

## **PURCHASE AND SALE AGREEMENT**

This Purchase and Sale Agreement ("Agreement") is made this 17th day of December, 2009 (the "Effective Date"), by and among Stanford International Bank, Ltd., an entity organized under the laws of Antigua ("SIBL"), Stanford Venture Capital Holdings, Inc., a Delaware corporation ("SVCH"), Stanford Group Company, a Texas corporation ("SGC" and, together with SIBL and SVCH, the "Sellers"), and KTBU Acquisition LLC, a Texas limited liability company ("Buyer") (Sellers and Buyer being sometimes hereinafter referred to, collectively, as the "Parties," and each, individually, as a "Party").

### **WITNESSETH:**

WHEREAS, Sellers own certain equity and debt securities of US Farm & Ranch Supply Company, Inc., a Texas corporation (the "Company"), which are set forth on Schedule 1 hereto (the "Securities");

WHEREAS, the Court (as defined below) entered an order on February 17, 2009, appointing Ralph S. Janvey as Receiver (the "Receiver") for the assets of SIBL, SGC, Stanford Capital Management, LLC, R. Allen Stanford, James M. Davis and Laura Pendergest-Holt and the entities they own or control, including SVCH (the "Receivership Estate"); and

WHEREAS, Sellers desire to sell and convey to Buyer, and Buyer desires to accept and purchase from Sellers, for the Purchase Price (as defined below), each Seller's right, title and interest in the Securities upon the terms and conditions hereinafter set forth in this Agreement;

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements herein contained, Sellers and Buyer hereby agree as follows:

1. **DEFINED TERMS:** Capitalized terms and expressions used in this Agreement shall have the meanings set forth in the Recitals above or as follows:
  - A. Affiliates: means with respect to any specified Person, a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with the Person specified. For purposes of this definition, "control" (including the correlative terms "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of a voting equity interest, by contract or otherwise.
  - B. Antiguan Petition: means the Antiguan receivers-liquidators April 20, 2009 petition for recognition under Chapter 15 of the U.S. Bankruptcy Code with respect to SIBL.
  - C. Assignment of Ownership Interest: means an instrument assigning the Securities from Sellers to Buyer in the form attached hereto as Exhibit A.
  - D. Business Day: means any day (other than a Saturday or Sunday) on which banks are generally open for normal business in Texas.
  - E. Closing: means the closing of the transactions set forth in this Agreement, including the performance by Sellers and Buyer of their respective obligations set forth herein.

- F. Closing Date: means the date that is ten (10) Business Days following the satisfaction of the conditions set forth in Sections 3 and 4.
- G. Court: means the United States District Court for the Northern District of Texas, Dallas Division, which is the court with exclusive jurisdiction in Case No. 3-09CV0298-L (the "Case").
- H. FCC: means the Federal Communications Commission.
- I. Liens: means any mortgages, liens, charges, pledges, security interests, claims, restrictions on alienation or other encumbrances recognized under the laws of the United States.
- J. Person: means any individual, firm, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization, government or agency or subdivision thereof or any other entity.
- K. Purchase Price: means Two Million and 00/100 Dollars (\$2,000,000.00) to be paid in immediately available funds on the Closing Date.

2. **SALE AND CONVEYANCE OF SECURITIES:**

- A. Subject to the terms and conditions of this Agreement, and for the Purchase Price, Sellers hereby agree to sell and convey the Securities to Buyer, including director appointment rights held by SVCH pursuant to that certain Amendment No. 2 to the Note Purchase Agreement, dated December 28, 2007, and Buyer hereby agrees to purchase and accept the Securities from Sellers.
- B. In addition to the Securities, each Party hereby agrees to deliver at Closing all documents required by this Agreement and perform any other acts as may be reasonably required by the other party to successfully effect the transactions contemplated by this Agreement.

3. **BUYER'S CONDITIONS TO CLOSING:** In addition to all other conditions set forth herein, the obligation of Buyer to consummate the transactions contemplated hereunder is subject to the following conditions (each, a "Buyer Closing Condition"), all of which may be waived by Buyer in its sole discretion. In the event any Buyer Closing Condition remains unfulfilled at Closing, Buyer may terminate this Agreement or waive such condition and proceed with Closing as provided for in this Agreement:

- A. The representations and warranties of Sellers set forth herein are true and correct as of the date hereof and as of the Closing Date.
- B. On or prior to the Closing Date, the FCC will have granted its written consent to the transfer of the Securities without the imposition of conditions outside the ordinary course ("FCC Consent") and the time for any judicial or administrative challenges to the grant of such FCC Consent has expired.
- C. Sellers shall have delivered to Buyer evidence reasonably satisfactory to Buyer of all consents and authorizations necessary under the laws of the United States to authorize Sellers to consummate the transactions contemplated by this Agreement.

- D. Sellers shall have complied with the covenant in Section 8(A) to the extent that Sellers' actions are required prior to the Closing.
  - E. Sellers shall have complied with the covenants in Section 8(B) to the extent that Sellers' actions are required prior to the Closing. Sellers shall have delivered to Buyer approval by the Court of this Agreement, and authorization of Sellers by the Court to convey the Securities to Buyer in accordance with the terms hereof, which approval and authorization shall (i) provide that the Securities will be transferred free and clear of any mortgages, liens, charges, pledges, security interests, claims, restrictions on alienation or other encumbrances, (ii) be in a form satisfactory to Buyer and (iii) be final and not subject to appeal under the laws of the United States. In connection therewith, Sellers hereby covenant and agree that as soon as reasonably possible after the execution of this Agreement by Buyer, Sellers shall apply to the Court for approval of the transactions contemplated hereby and use all reasonable efforts to obtain such approval as soon as reasonably possible.
  - F. Sellers shall have delivered the Assignment of Ownership Interest, fully executed by each Seller.
  - G. On the Closing Date, the Company and its shareholders shall amend that certain Shareholders Agreement, dated May 1, 2000, to provide that Buyer's director nominees shall replace SVCH's existing director nominees (the "Amendment").
  - H. Sellers shall have delivered evidence reasonably satisfactory to Buyer that the Court has issued an order in respect of the Antiguan Petition and such order (i) (A) does not recognize the Antiguan receivers-liquidators as "foreign representatives" under Chapter 15 of the United States Bankruptcy Code or (B) contains a finding or holding that the proceeding pending in Antigua pursuant to which the Antiguan receivers-liquidators were appointed does not constitute a "foreign main proceeding" within the meaning of Chapter 15 of the United States Bankruptcy Code and (ii) does not prohibit the transfer of SIBL's assets.
4. **SELLERS' CONDITIONS TO CLOSING:** In addition to all other conditions set forth herein, the obligation of Sellers to consummate the transactions contemplated hereunder is subject to the following conditions (each, a "Sellers' Closing Condition"), all of which may be waived by each Seller in its sole discretion. In the event any Sellers' Closing Condition remains unfulfilled at Closing, Sellers may terminate this Agreement or waive such condition and proceed with Closing as provided for in this Agreement:
- A. The representations and warranties of Buyer set forth herein are true and correct as of the date hereof and as of the Closing Date.
  - B. Buyer shall have delivered to Sellers evidence reasonably satisfactory to each Seller of all consents and authorizations necessary to authorize Buyer to consummate the transactions contemplated by this Agreement.
  - C. Sellers shall have received approval by the Court of this Agreement and authorization of Sellers by the Court to convey the Securities to Buyer in accordance with the terms hereof.

- D. Buyer shall have delivered the Assignment of Ownership Interest, fully executed by Buyer.

**5. CLOSING:**

- A. The Closing shall be held at the offices of Baker Botts L.L.P., 910 Louisiana St., Houston, Texas 77002, on or before the Closing Date, unless otherwise agreed to by the Parties.
- B. At Closing, Buyer and Sellers shall perform the obligations set forth in, respectively, subparagraphs (i) and (ii) below, the performance of which obligations shall be concurrent conditions:
- (i) Buyer shall deliver, or cause to be delivered, to Sellers:
    - (a) the Assignment of Ownership Interest, fully executed by Buyer;
    - (b) the Purchase Price in the form of immediately available funds by wire transfer to an account or accounts specified by the Receiver; and
    - (c) any other documents reasonably requested by Sellers to evidence Buyer's authority to enter into and comply with all of the terms and conditions contained in this Agreement.
  - (ii) Sellers shall deliver, or cause to be delivered, to Buyer:
    - (a) the Assignment of Ownership Interest, fully executed by each Seller;
    - (b) certificates issued to Buyer evidencing the Securities purchased from Sellers;
    - (c) an allonge executed by SVCH endorsing each of the convertible notes (as described on Schedule 1 hereto) to Buyer;
    - (d) an order by the Court approving this Agreement as described in Section 3(E); and
    - (e) any other documents reasonably requested by Buyer to evidence each Seller's authority under the laws of the United States to enter into and comply with all of the terms and conditions contained in this Agreement.
- C. Each Party shall bear its own expenses with respect to the performance of its obligations under this Agreement and providing all of the documents required under this Agreement in connection with Closing.

**6. SELLERS' REPRESENTATIONS:** Sellers make the following representations and warranties, severally, which shall be true as of the Effective Date and at Closing and which shall survive Closing:

- A. Organization; Authority: Each Seller is duly formed and validly existing under the laws of the jurisdiction set forth in the introductory paragraph of this Agreement and has all

requisite power and authority to own and transfer the Securities. Each Seller has the right, power, capacity and legal authority under the laws of the United States (including without limitation, the Communications Act of 1934 (as amended) and the rules of the FCC) to enter into and to consummate the transactions contemplated by this Agreement.

- B. Authorization of Agreement and Enforceability: Subject to Court approval, this Agreement is a valid and legally binding obligation of each Seller under the laws of the United States and enforceable against it in accordance with its terms and, subject to Court approval, each document and instrument of transfer contemplated by this Agreement, when executed and delivered by each Seller in accordance with the provisions hereof, shall be valid and legally binding upon that Seller in accordance with its terms.
- C. Ownership of Securities: Each Seller is the sole and exclusive registered and beneficial owner of the Securities set forth opposite its name on Schedule 1 and, subject to Section 6(E), each Seller has good, valid and marketable title thereto, free and clear of any Liens. Upon delivery of the Purchase Price, as provided for in this Agreement, Buyer will receive, subject to Section 6(E), good, valid and marketable title to the Securities, free and clear of any Liens. The Securities constitute all of each Seller's and each of their Affiliates' interests in the Company or any of the Company's Affiliates and, at Closing, Sellers shall cease to have any interest in the Company and any of the Company's Affiliates, whether direct or indirect, actual or contingent.
- D. No Conflicts; Consents and Approvals: No Seller has granted to any Person any rights in the Securities set forth opposite its name on Schedule 1 that will survive the Closing or any rights to acquire all or any part of the Securities that will remain in effect after the Closing, and there is no outstanding agreement by either Seller to sell all or any part of the Securities set forth opposite its name on Schedule 1 to any other Person. No consent, approval, waiver, authorization or other order of or filing with any person is required under the laws of the United States on the part of any Seller in connection with that Seller's execution and delivery of this Agreement or the consummation of the transactions contemplated hereby, except for consent from the Court and the FCC Consent, which will be delivered to Buyer prior to Closing.
- E. Litigation: Sellers have not received any written notice of any pending or threatened litigation, proceeding or investigation by any Person against it with respect to or against the Securities, except for those matters within the jurisdiction of the Court and consolidated under the Case.
- F. Receiver Authority: The Receiver was appointed as receiver for the assets of Sellers and the Receivership Estate and, subject to court approval, has the right to sell the assets of Sellers.
- G. Knowledge of Receiver: To the extent that the Receiver or the Receivership Estate is deemed to have made any of the representations of the Seller in this Agreement, any such representation shall be made subject to the Receiver's knowledge. All such representations shall be binding on the Receiver and the Receivership Estate, and the Receiver and the Receivership Estate are prevented and estopped from taking a position contrary to any such representations in the Case or any other legal or administrative proceeding.

- H. FCC Compliance: To the Sellers' knowledge, all representations, certifications, disclosures and filings required to be made to the FCC in connection with Sellers' interest in the Company and in any of the Company's Affiliates holding a broadcast license have been duly made.
7. **BUYER'S REPRESENTATIONS**: Buyer makes the following representations and warranties, which shall be true as of the Effective Date and at Closing and which shall survive Closing:
- A. Organization; Authority: Buyer has the legal authority to enter into and to consummate the transactions contemplated by this Agreement.
- B. Authorization of Agreement: The execution, delivery and performance of this Agreement have been duly and validly authorized within Buyer's organization. This Agreement is a valid and legally binding obligation of Buyer enforceable against it in accordance with its terms and each document and instrument of transfer contemplated by this Agreement, when executed and delivered by Buyer in accordance with the provisions hereof, shall be valid and legally binding upon Buyer in accordance with its terms.
- C. Consents and Approvals: No consent, approval, waiver, authorization or other order or filing with any person is required on the part of Buyer in connection with Buyer's execution and delivery of this Agreement or the consummation of the transactions contemplated hereby, except for consent from the Court and from the FCC.
- D. Purchase for Investment: Buyer is acquiring the Securities for its own account, for investment purposes and not with a view to any distribution or resale thereof, except in compliance with the Securities Act of 1933, as amended, and applicable state securities laws.
8. **SELLERS' COVENANTS**:
- A. Sellers shall cooperate in the preparation of any filing or application seeking the consent, approval or authorization of the FCC that may be required to consummate the transactions contemplated by this Agreement.
- B. Sellers shall deliver, or cause the Receiver to timely deliver, all appropriate or required pleadings and notices necessary to approve this transaction to all parties in interest and parties to the Case.
- C. Upon Closing, SVCH hereby authorizes Buyer to file one or more UCC-3 financing statement amendments to assign the powers of SVCH as secured party of record under the applicable initial financing statements (as may be amended) to Buyer and to delete SVCH as secured party of record.
9. **REMEDIES**: In the event of a default by Buyer hereunder, which default remains uncured for a period of ten (10) Business Days after written notice thereof is received by Buyer, each Seller shall be entitled to all remedies available to such Seller at law or in equity, including without limitation, the right to maintain an action for monetary damages or for specific performance of the terms of this Agreement. In the event of a default by any Seller hereunder, which default remains uncured for a period of ten (10) Business Days after written notice thereof is received by such Seller, Buyer shall be entitled to all remedies available to Buyer at law or in equity,

including without limitation, the right to maintain an action for monetary damages or for specific performance of the terms of this Agreement.

**10. TERMINATION:**

A. Termination: This Agreement may be terminated:

- (i) in writing by mutual consent of the Parties;
- (ii) by written notice from Buyer to Sellers, in the event that any Seller fails to timely perform in any material respect under this Agreement or materially breaches any of its representations and warranties contained herein;
- (iii) by written notice from Sellers to Buyer, in the event that Buyer fails to timely perform in any material respect under this Agreement or materially breaches any of its representations and warranties contained herein; or
- (iv) by written notice by Buyer to Sellers if the conditions set forth in Section 3 have not occurred on or prior to March 31, 2010.

B. Effect of Termination: In the event of termination of this Agreement pursuant to Section 10(A), this Agreement shall forthwith become void and there shall be no liability on the part of any Party or its Affiliates, officers, employees, agents, representatives, directors, trustees, heirs, executors, successors or assigns, except for the obligations under Sections 15.

**11. ASSIGNMENT:** Buyer shall have the right to assign its rights and obligations under this Agreement to an entity in which Buyer or its Affiliates have an ongoing controlling interest. Sellers shall not assign any interest in this Agreement to any other party without the prior written consent of Buyer, and any such assignment shall be null and void.

**12. BROKERS:** Except as set forth on Schedule 2, each Party represents to the other Party that (i) there are no finders' fees or brokers' fees that have been or will be incurred in connection with this Agreement or the transfer of the Securities, and (ii) such Party has not authorized any broker or finder to act on such Party's behalf in connection with the sale and purchase hereunder. Sellers covenant that they shall cause to be paid all fees that have been or will be incurred by its broker set forth on Schedule 2 in connection with this Agreement or the transfer of the Securities.

**13. FURTHER ASSURANCES:** Each Party shall from time to time, before and after Closing, at the other Party's request, execute and deliver such further instruments of conveyance, assignment and transfer. The Parties shall also take such further action as required to consummate the transactions contemplated by this Agreement, including, without limitation, actions to prepare, or reasonable efforts to cause to be prepared, the filing of (i) an application for FCC Consent prior to Closing (on FCC Form 315 or Form 316, as the case may be); (ii) the notice of consummation of the transactions contemplated hereby that is to be delivered to the FCC within ninety (90) days of receipt of the FCC Consent, (iii) the ownership report (on Form 323) that is to be delivered to the FCC within thirty (30) days following consummation of these transactions, and (iv) any other public notice or filing related hereto or thereto as either Party or the FCC may reasonably require for the conveyance and transfer of the Securities under the laws of the United States.

14. **NOTICES:** All notices and other communications from one Party to the other pertaining to this Agreement shall be given in written form and shall be served either (i) by personal delivery, or (ii) by depositing the same with the United States Postal Service addressed to the Party to be notified, postage prepaid and in registered or certified form, with return receipt requested, or (iii) by deposit with FedEx or another recognized courier for overnight delivery, or (iv) by email or facsimile, and in any event addressed as set forth below. Notice given as aforesaid shall be deemed delivered on the date actually received at the address to which such notice was sent, or if delivery is refused or not accepted, such notice shall be deemed delivered on the date of such refusal or failure to accept delivery. For purposes of notice, the addresses of the Parties shall be as follows:

If to Sellers or the Receiver:

Ralph S. Janvey  
Receiver for the Stanford Financial Group  
2100 Ross Avenue, Suite 2600  
Dallas, TX 75201  
Email: [info@stanfordfinancialreceivership.com](mailto:info@stanfordfinancialreceivership.com)  
Phone: 214-397-1912  
Fax: 214-220-0230

With copy to:

Baker Botts L.L.P.  
2001 Ross Avenue  
Dallas, TX 75201  
Attn: Craig N. Adams  
Email: [Craig.Adams@BakerBotts.com](mailto:Craig.Adams@BakerBotts.com)  
Phone: 214-953-6819  
Fax: 214-661-4819

If to Buyer:

KTBU Acquisition LLC  
11150 Equity Drive  
Houston, TX 77041  
Attn: Mr. Nolan Lehmann  
Email: [nlehmann@good-group.com](mailto:nlehmann@good-group.com)  
Phone: 713-263-2558  
Fax: 713-572-7676

With copy to:

King & Spalding LLP  
1100 Louisiana St., Suite 4000  
Houston, TX 77002  
Attn: John Keffer  
Email: [jkeffer@kslaw.com](mailto:jkeffer@kslaw.com)  
Phone: 713-751-3255  
Fax: 713-751-3290



Either Party may change its address to another location in the continental United States upon five (5) days' prior written notice thereof to the other party; provided, however, a notice of change of address shall not become effective unless actual receipt thereof by the Party to be notified.

**15. MISCELLANEOUS:**

- A. This Agreement shall be construed in accordance with the laws of the State of Texas notwithstanding any contrary "choice of laws" provisions of that or any other State. Each Party hereto agrees that it shall bring any action or proceeding in respect of any claim arising out of or related to this Agreement, whether in tort or contract or at law or in equity, exclusively in the Court.
- B. This Agreement may be executed in multiple counterparts, including emailed or faxed counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.
- C. If the final day of any period of time set out in any provision of this Agreement falls upon a Saturday or Sunday or a legal holiday under the laws of the State of Texas, then, and in such event, the time of such period shall be extended to the next Business Day.
- D. Time is of the essence in the performance of this Agreement.
- E. Subject to any limitations on an assignment by Buyer or Sellers set forth in this Agreement, this Agreement shall bind and benefit the Parties and their respective representatives, successors and assigns.
- F. This Agreement may not be amended except in writing, executed by the Party against whom enforcement of any waiver, change, or discharge is sought.
- G. This Agreement and its Schedules and Exhibits contain all of the representations by each Party to the other and expresses the entire understanding between the Parties with respect to the transactions contemplated in this Agreement. All prior communications concerning the sale of the Securities are replaced by this Agreement.

**[End of text.]**

IN WITNESS WHEREOF, the signatories hereto have executed this Agreement as of the Effective Date.

**BUYER:**

KTBU ACQUISITION LLC

By: Nolan Lehmann  
Name: NOLAN LEHMANN  
Title: Managing Director

**SELLERS:**

STANFORD INTERNATIONAL BANK, LTD., an  
entity organized under the laws of Antigua

By: \_\_\_\_\_  
Name: Ralph S. Janvey  
Title: Receiver

STANFORD VENTURE CAPITAL HOLDINGS,  
INC., a Delaware corporation

By: \_\_\_\_\_  
Name: Ralph S. Janvey  
Title: Receiver

STANFORD GROUP COMPANY, a Texas  
corporation

By: \_\_\_\_\_  
Name: Ralph S. Janvey  
Title: Receiver

Acknowledged and agreed to by:

**THE COMPANY**

US FARM & RANCH SUPPLY COMPANY,  
a Texas corporation

By: \_\_\_\_\_  
Name:  
Title:

IN WITNESS WHEREOF, the signatories hereto have executed this Agreement as of the Effective Date.

**BUYER:**

KTBU ACQUISITION LLC

By: \_\_\_\_\_  
Name:  
Title:

**SELLERS:**

STANFORD INTERNATIONAL BANK, LTD., an  
entity organized under the laws of Antigua

By: Ralph S. Janvey  
Name: Ralph S. Janvey  
Title: Receiver

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INC., a Delaware corporation

By: Ralph S. Janvey  
Name: Ralph S. Janvey  
Title: Receiver

STANFORD GROUP COMPANY, a Texas  
corporation

By: Ralph S. Janvey  
Name: Ralph S. Janvey  
Title: Receiver

Acknowledged and agreed to by:

**THE COMPANY**

US FARM & RANCH SUPPLY COMPANY,  
a Texas corporation

By: \_\_\_\_\_  
Name:  
Title:

IN WITNESS WHEREOF, the signatories hereto have executed this Agreement as of the Effective Date.

**BUYER:**

KTBU ACQUISITION LLC

By: \_\_\_\_\_  
Name:  
Title:

**SELLERS:**

STANFORD INTERNATIONAL BANK, LTD., an  
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By: \_\_\_\_\_  
Name: Ralph S. Janvey  
Title: Receiver

STANFORD VENTURE CAPITAL HOLDINGS,  
INC., a Delaware corporation

By: \_\_\_\_\_  
Name: Ralph S. Janvey  
Title: Receiver

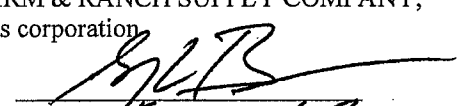
STANFORD GROUP COMPANY, a Texas  
corporation

By: \_\_\_\_\_  
Name: Ralph S. Janvey  
Title: Receiver

Acknowledged and agreed to by:

**THE COMPANY**

US FARM & RANCH SUPPLY COMPANY,  
a Texas corporation

By:   
Name: Gregory L. Blount  
Title: Chairman

**Schedule 1**

**SECURITIES**

<b><u>Entity</u></b>	<b><u>Security</u></b>	<b><u>Issue Date</u></b>	<b><u>Maturity Date</u></b>	<b><u>Principal Amount</u></b>	<b><u>No. of Shares</u></b>	<b><u>Strike Price</u></b>
SVCH	10% convertible, subordinated notes	Nov. 10, 2006	Dec. 31, 2011	\$16,750,000	23,928,571	\$0.70
SVCH	10% convertible, subordinated notes	Dec. 28, 2007	Dec. 31, 2011	\$3,500,000	5,000,000	\$0.70
SVCH	12% convertible, subordinated notes	Nov. 13, 2008	Sept. 30, 2011	\$490,234.24	1,960,936	\$0.25
SVCH	Common Stock				4,725,500	
SIBL	Common Stock				1,662,494	
SVCH	Warrants W-79	Nov. 10, 2006	Void after Nov. 15, 2013		1,850,000	\$0.05
SVCH	Warrants W-113	Dec. 28, 2007	Void after Dec. 28, 2014		625,000	\$0.25
SVCH	Warrants W-131	Dec. 31, 2008	Void after Dec. 31, 2015		980,468	\$0.25
SGC	Warrants W-120	Dec. 28, 2007	Void after Dec. 28, 2014		62,500	\$0.25

## **Schedule 2**

### Brokers

1. Sellers - Park Hill Group LLC
2. Buyer - None