

ORIGINAL

JOINT SALES AGREEMENT

This Agreement is made as of December 1, 2000, by and between WOODS COMMUNICATIONS CORP., an Alabama corporation ("Licensee"), permittee of television broadcast Station KBFA(TV), Channel 22, Wolfforth, Texas (the "Station"), and RAMAR COMMUNICATIONS II, LTD., a Texas limited partnership ("Broker").

1. Sold Time

1.1. In consideration of the mutual obligations herein contained and the payment by Broker to Licensee of the Payments set forth below, Licensee agrees to make available to Broker for sale by Broker all of the commercial time offered by the Station (the "Sold Time"). The Sold Time shall be made available to Broker beginning 12:01 a.m. on the date the Station commences operations pursuant to program test authority (the "Commencement Date"). Licensee hereby grants Broker an exclusive right to sell the Station's commercial air time and agrees that Broker may sell such commercial air time in combination with the sale of advertising on any broadcast stations of its choosing.

1.2. Licensee may, from time to time, preempt portions of the Sold Time to broadcast emergency information or programming that it deems necessary to fulfill its obligation to serve the public interest, and may refuse to broadcast any commercial announcement provided by Broker that Licensee, reasonably and in good faith, determines to be contrary to the public interest or violative of any federal, state or local law or regulation, or of the contractual or personal rights of others. Such authority shall not be exercised by Licensee in an arbitrary manner or for the commercial advantage of Licensee.

1.3. The parties agree that Broker shall have complete discretion to deal as it deems appropriate with all advertising accounts relating to commercial time sold by Broker.

2. Payments

In return for making the Sold Time available to Broker, Broker shall pay to Licensee: (i) on the Commencement Date the one-time fee set forth on Schedule 2.1 (the "One-Time Fee"); and (ii) in accordance with the timetable established in Schedule 2.2, the amounts as set forth in Schedule 2.2 (the "Payments"). All Payments shall be made by Broker at Licensee's address hereinafter set forth in Section 16 hereof or at such place as Licensee may from time to time designate in writing. The Payments shall be prorated for the first and last months hereof in the event the first and last months of the term shall be less than full calendar months.

3. Expenses

3.1. At all times during the term of this Agreement, Licensee shall be solely responsible at its expense, for maintaining the Station's transmission and program production facilities and main studio facilities located at premises under its control, for providing all programming on the Station, other than commercial and promotional announcements, and for the payment of all fees and expenses relating to the operation of the Station (other than those expenses designated in Section 3.2 as the responsibility of Broker) or necessary for Licensee to fulfill its obligations as a Federal Communications Commission ("FCC") licensee.

3.2. Broker shall be responsible for the debts and obligations of Broker resulting from Broker's purchase and resale of the Sold Time, including salaries, commissions, insurance, benefits, taxes, related costs for employees employed and any others engaged by Broker in connection with the Broker's sale of the Sold Time to advertisers, and in connection with traffic and collections. Licensee shall be responsible for the debts and obligations of Licensee resulting from its sale of the Station's air time prior to the Commencement Date including, without limitation, accounts payable.

4. Record Keeping

Licensee shall be responsible at its expense for maintenance of all FCC required logs and records for the Station. Broker will furnish to Licensee, upon receipt thereof, all correspondence it receives from the public regarding the Station's operations during Sold Time.

5. **"Payola" and "Plugola"**

Broker agrees that it will take steps consistent with broadcast industry standards to assure that its employees will not accept any consideration in money, goods, services or otherwise, directly or indirectly (including to relatives) from any person or company for the broadcast of any commercial announcement over the Station without reporting the same to management of the Licensee and without such broadcast being announced as sponsored. Broker understands that violation of this provision is "payola" and constitutes a federal crime.

6. **Political Broadcasts**

Broker agrees that any spot in the Sold Time that it sells to any candidates for political office, or any person supporting a candidate for political office, or to support or urge defeat of a ballot issue, will be sold in strict accordance with the Communications Act of 1934, as amended ("the Act"), all rules and regulations of the FCC ("FCC Rules"), and the Licensee's policies promulgated to comply with FCC Rules concerning political broadcasting and will be supported by documentation as required by the FCC. Such documentation will be transmitted to Licensee in a timely manner for inclusion in the Station's political file. Broker shall also consult with Licensee and adhere to federal law and the FCC Rules with respect to the carriage of political advertisements in the Sold Time and the charges permitted thereof. Licensee shall maintain policies concerning political broadcasting that are consistent with federal law and FCC Rules but such policies shall be designed to maximize the revenues of the Station to the extent possible.

7. **Compliance with Laws; Breach; Indemnification**

Each party agrees and covenants that it shall comply in all material respects with all state, local and federal laws, rules and regulations, including without limitation the Act, and FCC Rules, the contractual or personal rights of others and with all other obligations, warranties, representations and covenants on its part under this Agreement, and the failure of either party to so comply shall constitute a "Breach" of this Agreement.

In the event of a Breach, each party hereby agrees to indemnify, defend and hold harmless the other party, its officers, directors, shareholders, partners, affiliates, employees, successors and assigns of and from any and all losses, direct or indirect, damages, costs, liabilities, claims, obligations and expenses, including reasonable attorneys fees, which the other party may incur arising from such Breach. These mutual obligations shall survive any termination of this Agreement and shall continue until the expiration of all applicable statutes of limitation and the conclusion and payment of all judgments which may be rendered in all litigation which may have been commenced prior to such expiration.

8. **Control of Station; FCC Compliance**

Notwithstanding anything to the contrary in this Agreement, Licensee hereby certifies that, during the term of this Agreement, it shall maintain ultimate control over the Station's facilities, including specifically, but without limitation, control over the Station's finances, personnel and programming, and Licensee shall have full authority and power over all aspects of the Station's operations. Broker shall in no way represent itself or hold itself out as the Station's owner or licensee during the term hereof.

9. **Cure of FCC-Related Deficiencies**

It is the intention of the parties that this Agreement comply fully with FCC Rules concerning agreements of this nature. In the event that there is any complaint, inquiry, investigation, or proceeding at the FCC concerning this Agreement and the relationship between the parties, the parties shall cooperate fully and shall be responsible for their own costs, including legal fees, incurred in responding to such matter, provided, however, that where the complaint, inquiry, investigation or proceeding concerns primarily the acts of only one party, that party shall bear primary responsibility for responding to such matter. The parties also agree to modify this Agreement in any

reasonable way required to maintain compliance with the FCC Rules, preserving to the maximum extent possible the essential business terms and conditions contained herein.

10. **Representations, Warranties and Covenants**

10.1. **Representations Warranties and Covenants of Licensee**

Licensee hereby represents, warrants and covenants that:

10.1.1. **Organization and Standing**

Licensee is a corporation duly organized, validly existing and in good standing under the laws of the State of Alabama and has all necessary power and authority to own, lease, operate and carry on the business of the Station as provided under this Agreement.

10.1.2. **Authorization and Binding Obligation**

Licensee has all necessary power and authority to enter into and perform this Agreement and the transactions contemplated hereby, and Licensee's execution, delivery and performance of this Agreement have been duly and validly authorized by all necessary action on its part. This Agreement has been duly executed and delivered by Licensee and constitutes its valid and binding obligation, enforceable in accordance with its terms, except as limited by laws affecting the enforcement of creditors' rights or equitable principles generally.

10.1.3. **Absence of Conflicting Agreements or Required Consents**

The execution, delivery and performance of this Agreement by Licensee: (a) does not require the consent of any third party, except such consents as have already been obtained; (b) will not violate any provisions of Licensee's Articles of Incorporation or Bylaws; (c) will not violate any applicable judgment, order, injunction, decree, rule, regulation or ruling of any government authority to which Licensee is a party; and (d) will not, either alone or with the giving of notice or the passage of time, or both, conflict with, constitute grounds for termination of or result in a breach of the terms, conditions or provisions of, or constitute a default under any agreement, instrument, license or permit to which Licensee is now subject.

10.1.4. Compliance with Laws

Licensee has held the permit and is constructing the Station in all material respects in compliance with all laws, regulations and governmental orders applicable to the conduct of the business and operations of the Station.

10.1.5. Filings

All reports and applications required to be filed with the FCC (including ownership reports and renewal applications) or any other governmental agency, department or body with respect to the Station have been, and in the future will be, filed in a timely manner and are and will be true and complete and accurately present the information contained therein. All such reports and documents, to the extent required to be kept in the public inspection file of the Station, are and will be kept in such file. Upon request by Licensee, Broker shall provide in a timely manner any such information in its possession which will enable Licensee to prepare, file or maintain the records and records required by the Commission relating to the broadcast of political announcements.

10.1.6. Facilities

The facilities of the Station, including any additional facilities, will be constructed and maintained at the expense of Licensee and will comply and be operated, in all material respects, in accordance with the facilities permitted by the FCC authorizations for the Station and with good engineering standards necessary to deliver a high quality technical signal with facilities at maximum authorized antenna height and power to the area served by the Station, and with all applicable laws and regulations (including the requirements of the Communications Act and the rules, regulations, policies and procedures of the FCC promulgated thereunder). During the term of this Agreement, Licensee shall not seek approval from the FCC for modification of the facilities of the Station in any manner that would diminish the respective current service area of the Station or would reduce the hours of operation of the Station.

10.1.7. Payment of Obligations

Except for principal and interest payments on any indebtedness, Licensee shall pay in a timely fashion all of its debts, assessments and

obligations, including without limitation tax liabilities and payments attributable to the operations of the Station, as they come due.

10.1.8. **Insurance**

Licensee will maintain in full force and effect throughout the term of this Agreement insurance with responsible and reputable insurance companies or associations covering the Station against such risks (including fire and other risks insured against by extended coverage, public liability insurance, insurance for claims against personal injury or death, of property damage and such other insurance as may be required by law) and in such amounts and on such terms as is conventionally carried by broadcasters operating television stations with facilities comparable to those of the Station. Any insurance proceeds received by Licensee in connection with business interruption insurance will be provided by Licensee to Broker within five (5) business days of receipt thereof.

10.1.9. **Bankruptcy**

No insolvency proceedings of any character, including, without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting Licensee are pending or threatened, and Licensee has made no 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.

10.1.10. **Operation of Station**

Except only as permitted otherwise under this Agreement, Licensee: (i) will operate the Station and conduct its business only in the ordinary course in accordance with standard broadcast industry practices and the terms of the Station's licenses and all applicable laws, rules and regulations, including those of the FCC, subject to the restrictions contained in this Agreement; (ii) will not undertake any expense cutting measures without the prior written approval of Broker; (iii) will be solely responsible for providing all programming on the Station other than commercial and promotional announcements in accordance with Section 3.1 and will be solely responsible for entering into all contracts for such programming; and (iv) will employ at least two (2) full time

employees, including a Program Director responsible for procuring all programming for the Station in accordance with Section 3.1 and this Section 10.1.10, who shall each report and be accountable solely to Licensee. Licensee will provide six (6) months written notice to Broker of any change in programming or format at the Station, unless Broker agrees to a shorter notice period.

10.2. **Representations and Warranties of Broker**

Broker hereby represents and warrants that:

10.2.1. **Organization and Standing**

Broker is a limited partnership duly organized, validly existing and in good standing under the laws of the State of Texas and has the necessary power and authority to own, operate and carry on the business of the Station as provided under this Agreement.

10.2.2. **Authorization and Binding Obligation**

Broker has all necessary power and authority to enter into and perform this Agreement and the transactions contemplated hereby, and Broker's execution, delivery and performance of this Agreement have been duly and validly organized by all necessary partnership action on its part. This Agreement has been duly executed and delivered by Broker and constitutes its valid and binding obligation, enforceable in accordance with its terms, except as limited by laws affecting creditors' rights or equitable principles generally.

10.2.3. **Absence of Conflicting Agreements or Required Consents**

The execution, delivery and performance of this Agreement by Broker: (a) does not require the consent of any third party, except such consents as have already been obtained; (b) will not violate any provisions of Broker's limited partnership agreement; (c) will not violate any applicable law, judgment, order, injunction, decree, rule, regulation, or ruling of any governmental authority to which Broker is a party; and (d) will not, either alone or with the giving of notice or the passage of time, or both, conflict with, constitute grounds for termination of or result in a breach

of the terms, conditions or provisions of, or constitute a default under any agreement, instrument, license or permit to which Broker is now subject.

10.2.4. Bankruptcy

No insolvency proceedings of any character, including, without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting Broker are pending or threatened, and Broker has made no 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.

11. Term and Termination Rights

11.1. Term

Except as provided in Section 13 hereof, the term of this Agreement ("Term") shall begin on the date hereof, and shall continue for a period of eight (8) years following the Commencement Date. Broker shall have the right to renew this Agreement for four (4) successive renewal periods of eight (8) years each. Broker may exercise its right to renew this Agreement by giving notice to Licensee prior to the expiration of the then-current term. Notwithstanding the foregoing, the term of this Agreement shall be automatically extended for the term of any renewal of the Tower, Transmitter Building, and Studio Lease made by and between Ramar FLP, Ltd., and Licensee dated as of December 1, 2000. In the event of a termination of this Agreement, a party's right to assert claims for damages as a result of the other party's Breach shall survive.

11.2. Termination in the Event of Non-Payment

Broker's failure to pay any Payments to Licensee as required by Section 2 of this Agreement by the tenth (10th) day after written notice to Broker of such non-payment shall be a "Monetary Default" hereunder, and Licensee may, at its option, terminate this Agreement without penalty.

11.3. Termination in the Event of Breach

Except as otherwise provided for in Section 11.2 hereof with respect to a Monetary Default, in the event of a Breach (as defined in Section 7) in performing the respective material duties, obligations and covenants as set forth in this Agreement, the non-breaching party may terminate this Agreement without penalty, provided that such Breach shall not have been cured by the breaching party within thirty (30) days after written notice thereof.

11.4. Termination In the Event of Judicial Decision or Change in Law

11.4.1. This Agreement may be terminated by either party in the event this Agreement is declared invalid or illegal in whole or substantial part by an order or decree of an administrative agency or court of competent jurisdiction and such order or decree has become final and no longer subject to further administrative or judicial review.

11.4.2. This agreement may be terminated by either party in the event there has been a material change in FCC Rules, policies, or precedent that would cause this Agreement to be in violation thereof and such change is in effect and has not been stayed pending an appeal or further administrative review.

11.5. Existing Advertising Contracts

Subject to the last sentence of this subparagraph 11.5, in the event of termination or expiration of this Agreement, all agreements or contracts for advertising during Sold Time then in existence for broadcast over the Station which are not in default and which have been entered into in the ordinary course of business ("Assumed Contracts") shall become the property of Licensee who shall (1) have the duty to perform all such Assumed Contracts, and (2) be entitled to collect and receive the money thereafter derived therefrom; and Broker will forthwith assign same to Licensee and turn over to Licensee all books and records relating to the sale of advertising for broadcast exclusively over the Station. Licensee indemnifies and holds Broker harmless against any nonperformance of any assumed agreement or contract with respect to the portion of any such agreement or contract required to be performed after the termination date hereof. All uncollected revenue for advertising already broadcast over the Station prior to termination or expiration of this Agreement shall belong to, be the property of and be for the sole benefit of Broker, and Licensee shall have the duty to forward any money derived therefrom to Broker within thirty (30) days of receipt thereof.

12. **Inspection of Books and Records**

To the extent the FCC or any third party is entitled by law or contract to review any of Broker's books and records relating to the Station's operation during Sold Time, including financial books and records, Broker will, upon reasonable notice, make such books and records available for such third party's inspection and, to the extent required or made necessary by law or contractual obligations of Licensee, for inspection by Licensee.

13. **Construction of the Station**

Prior to the Commencement Date, Licensee shall acquire and make available for use in operating the Station the equipment described in Schedule 13 hereto (the "Tangible Assets"). Subject to Licensee's control and supervision, Broker shall (i) acquire and construct all of the assets, other than the Tangible Assets, necessary for the operation of the Station (the "Broker's Assets") and (ii) install in a workmanlike fashion the Broker's Assets and the Tangible Assets in a manner sufficient to commence operation of the Station. Prior to such construction and installation, Broker shall submit a written construction plan (the "Plan") to Licensee for its approval. Broker shall not materially alter the Plan without Licensee's prior approval, which approval will not be unreasonably withheld. Broker shall complete the installation of the Broker's Assets and the Tangible Assets no later than February 23, 2001.

14. **Waiver of Breach**

A waiver by either Broker or Licensee of any Breach under this Agreement shall not be deemed to constitute a waiver of any preceding or subsequent Breach of the same provision or any other provision of this Agreement.

15. **Entire Agreement**

This Agreement and the exhibits and schedules hereto embody the entire agreement and understanding of the parties hereto and supersede any and all prior agreements, arrangements and understandings relating to the matters provided for herein.

No amendment, waiver of compliance with any provision or condition hereof, or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of any waiver, amendment, change, extension or discharge is sought.

16. **Notices**

Any notice, demand or request required or permitted to be given under the provisions of this Agreement shall be in writing, addressed to the following addresses, or to such other address as any party may request:

To Broker:

Ramar Communications II, Ltd.
9800 University Avenue
Lubbock, TX 79423
Attention: Mr. Brad Moran
Telecopy: 806-748-1949
Telephone: 806-745-3434

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

Leventhal, Senter & Lerman P.L.L.C.
2000 K Street, N.W.
Suite 600
Washington, DC 20006
Attention: Dennis P. Corbett, Esq.
Telecopy: 202-293-7783
Telephone: 202-429-8970

To Licensee:

Woods Communications Corp.
1 WCOV Avenue
Montgomery, Alabama 36111
Telecopy: 334-288-3236

Telephone: 334-288-7020

and shall be deemed to have been duly delivered and received (i) on the date of personal delivery, or (ii) on the date of receipt, if mailed by registered or certified mail, postage prepaid and return receipt requested, or (iii) on the date of a signed receipt, if sent by an overnight delivery service, but only if sent in the same manner to all persons entitled to receive notice or a copy, or (iv) when received by facsimile (with a copy sent as provided in item (ii) or (iii) within 24 business hours).

17. **Binding Agreement/Successors and Assigns**

(a) Broker shall have the right to assign this Agreement to any financially and legally qualified transferee or assignee, and Broker shall be relieved of its obligations hereunder if such transfer or assignment has been made. Any transferee or assignee of Broker shall have the same rights of assignment as Broker has hereunder.

(b) Licensee shall have the right and obligation to assign this Agreement to a transferee, assignee or affiliate of Licensee which acquires the Station, and Licensee shall be relieved of its obligations hereunder if such transfer or assignment has been made, provided that any such transferee or assignee assumes all of Licensee's obligations hereunder. For purposes of this Agreement, an "affiliate" of Licensee shall be an entity controlling, controlled by or under at least fifty percent common control with Licensee.

(c) This Agreement shall inure to the benefit of, and be binding upon Broker, Licensee, and their respective successors, heirs and permitted assigns and may not be assigned or transferred except in accordance with this Section 17.

18. **Governing Law**

The construction and performance of this Agreement shall be governed by the laws of the State of Texas without regard to its principles of conflicts of law.

19. **Severability**

If any term or provision of this Agreement, or the application thereof to any party or circumstance, shall to any extent be held invalid or unenforceable, the remainder

of this Agreement or the application of such term or provision to parties or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each term or provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law, provided that such invalid or unenforceable provision shall be curtailed, limited or eliminated only to the extent necessary to remove such invalidity or unenforceability with respect to the applicable law as it shall then be applied, subject to the final sentence of Section 9 hereof.

20. **No Partnership or Joint Venture**

This Agreement is not intended to be and shall not be construed as a Partnership or Joint Venture Agreement between the parties. Except as otherwise specifically provided in the Agreement, no party to this Agreement shall be authorized to act as agent of or otherwise represent any other party to this Agreement.

21. **Confidentiality**

Each party shall keep confidential all information obtained by it with respect to the other in connection with this Agreement, as well as the terms and conditions of this Agreement, except to the extent that disclosure is required by law, rule, order or regulation. Upon the termination or expiration of this Agreement, each party shall return to the other, without retaining a copy thereof, any confidential document, correspondence or other information obtained by the other in connection with this Agreement.

22. **Computation of Time**

If after making computations of time provided for in this Agreement, a time for action or notice falls on Saturday, Sunday or a federal holiday, then such time shall be extended to the next business day.

23. **Counterparts**

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

[SIGNATURES BEGIN ON PAGE IMMEDIATELY FOLLOWING]

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

WOODS COMMUNICATIONS CORP.

By: 

Title: **Woods Comm Corp**
By: **David V. [unclear] President**

RAMAR COMMUNICATIONS, II, LTD.

By: 

Title: **Ramar Communications II, Ltd.**
by: **G.P. Ramar LLC, It's General Partner**
by: **Brad Moran, President**