtor's or Member's rights therein, to be affected by any encumbrance, security interest or adverse claim of any kind or nature whatsoever, except:
  - i. the security interests in favor of Secured Party;
  - ii. inchoate or statutory liens for taxes which have not been assessed and which are not delinquent or, if assessed, are being contested in good faith by appropriate proceedings and provided that, in any such case, the effect of such proceedings is to stay the enforcement of such liens; and
  - iii. other liens as may from time to time be expressly permitted in writing by Secured Party.

The inclusion of "proceeds" as a component of the Collateral shall not be deemed a consent by Secured Party to any sale or disposition of all or any part of the Collateral.

- (b) *Actions concerning Operating Agreement.* Neither Debtor nor Member shall cause, suffer or permit the Operating Agreement to be amended or terminated, nor waive, postpone or modify its rights to receive any Distributions thereunder; nor waive any default or breach of the Operating Agreement; nor give any other consent, waiver or approval thereunder; nor take any other action in connection with the Operating Agreement which would materially (as reasonably determined by Secured Party) impair the value of the interests or rights of Debtor or Member thereunder or which would materially (as reasonably determined by Secured Party) impair the interests or rights of Secured Party. Any such proposed action shall be submitted in writing to Secured Party at least five (5) business days prior to its execution.

*Concerning Debtor:*

*Reorganization or disposition of assets, etc.* Debtor shall not become a party to any transaction whereby all or a substantial part of its properties, undertakings or assets would become the property of any other person or entity, whether by way of liquidation, dissolution, reorganization, merger, transfer, sale, lease, sale and leaseback or any other disposition; nor shall Debtor make any material change in the character of its business as conducted on the date hereof.

7. Rights of Member with respect to the Membership Interest of Debtor (the "Membership Interest").

- (a) *No event of default.* So long as no Event of Default (as hereafter defined) shall have occurred:
- i. Member shall be entitled to exercise any and all voting and other consensual rights pertaining to the Membership Interest, or any part thereof, for any purpose not inconsistent with the terms of this Agreement; provided, however, that Member shall not exercise or refrain from exercising any such right if it would result in an Event of Default; and, provided further, that Member shall notify Secured Party in writing of any such proposed action at least five (5) business days prior to taking the same; and
  - ii. Member shall cause the Debtor to pay directly to Secured Party: (A) One hundred percent (100%) of all Distributions made in the ordinary course and consisting of cash or cash equivalents; (B) one hundred percent (100%) of all Distributions made in the ordinary course and consisting of other property; and (C) one hundred percent (100%) of all Distributions paid or payable in cash or cash equivalents in respect of any partial or total liquidation or dissolution of the Debtor or any reduction of the capital thereof. Distributions received by Secured Party under (A) and (C) above shall be applied by Secured Party against the Secured Obligations in such order and manner as Secured Party, in its sole and absolute discretion, determines; Distributions received by Secured Party under (B) above shall be retained by Secured Party as Collateral.
- (b) *Event of default.* Upon the occurrence of an Event of Default or an event which, with the giving of notice, a lapse of time or both, would become an Event of Default:
- i. Secured Party shall have the right to have the Membership Interest transferred into the name of Secured Party, subject to any necessary approval by the FCC .
  - ii. All rights of Member to exercise the voting and other consensual rights which it would otherwise be entitled to exercise pursuant to Section 7(a)(i) shall cease, and Secured Party shall thereafter have the sole right to exercise such voting and other consensual rights, subject to any necessary approval by the FCC.

- iii. All rights of Member to receive the Distributions which it would otherwise be authorized to receive and retain pursuant to Section 7(a)(ii) shall cease, and Secured Party shall thereafter have the sole right, on behalf of Member, to receive one hundred percent (100%) of all Distributions, which may be held and/or applied by Secured Party against the Secured Obligations in such order and manner as Secured Party, in its sole and absolute discretion, determines.
- iv. All Distributions which are received by Member contrary to the provisions of subparagraph (iii) of this Section 7(b) shall be received in trust for the benefit of Secured Party, shall be segregated from other funds of Member, and immediately shall be paid over to Secured Party as pledged Collateral in the same form as received (with any necessary endorsements).

#### 8. Events of default.

Debtor and Member acknowledge and agree that, upon the occurrence, and during the continuance of, an event of default hereunder (“Event of Default”), the primary source of repayment of the obligations under the Note is through the sale of the Collateral, including the disposition of the FCC Licenses.

The occurrence of any of the following shall constitute an Event of Default hereunder:

- (a) *Default under Note, etc.* The default in the prompt and complete payment and performance of the Note; the default in the prompt and complete payment or performance of any term, condition or covenant in favor of Secured Party contained in this Agreement or in any other agreement or instrument delivered pursuant thereto or hereto; or the occurrence of any other event of default specified in any of the foregoing agreements or instruments; in each such case where such default is not cured within any grace period which may be granted in any such agreement or instrument with respect to such default or, if no specific grace period is granted with respect to such default, where such default is not cured within ten (10) days after written notice thereof from Secured Party or any successor in interest thereto.
- (b) *Bankruptcy.* The insolvency, failure in business, or appointment of a receiver to take charge of the business or property of Debtor or of any guarantor of any Secured Obligation, or the commission of an act of bankruptcy, the making of a general assignment for the benefit of creditors or the filing of any petition in bankruptcy by or against any such party or for relief under the federal bankruptcy laws, as amended, or under any other laws, whether federal or state, for the relief of debtors, now or hereafter existing, unless the same is dismissed within thirty (30) days after the filing thereof.
- (c) *Liens on Collateral.* The initiation of steps by any third party to obtain a lien, levy or writ of attachment or garnishment upon any or all of the Collateral or substantially all of any of the other property of Debtor or any guarantor of any Secured Obligation, or to affect any of the Collateral or any such other property by other legal process, unless the same is dismissed within thirty (30) days after the initiation thereof.
- (d) *Inability to pay debts.* The admission by Debtor or any guarantor of any Secured Obligation of its inability to pay its debts as they mature.
- (e) *Certain transfers.* The transfer of property by Debtor or any guarantor of any Secured Obligation under circumstances which would entitle a trustee in bankruptcy or similar fiduciary to avoid such transfer under the federal bankruptcy laws, as amended, or under any other laws, whether federal or state, for the relief of debtors, now or hereafter

existing.

- (f) *Appointment of receiver.* The appointment of a receiver, trustee or custodian for Debtor or any guarantor of any Secured Obligation, or for any substantial part of the assets of any of the foregoing parties, or the institution of proceedings for the dissolution or the full or partial liquidation of any of the foregoing parties, unless such receiver or trustee is discharged within thirty (30) days of appointment or such proceedings are discharged within thirty (30) days of their commencement.
- (g) *Dissolution of Debtor, etc.* If Debtor should cease for any reason to be a going concern or in the event Station does not broadcast regularly scheduled programming at the maximum parameters authorized by the FCC for a period in excess of thirty days.
- (h) *Misrepresentation.* If any representation or warranty of Debtor, or any guarantor of any Secured Obligation, contained in this Agreement or in any document, certificate or instrument delivered pursuant thereto or hereto should prove to be false or misleading.

## 9. Remedies upon Default.

If any Event of Default shall occur and be continuing:

- (a) *Acceleration of indebtedness.* Secured Party may declare any or all Secured Obligations, or any part thereof, to be immediately due and payable without demand or notice and proceed to collect the same.
- (b) *Other rights and remedies.* All subject to any necessary FCC approval, Secured Party may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it at law or in equity, all the rights and remedies of a secured party under the Uniform Commercial Code (the "Code") in effect in the State of Florida at that time, and Secured Party may also, without notice except as specified below, sell the Collateral or any part thereof in one or more parcels at public or private sale, at any exchange, broker's board, or at any of Secured Party's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as Secured Party, in its sole and absolute discretion, may deem commercially reasonable. Debtor and Member agree that, to the extent notice of sale shall be required by law, at least ten (10) days' notice to Debtor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. Secured Party shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. Secured Party may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. Debtor and Member hereby waive any claims against Secured Party arising by reason of the fact that the price at which any Collateral may have been sold at such a private sale was less than the price which might have been obtained at a public sale, even if Secured Party accepts the first offer received and does not offer such Collateral to more than one offeree, and in all events such sale shall be deemed to be commercially reasonable. At any such public or private sale, Secured Party may be the purchaser of the Collateral.
- (c) *Sale of Collateral consisting of Securities.* Debtor recognizes that, by reason of certain prohibitions contained in the *Securities Act of 1933*, as amended (the "Securities Act"), and applicable state securities laws, Secured Party may be compelled, with respect to any sale of all or any part of the Collateral, to limit purchasers to those who will agree, among other things, to acquire the Collateral for their own account, for investment and not with a view to the distribution or resale thereof. Debtor acknowledges that any such private

sale may be at prices and on terms less favorable to Secured Party than those obtainable through a public sale without such restrictions, and, notwithstanding such circumstances, agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner and that Secured Party shall have no obligation to engage in public sales and no obligation to delay the sale of any Collateral for the period of time necessary to permit the issuer thereof to register it for a form of public sale requiring registration under the Securities Act or under applicable state securities laws, even if Debtor would agree to do so.

- (d) *Further information.* If Secured Party decides to exercise its right to sell any or all of the Collateral, upon written request, Debtor shall cause each issuer of any Collateral to be sold hereunder from time to time to furnish to Secured Party all such information as Secured Party may request in order to determine the number of shares and other instruments included in the Collateral which may be sold by Secured Party as exempt transactions under the Securities Act and the rules of the Securities and Exchange Commission thereunder, as the same are from time to time in effect.
- (e) *Application of proceeds.* Any cash held by Secured Party as Collateral and all cash proceeds received by Secured Party in respect of any sale of, collection from, or other realization upon, all or any part of the Collateral may, in the direction of Secured Party, be held by Secured Party as collateral for, and/or then or at any time thereafter applied in whole or in part by Secured Party against, all or any part of the Secured Obligations in such order as Secured Party shall elect. Any surplus of such cash or cash proceeds held by Secured Party and remaining after payment in full of all the Secured Obligations shall be paid over to Debtor or to whomsoever may be lawfully entitled to receive such surplus. In like manner, Debtor shall pay to Secured Party, without demand, whatever amount of the Secured Obligations remains unpaid after the Collateral has been sold and the proceeds applied as aforesaid, together with interest thereon from the date of demand at the highest rate specified in the Note, which interest shall also constitute a part of the Secured Obligations.
- (f) *Termination of commitment.* Secured Party may terminate any agreement or commitment of Secured Party for the granting of further credit to Debtor.
- (g) *Appointment of Receiver.*
  - i. In the event that Secured Party seeks the appointment by a court of competent jurisdiction of a receiver or trustee (the "Receiver") for Debtor, then Debtor and Member shall and by these presents do hereby consent to the appointment of such Receiver. Such Receiver shall be instructed to seek from the FCC consent to an involuntary transfer of control of Debtor over to such Receiver, or to an involuntary assignment of the FCC Licenses from the Debtor to such Receiver, on a temporary basis for the purpose of the Receiver seeking a purchaser to whom control over Debtor ultimately will be transferred, or to whom the FCC Licenses ultimately will be assigned.
  - ii. Upon the occurrence and during the continuance of an Event of Default, Debtor and Member shall cooperate and take all actions (i) necessary or appropriate in connection with the filing and prosecution of an application to the FCC for the grant of an assignment of the FCC Licenses, or the grant of a transfer of control over Debtor, to the Receiver and then again from the Receiver to a purchaser of the Collateral, provided such Receiver or purchaser, as the case may be, is legally qualified to hold the FCC Licenses; and, (ii) to facilitate Secured Party's non-judicial foreclosure of

the security interests granted by this Security Agreement. In connection therewith, Debtor and Member agree to execute and deliver to Secured Party, the Receiver or any person or such entity designated by Secured Party, any documents, instruments, FCC applications or agreements requested by Secured Party or the Receiver in connection with any such grant of an assignment of the FCC Licenses, or transfer of control over Debtor, sought by Secured Party, including but not limited to any electronic or computer filing or in any format required by the FCC. Debtor and Member acknowledge, consent and agree hereby that in the event Debtor or Member refuses or fails to execute and deliver any such FCC application or FCC required document within five (5) days of it being requested to do so, the court which appointed the Receiver may order such application or document to be signed, electronically or otherwise, by a marshal or other officer designated by the court with the same effect as if such application or document were to be signed by the Debtor or Member, as the case may be.

- iii. Debtor and Member agree that upon the occurrence and during the continuance of an Event of Default, each and every one of them shall turn over, or cause to be turned over to the Receiver control over Debtor and over all of Debtor's operations, assets, liabilities, estates, books and records and all other miscellaneous contracts, documents and instruments relating in any way to Debtor including (subject to any FCC approval which may be required in accordance with law) all governmental, FCC or business licenses applicable to Debtor's business operations, including any FCC Licenses.
- iv. Subject to any necessary approvals by the FCC, Secured Party, Debtor and Member agree:
  - a. The Receiver shall be authorized to exercise control and authority over the affairs and assets of the Debtor and is authorized to file any documents necessary and appropriate to obtain such approval, including without limitation FCC Form 316 and any other documents that may be necessary to allow the Receiver to exercise control and authority over the FCC Licenses;
  - b. The Receiver shall have the power and authority to oversee, manage and operate the Debtor's assets, as well as to take possession and control of all of Debtor's assets as the Receiver finds appropriate;
  - c. The Receiver's powers shall include, in accordance with applicable law, the full power and authority to (i) take possession and control of Debtor's operations, assets, liabilities, estates and effects, including any FCC Licenses; (ii) sell or otherwise dispose of any or all of Debtor's assets, including FCC Licenses in accordance with the Communications Act and FCC rules and regulations, and to settle Debtor's liabilities on terms the Receiver determines are fair and appropriate, including paying normal operating expenses, taxes, insurance and utilities; (iii) manage the business and affairs of the Debtor; (iv) collect the outstanding debts, claims and property due and belonging to the Debtor; (v) prosecute, defend or resolve, in the name of the Debtor, all claims or suits pending against or initiated by the Debtor; (vi) and upon approval of a court, if necessary or appropriate, retain an agent or agents to assist the Receiver in the performance of his duties, powers and authority; and (vii) perform all other acts which might be done by the Debtor and which the Receiver determines are necessary or proper to satisfy Debtor's obligations;

- d. The Receiver, subject to the Communications Act and FCC rules and regulations, is empowered to hold, operate and utilize the FCC Licenses for radio broadcasting and to control the Station's business, including all matters related to programming, personnel and finances, and, in the performance of such duties, to retain, dismiss or replace employees of Debtor or the Station as Receiver deems to be in the best interest of the Station.
- v. Debtor and Member shall surrender and deliver immediately to the Receiver all keys, passcodes, passwords, access codes, combinations to locks or other information or property the Receiver needs in order to gain access to any or all of Debtor's cash, cash equivalents, securities, bank accounts, investment accounts, assets, computer files or other electronically stored information, real property and leaseholds and to access and use the FCC databases and electronic filing systems.
- vi. Debtor and Member shall make themselves available to respond to questions posed by and/or provide information requested by the Receiver.
- vii. To the extent permitted by applicable law and regulations, the Receiver shall have the power to dispose of the Collateral, including but not limited to the FCC Licenses, in any manner lawful in the jurisdiction in which his appointment is confirmed, including the power to conduct a public or private sale or other disposition of the Collateral; provided, however, that the successful bidder at any such public or private sale shall not be granted or control any FCC License unless and until the FCC shall first give its consent. Secured Party, or any affiliates of Secured Party, may bid at any such public or private sale.
- viii. There shall be no reversion or reacquisition of the FCC Licenses to, or in favor of Secured Party, or any third party without the prior approval of the FCC as provided in the Communications Act, and the rules and regulations of the FCC. Nothing contained herein shall constitute, create, or have the effect of constituting or creating, directly or indirectly, actual or practical ownership of Debtor by Secured Party or its agents, or control, affirmative or negative, direct or indirect, by Secured Party or its agents over the programming, management, or any other aspect of the operation of Debtor, or any of its FCC Licenses, unless allowed by law.
- ix. DEBTOR ACKNOWLEDGES THAT THE ASSIGNMENT OF THE FCC LICENSES, OR TRANSFER OF CONTROL OVER DEBTOR, IS INTEGRAL TO SECURED PARTY'S REALIZATION OF THE VALUE OF THE COLLATERAL, THAT THERE IS NO ADEQUATE REMEDY AT LAW FOR FAILURE BY DEBTOR TO COMPLY WITH THE PROVISIONS OF THIS SECTION AND THAT SUCH FAILURE WOULD NOT BE ADEQUATELY COMPENSABLE IN DAMAGES, AND THEREFORE AGREES THAT THE PROVISIONS AND AGREEMENTS CONTAINED IN THIS AGREEMENT MAY BE SPECIFICALLY ENFORCED.

(h) *Rights and remedies cumulative.* Secured Party shall not be obligated to resort to its rights or remedies with respect to any other security for, or guaranty or payment of, the Secured Obligations before resorting to its rights and remedies against Debtor hereunder. All rights and remedies of Secured Party shall be cumulative and not in the alternative.

10. Secured Party may perform.

If Debtor or Member fail to perform any agreement contained herein, Secured Party may itself perform or cause the performance of such agreement, and the expenses of Secured Party incurred

in connection therewith, plus interest at the maximum rate permitted by law from the date of such advance to the date of reimbursement, shall be payable by Debtor. However, nothing in this Agreement shall obligate Secured Party to act.

#### 11. Reasonable care.

Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which Secured Party accords its own property. It is understood that Secured Party shall not have responsibility for: (a) ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders or other matters relative to any Collateral, whether or not Secured Party has or is deemed to have knowledge of such matters; or (b) taking any necessary steps to preserve rights against any parties with respect to any Collateral.

#### 12. No Member.

Notwithstanding anything to the contrary contained herein, until such time, if any, as Secured Party or a successor thereto acquires the Collateral following the occurrence of an Event of Default and any necessary FCC approval, neither Secured Party nor any successor-in-interest shall be deemed to be a member in Debtor for any purposes. The security interests granted to Secured Party herein are collateral assignments only, serving as security for the Secured Obligations.

#### 13. Liability and indemnification.

Secured Party shall not be liable to Debtor or Member for any act or omission by Secured Party unless Secured Party's conduct constitutes willful misconduct or gross negligence. Debtor and Member agree to indemnify and hold Secured Party harmless from and against all losses, liabilities, claims, damages, costs and expenses (including actual attorney's fees and disbursements) with respect to: (a) any action taken or any omission by Secured Party with respect to this Agreement, provided that Secured Party's conduct does not constitute willful misconduct or gross negligence; and (b) any claims arising out of Debtor's or Member's ownership of the Collateral or Secured Party's security interest therein.

#### 14. Continuing security interest; assignment of obligations.

This Agreement shall create a continuing security interest in the Collateral and shall: (a) remain in full force and effect until payment and performance in full of the Secured Obligations; (b) be binding upon Debtor and Member, their respective heirs, legal representatives, successors and assigns; (c) inure, together with the rights and remedies of Secured Party hereunder, to the benefit of Secured Party and Secured Party's successors and assigns; (d) constitute, along with the Note and other loan documents executed on even date herewith, the entire agreement between Debtor, Member, and Secured Party; and (e) be severable in the event that one or more of the provisions herein is determined to be illegal or unenforceable. Without limiting the generality of the foregoing clause (c), Secured Party may assign or otherwise transfer any Secured Obligation to any other person or entity, and such other person or entity shall thereupon become vested with all the benefits in respect thereof granted to Secured Party herein or otherwise. Upon the payment in full of the Secured Obligations, Debtor and Member shall be entitled to the return, upon its request and at its expense, of such of the Collateral as was not sold or otherwise applied pursuant to the terms hereof.

#### 15. Expenses.

Debtor or Member shall, upon demand, pay to Secured Party the amount of any and all expenses, including the fees and expenses of its counsel and of any experts and agents, which Secured Party may incur in connection with: (a) the administration of this Agreement; (b) the custody or

preservation of, or the sale of, collection from, or other realization upon, any of the Collateral; (c) the exercise or enforcement of any of the rights of Secured Party hereunder; and (d) the failure by Debtor or Member to perform or observe any of the provisions hereof.

16. Security interest absolute.

All rights of Secured Party and security interests hereunder, and all Secured Obligations of Debtor and Member hereunder, shall be absolute and unconditional irrespective of:

- (a) any lack of validity or enforceability of the Note or any other agreement or instrument relating thereto;
- (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Secured Obligations, or any other amendment or waiver of, or any consent to any departure from, the Note, or any other agreement or instrument relating thereto;
- (c) any exchange, release or non-perfection of any other collateral, or any release or amendment or waiver of, or consent to departure from, any guaranty for all or any of the Secured Obligations; or
- (d) any other circumstance which might otherwise constitute a defense available to, or a discharge of, Debtor, Member or a third party pledgor.

17. Amendments; waiver.

No amendment or waiver of any provision of this Agreement nor consent to any departure by Debtor herefrom shall in any event be effective unless the same shall be in writing and signed by Secured Party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

18. Notices.

All notices required or desired to be given hereunder shall be in writing and shall be valid if mailed by United States registered or certified mail, return receipt requested, postage and charge prepaid thereon to carry it to its addressed destination, said notices addressed as follows:

To the Secured Party:

\_\_\_\_\_  
\_\_\_\_\_

To the Debtor and Member:

\_\_\_\_\_  
\_\_\_\_\_

Either Secured Party or Debtor or Member may change the place to which notice to that party shall thereafter be given and addressed by giving written notice to the other party in the manner set forth above.

19. Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

20. Return of Collateral.

Subject to any duty imposed by law or otherwise to the holder of any subordinate lien on the Collateral known to Secured Party, and subject to the direction of a court of competent jurisdiction, upon payment in full of the Secured Obligations, Debtor and Member shall be entitled to return of the Collateral in the possession of Secured Party; *provided, however*, that Secured Party shall not be obligated to return to Debtor or Member or deliver to the holder of any subordinate lien any such Collateral until it is satisfied that all amounts with respect to the Secured Obligations are no longer subject to being recaptured under applicable bankruptcy or insolvency laws or otherwise. The return of Collateral, however effected, shall be without recourse to Secured Party, and Secured Party shall be entitled to receive appropriate documentation to such effect. The return of Collateral shall be effected without representation or warranty and shall not entitle Debtor or Member to any right to any endorsement.

21. Governing law; terms.

This Agreement is to be governed by and construed in accordance with the laws of the State of Florida and terms defined in the Code are used herein as therein defined.

22. TRIAL BY JURY.

**DEBTOR AND MEMBER HEREBY WAIVE, AND COVENANT THAT NEITHER DEBTOR NOR MEMBER WILL ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE), ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS AGREEMENT, THE SUBJECT MATTER HEREOF OR ANY PURCHASE DOCUMENT OR ANY SECURED OBLIGATION, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING OR WHETHER IN CONTRACT OR IN TORT OR OTHERWISE.**

IN WITNESS WHEREOF, Debtor, Member, and Secured Party have caused this Agreement to be duly executed and delivered by its duly authorized officer as of the date first above written.

1<sup>st</sup> Witness: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Norsan WJXR, LLC, a Florida limited liability company

2<sup>nd</sup> Witness: \_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_  
Norberto Sanchez, its sole Member

Witnesses to Debtor

Date of Execution: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

“DEBTOR”

1<sup>st</sup> Witness: \_\_\_\_\_

Print Name: \_\_\_\_\_

2<sup>nd</sup> Witness: \_\_\_\_\_

Print Name: \_\_\_\_\_

Witnesses to Secured Party

WJXR, Inc., a Florida corporation

By: \_\_\_\_\_  
Gregory Perich, its President

Date of Execution: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

“SECURED PARTY”

1<sup>st</sup> Witness: \_\_\_\_\_

Print Name: \_\_\_\_\_

2<sup>nd</sup> Witness: \_\_\_\_\_

Print Name: \_\_\_\_\_

Witnesses to Member

\_\_\_\_\_

Norberto Sanchez

Date of Execution: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

“MEMBER”

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

The foregoing instrument was witnessed by, acknowledged and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2016, by Norberto Sanchez, individually and as sole Member of Norsan WJXR, LLC, a Florida limited liability company, on behalf of the corporation. He is ( ) personally known to me or ( ) who has produced \_\_\_\_\_ ( \_\_\_\_\_ Driver's License) as identification.

\_\_\_\_\_  
Notary Public, State of \_\_\_\_\_  
My Commission Expires:

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was witnessed by, acknowledged and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2016, by Gregory Perich, as President of WJXR, Inc., a Florida corporation, on behalf of the corporation. He is ( ) personally known to me or ( ) who has produced \_\_\_\_\_ (Florida Driver's License) as identification.

\_\_\_\_\_  
Notary Public, State of Florida  
My Commission Expires:

**Exhibit**  
**“A”**  
**ACKNOWLEDGMENT AND CONSENT REGARDING SECURITY**  
**AGREEMENT**

TO: WJXR, Inc., a Florida corporation

The undersigned Company (the “Company”) and the undersigned sole member thereof (the “Member”) hereby acknowledge receipt of a copy of the Security Agreement (the “Security Agreement”), dated \_\_\_\_\_, 2016 between the Company, the Member, and WJXR, Inc., a Florida corporation (“Secured Party”). The undersigned further acknowledge that Secured Party is proposing to extend certain credit to Debtor, that the undersigned will benefit from such extension of credit to Debtor, and that Secured Party would not extend such credit but for the agreements and representations of the undersigned contained herein. Capitalized terms used herein but not otherwise defined herein shall have the meanings ascribed to them in the Security Agreement.

NOW, THEREFORE, intending that Secured Party may rely hereon, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby represent, warrant and covenant to Secured Party as follows:

1. (a) Attached hereto as Exhibit “A” is a true and complete copy of the Articles of Organization and a true and correct copy of the Operating Agreement of the Company as currently in effect, including any and all amendments thereto, (the “Operating Agreement”); (b) Member is currently the sole member of the Company under the Operating Agreement; (c) Member is not in default under the Operating Agreement in any respect; and no event has occurred which, with notice or lapse of time or both, would constitute an event of default by Member under the Operating Agreement; (d) no Distributions have been prepaid by the Company to Member; (e) the Company is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Florida; (f) the execution, delivery and performance of this Acknowledgment and Consent by each of the undersigned has been duly authorized by all necessary Company; and (g) neither the execution, delivery nor performance by the Company of this Acknowledgment and Consent violates either: (i) the Operating Agreement; (ii) any contract, commitment or other agreement to which the Company is a party or by which the Company or any of its properties is bound (collectively, the “Company Contractual Obligations”); or (iii) any law, order, decree or writ to which the Company or any of its properties is subject (collectively the “Applicable Laws”).
2. (a) Company's and Member's grant to Secured Party of a security interest in the Collateral as expressed in the Security Agreement does not violate the Operating Agreement, any Company Contractual Obligation, or any Applicable Law; and (b) except as mentioned in the Security Agreement, no consent of any governmental authority, regulatory body or other person is required, under the Operating Agreement, any Company Contractual Obligation, any Applicable Law or otherwise, with respect to Company's or Member's grant to Secured Party of a security interest in and to the Collateral or with respect to the succession of Secured Party or any purchaser at any foreclosure sale to all of the rights of Company or Member to receive the Distributions.
3. The undersigned Member hereby irrevocably and unconditionally consents to Company's

grant to Secured Party of a security interest in all of Company's rights in the Collateral and to the succession (pursuant to the rights or remedies afforded to Secured Party in the Security Agreement) of Secured Party or any purchaser at a foreclosure sale to all of the rights of Debtor in the Collateral. If Secured Party becomes substituted as a member of the Company in place of Debtor, each of the undersigned agrees to indemnify and hold harmless Secured Party, Secured Party's successors and assigns, and each of them from and against all liability for the obligations of the Company arising before Secured Party's admission to the Company.

4. Subject to the requirements of the FCC, the Communications Act of 1934 ("Communications Act"), and any other applicable federal, state and local statutes, regulations and ordinances, each of the undersigned irrevocably and unconditionally waives all rights, if any, which may exist in his, her or its favor to purchase any of the Collateral to the extent the same may arise as a result of Debtor's grant to Secured Party of a security interest therein or Secured Party's acquisition or disposition of the Collateral pursuant to the rights and remedies afforded to Secured Party in the Security Agreement.
5. Each of the undersigned agrees that Secured Party and/or its representatives may at any time inspect the books, records and properties of the Company.
6. Until such time as it receives written instructions to do otherwise from Secured Party, the Company shall, at least five (5) business days prior to the time any Distributions are proposed to be made, give written notice thereof to Secured Party at the address set forth above.
7. Until such time as it receives written instructions to do otherwise from Secured Party, the Company shall promptly and completely comply with the provisions of Section 7(a)(ii) of the Security Agreement. Furthermore, the Company shall promptly and completely comply with any further written instructions received from Secured Party from time to time as to the disposition of Distributions, regardless of the terms of such instructions. Such further instructions need be signed only by Secured Party, and the Company shall comply with them regardless of whether it receives at any time any contrary instructions or demands from Debtor or any other person; provided, only, that the Company may comply with any conflicting court order received from a court of competent jurisdiction.
8. Until such time as they are notified in writing by Secured Party that this Acknowledgment and Consent has been terminated, the undersigned Members shall not, without obtaining the prior written consent of Secured Party, cause, suffer or permit the Operating Agreement to be amended or modified in any manner which changes Debtor's rights or powers thereunder, nor cause, suffer or permit the termination or dissolution of the Company. No such purported amendment of the Operating Agreement or termination or dissolution of the Company without Secured Party's written consent shall be of any force or effect.
9. After any foreclosure upon Debtor's rights to receive Distributions, the undersigned shall promptly and completely comply with the terms of the Security Agreement, regarding the rights of any successor to Debtor's rights to receive Distributions.
10. Until such time as they are notified in writing by Secured Party that this Acknowledgment and Consent has been terminated, the undersigned Members shall give Secured Party written notice, at the address set forth above, of any actual or alleged default by Debtor under the Operating Agreement and shall afford Secured Party a period of

thirty (30) days, or such longer time as may be reasonable under the circumstances, to cure the same prior to taking any action against Debtor in respect thereof; provided, however, that Secured Party shall have no obligation whatsoever to cure or to attempt to cure any such default.

- 11. Notwithstanding the security interest of Secured Party in the Collateral, Secured Party shall have no obligation or liability whatsoever to the Company, any member thereof, or any creditor or other person having any relationship with the Company, nor shall Secured Party be obligated to perform any of the obligations or duties of Debtor under the Operating Agreement or to take any action to collect or enforce any claim for payment of Debtor arising under the Operating Agreement.
- 12. The undersigned acknowledge that the security interest of Secured Party in the Collateral and all of Secured Party's rights and remedies under the Security Agreement may be freely transferred or assigned by Secured Party. In the event of any such transfer or assignment, all of the provisions of this Acknowledgement and Consent shall inure to the benefit of the successors and/or assigns of Secured Party. The provisions of this Acknowledgment and Consent shall likewise be binding upon the heirs, successors and assigns of the undersigned.
- 13. The undersigned shall, from time to time, promptly execute and deliver such further instruments, documents and papers and perform such further acts as may be necessary or proper to carry out and effect the terms of this Acknowledgment and Consent.
- 14. When necessary herein, all terms used in the singular shall apply to the plural, and vice versa, and all terms used in the masculine shall apply to the neuter and feminine genders, and vice versa.
- 15. This Acknowledgment and Consent may be executed in two or more counterparts, all of which shall constitute one and the same instrument.

Agreed to and executed this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Norsan WJXR, LLC,  
a Florida limited liability company

By: \_\_\_\_\_  
Norberto Sanchez, Its sole Member

\_\_\_\_\_  
Norberto Sanchez

“COMPANY”

“MEMBER”

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

The foregoing instrument was witnessed by, acknowledged and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2016, by Norberto Sanchez, individually and as sole Member of Norsan WJXR, LLC, a Florida limited liability company, on behalf of the corporation. He is ( ) personally known to me or ( ) who has produced \_\_\_\_\_ ( \_\_\_\_\_ Driver’s License) as identification.

\_\_\_\_\_  
Notary Public, State of \_\_\_\_\_  
My Commission Expires: