

LOCAL PROGRAMMING AND MARKETING AGREEMENT

THIS LOCAL PROGRAMMING AND MARKETING AGREEMENT (this "Agreement") is made as of September 3, 2004, by and between Pecan Radio Partners, Ltd., a Texas limited partnership ("Pecan"); Elgin FM Limited Partnership, a Texas limited partnership ("Elgin"); Nogales Broadcasting, L.C., a Texas limited liability company ("Nogales"); and Dynamic Radio Broadcasting Corp., a Texas corporation ("Dynamic") (collectively, the "Licensee"), on the one hand, and Border Media Partners, LLC, a Delaware limited liability company ("Programmer"), on the other hand.

Recitals

A. Licensee owns and operates the following radio stations (the "Stations") pursuant to licenses issued by the Federal Communications Commission ("FCC"):

KFON(AM), Austin, Texas; KKLB(FM), Elgin, Texas;
KTXZ(AM), West Lake Hills, Texas; and KELG(AM), Manor Texas

B. Programmer has available and is producing radio programs that it desires to have broadcast on the Stations, and therefore desires to purchase airtime from Licensee for the broadcast of such programs.

C. Licensee has agreed to make available to Programmer airtime on the Stations and accept for broadcast the programs of Programmer on the terms and conditions set forth in this Agreement.

D. Licensee and Programmer have entered into an Asset Purchase Agreement, dated August __, 2004 (the "Purchase Agreement") under which Programmer, subject to the prior approval of the FCC, will purchase the Stations from Licensee.

Agreement

NOW, THEREFORE, taking the foregoing recitals into account, and in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Agreement Term. The term of this Agreement (the "Term") will begin on October 1, 2004 (the "Commencement Date"), and will continue until (i) consummation of the transaction provided for in the Purchase Agreement, or (ii) termination of the Purchase Agreement under its terms.

2. Programmer's Purchase of Airtime and Provision of Programming. During the Term, Programmer shall purchase from Licensee airtime on the Stations for the price and on the

terms specified below, and shall transmit to Licensee programming that it produces or owns (the "Program" or "Programs") for broadcast on the Stations twenty-four (24) hours per day, seven (7) days per week, excluding the period from 6:00 a.m. to 8:00 a.m. each Sunday morning (the "Broadcasting Period"). Programmer will transmit, at its own cost, its Programs to the Stations' transmitting facilities via a mode of transmission (e.g., satellite facilities, microwave facilities and/or telephone lines) that will ensure that the Programs meet technical and quality standards at least equal to those of the Stations' broadcasts prior to commencement of the Term.

3. Broadcasting Obligations. In return for the payments to be made by Programmer hereunder, during the Term, Licensee shall broadcast the Programs delivered by Programmer during the Broadcasting Period specified in Section 2 above, subject to the provisions of Section 6 below. Programmer shall not stream via the Internet programs produced by Licensee without the express written approval of Licensee.

4. Advertising Sales; Accounts Receivable. Programmer will be exclusively responsible for the sale of advertising on the Stations and for the collection of accounts receivable arising therefrom, and Programmer shall be entitled to all revenues of the Stations (including without limitation all revenues from the Stations' websites, if any) during the Term. All contracts for advertising on the Stations which may be entered into by Programmer shall terminate upon the termination of this Agreement such that Licensee shall have no obligation to broadcast advertising under such contracts on or after the date of termination. The accounts receivable of the Stations that are attributable to advertising broadcast prior to the commencement of the Term shall remain the property of Licensee. Programmer shall have no responsibility for collecting Licensee's accounts receivable, but shall forward any and all payments attributable to Licensee's accounts receivable to Licensee upon receipt. The accounts receivable of the Stations that are attributable to advertising broadcast on Programs during the Term shall remain the property of Programmer. Licensee shall have no responsibility for collecting Programmer's accounts receivable, but shall forward any and all payments attributable to Programmer's accounts receivable to Programmer upon receipt.

5. Payments. For the broadcast of the Programs and the other benefits made available to Programmer pursuant to this Agreement during the Term, Programmer will pay Licensee as set forth on Schedule A attached hereto.

6. Operation, Ownership and Control of the Stations. Notwithstanding anything to the contrary in this Agreement, as long as Licensee remains the licensee of the Stations, it will have ultimate authority, power and control over the operation of the Stations during the Term. Licensee will bear the responsibility for the Station's compliance with all applicable provisions of the rules and policies of the FCC and all other applicable laws. Without limiting the generality of the foregoing, Licensee will: (1) employ a Station Manager for the Stations, who will report to Licensee and will direct the day-to-day operations of the Stations, and who shall have no employment, consulting, or other relationship with Programmer, (2) employ or otherwise engage an engineer for the Stations, who will report and be solely accountable to the Station Manager and will maintain the Station's broadcast equipment and technical facilities,

including studio equipment, transmitter, tower, and transmission line, in good working condition (subject to the provisions of Section 7 below), and (3) retain control over the policies, programming and operations of the Stations. Nothing contained herein shall prevent Licensee from (a) rejecting or refusing programs which Licensee believes to be contrary to the public interest, or (b) substituting programs which Licensee believes to be of greater local or national importance or which are designed to address the problems, needs and interests of the local community. Licensee reserves the right to refuse to broadcast any Program containing matter which violates any right of any third party. Licensee also reserves the right to refuse to broadcast any Program which does not meet the requirements of the rules, regulations, and published policies of the FCC or which Licensee, in the reasonable exercise of its judgment and experience, reasonably believes would be objectionable to the FCC or otherwise not comply with any rules, regulations, published policies, or other requirements of the FCC. Licensee further reserves the right to preempt any Program (i) to broadcast programming Licensee deems will better serve the public interest, and (ii) in the event of a local, state, or national emergency. Programmer agrees to cooperate with Licensee to ensure that EAS transmissions are properly performed in accordance with Licensee's instructions. Licensee reserves the right to delete any commercial announcements that do not comply with the requirements of the FCC's sponsorship identification policy. Programmer will immediately serve Licensee with notice and a copy of any letters of complaint it receives concerning any Program for Licensee review and inclusion in its public inspection file. If in any month Licensee preempts, replaces, refuses or is unable for any reason to air any Programs, Licensee shall refund to Programmer such portion of the monthly payment made to Licensee pursuant to Section 5 hereof as the total time preempted bears to the total amount of time in the Broadcasting Period for such month.

7. Maintenance of Signal. Licensee shall maintain the operating power of the Stations at the maximum level authorized by the FCC for the Stations throughout the Term and shall be responsible for the repair and maintenance of the Stations' towers and transmission facilities such that they remain in good working order. For any time that any of the Stations are not broadcasting at the maximum level authorized by the FCC for the Stations, Programmer shall be entitled to a credit against the amounts otherwise due under Schedule A that takes into account the amount of time the Stations are not operating at such maximum level and the percentage diminution of power below the maximum level (i.e., for any period when a Station is operating at less than the licensed effective radiated power ("ERP"), Programmer shall be entitled to a credit in an amount equivalent to the corresponding percentage deficiency in ERP). For the purposes of calculating credits under this Section, it shall be assumed that the amounts generally due under Schedule A are to be allocated equally among the Stations. During any period of six (6) hours or more that any Station is not broadcasting at the licensed ERP, Programmer may, under the supervision of Licensee personnel, take such steps as it deems necessary to restore the Stations to maximum power.

8. Employees. Programmer shall be under no obligation to hire any of Licensee's current employees. Licensee shall be responsible for all salaries, benefits and withholding taxes for its employees, whether or not such employees are discharged prior to the beginning of the Term, and indemnifies and holds harmless Programmer with respect to any claims by such

employees with respect to pay, benefits or any other matters relating to their employment by Licensee.

9. Music Licenses. During the Term, Licensee will obtain and maintain in full force and effect in its own name such music licenses ("Music Licenses") needed to cover Licensee's programming on the Stations. Programmer will obtain and maintain in full force and effect in its own name Music Licenses to cover the Programs it delivers for broadcast on the Stations.

10. Programs.

10.1 Production of the Programs. Licensee acknowledges that it is familiar with the type of programming Programmer currently produces and has determined that the broadcast of such programming on the Stations would serve the public interest. Programmer agrees that the contents of the Programs it transmits to Licensee shall conform to all FCC rules, regulations and published policies. Programmer agrees that it will consult with Licensee in the selection of the Programs it transmits to Licensee to ensure that the Programs' content contains matters responsive to issues of public concern in the local communities, as those issues are made known to Programmer by Licensee. Licensee acknowledges that its right to broadcast the Programs is non-exclusive and that ownership of the Programs, and all parts thereof, and the right to authorize their use in any manner and in any media whatsoever, shall be and remain vested in Programmer.

10.2 Political Time. Licensee shall oversee and take ultimate responsibility with respect to the provision of equal opportunities, lowest unit charge, and reasonable access to political candidates, and compliance with the Communications Act and the political broadcast rules, regulations and published policies of the FCC. During the Term, Programmer shall cooperate with Licensee as Licensee complies with its political broadcast responsibilities, and shall supply such information promptly to Licensee as may be necessary to comply with the political time record keeping and lowest unit charge requirements of federal law. Programmer shall release advertising availabilities to Licensee during the Broadcasting Period as necessary to permit Licensee to comply with the Communications Act and the political broadcast rules, regulations and published policies of the FCC; provided, however, that revenues received by Licensee as a result of any such release of advertising time shall promptly be remitted to Programmer.

11. Expenses. During the Term, Programmer will be responsible for (i) the salaries, taxes, insurance and related costs for all personnel used in the production of the Programs supplied to Licensee, and (ii) the costs of delivering the Programs to Licensee. Licensee will pay for the maintenance of all studio and transmitter equipment and all other operating costs required to be paid to maintain the Stations' broadcast operations in accordance with FCC rules and policies and applicable law, including insurance premiums, transmitter site and studio rents, taxes, FCC annual regulatory fees, insurance, the salaries and benefits for the personnel identified in Section 6, and the utilities at its studio and transmitter sites.

12. Call Signs. During the Term, Licensee will retain all rights to the call letters KFON(AM), KKLb(FM), KTXZ(AM), and KELG(AM) or any other call letters which, upon Licensee's application, may be assigned by the FCC for use by the Stations (the "Call Signs"); provided, however, that Licensee shall not change the call sign for any of the Stations without Programmer's consent. Licensee will ensure that proper station identification announcements are made with such call letters in accordance with FCC rules and regulations. Programmer shall include in the Programs it delivers for broadcast an announcement at the beginning of each hour of such Programs to identify such call letters or permitted substitutes therefore, as well as any other announcements required by the rules and regulations of the FCC. Programmer is specifically authorized to use such call letters in its Programs and in any promotional material, in any media, used in connection with the Programs.

13. Events of Default; Termination.

13.1 Programmer's Events of Default. The occurrence of any of the following will be deemed an Event of Default by Programmer under this Agreement: (i) Programmer fails to make timely payments as provided for in Section 5 or Schedule A of this Agreement; (ii) Programmer fails to observe or perform its other obligations contained in this Agreement in any material respect; (iii) Programmer breaches the representations and warranties made by it under this Agreement in any material respect; or (iv) the Purchase Agreement is terminated by Licensee under Section 10.1(c) or Section 10.1(f) of the Purchase Agreement.

13.2 Licensee Events of Default. The occurrence of the following will be deemed an Event of Default by Licensee under this Agreement: (i) Licensee fails to observe or perform its obligations contained in this Agreement in any material respect; (ii) Licensee breaches the representations and warranties made by it under this Agreement in any material respect; or (iii) the Purchase Agreement is terminated by Programmer under Section 10.1(b) or Section 10.1(e) of the Purchase Agreement.

13.3 Cure Period. Notwithstanding the foregoing, an Event of Default will not be deemed to have occurred until fifteen (15) days after the non-defaulting party has provided the defaulting party with written notice specifying the Event of Default and such Event of Default remains uncured.

13.4 Termination. Upon the occurrence of an Event of Default, and in the absence of a timely cure pursuant to Section 13.3, the non-defaulting party may terminate this Agreement, effective immediately upon written notice to the defaulting party. This Agreement shall also terminate upon consummation of the transactions set forth in the Purchase Agreement.

13.5 Cooperation Upon Termination. If this Agreement is terminated for any reason other than consummation of the transactions set forth in the Purchase Agreement, the parties agree to cooperate with one another and to take all actions necessary to rescind this Agreement and return the parties to the status quo ante.

14. Indemnification. Programmer shall indemnify and hold Licensee harmless against any and all liability for libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights resulting from the broadcast of the Programs on the Stations; provided, however, that Programmer shall not be required to indemnify Licensee for any claims arising out of Programmer's use of the Call Signs. Licensee shall indemnify and hold Programmer harmless against any and all liability for libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights resulting from the broadcast of its programming on the Stations. The obligations under this Section shall survive any termination of this Agreement.

15. Authority. Programmer and Licensee each represent and warrant to the other that (i) it has the power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, (ii) it is in good standing in the jurisdiction of its organization and is qualified to do business in all jurisdictions where the nature of its business requires such qualification, (iii) it has duly authorized this Agreement, and this Agreement is binding upon it, and (iv) the execution, delivery, and performance by it of this Agreement does not conflict with, result in a breach of, or constitute a default or ground for termination under any agreement to which it is a party or by which it is bound.

16. Modification and Waiver; Remedies Cumulative. No modification of any provision of this Agreement will be effective unless in writing and signed by all parties. No failure or delay on the part of Programmer or Licensee in exercising any right or power under this Agreement will operate as a waiver of such right or power, nor will any single or partial exercise of any such right or power or the exercise of any other right or power. Except as otherwise provided in this Agreement, the rights and remedies provided in this Agreement are cumulative and are not exclusive of any other rights or remedies which a party may otherwise have.

17. Assignability; No Third Party Rights. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and permitted assigns. Notwithstanding the foregoing, no party may assign its rights or obligations under this Agreement without prior written consent of the other party, which consent shall not be unreasonably withheld, delayed, or conditioned; provided, however, that Programmer may assign and delegate its rights and obligations under this Agreement to a party that controls, or is controlled by, or is under common control with, Programmer, and qualified under applicable FCC rules, upon notice to, but not the prior written consent of, Licensee. The covenants, conditions and provisions hereof are and shall be for the exclusive benefit of the parties hereto and their permitted assigns, and nothing herein, express or implied, is intended or shall be construed to confer upon or to give any person or entity other than the parties hereto and their permitted assigns any right, remedy or claim, legal or equitable, under or by reason of this Agreement.

18. Construction; Arbitration. This Agreement and all questions relating to its validity, interpretation, performance and enforcement shall be governed by and construed in accordance with the laws of the State of Texas, without giving effect to principles of conflicts of laws. The parties agree that any disputes arising under or relating to this Agreement shall be resolved in accordance with the arbitration provisions set forth in Section 11.6 of the Purchase Agreement, which section is incorporated herein by reference.

19. Counterpart Signatures. This Agreement may be signed in one or more counterparts, each of which will be deemed a duplicate original.

20. Notice. All notices required or permitted by this Agreement shall be in writing and shall be deemed to have been given (i) on the date of personal delivery to an officer of the other party, or (ii) if sent by facsimile machine to the facsimile number shown below, on the date of such confirmed facsimile transmission, provided a copy is also sent by commercial overnight delivery service, prepaid, to the address shown below (or to such changed facsimile number or address provided by notice in accordance with this Section 20):

If to Licensee: José Jaime Garcia
Barron & Newburger, P.C.
1212 Guadalupe Street, Suite 104
Austin, Texas 78701

with a copy to: Barbara M. Barron, Esq.
Barron & Newburger, P.C.
1212 Guadalupe Street, Suite 104
Austin, Texas 78701

If to Programmer: Thomas Castro
Border Media Partners, LLC
201 Main Street, Suite 2001
Fort Worth, Texas 76102
Facsimile: (817) 335-1197

with a copy to: Lawrence Roberts, Esq.
Skadden, Arps, Slate, Meagher & Flom, LLP
1440 New York Avenue, NW
Washington, D.C. 20005
Facsimile: (202) 661-9121

21. Entire Agreement. This Agreement, together with the Purchase Agreement, embodies the entire agreement, and supersedes all prior oral or written understandings, between the parties with respect to the subject matter of this Agreement.

22. Relationship of Parties. Neither the Programmer nor Licensee will be deemed to be the agent, partner, or representative of the other party to this Agreement, and neither party is authorized to bind the other to any contract, agreement, or understanding.

23. Force Majeure and Facilities Upgrades. The failure of either party hereto to comply with its obligations under this Agreement due to acts of God, strikes or threats thereof or a force majeure or due to causes beyond such party's control, will not constitute an Event of Default under Section 13 of this Agreement and neither party will be liable to the other party therefor, except that any resulting failure of Licensee to broadcast the Programs shall entitle Programmer to a pro rata reduction in the payment required under Section 5 of this Agreement. Programmer and Licensee each agrees to exercise its best efforts to remedy the conditions described in this Section as soon as practicable.

24. Subject to Laws; Partial Invalidity. The obligations of the parties under this Agreement are subject to the rules, regulations and published policies of the FCC and all other applicable laws. The parties agree that Licensee may file a copy of this Agreement with the FCC. In the event that one or more provisions of this Agreement are held to be unenforceable under applicable law, such provisions shall automatically be replaced with one that incorporates the original intent of the parties to the maximum extent permitted by law and the balance of the Agreement shall be enforced in accordance with its terms.

25. Headings. The headings of the various provisions of this Agreement are included for convenience only, and no such heading shall in any way affect or alter the meaning of any provision.

26. Successors and Assigns. Subject to the provisions of Section 17 above, this Agreement shall be binding and inure to the benefit of Licensee's successors and assigns. This Agreement shall also be binding upon and inure to the benefit of Programmer and its successors and assigns.

27. Certifications.

27.1 Programmer's Certification. Programmer hereby certifies that its entering into and implementation of this Agreement comply with the provisions of Sections 73.3555(a) of the FCC's rules.

27.2 Licensee's Certification. Licensee hereby certifies that it shall maintain ultimate control over the Stations' facilities, including but not limited to control over the finances with respect to the operation of the Stations, over its personnel operating the Stations, and over the programming to be broadcast by the Stations.

28. Liabilities. Programmer 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 liabilities, obligations or commitments of Licensee of any nature whatsoever, except as expressly provided for herein or in the Purchase Agreement.


[SIGNATURE PAGE FOLLOWS]

✓
**SIGNATURE PAGE TO LOCAL PROGRAMMING AND MARKETING
AGREEMENT**

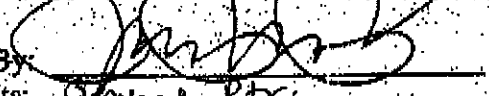
IN WITNESS WHEREOF, the parties have duly executed this Agreement as of
the date first above written.

LICENSEE:


PECAN RADIO PARTNERS, LTD.

By: 
Its: General Ptr.

ELGIN FM LIMITED PARTNERSHIP

By: 
Its: General Ptr.

NOGALES BROADCASTING, L.C.

By: 
Its: General Ptr.

DYNAMIC RADIO BROADCASTING CORP.

By: 
Its: General Ptr.

PROGRAMMER:

BORDER MEDIA PARTNERS, LLC

By: _____
Its: _____

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Its: _____

NOGALES BROADCASTING, L.C.

By: _____
Its: _____

DYNAMIC RADIO BROADCASTING CORP.

By: _____
Its: _____

PROGRAMMER:

BORDER MEDIA PARTNERS, LLC

By: Thomas H. Castro
Its: President