
ASSET PURCHASE AGREEMENT

by and between

LOCALONE TV, L.P.

and

LOCALONE TEXAS, LTD.

as Seller

and

BORDER MEDIA PARTNERS, LLC

as Buyer

April 9, 2004

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I TERMS OF THE TRANSACTION	1
1.1 Assets to be Transferred	1
1.2 Excluded Assets	2
1.3 Purchase Price and Payment	3
1.4 Allocation of Purchase Price	4
1.5 Liabilities Assumed by Buyer	4
1.6 Liabilities Not Assumed by Buyer	4
1.7 Adjustments of Purchase Price	5
1.8 Certain Defined Terms	6
 ARTICLE II REPRESENTATIONS AND WARRANTIES OF SELLER	 8
2.1 Organization	8
2.2 Authority Relative to This Agreement	8
2.3 Noncontravention	8
2.4 Governmental Approvals	8
2.5 FCC Licenses and Reports	9
2.6 Title to Assets	9
2.7 Liabilities	10
2.8 Absence of Certain Changes	10
2.9 Tax Matters	10
2.10 Compliance With Laws	10
2.11 Legal Proceedings	10
2.12 Sufficiency and Condition of Assets	11
2.13 Tangible Personal Property	11
2.14 Leased Property	11
2.15 Intellectual Property	11
2.16 Agreements	11
2.17 ERISA	12
2.18 Environmental Matters	12
2.19 Labor Relations	13
2.20 Insurance	13
2.21 Books and Records	14
2.22 Brokerage Fees	14
2.23 Disclosure	14
 ARTICLE III REPRESENTATIONS AND WARRANTIES OF BUYER	 14
3.1 Organization	14
3.2 Authority Relative to This Agreement	14
3.3 Noncontravention	15
3.4 Governmental Approvals	15
3.5 Legal Proceedings	15
3.6 Brokerage Fees	15
3.7 FCC Qualifications	15

ARTICLE IV	CONDUCT OF BUSINESS PENDING CLOSING	16
4.1	Conduct and Preservation of Business	16
4.2	Restrictions on Certain Actions	16
ARTICLE V	ADDITIONAL AGREEMENTS	17
5.1	Access to Information; Confidentiality	17
5.2	Acquisition Proposals	18
5.3	Third Party Consents	18
5.4	Cooperation	18
5.5	FCC Consent	18
5.6	Transfer of Certain Contracts	19
5.7	Public Announcements	19
5.8	Notification of Certain Matters	20
5.9	Fees and Expenses	20
5.10	Taxes; Other Charges	20
5.11	Amendment of Schedules	20
5.12	Possession and Control of Station	20
5.13	Survival of Covenants	20
ARTICLE VI	CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLER	21
6.1	Representations and Warranties True	21
6.2	Covenants and Agreements Performed	21
6.3	Certificate	21
6.4	Final Order of Commission	21
6.5	Legal Proceedings	21
6.6	Other Documents	21
ARTICLE VII	CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER	21
7.1	Representations and Warranties True	22
7.2	Covenants and Agreements Performed	22
7.3	Certificate	22
7.4	Final Order of Commission	22
7.5	Legal Proceedings	22
7.6	Consents	22
7.7	Risk of Loss	22
7.8	FCC Licenses	23
7.9	Noncompetition Agreement	23
7.10	Tender of Assets and Other Documents	23
ARTICLE VIII	CLOSING	23
8.1	Closing; Closing Date	23
8.2	Deliveries by Seller	24
8.3	Deliveries by Buyer	25
ARTICLE IX	TERMINATION, AMENDMENT, AND WAIVER	25
9.1	Termination	25
9.2	Effect of Termination	26
9.3	Amendment	26

9.4	Waiver.....	26
9.5	Specific Performance	26
ARTICLE X	SURVIVAL OF REPRESENTATIONS; INDEMNIFICATION.....	28
10.1	Survival.....	28
10.2	Indemnification by Seller.....	28
10.3	Indemnification by Buyer	29
10.4	Limitation of Liability.....	29
10.5	Procedure for Indemnification.....	30
ARTICLE XI	MISCELLANEOUS.....	31
11.1	Notices	31
11.2	Entire Agreement	32
11.3	Binding Effect; Assignment; No Third Party Benefit	32
11.4	Severability	32
11.5	Governing Law	32
11.6	Further Assurances.....	32
11.7	Descriptive Headings	32
11.8	Gender.....	33
11.9	References	33
11.10	Counterparts and Facsimile Execution.....	33
11.11	Injunctive Relief.....	33
11.12	Attorneys Fees.....	33
11.13	Consent to Jurisdiction.....	33
11.14	Preparation of Agreement	34
11.15	Time of the Essence	34

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "Agreement"), is made and entered into dated as of April 9, 2004 by and among LOCALONE TV, L.P., a Texas limited partnership ("LocalOne TV"), LOCALONE TEXAS, LTD., a Texas limited partnership ("LocalOne Texas" and collectively with LocalOne TV, the "Seller") and BORDER MEDIA PARTNERS, LLC, a Delaware limited liability company (the "Buyer").

RECITALS:

WHEREAS, Seller holds certain licenses, permits and authorizations issued by the Federal Communications Commission (the "FCC") for the operation of commercial television station KNEX-LP, Channel 55 in Laredo, Webb County, Texas (the "Station"), and Seller owns and/or leases certain assets used in the operation and maintenance of the Station, as more particularly described in this Agreement;

WHEREAS, Seller desires to sell, transfer and assign such licenses, permits and authorizations to Buyer and sell such assets to Buyer, and Buyer desires to acquire such licenses and assets, upon the terms and subject to the conditions herein set forth; and

WHEREAS, the sale, transfer and assignment of such licenses, permits and authorizations of the Station is subject to the prior approval of the FCC;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, and intending to be legally bound hereby, Seller and Buyer hereby agree as follows:

ARTICLE I TERMS OF THE TRANSACTION

1.0 Effective Date. This Agreement shall not be effective, and the parties hereto shall not be bound by the terms of this Agreement, unless and until the Buyer shall have entered into an agreement with Wilson-Amigo LP, LLC and Wilson-Amigo GP, LLC (the "**Wilson-Amigo Securities Purchase Agreement**") on terms satisfactory to Buyer in Buyer's sole judgment to acquire all of such entities' partnership Units held in Amigo Broadcasting L.P., either directly or indirectly. The date on which Buyer enters into the Wilson-Amigo Securities Purchase Agreement shall be referred to herein as the "**Triggering Date**". On and after the Triggering Date, Buyer and Seller shall be bound by the terms of this Agreement either until the transactions contemplated by this Agreement are consummated or until this Agreement is terminated in accordance with its terms.

1.1 Assets to be Transferred. At the Closing, and on the terms and subject to the conditions set forth in this Agreement, Seller shall sell, assign, transfer, deliver and convey to Buyer, and Buyer shall purchase from Seller, all assets owned or used by Seller and associated with, related to or employed in the operation of the Station (other than the Excluded Assets), which assets being transferred to Buyer hereunder shall consist of the following assets and properties of Seller existing on the Closing Date:

(a) **FCC Licenses.** All licenses, permits and authorizations issued or granted by the FCC for the operation of or used or useful in connection with the operation of the Station, and all applications filed with the FCC (collectively, the "FCC Licenses"), as identified on Schedule 1.1(a).

(b) **Leased Real Property.** The leasehold estates relating to the Station under the leases identified on Schedule 1.1(b) covering the premises more particularly described on Schedule 1.1(b) (the "Leased Real

Property”), and all rights (including rights of refund and offset relating to any post-Closing events), privileges, and options in favor of Seller relating or pertaining to such leasehold estates.

(c) **Tangible Personal Property.** All right, title and interest in and to the fixed and tangible personal property owned by Seller and used in the operation of the Station, consisting of the physical assets and equipment listed on Schedule 1.1(c), together with replacements thereof, additions and alterations thereto, and substitutions therefor, made between the date hereof and the Closing Date (hereinafter collectively the “Owned Personal Property”).

(d) **Intellectual Property; Certain Intangibles.** All right, title and interest in and to the Intellectual Property (as hereinafter defined) relating to, or used or useful in connection with the operation of, the Station, goodwill and other intangible property of Seller used or useful in the operation of or otherwise relating to the Station, as identified on Schedule 1.1(d).

(e) **Personal Property Leases.** All right, title and interest in, to and under the personal property leases pertaining to the Station as identified on Schedule 1.1(e) and agreed to be assumed by Buyer, and all rights (including rights of refund and offset relating to any post-Closing events), privileges, deposits, claims, causes of action and options in favor of Seller relating or pertaining to any of such leases.

(f) **Contracts.** All right, title, and interest in, to and under the contracts and agreements relating to the Station identified on Schedule 1.1(f) and agreed to be assumed by Buyer, and all rights (including rights of refund and offset relating to any post-Closing events), privileges, and options in favor of Seller relating or pertaining to any of such contracts and agreements.

(g) **Books and Records.** Except as set out in Section 1.2 below all books, records, papers and instruments of Seller that relate specifically to the Assets or the operation of the Station, including without limitation the Station’s local public files and other records required by the FCC to be maintained at the Station, programming information and studies, marketing and demographic data, dealings with customers, vendors and suppliers of the Station, and including computerized books and records and other computerized storage media and the software (including documentation and object and source codes) used in connection therewith; provided that Seller shall be entitled to retain copies of any such books and records that are necessary for its Tax, accounting or legal purposes.

All the assets and properties being transferred to Buyer pursuant to this Agreement are collectively referred to herein as the “Assets.” All Assets other than the FCC Licenses are owned by LocalOne TV and shall be transferred at the Closing by LocalOne TV to Buyer or its designee. The FCC Licenses are owned by LocalOne Texas and shall be assigned at the Closing by LocalOne Texas to Buyer or its designee.

1.2 Excluded Assets. The following assets and properties of Seller shall be excluded from the Assets to be transferred to Buyer hereunder (collectively referred to herein as the “Excluded Assets”):

- (a) the interest of Seller in Seller’s television stations other than the Station;
- (b) all cash and cash equivalents, prepaid expenses, security deposits, marketable securities and other investments;
- (c) all accounts receivable and notes receivable and other evidences of indebtedness and rights to receive payment generated by the operation of the Station for the period ending on or prior to the Closing Date;

- (d) all policies of insurance;
- (e) all rights of recovery, claims, and causes of action arising from the operation of the Station prior to the Closing Date;
- (f) Seller's general ledgers and original books of entry subsidiary thereto, Tax Returns and supporting papers, checks, vouchers and bank statements and the corporate charter and minute book of Seller, subject to the right of Buyer to have access to and to copy such records pertaining directly to the Station for the three year period prior to the Closing Date;
- (g) any rights of Seller under or pursuant to contracts and agreements not assigned to and assumed by Buyer pursuant hereto including any collective bargaining agreement and all contracts that have terminated or expired prior to the Closing Date;
- (h) all rights, claims and causes of action of Seller for refunds of Taxes and all other benefits, rights and claims of Seller arising in connection with or otherwise relating to Taxes relating to the Station for any period or partial period prior to the Closing;
- (i) any pension, profit sharing, 401(k), retirement or employee benefit plans or trusts maintained by Seller;
- (j) all rights of Seller under or pursuant to this Agreement; and
- (k) any other asset of Seller not specifically described herein as part of the Assets.

1.3 Purchase Price and Payment. In consideration of the transfer by Seller to Buyer of the Assets including a covenant not to compete, Buyer shall pay to Seller the aggregate purchase price of \$ 300,000 (the "Purchase Price"), subject to adjustment as set forth in Section 1.7. The Purchase Price shall be paid to Seller as follows:

(i) Within ten (10) business days of the Triggering Date, Buyer shall deliver to Cohn and Marks, LLP (the "Escrow Agent"), cash or other immediately available United States funds in the amount of \$30,000 (the "Deposit"), such amount to be held in escrow pursuant to the terms of an Escrow Agreement to be entered into among Seller, Buyer and the Escrow Agent in the form attached hereto as Exhibit A. The Deposit shall be paid to Seller on the Closing Date and shall be credited against the Purchase Price. Any interest accrued on the Deposit shall be paid to Buyer on the Closing Date. If Closing does not take place due to the material breach of Seller, and Buyer is not then in material breach, the Deposit and interest shall be paid to Buyer.

(ii) Buyer shall pay to Seller at the Closing the amount of \$300,000 (less the amount of the Deposit), plus or minus any adjustments for Adjustment Items made at the Closing in accordance with Section 1.7, in immediately available funds by confirmed wire transfer to a bank account to be designated by Seller (such designation to occur no later than the second business day prior to the Closing Date).

If this Agreement is terminated in accordance with any provision of Section 9.1 other than 9.1(d), Buyer shall be entitled to an immediate return of the Deposit, together with any interest and earnings thereon.

1.4 Allocation of Purchase Price. The Purchase Price shall be allocated among the Assets including a covenant not to compete in the manner set forth on Schedule 1.4. Seller and Buyer shall report the transactions contemplated hereby on all Tax Returns (including information returns and supplements thereto required to be filed by the parties under Section 1060 of the Code) in a manner consistent with such allocation.

1.5 Liabilities Assumed by Buyer. As further consideration for the transfer of the Assets to Buyer, Buyer agrees, upon the terms and subject to the conditions set forth herein, to assume, at the Closing, and thereafter to pay, perform and discharge, the following liabilities and obligations of Seller (but only such liabilities and obligations and no others):

(a) all obligations of Seller accruing from and after the Closing Date under the leases, contracts and agreements identified on Schedules 1.1(b), 1.1(e) and 1.1(f) (collectively, the “Assumed Contracts”); and

(b) all obligations of Seller accruing from and after the Closing Date under the FCC Licenses.

All the liabilities and obligations being assumed by Buyer pursuant to this Section are collectively referred to herein as the “Assumed Liabilities.” Notwithstanding the foregoing, Buyer shall not be liable for and shall not assume (i) defaults in performance of the Assumed Contracts in respect of periods prior to the Closing Date; or (ii) unpaid amounts in respect of the Assumed Contracts that relate to periods prior to the Closing Date. The Assumed Liabilities shall not include any Excluded Liabilities as defined in Section 1.6.

1.6 Liabilities Not Assumed by Buyer. Buyer shall not assume or take title to the Assets subject to, or in any way be liable or responsible for, any liabilities or obligations of Seller (whether or not referred to in any Schedule or Exhibit hereto), except as specifically provided in Section 1.5, it being expressly acknowledged that it is the intention of the parties hereto that all liabilities and obligations that Seller has or may have in the future (whether accrued, absolute, contingent, unliquidated or otherwise, whether or not known or disclosed to Seller, and whether due or to become due), other than the Assumed Liabilities, shall constitute Excluded Liabilities and shall be either discharged by Seller prior to the Closing or shall remain the liabilities and obligations of Seller following the Closing. Buyer does not assume or agree to discharge or perform and will not be deemed by reason of the execution and delivery of this Agreement or any agreement, instrument or document delivered pursuant to or in connection with the Agreement or otherwise by reason of consummation of the transactions contemplated hereby, to have assumed or to have agreed to discharge or perform, any liabilities, obligations, or commitments of Seller of any nature whatsoever other than for the Assumed Liabilities. Without limiting the generality of the foregoing, Buyer shall not assume or take title to the Assets subject to, or in any way be liable or responsible for the Excluded Liabilities which shall include:

(a) any liabilities and obligations of Seller relating to the Excluded Assets described in Section 1.2;

(b) any liability or obligation of Seller under any mortgage, deed of trust, security agreement or financing statement, or any note, bond or other instrument or obligation secured thereby;

(c) any liability or obligation of Seller existing at or arising after the Closing Date under any leases, contracts, agreements, or FCC Licenses included in the Assets which results from the breach, default or wrongful action or inaction of Seller prior to the Closing;

(d) any liability or obligation arising under any contracts, commitments, leases or agreements to which Seller or the Station is a party, except for the liabilities or obligations arising under the Assumed Contracts and then only to the extent that such liability relates to periods after the Closing;

(e) any liability or obligation of Seller whether relating to a claim currently pending or hereafter asserted, arising out of the employment relationship between Seller and any of Seller's present or former employees including, without limitation, severance pay or other employment termination issues, any claim for wrongful discharge, breach of contract, unfair labor practice, employment discrimination, unemployment or workers' compensation;

(f) any liability or obligation of Seller in respect of any agreement, trust, plan, fund or other arrangement under which benefits (including retirement benefits) or employment is provided for any of Seller's present or former employees engaged in connection with the ownership or operation of the Assets or the Station;

(g) any liabilities or deficiencies for Taxes applicable to periods ending on or prior to the Closing Date;

(h) any liability or obligation of Seller in respect of any environmental claim arising out of or relating to the operation of the Station, Seller's business or Seller's ownership, leasing or operation of real property attributable to periods ending on or prior to the Closing;

(i) any liability of Seller under this Agreement; and

(j) any liability of Seller based upon Seller's acts or omissions occurring after the Closing Date.

1.7 Adjustments of Purchase Price.

(a) **Adjustment Time.** The "Adjustment Time" as used herein shall be 12:01 A.M. Central Standard Time on the Closing Date.

(b) **Adjustment Items.** Except as otherwise provided in this Agreement, all income and expenses of the Station, including but not limited to the following items (the "Adjustment Items"), shall be prorated between Buyer and Seller as of the Adjustment Time, assuming a 365-day year or a 30-day or 31-day month, as appropriate. Except as otherwise provided in this Agreement, Seller shall be entitled to such income and liable for such expenses prorated for the period up to and including the Closing Date, and Buyer shall be entitled to such income and liable for such expenses prorated for the period subsequent to the Closing Date. Monies, if any, shall be paid in accordance with Section 1.7(c).

(i) Rentals or other charges, payable or paid in respect of the Assumed Contracts.

(ii) All real and personal property Taxes (including sewerage assessments and fees) imposed on or with respect to the Assets for the year in which the Closing occurs.

(iii) Transferrable license, permit and registration fees, and like items.

(iv) Charges for utilities (including but not limited to electricity, fuel, water, basic monthly telephone charges, long distance telephone calls and sanitation and garbage disposal) furnished to or in connection with the Station.

(v) If the amount of any real or personal property Tax to be prorated is not known on the Closing Date, such Tax shall be apportioned on the basis of the most recent tax assessment. As soon

as the new tax rate and valuation can be ascertained, there shall be a reapportionment and adjustment with respect to such Tax regardless of when such final proration occurs.

(c) **Adjustments After Closing Date.** Subject to the provisions of Section 1.7(b)(v), if the amount of any Adjustment Items cannot be readily ascertained or agreed upon on the Closing Date, proration of such items shall be determined within 60 days after the Closing Date and payment therefor shall be made to the party entitled thereto within 10 days after notice of such determination thereof has been given to Buyer or Seller, as the case may be. In the event of any disputes between the parties as to adjustments, the amounts not in dispute shall nonetheless be paid at the time provided in this Section and such disputes shall be determined by an independent certified public accountant mutually acceptable to the parties. The accountant's resolution of the dispute shall be final and binding on the parties, and a judgment may be entered thereon in any court of competent jurisdiction. The fees and expenses of such accountant shall be paid one-half by Seller and one-half by Buyer.

1.8 Certain Defined Terms. As used in this Agreement, each of the following terms has the meaning given it below:

"Affiliate" means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or under common control with, the person specified.

"Ancillary Documents" means each agreement, instrument, and document (other than this Agreement) executed or to be executed by Seller or Buyer in connection with the transactions contemplated by this Agreement.

"Applicable Law" means any statute, law, rule, or regulation or any judgment, order, writ, injunction, or decree of any Governmental Entity to which a specified Person or property is subject.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Communications Act" means the Communications Act of 1934, as amended, together with the rules regulations and published decisions of the FCC (collectively, the **"FCC Rules"**).

"Encumbrances" means any lien, mortgage, pledge, reservation, restriction, security interest, right of first refusal, option, conditional sale agreement, default of title, easement, encroachment, hypothecation, infringement, title retention or other security arrangement, or any adverse right or interest, charge, claim or other encumbrance of any nature whatsoever of, on, or with respect to any property or property interest whether imposed by law, agreement, understanding or otherwise, other than Permitted Encumbrances.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Final Order" means the grant by the FCC of the Assignment Application, including but not limited to, an order by the FCC's Staff, issued under delegated authority, which order has become final either (a) by expiration of the time for review, reconsideration or appeal of such order without any motion for review, reconsideration or appeal having been timely filed or instituted by the FCC on its own motion, or (b) in the event of review, reconsideration or appeal, the FCC's order has been affirmed and become final by expiration of the time for further review, reconsideration or appeal to the consummation of the transactions contemplated herein is in full force and is no longer subject to administrative or judicial review, recall or reconsideration.

“Governmental Entity” means any court or tribunal in any jurisdiction (domestic or foreign) or any federal, state, municipal, or other governmental body, agency, authority, department, commission, board, bureau, or instrumentality (domestic or foreign, federal or state).

“Intellectual Property” means trademarks, service marks, trade names, service names, brand names, copyrights, trade secrets, know-how, technology, inventions, computer software (including documentation and object and source codes), the call letters “KNEX,” logos, jingles, slogans, marketing plans, sales and promotional material, telephone numbers, facsimile numbers, and similar rights, and all registrations, applications, licenses and rights with respect to any of the foregoing.

“IRS” means the Internal Revenue Service.

“Material Adverse Effect” means a material adverse effect on the business, assets, results of operations, condition (financial or otherwise), or operation of the Station or any material portion thereof or on the ability of a party to perform on a timely basis any material obligations of such party under this Agreement or any Ancillary Document.

“Ordinary Course of Business” shall mean an action taken by a Person if:

- a. Such action is consistent with the past practices of such Person and is taken in the ordinary course of the normal day-to-day operations of such Person;
- b. Such action is not required to be authorized by the Board of Directors or comparable managing body of such Person and is not required to be specifically authorized by the parent corporation, if any, of such Person; and
- c. Such action is similar in nature and magnitude to actions customarily taken, without any authorization by the Board of Directors or comparable managing body, in the ordinary course of the normal day-to-day operations of other Persons that are in the same line of business as such Person.

“Permitted Encumbrances” means (i) Encumbrances created by Buyer, and (ii) liens for Taxes not yet due and payable.

“Person” means any individual, corporation, partnership, joint venture, limited liability company, association, joint-stock company, trust, enterprise, unincorporated organization, Governmental Entity or other legal entity.

“Proceedings” means all proceedings, actions, claims, suits, investigations and inquiries by or before any arbitrator or Governmental Entity.

“Taxes” means any income taxes or similar assessments or any sales, excise, occupation, use, ad valorem, property, production, severance, transportation, employment, payroll, franchise, or other tax imposed by any United States federal, state, or local taxing authority, including any interest, penalties, or additions attributable thereto.

“Tax Return” means any return or report, including any related or supporting information, with respect to Taxes.

“To the knowledge” of a specified Person (or similar references to a Person’s knowledge) means that the only information to be attributed to such Person is information actually known to (a) such Person in the case of an individual or (b) in the case of a corporation or other entity, the current officers or employees who devoted substantive attention to matters of such nature during the ordinary course of their employment by such Person.

ARTICLE II REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer that:

2.1 Organization. LocalOne TV and LocalOne Texas are each a limited partnership duly organized and validly existing under the laws of the State of Texas and each has all requisite limited partnership power and authority to own, lease and operate the Assets and to conduct the business of the Station as now being conducted. No actions or proceedings to dissolve Seller are pending or threatened.

2.2 Authority Relative to This Agreement. Subject to the issuance of the Final Order, Seller has full limited partnership power and authority to execute, deliver and perform this Agreement and the Ancillary Documents to which Seller is a party and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by Seller of this Agreement and the Ancillary Documents to which Seller is a party, and the consummation by Seller of the transactions contemplated hereby and thereby, have or will have been duly authorized by all necessary action of Seller. This Agreement has been duly executed and delivered by Seller and constitutes, and each Ancillary Document executed or to be executed by Seller has been, or when executed will be, duly executed and delivered by Seller and constitutes, or when executed and delivered will constitute, a valid and legally binding obligation of Seller, enforceable against Seller in accordance with their respective terms.

2.3 Noncontravention. The execution, delivery and performance by Seller of this Agreement and the Ancillary Documents to which Seller is a party and the consummation by Seller of the transactions contemplated hereby and thereby do not and will not (i) conflict with or result in a violation of any provision of the agreement of limited partnership of Seller, (ii) conflict with or result in a violation of any provision of, or constitute (with or without the giving of notice or the passage of time or both) a default under, or give rise (with or without the giving of notice or the passage of time or both) to any right of termination, cancellation or acceleration under, or require any consent, approval, authorization or waiver of, or notice to, any party to, any material bond, debenture, note, mortgage, indenture, lease, contract, agreement or other instrument or obligation to which Seller is a party or by which Seller, the Station or any of the Assets may be bound, (iii) result in the creation or imposition of any Encumbrance upon any of the Assets, or (iv) subject to obtaining grant of FCC consent with respect to the Assignment Application, violate any Applicable Law binding upon Seller, the Station or any of the Assets, except, in the case of clauses (ii) and (iv) above, for any such conflicts, violations, defaults, terminations, cancellations or accelerations which would not, individually or in the aggregate, have a Material Adverse Effect on Seller, the Assets or the Station, and except, in the case of clause (ii) above, for (A) such consents, approvals, authorizations and waivers that have been obtained and are unconditional and in full force and effect and such notices that have been duly given and (B) such consents, approvals, authorizations, waivers and notices that are disclosed on Schedule 2.3.

2.4 Governmental Approvals. Other than filings with and the grant of FCC consent with respect to the Assignment Application, no consent, approval, order or authorization of, or declaration, filing or registration with, any Governmental Entity is required to be obtained or made by Seller in connection with the execution, delivery or performance by Seller of this Agreement and the Ancillary Documents to which Seller

is a party or the consummation by Seller of the transactions contemplated hereby or thereby, other than (i) as set forth on Schedule 2.4; (ii) filings with Governmental Entities to occur in the Ordinary Course of Business following the Closing; and (iii) such consents, approvals, orders or authorizations which, if not obtained, and such declarations, filings or registrations which, if not made, would not, individually or in the aggregate, have a Material Adverse Effect on Seller, the Assets or the Station.

2.5 FCC Licenses and Reports.

(a) Schedule 1.1(a) hereto contains a true and complete list of the FCC Licenses and accurately identifies each of the FCC Licenses (including each of the applications therefor) as to the licensee, city of license, and call sign (or, with respect to applications therefor, the file number assigned by the FCC to such application). LocalOne Texas is the authorized legal holder of the FCC Licenses. The FCC Licenses: (i) are in full force and effect, unimpaired by any act or omission of Seller, and (ii) are all of the licenses, permits or other authorizations from Governmental Entities necessary to the operation of the Station in the manner as such operations are currently conducted. There are no conditions upon the FCC Licenses except those conditions stated on the face thereof. Except as disclosed on Schedule 2.11, no Proceedings are pending or, to Seller's knowledge, threatened (other than proceedings applicable to the radio industry as a whole) before the FCC or any Governmental Entity for the cancellation or material adverse modification of the FCC Licenses nor do any facts exist which may result in the revocation, modification, nonrenewal or suspension of any of the FCC Licenses, the denial of any pending applications, or any fine or forfeiture or the issuance of any cease and desist order.

(b) In April 2004, Seller submitted a letter to the FCC requesting the authority to cease programming on the Station and remain silent for 90 days, at the end of which time Seller intends to request an extension to remain silent pending receipt of the Final Order concerning the Assignment Application being filed with the FCC pursuant to this Agreement.

(c) Subject to the provisions of Section 2.5(b), Seller is operating the Station and its transmission facilities in material compliance with applicable standards of good engineering practice and in material compliance with the FCC Licenses and the FCC Rules, and Seller shall take all steps reasonably necessary to insure continued compliance therewith, including, upon the request of Buyer and at the expense of Buyer, taking all prudent steps to insure the station is assigned a digital broadcasting channel by the FCC and maintaining that channel in full force and effect. Seller has filed with the FCC all reports or applications (including payment of any fee, fine or forfeiture) due to the FCC as of date hereof with respect to the FCC Licenses. All documents required by the FCC Rules to be placed in the Station's public files by Seller have been placed and are being held in such files. All logs and business records of every type and nature relating to the operation of the Station have been maintained in all material respects in accordance with the FCC Rules.

(d) Except as set forth in Schedule 2.5, Seller has no direct or indirect equity or ownership interest in any corporation, partnership, joint venture or other entity which is involved, directly or indirectly, in the conduct of the business of the Station, the ownership and operations of the Assets, and the operations and maintenance of the Station and the Assets is conducted solely and exclusively by Seller.

2.6 Title to Assets. Seller is the owner of, and has good and marketable title to all of the Assets, free and clear of all Encumbrances other than the Permitted Encumbrances. Upon Seller's transfer of the Assets to Buyer pursuant to this Agreement, Buyer will have good and marketable title to all the Assets, free and clear of all Encumbrances other than the Permitted Encumbrances.

2.7 Liabilities. Except for the Assumed Liabilities and the Permitted Encumbrances, Seller has no liabilities or obligations (whether accrued, absolute, contingent, unliquidated or otherwise, whether or not known to Seller and whether due or to become due) which might, individually or in the aggregate, subsequent to the Closing in any manner have a Material Adverse Effect on Seller, the Assets or the Station.

2.8 Absence of Certain Changes. Except as disclosed on Schedule 2.8, since January 1, 2004 (i) Seller has not, in respect of the Station, incurred any material liability, engaged in any material transaction or entered into any material agreement outside the Ordinary Course of Business which would be binding on Seller; (ii) Seller has not, in respect of the Station, taken any of the actions set forth in Section 4.2 except as permitted thereunder, and (iii) there has not been any event or condition that might reasonably be expected to result in a Material Adverse Effect on Seller, the Assets or the Station.

2.9 Tax Matters. Except as disclosed on Schedule 2.9, Seller has (and as of the Closing Date will have) (i) duly filed all material, federal, state, and local Tax Returns required to be filed by or with respect to it with the IRS or other applicable taxing authority, (ii) paid all material Taxes due, or claimed by any taxing authority to be due, from or with respect to it, except Taxes that are being contested in good faith by appropriate legal proceedings and for which adequate reserves have been set aside as disclosed on Schedule 2.9, and (iii) made all material deposits required with respect to Taxes, in each such case to the extent that the failure to do so would have a Material Adverse Effect on Seller, the Assets or the Station or would result in the imposition of any Encumbrance on the Assets. There has been no issue raised or adjustment proposed (and none is pending) by the IRS or any other taxing authority in connection with any Tax Returns relating to the Assets or the operation of the Station. No waiver or extension of any statute of limitations as to any Taxes relating to the Assets or the operation of the Station has been given by or requested from Seller.

2.10 Compliance With Laws. Seller has complied in all material respects with all Applicable Laws relating to the ownership or operation of the Assets or the operation of the Station (including without limitation the rules, the FCC Rules, the rules, regulations and practices of the Federal Aviation Administration, and Applicable Laws relating to properties, advertising and sales practices, employment practices, terms and conditions of employment, wages and hours, safety, occupational safety, health, environmental protection and civil rights), except for noncompliance with such Applicable Laws which, individually or in the aggregate, does not and will not have a Material Adverse Effect on Seller, the Station or the Assets, and Seller has not received any written notice, which has not been dismissed or otherwise disposed of, that Seller has not so complied. Seller is not charged or, to the knowledge of Seller, threatened with, or, to the knowledge of Seller, under investigation with respect to, any violation of any Applicable Law relating to any aspect of the ownership or operation of the Assets or the operation of the Station, other than violations which, individually or in the aggregate, do not and will not have a Material Adverse Effect on Seller, the Station or the Assets.

2.11 Legal Proceedings. There are no Proceedings pending or, to the knowledge of Seller, threatened against or involving Seller relating to the Assets or the operation of the Station, except as disclosed on Schedule 2.11. Except as disclosed on Schedule 2.11, any and all potential liability of Seller under such Proceedings is adequately covered (except for standard deductible amounts) by the existing insurance maintained by Seller described in Section 2.20. No judgment, order, writ, injunction or decree of any Governmental Entity has been issued or entered against Seller or any of its Affiliates which continues to be in effect with respect to or affecting the Assets or the operation of the Station. There are no Proceedings pending or, to the knowledge of Seller, threatened seeking to restrain, prohibit or obtain damages or other relief in connection with this Agreement or the transactions contemplated hereby.

2.12 Sufficiency and Condition of Assets. The Assets (i) constitute all the assets and properties used or held for use in connection with the operation of the Station, except for the Excluded Assets and except for studio equipment, and (ii) except for the Excluded Assets and except for studio equipment, constitute all the assets and properties the use or benefit of which are reasonably necessary for the operation of the Station. All the Assets will be on the Closing Date, in the case of tangible assets and properties other than studio equipment, in operating condition and repair (ordinary wear and tear excepted) reasonably necessary for the Operation of the Station, and will have been maintained in accordance with standard industry practice. Seller owns or has a valid leasehold interest in, or otherwise has a valid right to use, all the Assets. The Assets and their uses conform in all material respects to all Applicable Laws, including without limitation the regulations and requirements of the FCC and all FCC Licenses. All tangible assets and properties included in the Assets are in Seller's possession or under its control. At Closing, the Station will be on the air and broadcasting in accordance with the FCC License pertaining to the Station.

2.13 Tangible Personal Property. Schedule 1.1(c) accurately describes all of the furniture, equipment, machinery, computer hardware, materials, apparatus, tools, implements, appliances and other tangible personal property (other than spare parts, supplies, and inventories) owned by Seller and used or held for use in connection with the operation of the Station, except for Excluded Assets and items having a value individually of less than \$500. Seller is the owner of all of such tangible personal property and has good and marketable title to such property free and clear of any Encumbrances.

2.14 Leased Property. Seller has provided true and accurate copies of all leases under which Seller is the lessee of real or personal property used or held for use in connection with the operation of the Station, except for Excluded Assets. Seller has good and valid leasehold interests in all such properties held by Seller under lease. Seller has been in peaceable possession (or remedied any claims relating thereto) of the property covered by each such lease since the commencement of the original term of such lease. No waiver, indulgence or postponement of Seller's obligations under any such lease has been granted by the lessor or of the lessor's obligations thereunder by Seller. Seller is not in breach of or in default under, nor has any event occurred which (with or without the giving of notice or the passage of time or both) would constitute a default by Seller under any of such leases, and Seller has not received any notice from, or given any notice to, any lessor indicating that Seller or such lessor is in breach of or in default under any of such leases. To the knowledge of Seller, none of the lessors under any of such leases is in breach thereof or in default thereunder. Seller has full right and power to occupy or possess, as the case may be, all the property covered by each such lease, except as may be noted in Schedule 1.1(b).

2.15 Intellectual Property. Except for the Intellectual Property described on Schedule 1.1(d), Seller does not own, hold, use or have pending any Intellectual Property in connection with the operation of the Assets or the Station, except for Excluded Assets. Seller owns or has rights to use all Intellectual Property, free from burdensome restrictions, that are necessary for the operation of the Assets and the Station. Seller has not received any written notice or claim of any infringement, violation, misuse or misappropriation by Seller in connection with the operation of the Assets or the Station of any Intellectual Property owned or purported to be owned by any other Person. No royalty is payable to any Person as a result of or with respect to the use of any Intellectual Property.

2.16 Agreements.

(a) Seller has delivered to Buyer accurate and complete copies of the agreements listed on Schedule 1.1(f) that are to be assigned to Buyer pursuant to this Agreement. Each of such agreements is a valid and binding agreement of Seller and (to the knowledge of Seller) the other party or parties thereto, enforceable against Seller and (to the knowledge of Seller) such other party or parties in accordance with its terms. Seller

is not in breach of or in default under, nor has any event occurred which (with or without the giving of notice or the passage of time or both) would constitute a default by Seller under any agreement, and Seller has not received any notice from, or given any notice to, any other party indicating that Seller is in breach of or in default under any material agreement. To the knowledge of Seller, no other party to any agreement is in breach of or in default under such agreements, nor has any assertion been made by Seller of any such breach or default. Except as disclosed on Schedule 1.1(f), each of such agreements is freely and fully assignable to Buyer without penalty or other adverse consequence.

(b) Seller has not received notice of any plan or intention of any other party to any agreement to exercise any right of offset with respect to, or any right to cancel or terminate, any agreement, and Seller does not know of any fact or circumstance that would justify the exercise by any such other party of such a right other than the automatic termination of such agreement in accordance with its terms. Seller does not currently contemplate, or have reason to believe any other Person currently contemplates, any amendment or change to any agreement, which amendment or change could have a Material Adverse Effect on Seller, the Assets or the Station.

2.17 ERISA. During the past five years, neither Seller nor any of its Affiliates have made or been required to make contributions to any “multiemployer plan”, as defined in Section 3(37) of ERISA. Seller and all the Affiliates of Seller have paid and discharged promptly when due all liabilities and obligations arising under ERISA or the Code of a character which if unpaid or unperformed might result in the imposition of a lien against any of the Assets. For purposes of this Section only, an “Affiliate” of any Person means any other Person which, together with such Person, would be treated as a single employer under Section 414 of the Code.

2.18 Environmental Matters.

(a) As used herein, (i) the term “**Environmental Laws**” shall mean any and all state, federal, and local statutes, regulations and ordinances relating to the protection of human health and the environment, and (ii) the term “**Hazardous Material**” shall mean any hazardous or toxic substance, material, or waste including, without limitation, those substances, materials, pollutants, contaminants and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 C.F.R. Section 172.101) or by the United States Environmental Protection Agency as hazardous substances (40 C.F.R. Part 302 and amendments thereto), petroleum products (as defined in Title I to the Resource Conservation and Recovery Act, 42 U.S.C. Section 6991-6991(i)) and their derivatives, and such other substances, materials, pollutants, contaminants and wastes as become regulated or subject to cleanup authority under any Environmental Laws.

(b) Seller represents and warrants that:

(i) all of Seller’s activities related to the Leased Real Property have been and are being conducted in material compliance with all federal, state and local statutes, ordinances, rules, regulations and orders, as well as all requirements of common law concerning those activities, repairs or construction of any improvements, manufacturing processing and/or handling of any materials, and discharges to the air, soil, surface water or groundwater;

(ii) Seller has no knowledge of the release or presence of any Hazardous Material on, in, from or onto the Leased Real Property;

(iii) Seller has not generated, manufactured, refined, transported, stored, handled, disposed of or released any Hazardous Material on the Leased Real Property, nor has Seller permitted the foregoing;

- (iv) Seller has not received any notice of any violation of any Environmental Laws;
- (v) no action has been commenced, or to Seller's knowledge threatened, regarding Seller's compliance with any Environmental Laws;
- (vi) to Seller's knowledge, no tanks used for the storage of any Hazardous Material above or below ground are present or were at any time present on or about the Leased Real Property;
- (vii) no action has been commenced, or to Seller's knowledge threatened, regarding the presence of any Hazardous Material on or about the Leased Real Property;
- (viii) to Seller's knowledge, no Hazardous Materials are present in any medium on the Leased Real Property in such a manner as may require investigation or remediation under any applicable law;
- (ix) to Seller's knowledge, no polychlorinated biphenyls or substances containing polychlorinated biphenyls are present on the Leased Real Property; and
- (x) to Seller's knowledge, no friable asbestos is present on the Leased Real Property.

(c) Within forty-five (45) days of execution of this Agreement, Buyer shall have the right to conduct a Phase I audit of the Site and take soil and water samples (including groundwater samples) from the Leased Real Property, and to test and analyze those samples to determine the extent of any contamination of the soils and water (including groundwater) on or about the Leased Real Property. If, based on the results of the Phase I audit or the inspections and/or tests, Buyer determines that the condition of the Leased Real Property is unsatisfactory or if Buyer believes that its post-closing interest in the Leased Real Property would expose Buyer to undue risks of government intervention or third-party liability, Buyer may terminate this Agreement without any liability owing to Seller.

2.19 Labor Relations. Except as disclosed on Schedule 2.19, (i) there are no collective bargaining agreements or other labor union contracts applicable to any employees of the Station to or by which Seller is a party or is bound, no such agreement or contract has been requested by any employee or group of employees of the Station, and no discussions have occurred with respect thereto by management of Seller with any such employees; (ii) no employees of the Station are represented by any labor organization, collective bargaining representative or group of employees; (iii) no labor organization, collective bargaining representative or group of employees claims to represent a majority of the employees of the Station; (iv) Seller is not aware of or involved with any representational campaign or other organizing activities by any union or other organization or group seeking to become the collective bargaining representative of any of the employees of the Station; (v) Seller is not obligated to bargain collectively with respect to wages, hours, and other terms and conditions of employment with any recognized or certified labor organization, collective bargaining representative or group of employees representing employees of the Station; and (vi) Seller is not aware of any strikes, work stoppages, work slowdowns, or lockouts or any threats thereof by or with respect to any employees of the Station, and there have been no significant labor disputes, strikes, work stoppages, work slowdowns, lockouts or similar matters.

2.20 Insurance. Seller shall maintain in full force and effect, policies of insurance with respect to the Assets and the Station against such casualties and contingencies of such types and in such amounts as are customary for Station owners of similar size engaged in similar lines of business. All premiums due and

payable with respect to such policies have been timely paid. No notice of cancellation of, or indication of an intention not to renew, any such policy has been received by Seller.

2.21 Books and Records. All the books and records of Seller relating to the Assets or the Station, including all personnel files, employee data and other materials relating to employees of the Station, are substantially complete and correct in all material respects, and have been in all material respects maintained in accordance with good business practice and all Applicable Laws.

2.22 Brokerage Fees. Neither Seller nor any of its Affiliates has retained any financial advisor, broker, agent, or finder or paid or agreed to pay any financial advisor, broker, agent, or finder on account of this Agreement or any transaction contemplated hereby. Seller shall indemnify and hold harmless Buyer from and against any and all losses, claims, damages and liabilities (including legal and other expenses reasonably incurred in connection with investigating or defending any claims or actions) with respect to any finder's fee, brokerage commission or similar payment in connection with any transaction contemplated hereby asserted by any Person on the basis of any act or statement made or alleged to have been made by Seller or any of its Affiliates.

2.23 Disclosure. No representation or warranty made by Seller in this Agreement, and no statement of Seller contained in any document, certificate or other writing furnished or to be furnished by Seller pursuant hereto or in connection herewith, contains or will contain, at the time of delivery, any untrue statement of a material fact or omits or will omit, at the time of delivery, to state any material fact necessary in order to make the statements contained therein, in light of the circumstances under which they are made, not misleading. Seller knows of no matter which has not been disclosed to Buyer pursuant to this Agreement which has or, so far as Seller can now reasonably foresee, will have a Material Adverse Effect on the Assets or the Station. Seller will disclose to Buyer any adverse fact known to Seller which Seller knows or has reason to believe would have a Material Adverse Effect on Seller or that could prevent Seller's consummation of this Agreement.

2.24 Insolvency. No insolvency proceedings of any character including, without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting Seller or the Station, is pending or, to Seller's knowledge, threatened.

ARTICLE III REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller that:

3.1 Organization. Buyer is a limited liability company duly organized and validly existing under the laws of the State of Delaware and has all requisite corporate power and authority to own its assets and to conduct its business as now being conducted. Buyer is duly qualified to transact business and is in good standing in the State of Texas. No proceedings to dissolve Buyer are pending or threatened.

3.2 Authority Relative to This Agreement. Subject to the issuance of the Final Order, Buyer has full limited liability company power and authority to execute, deliver and perform this Agreement and the Ancillary Documents to which Buyer is a party and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by Buyer of this Agreement and the Ancillary Documents to which Buyer is a party, and the consummation by Buyer of the transactions contemplated hereby and thereby, have been duly authorized by all necessary action of Buyer. This Agreement has been duly executed and delivered by Buyer and constitutes, and each Ancillary Document executed or to be executed by Buyer has been, or when executed will be, duly executed and delivered by Buyer and constitutes, or when executed

and delivered will constitute, a valid and legally binding obligation of Buyer, enforceable against Buyer in accordance with their respective terms.

3.3 Noncontravention. The execution, delivery, and performance by Buyer of this Agreement and the Ancillary Documents to which Buyer is a party and the consummation by Buyer of the transactions contemplated hereby and thereby do not and will not (i) conflict with or result in a violation of any provision of the certificate of formation or limited liability company agreement of Buyer, (ii) conflict with or result in a violation of any provision of, or constitute (with or without the giving of notice or the passage of time or both) a default under, or give rise (with or without the giving of notice or the passage of time or both) to any right of termination, cancellation or acceleration under, or require any consent, approval, authorization, or waiver of any party to, any material bond, debenture, note, mortgage, indenture, lease, contract, agreement or other instrument or obligation to which Buyer is a party or by which Buyer or any of its properties may be bound or any material permit held by Buyer, (iii) result in the creation or imposition of any Encumbrance upon the properties of Buyer, or (iv) subject to obtaining grant of FCC consent with respect to the Assignment Application, violate any Applicable Law binding upon Buyer, except, in the case of clauses (ii), (iii), and (iv) above, for any such conflicts, violations, defaults, terminations, cancellations, accelerations or Encumbrances which would not, individually or in the aggregate have a Material Adverse Effect on Buyer or on the ability of Buyer to consummate the transactions contemplated hereby.

3.4 Governmental Approvals. Other than filings with and the grant of FCC consent with respect to the Assignment Application, no consent, approval, order, or authorization of or declaration, filing or registration with, any Governmental Entity is required to be obtained or made by Buyer in connection with the execution, delivery or performance by Buyer of this Agreement and the Ancillary Documents to which it is a party or the consummation by it of the transactions contemplated hereby or thereby, other than (i) filings with Governmental Entities to occur in the Ordinary Course of Business following the consummation of the transactions contemplated hereby; and (ii) such consents, approvals, orders or authorizations which, if not obtained, and such declarations, filings or registrations which, if not made, would not, individually or in the aggregate, have a Material Adverse Effect on Buyer.

3.5 Legal Proceedings. There are no Proceedings pending or, to the knowledge of Buyer, threatened seeking to restrain, prohibit, or obtain damages or other relief in connection with this Agreement or the transactions contemplated hereby or that would hinder Buyer from performing its obligations pursuant to this Agreement or the Ancillary Documents to which it is or will be a party.

3.6 Brokerage Fees. Neither Buyer nor any of its Affiliates has retained any financial advisor, broker, agent, or finder or paid or agreed to pay any financial advisor, broker, agent, or finder on account of this Agreement or any transaction contemplated hereby. Buyer shall indemnify and hold harmless Seller from and against any and all losses, claims, damages and liabilities (including legal and other expenses reasonably incurred in connection with investigating or defending any claims or actions) with respect to any finder's fee, brokerage commission or similar payment in connection with any transaction contemplated hereby asserted by any Person on the basis of any act or statement made or alleged to have been made by Buyer or any of its Affiliates.

3.7 Qualifications. Buyer is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate the Station under the FCC Rules. Buyer knows of no reason why the application for the assignment of the Licenses from Seller to Buyer will not be approved by the FCC, and knows of no threatened objections to the completion of the transactions contemplated under this Agreement.

**ARTICLE IV
CONDUCT OF BUSINESS PENDING CLOSING**

Seller hereby covenants and agrees with Buyer as follows:

4.1 Conduct and Preservation of Business. Except as expressly provided in this Agreement, during the period from the date hereof to the Closing, Seller (i) shall operate and maintain the Station in conformity with the FCC Licenses, the Communications Act, the FCC Rules and in material compliance with all other Applicable Laws, subject to the provisions of Section 2.5(b) hereof ;(ii) shall use its commercially reasonable efforts, consistent with past practices, to preserve, maintain and protect the Assets; and (iii) shall use commercially reasonable efforts, consistent with past practices, to maintain existing relationships with licensors, licensees, suppliers, contractors, distributors, customers and others having business relationships with the Station.

4.2 Restrictions on Certain Actions. Without limiting the generality of the foregoing, and except as otherwise expressly provided in this Agreement, prior to the Closing, Seller shall not, without the prior written consent of Buyer:

(a) make any material change in the ongoing operations of the Assets or the Station, except as otherwise required by the Communications Act and applicable FCC Rules;

(b) except in the Ordinary Course of Business, create, incur, guarantee or assume any indebtedness for borrowed money in respect of the Station or the Assets, which obligation will not be discharged on or before the Closing Date;

(c) mortgage or pledge any of the Assets or create or suffer to exist any Encumbrance thereupon, other than the Permitted Encumbrances;

(d) sell, lease, transfer or otherwise dispose of, directly or indirectly, any of the Assets other than the disposition in the Ordinary Course of Business consistent with past practices of items that are replaced prior to the Closing Date with items of comparable or superior value and utility in the operation of the Station;

(e) make any capital expenditure or expenditures relating to the Station which, individually, is in excess of \$25,000 annually or, in the aggregate, are in excess of \$50,000 annually, except for repairs and equipment purchases necessary to keep the Station operating;

(f) acquire or enter into any network affiliation agreement, time brokerage agreement, local marketing arrangements, joint brokerage agreements or similar contracts with respect to the Station;

(g) amend, modify or change any existing material lease, contract, permit or agreement relating to the Station or the Assets, other than in the Ordinary Course of Business consistent with past practice and except as specifically provided for herein or as may be required by order or regulation of the FCC;

(h) acquire or enter into any new agreement or contract which will bind the Station beyond the Closing except as specifically provided for herein;

(i) permit any current insurance or reinsurance policies to be canceled or terminated or any of the coverages thereunder to lapse if such policy covers Assets or insures risks, contingencies or liabilities of the Station, unless simultaneously with such cancellation, termination or lapse, replacement policies providing

coverage equal to or greater than the coverage canceled, terminated or lapsed are in full force and effect and written copies thereof have been provided to Buyer;

(j) take any action which makes any of the representations or warranties of Seller contained in this Agreement untrue or inaccurate as of any time from the date of this Agreement to the Closing or results in any of the conditions set forth in this Agreement not being satisfied;

(k) authorize or propose, or agree in writing or otherwise to take, any of the actions described in this Section; or

(j) Take any other action inconsistent with Seller's obligations under this Agreement or that could hinder or delay the consummation of the transaction contemplated by this Agreement.

ARTICLE V ADDITIONAL AGREEMENTS

5.1 Access to Information; Confidentiality.

(a) Between the date hereof and the Closing, Seller (i) shall give Buyer and its authorized representatives reasonable access, during regular business hours and upon reasonable advance notice, to all employees, all offices, and other facilities, and all books, records, agreements, and commitments of Seller relating to the Assets or the Station, (ii) shall permit Buyer and its authorized representatives to make such inspections as they may reasonably require, and (iii) shall cause Seller's officers to furnish Buyer and its authorized representatives with such financial and operating data and other information with respect to the Assets and the Station as Buyer may from time to time reasonably request; provided, however, that no investigation pursuant to this Section shall affect any representation or warranty of Seller contained in this Agreement or in any Ancillary Document; and provided further that Seller shall have the right to have a representative present at all times of any such inspections, interviews and examinations conducted at or on the offices or other facilities or properties of Seller or its Affiliates or representatives. Without limiting the generality of the foregoing, upon receiving or learning of any violation, order to show cause, notice of violation, notice of apparent liability, forfeiture, or written complaint relating to the Station, or any material violations under any other applicable laws and regulations, Seller shall promptly notify Buyer and, at Seller's expense, use reasonable commercial efforts to cure all such violations prior to the Closing Date.

(b) Each party acknowledges and agrees that irreparable damage would occur in the event any confidential information regarding the Assets or the Station were disclosed to or utilized on behalf of any Person which is in competition in any material respect with the current or intended uses of the Station. Accordingly, each party covenants and agrees that it will not, directly or indirectly, without the prior written consent of the other, use or disclose any of such confidential information; provided, however, that confidential information shall not be deemed to include information which (i) was or becomes generally available to the public other than as a result of disclosure by either party or its Affiliates or (ii) was or becomes available on a nonconfidential basis from a source other than the other party, provided that such source is not known by the disclosing party to be bound by a confidentiality agreement with respect to such confidential information. Notwithstanding the foregoing provisions of this paragraph, either party and its Affiliates may disclose any confidential information to the extent that, in the opinion of counsel, such Person is legally compelled to do so, provided that, prior to making such disclosure, such Person advises and consults with the other party regarding such disclosure and provided further that such Person discloses only that portion of such confidential information as is legally required. Buyer may further disclose such confidential information as it may deem necessary to potential lenders or equity investors on a need to know basis to assist Buyer in obtaining

financing for, or equity participation or partnership with, Buyer in its efforts to consummate the transaction contemplated herein, provided such third parties are informed by Buyer of the confidential nature of such information and agree to be bound by the same provisions pertaining to the use and safeguarding of such confidential information that are applicable to Buyer. If this Agreement is terminated without Closing, each party shall promptly return to the other all originals and copies of any confidential information it received from the other, including documents prepared by it incorporating such confidential information.

5.2 Acquisition Proposals. From and after the date of this Agreement until the earlier of the Closing or the termination of this Agreement, neither Seller nor any Affiliate, officer, employee or representative of Seller shall, directly or indirectly, (i) solicit, initiate, or knowingly encourage any Acquisition Proposal or (ii) engage in discussions or negotiations with, or disclose any nonpublic information relating to the Assets or the Station to, any Person that is considering making or has made an Acquisition Proposal. Seller shall immediately cease and cause to be terminated any existing activities, discussions or negotiations with any Persons conducted heretofore with respect to any Acquisition Proposal and shall promptly request each such Person who has heretofore entered into a confidentiality agreement in connection with an Acquisition Proposal to return to Seller all confidential information heretofore furnished to such Person by or on behalf of Seller. If Seller or its Affiliates shall hereafter receive any Acquisition Proposal, Seller shall immediately communicate the terms of such proposal to Buyer. The term "Acquisition Proposal", as used in this Section, means any offer or proposal for, or any indication of interest in, the acquisition of the Assets or the Station or Seller or any portion thereof effectuated directly or indirectly through a sale of assets, sale of equity interests, by merger or otherwise, other than the transactions contemplated or expressly permitted by this Agreement.

5.3 Third Party Consents. Seller shall use commercially reasonable efforts to obtain all consents, approvals, orders, authorizations, and waivers of, and to effect all declarations, filings, and registrations with, all third parties (including Governmental Entities) that are necessary, required, or deemed by Buyer to be desirable to enable Seller to transfer the Assets to Buyer as contemplated by this Agreement and to otherwise consummate the transactions contemplated hereby. Except as otherwise provided in Section 5.5(b)(ii) all costs and expenses of obtaining or effecting any and all of the consents, approvals, orders, authorizations, waivers, declarations, filings, and registrations referred to in this Section shall be borne by Seller; provided, however, that Seller shall not be required to bear the cost of negotiating any changes that Buyer may wish to have made in the terms of any agreements or authorizations for which consents to assignment are sought.

5.4 Cooperation. Each party hereto agrees that it will not voluntarily undertake any course of action inconsistent with the provisions or intent of this Agreement and will take, or cause to be taken, all action and to do, or cause to be done, all things reasonably necessary, proper or advisable under Applicable Laws to consummate the transactions contemplated by this Agreement.

5.5 FCC Consent.

(a) **FCC Consent.** Consummation of the purchase and sale provided for herein and the performance of the obligations of Seller and Buyer under this Agreement are subject to the condition that the FCC (including its staff acting pursuant to delegated authority) shall have given its consent in writing, and furthermore, that such consent is granted without any condition that is materially adverse to Buyer or Seller, to the assignment of the FCC Licenses to Buyer.

(b) **Application For FCC Consent.**

(i) Seller and Buyer agree to use commercially reasonable efforts and to cooperate with each other in seeking the FCC's approval of the transactions contemplated hereunder through the preparation, filing and prosecution of an appropriate long-form application to assign the FCC Licenses from Seller to Buyer (the "Assignment Application"). The Assignment Application shall be filed on a date selected by Buyer, with such date being no later than ten business days after the Triggering Date (the "Application Filing Date").

(ii) Except as otherwise provided herein, each party will be solely responsible for the expenses incurred by it in the preparation, filing and prosecution of its respective portion of the Assignment Application. Seller and Buyer shall each be responsible for one-half of all filing fees imposed by the FCC.

(iii) Each party agrees to comply with any condition imposed on it by the FCC, except that no party shall be required to comply with a condition that would have a Material Adverse Effect upon it unless the condition was imposed in the ordinary course or as the result of a circumstance which constitutes a breach by that party of any of its representations, warranties or covenants in this Agreement. Buyer and Seller shall oppose any efforts for reconsideration or judicial review of the grant by the FCC of the Assignment Application (but nothing in this Section shall limit any party's right to terminate this Agreement pursuant to Section 9.1 of this Agreement).

(iv) Seller shall join Buyer in requesting from the FCC any extensions of time in which to consummate the Closing as may be required by the terms of this Agreement.

(c) **Notice of Application.** Seller shall, at its expense, give due notice of the filing of the Assignment Application by broadcasting on the Station, and by such other means as may be required by the rules and regulations of the FCC.

5.6 Transfer of Certain Contracts. Seller agrees that between the date hereof and the Closing Date it will use commercially reasonable efforts to obtain or cause to be obtained the necessary consents to the transfer of each Assumed Contract which by its terms requires the consent of any other contracting party thereto (for purposes of this Section, "Consent Required Contract"), and Buyer will cooperate with Seller in securing such consent. In the event that Seller shall have failed prior to the Closing Date to obtain consents to the transfer of any Consent Required Contract, the terms of this Section shall govern the transfer of the benefits of each such contract. Notwithstanding any provision contained in this Agreement to the contrary, the parties hereto acknowledge and agree that at the Closing Seller shall not transfer or cause to be transferred to Buyer any Consent Required Contract the consent to which has not been obtained prior to the Closing Date. With respect to each such unassigned Consent Required Contract, after the Closing Date Seller shall continue to deal with the other contracting party or parties to such Consent Required Contract as the prime contracting party and shall continue to use commercially reasonable efforts to obtain the consent of all required parties to the transfer of such Consent Required Contract to Buyer, but Buyer shall be entitled to the benefits of such Consent Required Contract accruing after the Closing Date to the extent that Seller may provide Buyer with such benefits without violating the terms of such Consent Required Contract. To the extent permitted under such Consent Required Contract, Buyer agrees to perform at its sole expense all the obligations of Seller to be performed under such Consent Required Contract, and to indemnify and reimburse Seller for any cost Seller incurs in its continued performance, provided that Buyer receives the substantial benefits of such Consent Required Contract after the Closing Date.

5.7 Public Announcements. Except as may be required by Applicable Law, neither Buyer nor Seller shall issue any press release or otherwise make any public statement with respect to this Agreement or

the transactions contemplated hereby without the prior written consent of the other party (which consent shall not be unreasonably withheld).

5.8 Notification of Certain Matters. Seller shall give prompt notice to Buyer of (i) the occurrence or nonoccurrence of any event the occurrence or nonoccurrence of which would be likely to cause any representation or warranty contained in Article II to be materially untrue or inaccurate at or prior to the Closing, (ii) any failure of Seller materially to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by Seller hereunder and (iii) any notice or other communication from any Person alleging that the consent or approval of such Person is or may be required in connection with the transactions contemplated by this Agreement (other than those consents and approvals indicated as required on Schedule 1.1(f)). Buyer shall give prompt notice to Seller of (i) the occurrence or nonoccurrence of any event the occurrence or nonoccurrence of which would be likely to cause any representation or warranty contained in Article III to be untrue or inaccurate at or prior to the Closing and (ii) any failure of Buyer materially to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by Buyer hereunder. The delivery of any notice pursuant to this Section shall not be deemed to (i) modify the representations or warranties hereunder of the party delivering such notice, (ii) modify the conditions set forth in Articles VI and VII, or (iii) limit or otherwise affect the remedies available hereunder to the party receiving such notice.

5.9 Fees and Expenses. Except as otherwise expressly provided in this Agreement, all fees and expenses, including fees and expenses of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such fee or expense, whether or not the Closing shall have occurred; provided, however, that if this Agreement shall have been terminated pursuant to Section 9.1 as a result of the willful breach by a party of any of its representations, warranties, covenants or agreements set forth in this Agreement, such breaching party shall pay the costs and expenses of the other party in connection with the transactions contemplated by this Agreement.

5.10 Taxes; Other Charges. All sales and use Taxes resulting from the consummation of the transactions contemplated hereby shall be borne one half by Buyer and one half by Seller, and the parties shall cooperate in obtaining all exemptions from such Taxes. All other registration, transfer, recording, and deed and stamp Taxes and fees incurred in connection with the consummation of the transactions contemplated hereby shall be borne equally by Seller and Buyer. Seller shall file all necessary documentation with respect to, and make all payments of, such Taxes and fees on a timely basis.

5.11 Amendment of Schedules. Each party hereto agrees that, with respect to the representations and warranties of such party contained in this Agreement, such party shall supplement or amend the Schedules as of the Closing Date with respect to any matter hereafter arising or discovered which, if existing or known at the date of this Agreement, would have been required to be set forth or described in the Schedules.

5.12 Possession and Control of Station. Between the date hereof and the Closing Date, Buyer shall not directly or indirectly control, supervise or direct, or attempt to control, supervise, or direct, the business and operations of the Station, and such operation, including complete control and supervision of all programming, shall be the sole responsibility of the owners of the Station. On or after the Closing Date, Seller shall have no control over, or right to intervene, supervise, direct or participate in, the business and operations of the Station.

5.13 Survival of Covenants. Except for any covenant or agreement which by its terms expressly terminates as of a specific date, the covenants and agreements of the parties hereto contained in this Agreement shall survive the Closing for a period of 12 months from the Closing Date.

ARTICLE VI
CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLER

The obligations of Seller to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment by Buyer or waiver by Seller on or prior to the Closing Date of each of the following conditions:

6.1 Representations and Warranties True. All the representations and warranties of Buyer contained in this Agreement, and in any Ancillary Document on or prior to the Closing Date, shall be true and correct as of the date made and (having been deemed to have been made again on and as of the Closing Date) shall be true and correct on and as of the Closing Date, except as affected by transactions permitted by this Agreement and except to the extent that any such representation or warranty is made as of a specified date, in which case such representation or warranty shall have been true and correct as of such specified date.

6.2 Covenants and Agreements Performed. Buyer shall have performed and complied with in all material respects all covenants and agreements required by this Agreement to be performed or complied with by it on or prior to the Closing Date, including delivery of the full amount of the Purchase Price.

6.3 Certificate. Seller shall have received a certificate executed by an authorized officer of Buyer, dated the Closing Date, representing and certifying, in such detail as Seller may reasonably request, that the conditions set forth in Sections 6.1 and 6.2 have been fulfilled and that Buyer is not in breach of any provision of this Agreement.

6.4 Consent of the FCC. The FCC (including its staff acting pursuant to delegated authority) shall have granted its consent to the Assignment Application.

6.5 Legal Proceedings. No preliminary or permanent injunction or other order, decree or ruling issued by a Governmental Entity, and no statute, rule, regulation or executive order promulgated or enacted by a Governmental Entity, shall be in effect which restrains, enjoins, prohibits or otherwise makes illegal the consummation of the transactions contemplated hereby; no Proceeding by a Governmental Entity shall have been commenced or threatened (and be pending or threatened on the Closing Date) against Buyer, Seller or any of their respective Affiliates, managers, directors or officers seeking to prevent or challenging the transactions contemplated hereby; and no Proceeding before a court of competent jurisdiction shall have been commenced (and be pending on the Closing Date) against Buyer, Seller or any of their respective Affiliates, managers, directors or officers seeking to prevent or challenging the transactions contemplated hereby or seeking material damages in connection therewith.

6.6 Other Documents. Seller shall have received the certificates, instruments and documents described in Section 8.3.

ARTICLE VII
CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER

The obligations of Buyer to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment by Seller or waiver by Buyer on or prior to the Closing Date of each of the following conditions:

7.1 Representations and Warranties True. All the representations and warranties of Seller contained in this Agreement, and in any Ancillary Document on or prior to the Closing Date, shall be true and correct as of the date made (and having been deemed to have been made upon and as of the Closing Date) shall be true and correct on and as of the Closing Date, except as affected by transactions permitted by this Agreement and except to the extent that any such representation or warranty is made as of a specified date, in which case such representation or warranty shall have been true and correct as of such specified date (it being understood that for purposes of this Section 7.1, the representations and warranties of Seller shall mean such representations of Seller after disregarding all knowledge qualifications of Seller).

7.2 Covenants and Agreements Performed. Seller shall have performed and complied with in all material respects all covenants and agreements required by this Agreement to be performed or complied with by it on or prior to the Closing Date.

7.3 Certificate. Buyer shall have received a certificate executed by an authorized officer of Seller, dated the Closing Date, representing and certifying, in such detail as Buyer may reasonably request, that the conditions set forth in Sections 7.1 and 7.2 have been fulfilled and that Seller is not in breach of any provision of this Agreement.

7.4 Consent of the FCC. The FCC (including its staff acting pursuant to delegated authority) shall have granted its consent to the Assignment Application.

7.5 Legal Proceedings. No preliminary or permanent injunction or other order, decree or ruling issued by a Governmental Entity, and no statute, rule, regulation or executive order promulgated or enacted by a Governmental Entity, shall be in effect which restrains, enjoins, prohibits or otherwise makes illegal the consummation of the transactions contemplated hereby; no Proceeding by a Governmental Entity shall have been commenced or threatened (and be pending or threatened on the Closing Date) against Buyer, Seller or any of their respective Affiliates, associates, directors or officers seeking to prevent or challenging the transactions contemplated hereby; and no Proceeding before a court of competent jurisdiction shall have been commenced (and be pending on the Closing Date) against Buyer, Seller or any of their respective Affiliates, associates, directors or officers seeking to prevent or challenging the transactions contemplated hereby or seeking material damages in connection therewith.

7.6 Consents. All consents, approvals, orders, authorizations, and waivers of, and all declarations, filings and registrations with, third parties (including Governmental Entities) required to be obtained or made by or on the part of the parties hereto or otherwise reasonably necessary for the consummation of the transactions contemplated hereby shall have been obtained or made, and all thereof shall be in full force and effect at the time of Closing.

7.7 Risk of Loss. The risk of loss to any of the Assets prior to the Closing Date shall remain with Seller. Seller shall use all commercially reasonable efforts to repair or replace any damaged or lost Assets, provided, however, that in the event that Assets with a value of greater than \$50,000 are damaged or lost as of the date otherwise scheduled for Closing, Buyer may, at its option, either (i) postpone Closing while Seller repairs or replaces such Assets, or (ii) elect to close with the Assets in their current condition, in which case Seller shall assign all proceeds from insurance on such lost or damaged Assets to Buyer, and Buyer shall have the responsibility to repair or replace the Assets. In the event that Buyer exercises its right to postpone Closing

in accordance with clause (i) of the preceding sentence, and if Seller has not completed repairing or replacing such Assets within three (3) months, then Buyer shall have the right to terminate this Agreement, in which case the Deposit (together with any accrued interest) shall be returned to Buyer.

7.8 FCC Licenses. Seller shall be the holder of each of the FCC Licenses. Seller shall be operating the Station and its transmission facilities in material compliance with applicable standards of good engineering practice and in material compliance with the FCC Licenses and the FCC Rules, without regard to the provisions of Sections 2.5(b) and 2.5(c) of this Agreement.

7.9 Noncompetition Agreement. Seller shall have executed and delivered to Buyer a Noncompetition Agreement in form and substance reasonably satisfactory to Buyer (the "Noncompetition Agreement").

7.10 Tender of Assets and Other Documents. On the Closing Date, Seller shall have executed and delivered all necessary or appropriate instruments of transfer, bills of sale, deeds and other documents to transfer and vest good and indefeasible title to the Assets to Buyer, free and clear of any Encumbrances except for the Permitted Encumbrances, including the documents, certificates and instruments described in Section 8.2. In addition, Buyer shall have received the certificates, instruments, and documents listed below:

(a) Executed copies of all consents and approvals of third parties required to be obtained by or on the part of Seller for the consummation of the transactions contemplated hereby.

(b) All books and records of Seller relating to the Assets or the operation of the Station.

(c) A certificate from the Secretary of State of Texas dated not more than five days prior to the Closing Date as to the legal existence of Seller under the laws of such state.

(d) Lien search reports, conducted by Buyer at its own cost and expense, each dated not more than ten days prior to the Closing Date, showing that no financing statements or other liens (or notices with respect to liens) affecting the Assets or any thereof naming Seller or the Station as debtor are on file in the Uniform Commercial Code or other relevant records of the office of the Secretary of State of the state of incorporation of Seller, or the county clerk's office of Webb County, Texas, except any that will be fully discharged at Closing.

7.11 Wilson-Amigo Securities Purchase Agreement. The Buyer shall have consummated the transactions contemplated by the Wilson-Amigo Securities Purchase Agreement (the date on which such consummation occurs being referred to herein as the "SWIB Closing Date").

ARTICLE VIII CLOSING

8.1 Closing; Closing Date. The closing of the transactions contemplated hereby (the "Closing") shall take place at the offices of Buyer at 201 Main Street, Fort Worth, Texas 76102, or at such other place as is mutually agreed at 10:00 a.m., local time, on a date not later than ten (10) business days after the SWIB Closing Date; provided, however, that if the satisfaction or waiver of the last of the closing conditions required to be satisfied or waived pursuant to Articles VI and VII has not occurred as of ten (10) business days of the SWIB Closing Date, and this Agreement has not been terminated, then at a date, time and location designated by Buyer that is within ten (10) business days of the last such satisfaction or waiver; provided, further, that Buyer may designate an earlier date for the Closing so long as Buyer provides Seller with five (5) business

days notice of the date. The date on which the Closing is required to take place is herein referred to as the "Closing Date". All Closing transactions shall be deemed to have occurred simultaneously.

At the Closing, subject to the satisfaction or waiver of the conditions to its obligations set forth in this Agreement, Seller and Buyer shall make the deliveries, set forth in Sections 8.2 and 8.3 hereof, respectively, or such deliveries in substitution therefor as are satisfactory to the indicated recipient.

8.2 Deliveries by Seller.

(a) LocalOne TV shall execute and deliver to Buyer a General Conveyance, Assignment and Bill of Sale and Transfer and Assumption of Assumed Liabilities in form and substance reasonably satisfactory to Buyer (the "Bill of Sale"), and other instruments in form and substance reasonably satisfactory to Buyer and sufficient to transfer to Buyer and effectively vest in Buyer all right, title, and interest in and to the Station and good and indefeasible title to the Assets (other than the FCC Licenses), to Buyer, free and clear of any Encumbrances except for the Permitted Encumbrances.

(b) LocalOne Texas shall execute and deliver to Buyer an Assignment of FCC Licenses in form and substance reasonably satisfactory to Buyer (the "Assignment of FCC Licenses").

(c) Seller shall deliver to Buyer the Noncompetition Agreement duly executed by Seller.

(d) Seller shall deliver the right of possession of the Assets to Buyer free and clear of any Encumbrances except for the Permitted Encumbrances.

(e) Seller shall execute and deliver to Buyer a certificate of an officer of Seller certifying (i) that attached to such certificate are true and correct copies of the resolutions adopted by Seller authorizing the execution, delivery and performance of this Agreement by Seller and that such resolutions are in full force and effect as of the Closing and (ii) the incumbency and signatures of the officers of Seller who have executed this Agreement and the other certificates, instruments and documents delivered at the Closing on behalf of Seller.

(f) Seller shall execute and deliver to Buyer a certificate, which shall be dated as of the Closing Date and which shall be signed by a duly authorized officer of Seller certifying (i) the authority of Seller to enter into and consummate the transactions contemplated by this Agreement, (ii) the authority of the officers of Seller to execute and deliver this Agreement and any Ancillary Document contemplated by this Agreement on behalf of Seller, (iii) the representations and warranties of Seller contained in Article II hereof, and in any agreement, instrument or document delivered pursuant hereto or in connection herewith, were true and correct when made and are true and correct as of the Closing Date (except to the extent that any representation or warranty of Seller specifically relates to an earlier date, in which case such representation or warranty shall have been true and correct in all material respects as of such earlier date), and (iv) each and every covenant and agreement of Seller contained in the Agreement to be performed by Seller on or prior to the Closing Date has been performed by Seller.

(g) Seller shall deliver any necessary instructions to the Escrow Agent to release the Deposit to Seller and all interest and earnings on the Deposit to Buyer.

(h) Seller shall execute and deliver to Buyer such other certificates, instruments and documents as may be reasonably requested by, and in form and substance reasonably satisfactory to, Buyer in order to effect the transactions contemplated by this Agreement to occur at the Closing.

8.3 Deliveries by Buyer.

- (a) Buyer shall deliver to Seller the Purchase Price.
- (b) Buyer shall execute and deliver to Seller the Bill of Sale.

(c) Buyer shall execute and deliver to Seller a certificate of an officer of Buyer certifying (i) that attached to such certificate is a true and correct copy of the resolutions adopted by the Board of Directors of Buyer authorizing the execution, delivery and performance of this Agreement by Buyer and that such resolutions are in full force and effect as of the Closing, and (ii) the incumbency and signatures of the officers of Buyer who have executed this Agreement and the other certificates, instruments and documents delivered at the Closing on behalf of Buyer.

(d) Buyer shall execute and deliver to Seller a certificate, which shall be dated as of the Closing Date and which shall be signed by a duly authorized officer of Buyer certifying (i) the authority of Buyer to enter into and consummate the transactions contemplated by this Agreement, (ii) the authority of the officers of Buyer to execute and deliver this Agreement and any Ancillary Document contemplated by this Agreement on behalf of Buyer, (iii) the representations and warranties of Buyer contained in Article III hereof were true and correct when made and are true and correct as of the Closing Date (except to the extent that any representation or warranty of Buyer specifically relates to an earlier date, in which case such representation or warranty shall have been true and correct in all material respects as of such earlier date), and (iv) each and every covenant and agreement of Buyer contained in the Agreement to be performed by Buyer on or prior to the Closing Date has been performed by Buyer.

(e) Buyer shall deliver to Seller such other certificates, instruments and documents as may be reasonably requested by, and in form and substance reasonably satisfactory to, Seller in order to effect the transactions contemplated by this Agreement to occur at the Closing.

ARTICLE IX TERMINATION, AMENDMENT, AND WAIVER

9.1 Termination. This Agreement may be terminated and the transactions contemplated hereby abandoned at any time prior to the Closing in the following manner:

- (a) by mutual written consent of Seller and Buyer;
- (b) by either Seller or Buyer, if the Closing shall not have occurred on or before one year from the Triggering Date, unless such failure to close shall be due to a breach of this Agreement by the party seeking to terminate this Agreement pursuant to this clause (b);
- (c) by either Seller or Buyer, if there shall be any statute, rule or regulation that makes consummation of the transactions contemplated hereby illegal or otherwise prohibited or a Governmental Entity shall have issued an order, decree or ruling or taken any other action permanently restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby, and such order, decree, ruling or other action shall have become final and nonappealable;
- (d) by Seller, if (i) any of the representations and warranties of Buyer contained in this Agreement shall not be true and correct in any material respect, when made or at any time prior to the Closing as if made

at and as of such time, in any respect which is material to Buyer or the ability of Buyer to consummate the transactions contemplated hereby, or (ii) Buyer shall have failed to fulfill in any material respect any of its material obligations under this Agreement, which failure is material to the obligations of Buyer under this Agreement, and, in the case of each of clauses (i) and (ii), such misrepresentation, breach of warranty, or failure (provided it can be cured) has not been cured within 30 days after written notice thereof from Seller to Buyer; provided, however, that Seller shall not be required to delay Closing for more than 30 days or beyond the one year anniversary of the date of execution of this Agreement, to allow a cure by Buyer, provided further, however, that if Seller is aware of such condition as described in clauses (i) or (ii) herein and does not notify Buyer in writing within 30 days of becoming aware of such condition, Seller shall be deemed to have waived its rights to termination under this Section 9.1(d);

(e) by Buyer, if (i) any of the representations and warranties of Seller contained in this Agreement shall not be true and correct in any material respect, when made or at any time prior to the Closing as if made at and as of such time, in any respect which is material to Seller or the ability of Seller to consummate the transactions contemplated hereby, (ii) if Buyer has not entered into the Wilson-Amigo Securities Purchase Agreement on or prior to March 31, 2005, or (iii) Seller shall have failed to fulfill in any material respect any of its material obligations under this Agreement, which failure is material to the obligations of Seller under this Agreement, and, in the case of each of clauses (i) and (iii), such misrepresentation, breach of warranty, or failure (provided it can be cured) has not been cured within 30 days after written notice thereof from Buyer to Seller; provided, however, that Buyer shall not be required to delay Closing for more than 30 days or beyond the one year anniversary of the Triggering Date of execution of this Agreement, to allow a cure by Seller; or

(f) by Buyer in accordance with the provisions of Section 7.7 or Section 9.5(c).

9.2 Effect of Termination. In the event of the termination of this Agreement pursuant to Section 9.1 by Seller or Buyer, written notice thereof shall forthwith be given to the other party specifying the provision hereof pursuant to which such termination is made, and this Agreement shall become void and have no effect, except that the agreements contained in this Section and in Sections 2.23, 3.6, 5.1(b), 5.7, 5.9, 9.5, 11.1, 11.5, 11.13 and 11.14 shall survive the termination hereof for a period of 12 months. Nothing contained in this Section shall relieve any party from liability for damages actually incurred as a result of any breach of this Agreement, but claims shall be limited to actual damages, and no claims shall be permitted for punitive or exemplary damages or for lost profits.

9.3 Amendment. This Agreement may not be amended except by an instrument in writing signed by or on behalf of all the parties hereto.

9.4 Waiver. Each of Seller and Buyer may (i) waive any inaccuracies in the representations and warranties of the other contained herein or in any document, certificate or writing delivered pursuant hereto or (ii) waive compliance by the other with any of the other's agreements or fulfillment of any conditions to its own obligations contained herein. Any agreement on the part of a party hereto to any such waiver shall be valid only if set forth in an instrument in writing signed by or on behalf of such party. No failure or delay by a party hereto in exercising any right, power, or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

9.5 Specific Performance and Liquidated Damages.

Seller and Buyer hereby acknowledge that the Assets are unique, and that, in the circumstances specified in this Section 9.5, the harm to a party hereto resulting from the other party's failure to perform such

party's obligations hereunder cannot be adequately compensated by damages. Accordingly, Seller and Buyer agree that, in the circumstances identified in this Section 9.5, but only in such circumstances, the non-breaching party shall have the right to have all obligations, undertakings, agreements, covenants and other provisions of this Agreement specifically performed by the breaching party. In any such specific performance action, the breaching party agrees to waive the defense that there is an adequate remedy at law for damages and agrees that the non-breaching party shall be entitled to obtain specific performance of the breaching party's obligations hereunder without having to post any bond or other security in any such proceeding.

(a) In the event that Seller is in a position to close because it has met all of its closing conditions or Buyer has waived those closing conditions Seller has not met, and Buyer is ready, willing and able to close but for Seller's refusal to close, at Buyer's election, Buyer shall, provided Buyer is not in material breach of this Agreement, be entitled to specific performance.

(b) In the event that Buyer has consummated the transactions contemplated by the Wilson-Amigo Securities Purchase Agreement, and Seller is ready, willing and able to close this Agreement but for Buyer's refusal to close, at Seller's election, Seller shall, provided Seller is not in material breach of this Agreement, be entitled to specific performance.

(c) In the event that: (i) Buyer and Seller fail to consummate the transactions contemplated by the Wilson-Amigo Securities Purchase Agreement; and (ii) such failure is the result of an Excused Termination (as that term is defined in the Securities Purchase Agreement, dated April 9, 2004, by and among Amigo Operating, LLC, New World Broadcasting, Inc., Brooks Broadcasting, Inc., and Kendall R. Coffey, Jr., James Anderson, Charles J. Brooks, and Border Media Partners, LLC), then Buyer shall have the right to terminate this Agreement without any obligation owing to Seller, in which case the Deposit (together with any accrued interest) shall be returned to Buyer.

(d) Notwithstanding anything contained herein to the contrary, if Buyer and Seller fail to consummate the transactions contemplated by this Agreement for any reason other than the reasons identified in paragraphs (b) and (c) above, and provided that Seller is not then in material breach of this Agreement and that Seller shall have satisfied the conditions precedent to Closing by Buyer set forth in Article VII (other than Section 7.3, 7.9, 7.10, and 7.11), then Seller shall be entitled, as Seller's sole and exclusive remedy hereunder, to receive from Buyer, and Buyer hereby agrees to pay, Thirty Thousand Dollars (\$30,000) as liquidated damages, it being understood and agreed that payment to Seller of such liquidated damages will constitute full payment for any and all damages suffered by Seller under this Agreement. The liquidated damages set forth in this Section 9.5(e) shall be guaranteed by the Deposit set forth in Section 1.3.

In any action by Buyer or Seller to specifically enforce the other party's obligation to close the transactions contemplated by this Agreement, the other party shall waive the defense that there is an adequate remedy at law or in equity and agrees that the party seeking specific performance shall be entitled to obtain specific performance of such obligation to close without being required to prove actual damages. As a condition to seeking specific performance, if Buyer is seeking specific performance, it shall not be required to tender the Purchase Price as contemplated by Section 1.3 but shall be required to demonstrate that Buyer is ready, willing and able to tender the Purchase Price as contemplated by such Section 1.3 but for Seller's refusal to close. Likewise, Seller shall not be required to tender the Assets but shall be required to demonstrate that Seller is ready, willing, and able to tender the Assets as contemplated by such Section 1.2.

In the event that a party is awarded specific performance, such party shall not be entitled to damages other than the cost to such party in obtaining such specific performance.

ARTICLE X
SURVIVAL OF REPRESENTATIONS; INDEMNIFICATION

10.1 Survival.

(a) All representations, warranties, covenants and agreements of the parties hereto contained in this Agreement or in any certificate, instrument or document delivered pursuant hereto shall survive the Closing, regardless of any investigation made by or on behalf of any party, for a period of one year from the Closing Date, except that the representations as to title to the Assets set forth in Section 2.6 hereof shall survive forever. Any right of indemnification pursuant to this Article X with respect to a claimed breach of any representation, covenant or warranty shall expire or terminate on the date of expiration or termination of the representation, covenant or warranty claimed to be breached (each a “Survival Date”). From and after the Survival Date, no party hereto or any shareholder, member, partner, director, manager, officer, or employee of such party shall be under any liability whatsoever (whether pursuant to this Article X or otherwise) with respect to any such representation or warranty, except with respect to matters as to which notice has been received in accordance with Section 10.1(b).

(b) No party hereto shall have any indemnification obligation pursuant to this Article X or otherwise in respect of any representation or warranty unless before the Survival Date it shall have received from the party seeking indemnification written notice of the existence of the claim for or in respect of which indemnification is sought. Such notice shall set forth with reasonable specificity (i) the basis under this Agreement, and the facts that otherwise form the basis, of such claim, (ii) an estimate of the amount of such claim (which estimate shall not be conclusive of the final amount of such claim) and an explanation of the calculation of such estimate, including a statement of any significant assumptions employed therein, and (iii) the date on and manner in which the party delivering such notice became aware of the existence of such claim; provided, however, that any notice which the party seeking indemnification delivers to the indemnifying party prior to the Survival Date which notifies the indemnifying party of the existence of a claim and, notwithstanding the failure of such notice to meet the requirements set forth in clauses (i), (ii), and (iii) above, does not materially prejudice the indemnifying party's ability to defend such claim, shall be deemed to have met the requirement of delivery of notice prior to the Survival Date for the purpose of preserving the indemnified party's right to indemnification pursuant to this Article X.

10.2 Indemnification by Seller. Subject to the terms and conditions of this Article X, Seller shall indemnify, defend and hold harmless Buyer and its members, managers, officers, employees, and agents, and their respective heirs, legal representatives, successors and assigns (collectively, the “Buyer Group”), from and against any and all claims, actions, causes of action, demands, assessments, losses, damages, liabilities, judgments, settlements, penalties, costs and expenses (including reasonable attorneys' fees and expenses), of any nature whatsoever (collectively, “Damages”), asserted against, resulting to, imposed upon or incurred by any member of the Buyer Group, directly or indirectly, by reason of or resulting from:

(a) any inaccuracy in or breach of any representation or warranty of Seller contained in this Agreement or in any certificate, instrument or document delivered pursuant hereto;

(b) any breach by Seller of any of its covenants or agreements contained in this Agreement or in any certificate, instrument, or document delivered pursuant hereto;

(c) any Excluded Liability including any liability or obligation of Seller or its Affiliates (whether accrued, absolute, contingent, unliquidated or otherwise, whether or not known to Seller, and whether due or to become due), other than the Assumed Liabilities;

(d) the ownership, management, or use of the Assets prior to the Closing Date;

(e) the operation of the Station prior to the Closing Date;

(f) any Encumbrances; and

(g) any acts or omissions of Seller prior to the Closing Date or any events or occurrences involving the Assets, the operation of the Station, or the employees or former employees of Seller or its Affiliates taking place prior to the Closing Date (clauses (a) through (g) of this Section collectively, "Buyer Claims").

10.3 Indemnification by Buyer. Subject to the terms and conditions of this Article X, Buyer shall indemnify, defend and hold harmless Seller and its partners, officers, employees, and agents, and their respective heirs, legal representatives, successors and assigns (collectively, the "Seller Group"), from and against any and all Damages asserted against, resulting to, imposed upon, or incurred by any member of the Seller Group, directly or indirectly, by reason of or resulting from:

(a) any inaccuracy in or breach of any representation or warranty of Buyer contained in this Agreement or in any certificate, instrument, or document delivered pursuant hereto;

(b) any breach by Buyer of any of its covenants or agreements contained in this Agreement or in any certificate, instrument, or document delivered pursuant hereto;

(c) the performance or non-performance of the Assumed Liabilities after the Closing Date;

(d) the ownership, management, or use by Buyer of the Assets from and after the Closing Date, except to the extent Buyer is indemnified by Seller with respect to such matters pursuant to Section 10.2; and

(e) any acts or omissions of Buyer after the Closing Date or any events or occurrences involving the Assets, the operation of the Assets, or the employees of Buyer or its Affiliates taking place after the Closing Date, except to the extent Buyer is indemnified by Seller with respect to such matters pursuant to Section 10.2 (clauses (a) through (e) of this Section collectively, "Seller Claims").

10.4 Limitation of Liability. The indemnification obligations of the parties hereto pursuant to this Article X shall be subject to the following:

(a) No indemnification shall be required to be made by Seller pursuant to this Article X with respect to any Buyer Claims, unless and until the aggregate amount of Damages incurred by the Buyer Group with respect to all Buyer Claims (whether asserted, resulting, imposed or incurred before, on or after the Closing Date) exceeds \$25,000 (the "Threshold"), it being agreed and understood that, if such amount is exceeded, Seller shall be liable only to the extent such aggregate Damages exceed \$25,000, subject to the limitations set forth in this Section 10.4. Notwithstanding the foregoing, the Threshold shall not apply to Damages asserted against, resulting to, imposed upon or incurred by any member of the Buyer Group, directly or indirectly, by reason of or resulting from any inaccuracy in or breach of any representation or warranty contained in Section 2.22 (Brokerage Fees) of this Agreement, which is not subject to the Threshold.

(b) No indemnification shall be required to be made by Buyer pursuant to this Article X with respect to any Seller Claims, unless and until the aggregate amount of Damages incurred by the Seller Group with respect to all Seller Claims (whether asserted, resulting, imposed or incurred before, on or after the Closing Date) exceeds \$25,000, it being agreed and understood that, if such amount is exceeded, Buyer shall be liable only to the extent such aggregate Damages exceed \$25,000, subject to the limitations set forth in this Section 10.4. Notwithstanding the foregoing, the Threshold shall not apply to Damages asserted against, resulting to, imposed upon or incurred by any member of the Seller Group, directly or indirectly, by reason of or resulting from any inaccuracy in or breach of any representation or warranty contained in Section 3.6 (Brokerage Fees) of this Agreement, which is not subject to the Threshold.

(c) The amount of Damages required to be paid by any party to indemnify any other party pursuant to this Article X as a result of any Seller Claim or any Buyer Claim shall be reduced to the extent of any amounts actually received by such other party after the Closing Date pursuant to the terms of the insurance policies (if any) covering such claim, but there shall not be taken into account any tax benefit realized directly or indirectly, by the indemnified party.

(d) The indemnification obligations of Seller and Buyer pursuant to this Article X shall be limited to actual damages and shall not include incidental, consequential, indirect, punitive or exemplary damages.

(e) As a material inducement to Seller to enter into this Agreement and perform its obligations hereunder, Buyer hereby agrees and acknowledges on behalf of itself and the other members of the Buyer Group that, in relation to any breach, default or nonperformance of any representation, warranty, covenant, obligation or agreement made or entered into by Seller pursuant to this Agreement, or any ancillary document executed and delivered by Seller, the sole and exclusive relief and remedy available to Buyer or a member of the Buyer Group, in respect of said breach, default or nonperformance or any other claim or cause of action relating to or arising under this Agreement or any ancillary document (i) prior to Closing shall be to seek specific performance pursuant to the provisions of Section 9.5 hereof, and (ii) after Closing shall be to seek indemnification from Sellers for Damages to the extent properly claimable and as limited pursuant to the provisions of this Article X or to seek injunctive relief pursuant to the provisions of Section 11.11.

(f) Notwithstanding anything to the contrary in this Agreement or in any ancillary documents, in no event shall Buyer or Seller be liable to the other party or any other indemnified party pursuant to the provisions of this Agreement or otherwise for Damages in exceeding the amount of the Purchase Price.

10.5 Procedure for Indemnification. Within 15 days after receipt by an indemnified party under Section 10.2 or 10.3 of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against an indemnifying party under such Section, give written notice to the indemnifying party of the commencement thereof, but the failure so to notify the indemnifying party shall not relieve it of any liability that it may have to any indemnified party except to the extent the indemnifying party demonstrates that the defense of such action is prejudiced thereby. In case any such action shall be brought against an indemnified party and it shall give written notice to the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it may wish, to assume the defense thereof with counsel reasonably satisfactory to such indemnified party. If the indemnifying party elects to assume the defense of such action, the indemnified party shall have the right to employ separate counsel at its own expense and to participate in the defense thereof. If the indemnifying party elects not to assume (or fails to assume) the defense of such action, the indemnified party shall be entitled to assume the defense of such action with counsel of its own choice, at the expense of the indemnifying party. If the action is asserted against both the indemnifying party and the indemnified party and there is a conflict of interests which renders it inappropriate for the same counsel to represent both the indemnifying party and the

indemnified party, the indemnifying party shall be responsible for paying for separate counsel for the indemnified party; provided, however, that if there is more than one indemnified party, the indemnifying party shall not be responsible for paying for more than one separate firm of attorneys to represent the indemnified parties, regardless of the number of indemnified parties. If the indemnifying party elects to assume the defense of such action, (a) no compromise or settlement thereof may be effected by the indemnifying party without the indemnified party's written consent (which shall not be unreasonably withheld) unless the sole relief provided is monetary damages that are paid in full by the indemnifying party and (b) the indemnifying party shall have no liability with respect to any compromise or settlement thereof effected without its written consent (which shall not be unreasonably withheld).

ARTICLE XI MISCELLANEOUS

11.1 Notices. All notices, requests, demands, and other communications required or permitted to be given or made hereunder by any party hereto shall be in writing and shall be deemed to have been duly given or made if (i) delivered personally, (ii) transmitted by first class registered or certified mail, postage prepaid, return receipt requested, (iii) sent by prepaid overnight courier service, (iv) sent by telecopy or facsimile transmission, confirmation of receipt requested, or (v) sent by electronic mail, with confirmation of receipt, to the parties at the following addresses (or at such other addresses as shall be specified by the parties by like notice):

If to Seller:

LocalOne TV, L.P.
5201 N. O'Connor Boulevard, Suite 500
Irving, Texas 75039
Attention: James L. Anderson
Facsimile: (972) 692-0881
Email: janderson@amigobroadcasting.com

with a copy to:

Snell Wylie & Tibbals
8150 N. Central Expressway, Suite 1800
Dallas, Texas 75206
Attention: William F. Pyne, Esq.
Facsimile: (214) 691-2501
Email: wpyne@snellwylie.com

If to Buyer:

Border Media Partners, LLC
201 Main Street
Fort Worth, Texas 76102
Attention: Thomas H. Castro
Facsimile: (817) 335-1197
Email: _____

with a copy to:

Cantey & Hanger, L.L.P.
801 Cherry Street, Unit #2
Fort Worth, Texas 76102
Facsimile: (817) 877-2807
Email: cflorsheim@canteyhanger.com

Such notices, requests, demands and other communications shall be effective (i) if delivered personally or sent by courier service, upon actual receipt by the intended recipient, (ii) if mailed, upon the earlier of five days after deposit in the mail or the date of delivery as shown by the return receipt therefor, or (iii) if sent by telecopy or facsimile or email transmission, when the answer back or confirmation of receipt is received. Notice given to counsel shall not be deemed notice to a party.

11.2 Entire Agreement. This Agreement, together with the Schedules, Exhibits, and other writings referred to herein or delivered pursuant hereto, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof.

11.3 Binding Effect; Assignment; No Third Party Benefit. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Except as otherwise expressly provided in this Agreement, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by either of the parties hereto without the prior written consent of the other party, except that Buyer may assign to any Affiliate of Buyer any of Buyer's rights, interests or obligations hereunder, upon notice to Seller, provided that no such assignment shall relieve Buyer of its obligations hereunder. Except as provided in Article X, nothing in this Agreement, express or implied, is intended to or shall confer upon any Person other than the parties hereto, and their respective successors and permitted assigns, any rights, benefits, or remedies of any nature whatsoever under or by reason of this Agreement.

11.4 Severability. In the event that one or more provisions of this Agreement are held to be unenforceable under Applicable Law, such provisions shall automatically be replaced with one that incorporates the original intent of the parties to the maximum extent permitted by law and the balance of the agreement shall be enforced in accordance with its terms.

11.5 GOVERNING LAW. THIS AGREEMENT IS MADE, ENTERED INTO AND IS PERFORMABLE IN DALLAS, DALLAS COUNTY, TEXAS AND SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO THE PRINCIPLES OF CONFLICTS OF LAWS THEREOF.

11.6 Further Assurances. From time to time following the Closing, at the request of either party hereto and without further consideration, the other party hereto shall execute and deliver to such requesting party such instruments and documents and take such other action (but without incurring any material financial obligation) as such requesting party may reasonably request in order to consummate more fully and effectively the transactions contemplated hereby.

11.7 Descriptive Headings. The descriptive headings herein are inserted for convenience of reference only, do not constitute a part of this Agreement, and shall not affect in any manner the meaning or interpretation of this Agreement.

11.8 Gender. Pronouns in masculine, feminine, and neuter genders shall be construed to include any other gender, and words in the singular form shall be construed to include the plural and vice versa, unless the context otherwise requires.

11.9 References. All references in this Agreement to Articles, Sections and other subdivisions refer to the Articles, Sections, and other subdivisions of this Agreement unless expressly provided otherwise. The words “this Agreement”, “herein”, “hereof”, “hereby”, “hereunder” and words of similar import refer to this Agreement as a whole and not to any particular subdivision unless expressly so limited. Whenever the words “include”, “includes” and “including” are used in this Agreement, such words shall be deemed to be followed by the words “without limitation”. Each reference herein to a Schedule or Exhibit refers to the item identified separately in writing by the parties hereto as the described Schedule or Exhibit to this Agreement.

11.10 Counterparts and Facsimile Execution. This Agreement may be executed by the parties hereto in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same agreement. Each counterpart may consist of a number of copies hereof each signed by less than all, but together signed by all, the parties hereto. In order to facilitate the execution of this Agreement, an executed counterpart of the signature page or pages to the Agreement may be delivered by facsimile transmission to the other parties hereto and such facsimile signature shall be deemed an original signature for purposes of this Agreement and shall be binding on the parties hereto. An original executed counterpart of said signature page shall be promptly forwarded to the other parties hereto.

11.11 Injunctive Relief. The parties hereto acknowledge and agree that irreparable damage would occur in the event any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that, except to the extent any exclusive remedy is provided for herein, the parties shall be entitled to an injunction or injunctions to prevent breaches of the provisions of this Agreement, and shall be entitled to enforce specifically the provisions of this Agreement, in any court of the United States or any state thereof having jurisdiction, in addition to any other remedy to which the parties may be entitled under this Agreement or at law or in equity.

11.12 Attorneys Fees. In the event legal proceedings are commenced by either party to enforce any rights hereunder, the prevailing party, in addition to which they may be entitled pursuant to the terms of this Agreement, shall also be entitled to collect reasonable attorneys fees and expenses incurred in connection with such action.

11.13 Consent to Jurisdiction.

(a) The parties hereto hereby irrevocably submit to the jurisdiction of the applicable courts of the State of Texas located in Tarrant County, Texas and the federal courts of the United States of America located in Tarrant County, Texas, and appropriate appellate courts therefrom, over any dispute arising out of or relating to this Agreement or any of the transactions contemplated hereby and each party hereby irrevocably agrees that all claims in respect of such dispute or proceeding may be heard and determined in such courts, which courts shall be the exclusive courts of jurisdiction and venue. The parties hereby irrevocably waive, to the fullest extent permitted by Applicable Law, any objection which they may now or hereafter have to the laying of venue of any dispute arising out of or relating to this Agreement or any of the transactions contemplated hereby brought in such court or any defense of inconvenient forum for the maintenance of such dispute. Each of the parties hereto agrees that a judgment in any such dispute may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. This consent to jurisdiction and venue is being given solely for purposes of this Agreement and is not intended to, and shall not, confer consent to jurisdiction or venue with respect to any other dispute in which a party to this Agreement may become involved.

(b) Each of the parties hereto hereby consents to process being served by any party to this Agreement in any suit, action, or proceeding of the nature specified in subsection (a) above by the mailing of a copy thereof in the manner specified by the provisions of Section 11.1.

11.14 Preparation of Agreement. All parties to this Agreement have participated equally in its preparation. Accordingly, if a dispute arises regarding or relating to this Agreement, the language or terms of the Agreement shall not be construed more or less favorably against one party over another.

11.15 Time of the Essence. Time is of the essence of this Agreement, unless otherwise provided herein or agreed to by the parties in writing.

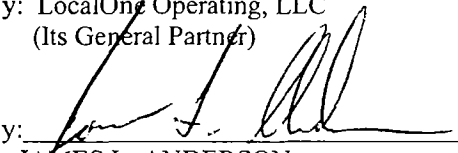
SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the parties have executed this Agreement, or caused this Agreement to be executed by their duly authorized representatives, all as of the day and year first above written.

SELLER:

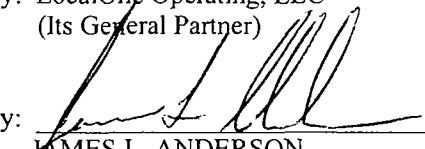
LOCALONE TV, L.P.

By: LocalOne Operating, LLC
(Its General Partner)

By: 
JAMES L. ANDERSON,
President

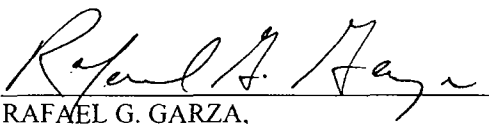
LOCALONE TEXAS, LTD.

By: LocalOne Operating, LLC
(Its General Partner)

By: 
JAMES L. ANDERSON,
President

BUYER:

BORDER MEDIA PARTNERS, LLC

By: 
RAFAEL G. GARZA,
Chairman of the Board