

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT, dated as of August 9, 2002 (this "Agreement"), by and among GRAHAM BROTHERS COMMUNICATIONS, LLC, a Texas limited liability company ("Seller"), and MIDESSA BROADCASTING LIMITED PARTNERSHIP, a Texas limited partnership ("Buyer"), ADELANTE TELEVISION LIMITED PARTNERSHIP, a Texas limited partnership ("Adelante") (solely with respect to Section 2(a)(ii)), and MIDESSA TELEVISION LP, a Texas limited partnership ("Midessa") (solely with respect to Section 2(a)(ii)).

WITNESSETH:

WHEREAS, Seller is the licensee of radio station KTXC(FM), Lamesa, Texas (104.7 MHz) (the "Station") pursuant to authorizations (the "FCC Authorizations") issued by the Federal Communications Commission (the "FCC"); and

WHEREAS, on the terms and conditions described herein, including but not limited to the condition that any such transactions are subject to prior approval of the Federal Communications Commission, Seller desires to sell and Buyer desires to acquire substantially all of the assets owned or leased by Seller and used or useful in connection with the operation of the Station.

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **Sale of Assets.**

(a) On the Closing Date (as hereinafter defined), Seller shall sell, assign and transfer to Buyer, and Buyer shall purchase and assume from Seller, all of the assets, properties, interests and rights of Seller of whatsoever kind and nature, which are owned by Seller and used or useful in connection with the operation of the Station (the "Assets") (but excluding the Excluded Assets described in subparagraph (c) below), including without limitation:

(i) All of Seller's equipment, machinery, furniture, furnishings, fixtures, office materials, vehicles and other tangible personal property used and useful in the conduct of the business or operations of the Station (the "Tangible Personal Property"), together with such improvements and additions thereto and replacements thereof between the date hereof and the Closing Date, including without limitation, the property set forth on **Schedule 1(a)(i)** hereto;

(ii) Real property leases (the "Real Property Leases"), and leasehold interests, easements, licenses, rights of access, rights of way, improvements and other real property interests, which are held or owned by Seller and are used or useful in the business operations of the Station as of the date hereof (the "Real Property"), as more particularly set forth in **Schedule 1(a)(ii)** hereto;

(iii) All of the licenses, permits and other authorizations, including the FCC Authorizations (collectively, the "Licenses"), issued by the FCC, the Federal Aviation Administration (the "FAA"), and any other federal, state or local governmental authorities to Seller and held and used or useful in connection with the conduct of the business and the full on-air operations of the Station, including without limitation, those set forth on Schedule 1(a)(iii) hereto;

(iv) All contracts, leases, licenses and other agreements, written or oral, including any amendments and other modifications thereto, relating to the operation of the Station (including agreements relating to any leased Tangible Personal Property listed in Schedule 1(a)(i)) to which Seller is a party listed in Schedule 1(a)(iv), and any such agreements entered into by Seller between the date hereof and the Closing Date that Buyer specifically agrees in writing to assume (collectively, the "Assumed Contracts");

(v) The programs and programming materials owned by Seller and used, held for use or necessary in the operation of the Station, as set forth in Schedule 1(a)(v);

(vi) All of Seller's logs, books, files, data, software, FCC and other governmental applications, equipment manuals and warranties, and other records relating specifically to the full on-air broadcast operations of the Station, including without limitation all electronic data processing files and systems, FCC filings and all records required by the FCC to be kept by the Station;

(vii) Seller's right, title and interest in and to all copyrights, licenses, patents, trademarks, service marks, logos and trade names (including the call letters KTXC and any variation thereof) held and used in connection with the operation of the Station and all goodwill associated therewith, including registrations and applications for registration of any of the foregoing, and other similar intangible rights and interests (the "Intangible Property") all as more specifically set forth in Schedule 1(a)(vii); and

(viii) Any manufacturers' and vendors' warranties relating to items included in the Assets and all similar rights against third parties relating to items included in the Assets to the extent contractually assignable.

(b) The Assets shall be transferred by Seller to Buyer free and clear of all debts, security interests, mortgages, trusts, claims, pledges, conditional sales agreements and other liens, liabilities and encumbrances of every kind and nature ("Liens") other than Permitted Liens with respect to the Real Property. Buyer is not agreeing to, and shall not, assume any liability, obligation, undertaking, expense or agreement of Seller of any kind, absolute or contingent, known or unknown, and the execution and performance of this Agreement shall not render Buyer liable for any such liability, obligation, undertaking, expense or agreement. All of such liabilities and obligations shall be referred to herein as the "Retained Liabilities." Schedule 1(b) hereto contains a list of all current Station employees ("Seller's Employees"), their salaries, benefits and other related information. Buyer does not assume any obligations or liabilities of any kind, except as stated below, whether express or implied, between Seller and any of Seller's Employees. Buyer shall have no obligation to employ any of Seller's Employees, however, Buyer may, following the execution of this Agreement, interview and consider

extension of offers of employment to any of Seller's Employees. Not less than seven (7) days prior to the Closing Date, Buyer will notify Seller which of Seller's Employees Buyer chooses not to offer employment. Seller will then be obligated to terminate such employees or make appropriate alternative arrangements with such employees unrelated to their continued employment with respect to the Station (at no expense to Buyer) on or before the Closing Date. Buyer agrees to assume accrued vacation for the Seller's Employees to whom the Buyer offers employment.

(c) The following assets and obligations relating to the business of the Station shall be retained by Seller and shall not be sold, assigned or transferred to or assumed by Buyer (the "Excluded Assets"):

(i) Cash on hand and in banks (or their equivalents) and accounts receivable arising out of the operation of the Station prior to Closing;

(ii) All rights of Seller under all contracts, leases and agreements, including contracts of insurance and insurance proceeds of settlement and insurance claims made by Seller relating to property or equipment repaired, replaced, restored by Seller prior to the Closing Date;

(iii) All pension, profit-sharing, retirement, stock purchase or savings plans or trusts and any assets thereof and all other employee benefit plans;

(iv) All deposits and all prepaid expenses and taxes;

(v) Seller's corporate records; and

(vi) Any other assets, rights or things of value not used or useful in the operation of the Station.

(vii) Duplicate copies of records as necessary to enable Seller to prepare and file tax returns and reports, all original financial statements and supporting materials, and all books and records that Seller is required by law to retain, and any records or materials relating to Seller generally and not involving specific aspects of the Station's operation.

2. Purchase Price.

(a) Upon the terms and subject to the conditions contained in this Agreement, and in consideration of the sale of the Assets, on the Closing Date Buyer shall pay to Seller the aggregate sum of Seven Hundred Forty Thousand Dollars (\$740,000) (the "Purchase Price"). The Purchase Price shall be payable to Seller as follows:

(i) On the Closing Date, Buyer shall pay to Seller, by wire transfer of immediately available funds, the sum of Six Hundred Forty Thousand Dollars (\$640,000) representing the cash portion of the Purchase Price; and

(ii) One Hundred Thousand Dollars (\$100,000) of the Purchase Price shall be paid to Seller in the form of advertising time (the "Advertising Time Credit"), to be

redeemed over a period of three (3) years from the Closing Date, on any one or a combination of the following broadcast stations owned by Buyer or an affiliate of Buyer as of the Closing Date: (1) the Station; (2) KWES-TV, Odessa, Texas, (3) KTLD-LP, Odessa, Texas; and (4) KTLE-LP, Odessa, Texas. Use of the Advertising Time Credit shall be valued at the rates, as of the date of this Agreement, that are printed on the rate card of the applicable station or stations provided to commercial advertisers. Scheduling of such advertisements shall be subject to all normal and customary terms and conditions (including matters such as preemptibility, rotation, exclusivity, etc.) for the class and type of advertising time for which Seller redeems the Advertising Time Credit. The Advertising Time Credit which shall be paid to Seller shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party may voluntarily or otherwise assign its interest or delegate its duties pertaining to the Advertising Time Credit without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed.

(b) Concurrently with the execution of this Agreement and pursuant to the terms of the Option Agreement, Buyer has delivered to Seller the sum of Five Thousand Dollars (\$5,000.00) as an earnest money deposit (the "*Earnest Money Deposit*"). At Closing, the Earnest Money Deposit shall be deemed as partial payment of the cash portion of the Purchase Price due to Seller pursuant to Paragraph 2(a) hereof, or shall otherwise be made available to Seller or released to Buyer in accordance with the provisions of this Agreement.

(c) Seller and Buyer have mutually determined an allocation of Purchase Price among the Assets, as set forth on **Schedule 2(c)** hereto, that complies with Section 1060 of the Internal Revenue Code of 1986, as amended.

3. Prorations; Accounts Receivable; Additional Agreements.

(a) The parties agree to prorate all income and expenses arising out of the operation of the Station which are incurred, accrued or payable, as of 12:01 a.m. local time of the day of the Closing (the "*Effective Time*"). Such prorations shall be based upon the principle that Seller shall be entitled to all income earned and shall be responsible for all liabilities and obligations accruing in connection with the operation of the Station until the Effective Time, and Buyer shall be entitled to all income earned (subject to provisions of this Section 3) and shall be responsible for all liabilities and obligations accruing thereafter in connection with the operation of the Station. The items to be prorated shall include, but not be limited to, power and utilities charges, FCC regulatory fees, real and personal property taxes (but excluding taxes arising by reason of the transfer of the Assets as contemplated hereby, which shall be paid as set forth in Section 20 of this Agreement) upon the basis of the most recent tax bills and information available, security deposits, music license fees, rents and similar prepaid and deferred items and all other expenses attributable to the ownership and operation of the Station. To the extent that FCC regulatory fees for the current year have not been announced by the FCC prior to Closing, the parties shall prorate such fees in accordance with the FCC regulatory fees assessed for the preceding year. The prorations shall, insofar as feasible, be determined and paid on the Closing Date, with final settlement and payment to be made within forty-five (45) days after the Closing Date.

(b) On the Closing Date, Seller will assign all accounts receivable to Buyer

for purposes of collection only. Buyer will collect the accounts receivable as Seller's agent in the same manner and with the same diligence that Buyer uses to collect its own accounts receivable until one hundred eighty (180) days following the Closing Date (the "Collection Period"); provided that Buyer shall not be obligated to institute litigation, employ any collection agency, legal counsel or other third party, or take extraordinary means of collection; and further provided that Buyer shall not compromise, settle or adjust any of the accounts receivable without receiving the written approval of Seller. In consideration of these collection efforts, Buyer will receive:

- (i) 10% of gross cash receipts minus agency commission as the collection fee; and
- (ii) an additional thirty-seven and one-half percent (37 ½%) of net cash flow after the Seller has recouped its total investment since October 22, 2001 for the funding of accounts receivable and moving expenses ("Seller's Investment") specified under the Consulting Agreement, dated on or about October 22, 2001, between Seller and Adelante and as more particularly described in Schedule 3(b)(ii) hereto. Seller shall provide Buyer with a monthly statement reporting the balance of Seller's Investment beginning on the first day of the first calendar month following the date hereof and ending with the termination of the Collection Period.

Within fifteen (15) days after the Closing Date, Seller shall deliver to Buyer a list of all accounts receivable ("Receivables Report"). All accounts receivable collected by Buyer shall be remitted to Seller thirty (30) days, sixty (60), ninety (90), one hundred twenty (120), one hundred fifty (150), and one hundred eighty (180) days after the Closing Date. At the end of the Collection Period, any remaining accounts receivable shall be reassigned to Seller and Buyer shall thereafter have no further obligation with respect to the accounts receivable.

(c) The Seller shall in good faith attempt to honor, by the Closing Date, its air time obligations under its agreements for the sale of air time and advertising on the Station for goods or services ("Barter Agreements") entered into prior to October 31, 2001. Buyer shall assume only those Barter Agreements (the "Assumed Barter Agreements") entered into after October 31, 2001. The Assumed Barter Agreements are listed on Schedule 3(c) hereto. There shall be no adjustment to the Purchase Price with respect to any Barter Agreements.

(d) Seller and Buyer agree that any remaining unpaid balance on the loan Seller obtained on or about March 12, 2002 from Southwest Bank (the "Loan") (loan number 901501), for the purpose of purchasing a vehicle for a Station promotion, will be credited to Seller as an adjustment to the Purchase Price on the Closing Date.

(e) The parties agree that the Consulting Agreement shall continue in effect through the consummation of the transactions contemplated by this Purchase Agreement.

4. **Assumption of Obligations.** Subject to the provisions of this Section 4 and Section 3 above, Buyer shall assume and undertake to pay, satisfy or discharge solely the liabilities, obligations and commitments of Seller arising and accruing after the Effective Time under the Assumed Contracts, Real Property leases and all contracts for the sale of time after the Closing

Date; however, Buyer expressly does not, and shall not, assume or be deemed to assume, under this Agreement or otherwise by reason of the transactions contemplated hereby, any other liabilities, obligations or commitments of Seller of any nature whatsoever, except as expressly agreed to by Buyer hereunder.

5. **FCC Consent; Assignment Application.** At a date not later than five (5) business days after the execution of this Agreement, Buyer and Seller shall execute, file and vigorously prosecute an application with the FCC (the "*Assignment Application*") requesting its consent to the assignment, from Seller to Buyer, of all FCC Authorizations pertaining to the Station (the "*FCC Consent*"). Buyer and Seller shall take all reasonable steps to cooperate with each other and with the FCC to secure such FCC Consent without delay, and to promptly consummate this Agreement in full.

6. **Closing Date; Closing Place.** The closing of the transactions contemplated by this Agreement (the "*Closing*") shall occur on a date fixed by Buyer (the "*Closing Date*") that shall be no later than thirty (30) days following the date on which the FCC Consent shall have become a Final Order (as hereinafter defined) and the other conditions to Closing set forth in Section 10 have either been waived or satisfied, provided, however, that Buyer may elect to waive the requirement of a Final Order in which case the Closing shall occur on a date specified by Buyer, with at least ten (10) days notice to Seller, following FCC Consent. For purposes of this Agreement, the term "Final Order" means action by the FCC consenting to an application which is not reversed, stayed, enjoined, set aside, annulled or suspended, and with respect to which action no timely request for stay, petition for rehearing or appeal is pending, and as to which the time for filing any such request, petition or appeal or reconsideration by the FCC on its own motion has expired. The Closing shall be held at the offices of Buyer's counsel or by mail or facsimile, as Buyer may elect.

7. **Representations and Warranties of Seller.** Seller hereby makes the following representations and warranties to Buyer:

(a) Seller is a limited liability company duly organized, validly existing and in good standing under the laws of the state of Texas. Seller has all necessary power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by Seller and no other proceedings on the part of Seller are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Seller and constitutes the legal, valid and binding obligation of Seller enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency or other laws affecting generally the enforcement of creditors' rights or the application of principles of equity.

(b) The execution, delivery and performance of this Agreement by Seller will not (i) constitute a violation of or conflict with Seller's articles of organization or other similar organizational documents, (ii) result in a default (or give rise to any right of termination, cancellation or acceleration) under or conflict with any of the terms, conditions or provisions of any note, bond, mortgage, indenture, agreement, lease or other instrument or obligation relating to the business of the Station and to which either Seller or any of the Assets may be subject,

except for such defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained and delivered to Buyer, (iii) violate any law, statute, rule, regulation, order, writ, injunction or decree of any federal, state or local governmental authority or agency and which is applicable to either Seller or any of the Assets, (iv) result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever on any of the Assets, or (v) require the consent or approval of any governmental authority, lending institution or other third party other than the FCC Consent.

(c) **Schedule 1(a)(i)** hereto contains a list of the Tangible Personal Property owned or leased by Seller for use in connection with the operation of the Station. Any Tangible Personal Property that is leased is specifically noted as such on **Schedule 1(a)(i)**. Seller has and will have on the Closing Date good and marketable title to the Tangible Personal Property owned by Seller. Seller has and will have on the Closing Date valid and enforceable leases with respect to the Tangible Personal Property leased by Seller. The assets listed in **Schedule 1(a)(i)** hereto include all tangible personal property necessary to conduct the business and operations of the Station as now conducted. Each item of Tangible Personal Property (i) is in good condition and repair, ordinary wear and tear excepted, (ii) has been maintained in a manner consistent with generally accepted standards of good engineering practice, (iii) is operating in substantial compliance with the FCC Authorizations and rules and regulations of the FCC and FAA, and (iv) to Seller's best knowledge, does not contain any material quantity of PCBs.

(d) **Schedule 1(a)(ii)** contains a complete description of all of the Real Property leased in connection with the Seller's operation of the Station. Seller has delivered to Buyer true and complete copies of all Real Property Leases and written memoranda of any oral Real Property Leases. Seller has valid leasehold interests in all the Real Property Leases, free and clear of all liens, mortgages, pledges, covenants, restrictions, leases, charges, or other claims or encumbrances of any nature whatsoever, and no party is in material breach or default with respect to the Real Property Leases. Except as set forth on **Schedule 1(a)(ii)**, Seller has full legal power and authority to assign its rights under the Real Property Leases to Buyer and such assignment will not require the consent of any third party or affect the validity, enforceability or continuity of any of the Real Property Leases. The Real Property constitutes the only real property required for the operation of the Station as presently operated. There is full legal and practical access to the Real Property, and all utilities necessary for Buyer's use of the Real Property are installed and are in good working order and, to Seller's knowledge, are subject to valid easements, where necessary. Except as set forth in **Schedule 1(a)(ii)**, to Seller's knowledge, the Real Property and improvements constructed thereon, as well as the present uses thereof, conform in all material respects with all restrictive covenants and with all applicable zoning, environmental and building codes, laws, rules and regulations, including "set back" restrictions. To Seller's knowledge, except as set forth in **Schedule 1(a)(ii)**, the buildings, towers, guys and other fixtures situated on the Real Property are free of structural defects, are suitable for their intended use, are in a good state of maintenance and repair (ordinary wear and tear excepted), are contained entirely within the bounds of the Real Property, and do not encroach upon any other property except in cases where valid easements (that are included in the Assets) have been obtained. To Seller's knowledge, there is no pending condemnation or similar proceeding affecting the Real Property or any portion thereof, and, to Seller's knowledge, no such action is presently contemplated or threatened.

(e) **Schedule 1(a)(iii)** hereto contains a true and complete list of the FCC Authorizations and all other licenses, permits or other authorizations from governmental or regulatory authorities (the "*Licenses*") that are held and used in connection with the operation of the Station. The Licenses listed on **Schedule 1(a)(iii)** are all of the Licenses that are required for the lawful conduct of the business and operations of the Station in the manner and to the full extent it is presently operated, and all such FCC Authorizations are in full force and effect, unimpaired by any act or omission of Seller. Seller lawfully holds each of the FCC Authorizations and other licenses, permits and authorizations listed on **Schedule 1(a)(iii)**, none of which is subject to any restrictions or conditions that would limit in any material respect the operations of the Station. Except as set forth in **Schedule 1(a)(iii)**, Seller is operating the Station in all material respects in accordance with the FCC Authorizations, and all rules, regulations and policies of the FCC (the "*Communications Laws*"). There is not now pending or, to Seller's knowledge, threatened any action by or before the FCC to revoke, cancel, rescind, modify or refuse to renew any of such FCC Authorizations, and Seller has not received any notice of and has no knowledge of any pending, issued or outstanding order by or before the FCC, or of any investigation, order to show cause, notice of violation, notice of apparent liability, notice of forfeiture, or material complaint against either the Station or Seller. Except as set forth in **Schedule 1(a)(iii)**, all material reports and filings required to be filed with the FCC by Seller with respect to the operation of the Station have been timely filed, and all such reports and filings are accurate and complete in all material respects. Seller maintains a public inspection file for the Station and, to Seller's knowledge, such file complies with the Communications Laws. Seller has timely paid all regulatory fees and any fines or forfeitures due to the FCC with respect to the Station.

(f) Except as set forth in **Schedule 1(a)(ii)**, all of the existing towers used in the operation of the Station are obstruction-marked and lighted to the extent required by, and in accordance with, the rules and regulations of the FAA and the FCC. Except as set forth in **Schedule 1(a)(ii)**, Seller has complied in all material respects with all requirements of the FCC and the FAA with respect to the construction and/or alteration of the Seller's antenna structures, and "no hazard" determinations for each antenna structure have been obtained, where required. Seller has registered the Station's tower with the FCC. To Seller's knowledge, the operations of the Station do not exceed permissible levels of exposure to RF radiation specified in either the FCC's rules, regulations and policies concerning RF radiation or any other applicable Environmental Laws (as defined below).

(g) Seller has delivered to Buyer true and complete copies of all Assumed Contracts and written memoranda of any oral Assumed Contracts. The Assumed Contracts listed on **Schedule 1(a)(iv)** constitute all contracts relating to the operation of the Station. All of the Assumed Contracts are valid, binding and enforceable by Seller in accordance with their respective terms. Except as set forth on **Schedule 1(a)(iv)**, Seller has full legal power and authority to assign its rights under the Assumed Contracts to Buyer and such assignment will not require the consent of any third party or affect the validity, enforceability or continuity of any of the Assumed Contracts.

(h) **Schedule 1(a)(vii)** lists all Intangible Property held and used in connection with the operation of the Station, including but not limited to copyrights, licenses, patents, trademarks, service marks, logos and trade names (including the call letters KTXC and any

variation thereof), and all goodwill associated therewith, including registrations and applications for registration of any of the foregoing, and other similar intangible rights and interests, all of which are issued to or owned by Seller, or if licensed or franchised to Seller, are valid and uncontested. Seller has delivered to Buyer copies of all documents, if any, establishing such rights, licenses or other authority. There are no pending or threatened proceedings or litigation affecting or with respect to the Intangible Property. Seller has received no notice and has no knowledge of any infringement or unlawful use of such property.

(i) **Schedule 7(i)** contains a true and complete list of all persons employed at the Station (the "*Station Employees*"), including job titles or capacities in which employed, and descriptions of compensation arrangement. Seller is not a party to any agreement, written or oral, with salaried or non-salaried employees except as described in **Schedule 7(i)**. There are no collective bargaining contracts or arrangements, controversies, labor disputes, strikes or proceedings pending or, to Seller's knowledge, threatened, between Seller and the Station Employees or any labor union or other collective bargaining unit representing or claiming to represent any of the Station Employees.

(j) The instruments to be executed by Seller and delivered to Buyer at the Closing, conveying the Assets to Buyer, will transfer good and marketable title to such of the Assets owned by Seller free and clear of all Liens.

(k) Buyer shall have no obligation to offer employment to any employee of Seller or the Station, and shall have no liability with respect to any such employee or for benefits of any kind or nature.

(l) There is no broker or finder or other person, who would have any valid claim for a commission or brokerage in connection with this Agreement or the transaction contemplated hereby as a result of any agreement, understanding or action by Seller.

(m) Seller is not subject to any order, writ, injunction, judgment, arbitration decision or decree having binding effect and affecting the business of the Station or the Assets or which restrains or enjoins the transactions contemplated hereby, and no such proceeding is pending. There is no material litigation pending by or against, or to the best of Seller's knowledge except as set forth in **Schedule 7(m)**, threatened against Seller which relates to Seller or the Station or could affect any of the Assets. Seller, with respect to the Station, has complied in all material respects with all laws, regulations, orders or decrees applicable to it. The present uses by Seller of the Assets do not violate any such laws, regulations, orders or decrees in any material respect, and Seller has no knowledge of any basis for any claim for compensation or damage or other relief from any violation of the foregoing.

(n) To the best of Seller's knowledge, Seller has complied and currently is in compliance with, and the Real Property is in compliance with, all applicable laws, statutes, rules, regulations, codes and ordinances of all U.S. federal, state and local government agencies and authorities relating to the discharge of air pollutants, water pollutants or process waste water, Hazardous Materials (as defined herein), or toxic substances, or otherwise relating to the environment, including without limitation the Federal Solid Waste Disposal Act, the Federal Clean Air Act, the Federal Clean Water Act, the Federal Resource Conservation and Recovery

Act of 1976, the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, regulations of the Environmental Protection Agency, regulations of the Nuclear Regulatory Commission, and regulations of any state department of natural resources or state environmental protection agency now or at any time hereafter in effect ("Environmental Laws").

As used herein, the term "Hazardous Materials" means any wastes, substances, or materials (whether solids, liquids or gases) that are deemed hazardous, toxic, pollutants, or contaminants, including substances defined as "hazardous wastes," "hazardous substances," "toxic substances," "radioactive materials," or other similar designations in, or otherwise subject to regulation under, any Environmental Laws. "Hazardous Materials" includes polychlorinated biphenyls (PCBs), asbestos, lead-based paints, infectious wastes, radioactive materials and wastes and petroleum and petroleum products (including crude oil or any fraction thereof). There are no underground storage tanks located at the Real Property. There are not now, nor to Seller's knowledge have there previously been, any other facilities on, under, or at the Real Property which contained any Hazardous Materials which, if known to be present in soils or ground water, would require cleanup, removal or some other remedial action under Environmental Laws.

(o) Except as set forth in Schedule 7(o), Seller has duly, timely and in the required manner filed all federal, state, local and foreign income, franchise, sales, use, property, excise, payroll and other tax returns and forms required to be filed, and has paid in full or discharged all taxes, assessments, excises, interest, penalties, deficiencies and losses required to be paid. No event has occurred which could impose on Buyer any liability for any taxes, penalties or interest due or to become due from Seller from any taxing authority.

(p) All of the Assets that are insurable in character are insured against loss, injury or damage to the full extent of their replacement value. Schedule 7(p) lists all insurance policies held by Seller related to the Station including policy limit, type of coverage, location of property covered, annual premium, premium payment dates and expiration of each policy.

(q) No insolvency proceedings of any character, including bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting Seller are pending or threatened, and Seller has not made any assignment for the benefit of creditors or taken any action in contemplation of or which would constitute the basis for the institution of such insolvency proceedings.

(r) No representation or warranty made by Seller in this Agreement, and no statement made in any certificate, document, exhibit or schedule furnished or to be furnished in connection with the transactions herein contemplated, contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make such representation or warranty or any such statement not misleading to Buyer.

8. Representations and Warranties of Buyer. Buyer hereby makes the following representations and warranties to Seller:

(a) Buyer is a limited partnership duly organized, validly existing and in good standing under the laws of the state of Texas. Buyer has all necessary power and authority to

execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by Buyer and no other proceedings on the part of Buyer are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Buyer and constitutes the legal, valid and binding obligation of Buyer enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency or other laws affecting generally the enforcement of creditors' rights or the application of principles of equity.

(b) The execution, delivery and performance of this Agreement by Buyer will not (i) constitute a violation of or conflict with Buyer's organizational documents, (ii) result in a default (or give rise to any right of termination, cancellation or acceleration) under or conflict with any of the terms, conditions or provisions of any note, bond, mortgage, indenture, agreement, lease or other instrument or obligation relating to its own business except for such defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained and delivered to Buyer, (iii) violate any law, statute, rule, regulation, order, writ, injunction or decree of any federal, state or local governmental authority or agency and which is applicable to either Seller or any of the Assets, (iv) result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever on any of the Assets, or (v) require the consent or approval of any governmental authority, lending institution or other third party other than the FCC Consent.

(c) Buyer is legally, financially and technically qualified to acquire and become the licensee of the Station under the Communications Act and the rules and regulations of the FCC as of the date hereof.

(d) There is no litigation, proceeding or governmental investigation pending or to the knowledge of Buyer, threatened, in any court, arbitration board, administrative agency, or tribunal against or relating to Buyer that would prevent or materially impede the consummation by Buyer of the transactions contemplated by this Agreement, nor does Buyer know of, or have any reasonable ground to know of, in view of its present situation or action it now contemplates taking, any basis for such litigation, proceeding or investigation.

(e) There is no broker or finder or other person, who would have any valid claim for a commission or brokerage in connection with this Agreement or the transaction contemplated hereby as a result of any agreement, understanding or action by Buyer.

(f) No insolvency proceedings of any character, including bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting Buyer are pending or threatened, and Buyer has not made any assignment for the benefit of creditors or taken any action in contemplation of or which would constitute the basis for the institution of such insolvency proceedings.

(g) No representation or warranty made by Buyer in this Agreement, and no statement made in any certificate, document, exhibit or schedule furnished or to be furnished in connection with the transactions herein contemplated, contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make

such representation or warranty or any such statement not misleading to Seller.

9. **Covenants.** Seller covenants with Buyer that, between the date hereof and the Closing Date, Seller, with respect to its Assets and business, shall act in accordance with the following:

(a) Seller shall maintain the Tangible Personal Property included in the Assets in accordance with standards of good engineering practice and replace any of such property which shall be worn out, lost, stolen or destroyed with like property of substantially equivalent kind and value.

(b) Seller shall continue to operate and maintain the Station in accordance with the terms of the FCC Authorizations and in material compliance with all applicable laws and FCC rules and regulations. Seller will deliver to Buyer, promptly after filing, copies of any reports, applications or responses to the FCC or any communications from the FCC or any other party directed to the FCC related to the Station which are filed between the date of this Agreement and the Closing Date. Seller will not file any application to modify the Station's facilities without Buyer's prior written consent, not to be unreasonably withheld, and Seller shall take all actions necessary to keep the Licenses valid and in full force and effect.

(c) In all other respects, except as disclosed in writing to and approved by Buyer, Seller shall operate the Station solely in the ordinary course of business and in accordance with past practice, and shall pay its obligations with respect to the Station in the ordinary course as such obligations become due.

(d) Seller has and will maintain in full force and effect through the Closing Date adequate property damage, liability and other insurance with respect to the Assets.

(e) Prior to the Closing Date, Seller shall not, without the prior written consent of Buyer, sell, lease, transfer or agree to sell, lease or transfer any of the Assets without replacement thereof with an equivalent asset of equivalent kind, condition and value that satisfies industry standards for such assets, or create any Lien on the Assets.

(f) On or before the Closing Date, Seller shall furnish to Buyer revised Schedules to this Agreement as may be necessary to render such Schedules accurate and complete as of the Closing Date.

(g) Seller shall render accurate at and as of the Closing Date the representations and warranties made by it in this Agreement. Seller shall give detailed written notice to Buyer promptly upon the occurrence of or becoming aware of the impending or threatened occurrence of, any event which would cause or constitute a breach or would have caused a breach had such event occurred or been known to Seller prior to the date hereof, of any of Seller's representations or warranties contained in this Agreement or in any Schedule. Seller shall promptly disclose to Buyer any significant problems or developments with respect to the Station or the Assets. Seller shall give prompt written notice to Buyer if the Assets shall have suffered damage on account of fire, explosion or other cause of any nature that is sufficient to prevent operation of the Station.

(h) Seller shall comply with all federal, state and local laws, rules and regulations.

(i) If any event should occur which would prevent the consummation of the transactions contemplated hereunder, Seller shall use its respective best efforts to cure the event as expeditiously as possible.

(j) Between the date of this Agreement and the Closing Date, Seller shall, upon the request of Buyer, give Buyer and Buyer's counsel, accountants, engineers and other representatives reasonable access during normal business hours to all of Seller's properties, records and employees relating to the Station and shall furnish Buyer with all information that Buyer reasonably requests. In the event that the transactions contemplated by this Agreement are not consummated, Buyer will return to Seller all materials acquired by Buyer pursuant to this provision.

(k) Seller shall not enter into any new trade agreements without the prior written consent of Buyer.

(l) Seller shall use its best efforts to obtain the consent of any third party necessary for assignment to Buyer of any of the Assumed Contracts listed in **Schedule 1(a)(iv)**. In the event that any such consent or waiver required with respect to any of the Assumed Contracts has not been obtained as of the Closing Date, Seller shall use its best efforts to provide Buyer with the benefits of any such Assumed Contract, and Buyer shall, to the extent it has received such benefits, perform all obligations of Seller thereunder.

(m) Seller shall obtain an estoppel certificate from the lessor of each of the Real Property Leases listed in **Schedule 1(a)(ii)** identifying the lease and any amendments or modifications thereto, the term of the lease and the amount of monthly payments due thereunder, and containing the landlord's certification that such lease is in full force and effect and that there are no uncured defaults with respect to the lease.

10. **Conditions Precedent to Obligation to Close.**

(a) The performance of the obligations of Seller hereunder is subject to the satisfaction of each of the following express conditions precedent, unless waived in writing by Seller:

(i) Buyer shall have performed and complied in all material respects with all of the agreements, obligations and covenants required by this Agreement to be performed or complied with by Buyer prior to or as of the Closing Date;

(ii) The representations and warranties of Buyer set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date;

(iii) The FCC Consent contemplated by this Agreement shall have been obtained;

(iv) Buyer shall have delivered to Seller, on the Closing Date, the documents required to be delivered pursuant to Section 11(b);

(v) Buyer shall not be subject to any voluntary or involuntary petition under Federal bankruptcy law, or any state receivership or similarly proceeding; and

(vi) No suit, action, claim or governmental proceeding shall be pending, and no order, decree or judgment of any court, agency or other governmental authority shall have been rendered against any party hereto which : (A) would render it unlawful, as of the Closing Date, to effect the transactions contemplated by this Agreement in accordance with its terms; (B) questions the validity or legality of any transaction contemplated hereby; or (C) seeks to enjoin any transaction contemplated hereby.

(b) The performance of the obligations of Buyer hereunder is subject to the satisfaction of each of the following express conditions precedent, unless waived in writing by Buyer:

(i) Seller shall have performed and complied in all material respects with all the agreements, obligations and covenants required by this Agreement to be performed or complied with by Seller prior to or as of the Closing Date;

(ii) The representations and warranties of Seller set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date;

(iii) None of the events or conditions referenced in Section 22 below shall have occurred and not been remedied as set forth in Section 22;

(iv) The FCC Consent shall have become Final Order;

(v) No suit, action, claim or governmental proceeding shall be pending, and no order, decree or judgment of any court, agency or other governmental authority shall have been rendered against any party hereto which: (A) would render it unlawful, as of the Closing Date, to effect the transactions contemplated by this Agreement in accordance with its terms; (B) questions the validity or legality of any transaction contemplated hereby; or (C) seeks to enjoin any transaction contemplated hereby;

(vi) Seller shall have obtained the estoppel certificates referenced in Section 9(m) above;

(vii) There shall not be any Liens on the Assets or any financing statements of record other than those which will be paid off at Closing from the Purchase Price and those created by Buyer in favor of Seller or Permitted Liens, and Seller shall have delivered to Buyer lien search reports, in form and substance satisfactory to Buyer and dated no earlier than thirty (30) days prior to the Closing, reflecting the results of UCC, tax and judgment lien searches conducted at Secretary of State offices of the State of Texas and in the County Clerk's Office of each county in which the Assets are located; and

(viii) Seller shall have delivered to Buyer, on the Closing Date, the documents required to be delivered pursuant to Section 11(a).

11. **Closing Deliveries.**

(a) At the Closing, Seller, as appropriate, will deliver to Buyer the following, each of which shall be in form and substance satisfactory to Buyer and its counsel:

(i) A bill of sale, and other instruments of transfer and conveyance, dated the Closing Date, in form and substance so as to effectively and legally transfer and assign to Buyer its interest in and to the personal property Assets and effectively vest in Buyer good and marketable title to the personal property Assets owned by Seller and an assignment of leases with respect to any personal property Assets leased by Seller;

(ii) An assignment and assumption of the Station's FCC Licenses and the execution of any documents necessary to transfer any tower registrations to Buyer;

(iii) Assignments and assumptions of Real Property Leases.

(iv) Certified copies of the resolutions of the members of Seller authorizing and approving the execution and delivery of this Agreement and each of the other documents to be delivered in connection herewith and authorizing the consummation of the transactions contemplated hereby and thereby;

(v) A certificate, dated the Closing Date, executed by the President of Seller certifying the fulfillment of the conditions set forth in Section 10(b)(i) and (ii) hereof;

(vi) A certificate of existence or good standing for the Seller from the Secretary of State of Texas;

(vii) Third party consents and estoppel certificates referenced in Sections 9(l)-(m) above;

(viii) UCC-3 lien releases (if any);

(ix) Receipt for the Purchase Price; and

(x) Such other documents, instruments and agreements necessary to consummate the transactions contemplated by this Agreement or as Buyer shall reasonably request, each in form and substance satisfactory to Buyer and its counsel.

(b) Prior to or at the Closing, Buyer will deliver to Seller the following, each of which shall be in form and substance satisfactory to Seller and its counsel:

(i) The payments to be made pursuant to Section 2(a) hereof;

(ii) A certificate of Buyer, dated the Closing Date, certifying the fulfillment of the conditions set forth in Section 10(a)(i) and (ii) hereof;

(iii) Such other documents, instruments and agreements necessary to consummate the transactions contemplated by this Agreement or as Seller shall reasonably request, each in form and substance satisfactory to Buyer and its counsel; and

(iv) Certified copies of the resolutions of the general partner of Buyer authorizing and approving the execution and delivery of this Agreement on behalf of Buyer and each of the other documents to be delivered in connection herewith and authorizing the consummation of the transactions contemplated hereby and thereby.

12. **Indemnification.**

(a) Following the Closing Seller shall indemnify, defend and hold harmless Buyer with respect to any and all demands, claims, actions, suits, proceedings, assessments, judgments, costs, losses, damages, liabilities and expenses (including, without limitation, interest, penalties, court costs and reasonable attorney's fees) ("Damages") asserted against, resulting from, imposed upon or incurred by Buyer directly or indirectly relating to or arising out of: (i) the breach by Seller of any of its representations or warranties that survive the Closing, or failure by Seller to perform any of its covenants, conditions or agreements set forth in this Agreement that survive the Closing; and (ii) any and all claims, liabilities and obligations of any nature, absolute or contingent, relating to the ownership and operation of the Station prior to the Closing, including the Retained Liabilities.

(b) Following the Closing Buyer shall indemnify, defend and hold Seller harmless with respect to any and all Damages asserted against, resulting from, imposed upon or incurred by Seller directly or indirectly relating to or arising out of: (i) the breach by Buyer of any of its representations, warranties, or failure by Buyer to perform any of its covenants, conditions or agreements set forth in this Agreement; and (ii) any and all claims, liabilities and obligations of any nature, absolute or contingent, relating to the ownership and operation of the Station as conducted by Buyer subsequent to the Closing.

(c) If either party hereto (the "Indemnitee") receives notice or otherwise obtains knowledge of any matter with respect to which another party hereto (the "Indemnifying Party") may be obligated to indemnify the Indemnitee under this Section 12(c), then the Indemnitee shall promptly deliver to the Indemnifying Party written notice describing such matter in reasonable detail and specifying the estimated amount of the Damages or liability that may be incurred by the Indemnitee in connection therewith. The Indemnifying Party shall have the right, at its option, to assume the complete defense of such matter at its own expense and with its own counsel, provided such counsel is reasonably satisfactory to the Indemnitee. If the Indemnifying Party elects to assume the defense of such matter, then (i) the Indemnitee shall fully cooperate as reasonably requested by the Indemnifying Party in the defense or settlement of such matter, (ii) the Indemnifying Party shall keep the Indemnitee informed of all material developments and events relating to such matter, and (iii) the Indemnitee shall have the right to participate, at its own expense, in the defense of such matter. In no event shall the Indemnifying Party be liable for any settlement or admission of liability with respect to such matter without its prior written consent.

(d) The several representations and warranties of Seller and Buyer contained

in or made pursuant to this Agreement shall be deemed to have been made on the date of this Agreement and on the Closing Date, shall survive the Closing Date and shall remain operative and in full force and effect for a period of twenty-four (24) months following the Closing Date or, in the case of a third-party claim, until the applicable statute of limitations with respect to such claim shall have expired.

13. **Termination.**

(a) This Agreement may be terminated by either Buyer or Seller, if the party seeking to terminate is not in default or breach of any of its material obligations under this Agreement, upon written notice to the other upon the occurrence of any of the following: (i) if, on or prior to the Closing Date, the other party breaches any of its material obligations contained herein, and such breach is not cured by the earlier of the Closing Date or thirty (30) days after receipt of the notice of breach from the non-breaching party; or (ii) if the Assignment Application is denied and such denial shall have become a Final Order; or (iii) if there shall be in effect any judgment, final decree or order that would prevent or make unlawful the Closing of this Agreement; or (iv) if the Closing has not occurred within twelve (12) months after the date hereof.

(b) Upon a termination of this Agreement by Seller due to a breach by Buyer of any of its material obligations under this Agreement, Seller's sole remedy shall be to retain the Earnest Money Deposit as liquidated damages. Seller and Buyer each acknowledge and agree that these liquidated damages are reasonable in light of the anticipated harm which would be caused by Buyer's breach of any of its material obligations under this Agreement and the difficulty of ascertaining damages and proof of loss and that these damages are not a penalty.

(c) Upon a termination of this Agreement due to a breach by Seller of any of its material obligations under this Agreement, Buyer shall be entitled to a return of the Earnest Money Deposit, and Buyer may seek all rights and remedies that it may have at law, or alternatively, may seek equitable relief as provided for in Section 14.

(d) Upon a termination of this Agreement for any reason other than as a result of a breach by either party of any of its material obligations under this Agreement, Buyer shall be entitled to the release of the Earnest Money Deposit, and thereafter neither party shall have any further obligation to the other under this Agreement.

14. **Specific Performance.** Seller agrees that the Assets include unique property that cannot be readily obtained on the open market and that Buyer will be irreparably injured if this Purchase Agreement is not specifically enforced. Therefore, Buyer shall have the right specifically to enforce Seller's performance under this Purchase Agreement, and Seller agrees to waive the defense in any such suit that Buyer has an adequate remedy at law and to interpose no opposition, legal or otherwise, as to the propriety of specific performance as a remedy. In the event Buyer elects to terminate this Purchase Agreement as a result of Seller's default instead of seeking specific performance, Buyer shall be entitled to the return of the Escrow Earnest Deposit plus accrued interest and to pursue all available remedies at law.

15. **Confidentiality.**

(a) Each party shall hold, and shall cause its officers, employees, agents and representatives, including, without limitation, attorneys, accountants, consultants and financial advisors who obtain such information to hold, in confidence, and not use for any purpose other than evaluating the transactions contemplated by this Agreement, any confidential information of another party obtained through the investigations permitted hereunder, which for the purposes hereof shall not include any information which (i) is or becomes generally available to the public other than as a result of disclosure by the party which alleges the information is confidential or its affiliates, (ii) becomes available to a party on a nonconfidential basis from a source, other than the party which alleges the information is confidential or its affiliates, which has represented that such source is entitled to disclose it, or (iii) was known to a party on a nonconfidential basis prior to its disclosure to such party hereunder. If this Agreement is terminated, each party shall deliver, and cause its officers, employees, agents, and representatives, including, without limitation, attorneys, accountants, consultants and financial advisors who obtain confidential information of another party pursuant to investigations permitted hereunder to deliver to such other party all such confidential information that is written (including copies or extracts thereof), whether such confidential information was obtained before or after the execution.

(b) If a party or a person to whom a party transmits confidential information of another party is requested or becomes legally compelled (by oral questions, interrogatories, requests for information or documents, subpoena, criminal or civil investigative demand or similar process) to disclose any of such confidential information, such party or person will provide the other applicable party with prompt written notice so that such party may seek a protective order or other appropriate remedy or waive compliance with Section 15(a). If such protective order or other remedy is not obtained, or if the applicable party waives compliance with Section 15(a), the party subject to the request will furnish only that portion of such confidential information which is legally required and will exercise its best efforts to obtain reliable assurance that confidential treatment will be accorded such confidential information.

16. **Notices.** All notices, elections and other communications permitted or required under this Agreement shall be in writing and shall be deemed effectively given or delivered upon personal delivery (or refusal thereof), or twenty-four (24) hours after delivery to a courier service which guarantees overnight delivery, or five (5) days after deposit with the U.S. Post Office, by registered or certified mail, postage prepaid, and, in the case of courier or mail delivery, addressed as follows (or at such other address for a party as shall be specified by like notice):

If to Seller, to:

Graham Brothers Communications, LLC
6999 East Highway 80
Odessa, Texas 79762
Attn: Phillip Davis, Vice President

with a copy (which shall not constitute notice) to:

Lee J. Peltzman, Esq.
Shainis & Peltzman, Chartered
1850 M Street, NW
Suite 240
Washington, DC 20036

If to Buyer, Adelante, or Midessa to:

Midessa Broadcasting Limited Partnership
P.O. Box 708
Lawton, Oklahoma 73502
Attn: Robert H. Drewry

with a copy (which shall not constitute notice) to:

David D. Oxenford, Esq.
Shaw Pittman LLP
2300 N Street, NW
Washington, D.C. 20037

17. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Texas, without giving effect to the choice of law principles thereof.

18. **Partial Invalidity.** Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable law, but in case any provision contained herein shall, for any reason, be held to be invalid or unenforceable, such provision shall be ineffective to the extent of such invalidity or unenforceability without invalidating the remainder of such provision or any other provisions hereof, unless such a construction would be unreasonable.

19. **Counterparts.** This Agreement may be executed in several counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument. This Agreement may be executed and exchanged by facsimile transmission, with the same legal effect as if the signatures had appeared in original handwriting on the same physical document. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall re-execute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of a facsimile machine to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine as a defense to the formation of a contract and each such party forever waives any such defense.

20. **Expenses.** Except as otherwise set forth in this Section, each party hereto shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement. The FCC filing fees relating to the Assignment Application shall be shared equally between Buyer, on the one hand, and Seller, on the other hand. All federal, state, local and other transfer and sales taxes applicable to, imposed upon or arising out of the transfer to Buyer of the Assets as contemplated hereby shall be paid by Seller.

21. **Attorney's Fees; Arbitration.** Should any party hereto institute any action or proceeding at law or in equity, or as an arbitration, to enforce any provision of this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party reasonable attorney's fees and costs for services rendered to the prevailing party in such action or proceeding. The parties further agree that, in the event of an unresolved dispute between the parties relating to this Agreement, other than the specific performance remedy provided in Section 14, the parties shall subject said dispute to an arbitration in Texas in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The award rendered by the arbitrator shall be final and binding upon the parties and shall not be subject to appeal. The award rendered by the arbitrator may be entered in, and shall be specifically enforceable by, any court of competent jurisdiction.

22. **Risk of Loss.** The risk of loss to any of the Assets on or prior to the Closing Date shall be upon Seller. Seller shall use all commercially reasonable efforts to repair or replace any damaged, lost or stolen Assets, provided, however, that in the event that the Assets with a value of greater than Five Thousand Dollars (\$5,000) are damaged, lost or stolen on the date otherwise scheduled for Closing, Buyer may, at its option, either (i) postpone Closing for a period of up to sixty (60) days while Seller repair or replace 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. Seller shall have no responsibility to repair or replace damaged or destroyed Assets not covered by insurance if the cost of such repair exceeds Five Thousand Dollars (\$5,000), provided, however, that should Seller not advise Buyer within five (5) days after being requested to do so that Seller will repair or replace such Assets, Buyer may terminate this Agreement without penalty upon written notice to Seller. Except in instances of either force majeure or acts or omissions on the part of Buyer, should the Station (i) not operate for a period in excess of seventy-two (72) consecutive hours, or (ii) not operate with full licensed facilities for a period of thirty (30) consecutive days, or should the Station not be operating with full licensed facilities as of the scheduled Closing Date and it is reasonably expected that the condition set forth in either clause (i) or (ii) of this sentence would be satisfied at a time other than the originally scheduled Closing Date, Buyer may either elect to terminate this Agreement without penalty upon written notice to Seller or postpone the Closing for a period of up to sixty (60) days while Seller attempts to cure the condition described in the preceding sentence of this Section 22.

23. **Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party may voluntarily or involuntarily assign its interest or delegate its duties under this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed.

24. **Entire Agreement.** This Agreement, and the exhibits attached hereto, supersede all prior agreements and understandings between the parties with respect to the subject matter hereof and may not be changed or terminated orally, and no attempted change, amendment, or waiver of any of the provisions hereof shall be binding unless in writing and signed by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

Seller:

**GRAHAM BROTHERS COMMUNICATIONS,
LLC**

By: _____

Name: ROGER GEARHART

Title: PRESIDENT

Buyer:

**MIDESSA BROADCASTING LIMITED
PARTNERSHIP**

By: _____

Name: _____

Title: _____

**ADELANTE TELEVISION LIMITED
PARTNERSHIP**

(solely with respect to Section 2(a)(ii))

By: _____

Name: _____

Title: _____

MIDESSA TELEVISION LP

(solely with respect to Section 2(a)(ii))

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

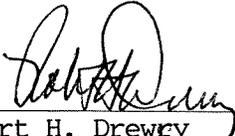
Seller:

**GRAHAM BROTHERS COMMUNICATIONS,
LLC**

By: _____
Name: _____
Title: _____

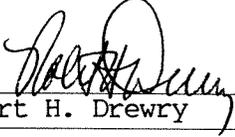
Buyer:

**MIDESSA BROADCASTING LIMITED
PARTNERSHIP**

By:  _____
Name: Robert H. Drewry
Title: Vice President of Midessa Broadcasting of
Texas, LLC (General Partner)

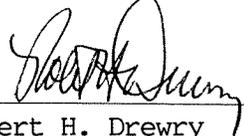
**ADELANTE TELEVISION LIMITED
PARTNERSHIP**

(solely with respect to Section 2(a)(ii))

By:  _____
Name: Robert H. Drewry
Title: Vice President of Adelante Television of
Texas, Inc. (General Partner)

MIDESSA TELEVISION LP

(solely with respect to Section 2(a)(ii))

By:  _____
Name: Robert H. Drewry
Title: Vice President of LCI Television of Texas,
Inc. (General Partner)