

PROGRAM SERVICES, PURCHASE OPTION  
AND LEASE AGREEMENT

for

Television Station KJWA(TV)  
Grand Junction, Colorado

by and among

John Harvey Rees

and

W. Russell Withers, Jr. d/b/a  
Withers Broadcasting Company

Dated: *Aug* 23, 1994

TABLE OF CONTENTS

Sale of Station Air Time and Lease of Premises . . . . . 1

    1.1. Scope . . . . . 1

    1.2. Term. . . . . 2

    1.3. Consideration. . . . . 2

    1.4. Authorization. . . . . 2

Operation . . . . . 3

    2.1. Owner's Responsibilities. . . . . 3

    2.2. Programmer's Responsibilities. . . . . 4

    2.3. Advertising and Programming. . . . . 5

    2.4. Political Advertising. . . . . 5

Compliance with Regulations . . . . . 5

    3.1. Permittee/Licensee Authority. . . . . 5

    3.2. Station Identification Announcements/EBS Test. . . . . 6

    3.3. Additional Permittee/Licensee Rights and Obligations. . . . . 6

    3.4. Access to Programmer Materials. . . . . 7

    3.5. Regulatory Changes. . . . . 7

Station Programming . . . . . 7

    4.1. Station Broadcast Guidelines. . . . . 7

    4.2. Licensee Control of Programming. . . . . 7

    4.3. Rejection of Programming. . . . . 8

Termination and Remedies Upon Default . . . . . 8

Indemnification . . . . . 9

    6.1. Programmer's Indemnification. . . . . 9

    6.2. Owner's Indemnification. . . . . 10

    6.3. Procedure for Indemnification. . . . . 10

    6.4. Dispute Over Indemnification. . . . . 11

Liability Insurance . . . . . 11

    7.1. Programmer's Insurance. . . . . 11

    7.2. Owner's Insurance. . . . . 11

<u>Programmer's Option to Purchase Station</u> . . . . .	12
8.1. <u>Terms of Option.</u> . . . . .	12
8.2. <u>Exercise of Option.</u> . . . . .	12
8.3. <u>FCC Consent.</u> . . . . .	12
8.4. <u>Survival of Option In Event of Termination of This Agreement.</u> . . . . .	13
<u>Studio/Transmitter Site Lease</u> . . . . .	13
9.1. <u>Leased Premises.</u> . . . . .	13
9.2. <u>Terms of Lease.</u> . . . . .	13
9.3. <u>Term of Lease.</u> . . . . .	13
9.4. <u>Termination Provisions.</u> . . . . .	13.1
<u>Miscellaneous</u> . . . . .	14
10.1. <u>Assignment.</u> . . . . .	14
10.2. <u>Call Letters.</u> . . . . .	14
10.3. <u>Counterparts.</u> . . . . .	14
10.4. <u>Entire Agreement.</u> . . . . .	14
10.5. <u>Headings.</u> . . . . .	14
10.6. <u>Governing Law.</u> . . . . .	14
10.7. <u>Notices.</u> . . . . .	14
10.8. <u>Attorneys' Fees.</u> . . . . .	15
10.9. <u>Venue.</u> . . . . .	15
10.10. <u>Waiver of Jury Trial.</u> . . . . .	15
10.11. <u>Confidentiality.</u> . . . . .	15
Attachment A - Studio, Equipment, Tower, Transmitter Building Leases . . . . .	17
Attachment B - Guidelines. . . . .	
Attachment C - Purchase Option and Lease Agreement .	

PROGRAM SERVICES, PURCHASE OPTION AND LEASE AGREEMENT

This Program Services, Purchase Option and Lease Agreement ("Agreement"), made and entered into as of this 23, day of August, 1994, by and between John Harvey Rees (the "Owner") and W. Russell Withers, Jr. d/b/a Withers Broadcasting Company ("Programmer").

WITNESSETH THAT:

WHEREAS, Owner is the permittee of Station KJWA(TV), Grand Junction, Colorado (the "Station");

WHEREAS, Programmer desires to produce programs in conformity with this Agreement and all rules, regulations, and policies of the Federal Communications Commission (the "FCC") for broadcast on the Station;

WHEREAS, Owner desires to accept the programs produced by Programmer and to make broadcasting time on the Station available to Programmer on terms and conditions which conform to FCC rules, regulations, and policies and to this Agreement; and

WHEREAS, Owner desires to lease from Programmer equipment and studio and office space in the building owned by Programmer which is more fully described in Attachment A hereto; and

WHEREAS, Programmer desires to acquire an option to purchase the Station and Owner is willing to grant Programmer such an option;

NOW, THEREFORE, in consideration of the above recitals and mutual promises and covenants contained herein, the parties, intending to be legally bound, agree as follows:

Section 1

Sale of Station Air Time and Lease of Premises

1.1. Scope Beginning on the date when the Station first commences operation pursuant to program test authority under Section 73.1620(a) of the FCC's rules [47 C.F.R. § 73.1620(a)] (hereafter "Program Test Authority"), Owner shall make available to Programmer substantially all the Station's air time, as set forth in this Agreement, for broadcast of the programs produced by Programmer. Programmer shall provide entertainment programming of its selection, together with commercial matter, news, public service announcements, and other suitable programming for broadcast on the Station. Subject to reasonable advance notice of not less than seven (7) days, Owner may set aside such time as it may require (up to two hours per broadcast week) during the hours of midnight to 6:00 a.m. on Sunday, and at any other times Programmer and Owner may mutually agree, for the broadcast of regularly

scheduled news, public affairs, and other programming produced and/or selected by Owner.

**1.2. Term.** This Agreement shall commence on the date hereof and, unless earlier terminated or extended as provided herein, shall expire on the fourth (4th) anniversary of the date on which the Station commences operations pursuant to Program Test Authority; provided that Programmer shall have the right at any time after the first (1st) anniversary of this Agreement to cancel this Agreement in so far as it relates to the purchase and utilization by Programmer of air time on the Station by giving sixty (60) day's advance notice of such termination to Owner. Exercise of the cancellation right granted to Programmer in the preceding sentence will have no effect on Programmer's option to purchase the Station provided for in Section 8, and this Agreement shall remain in full force and effect in so far as it pertains to such matter. In the event Programmer exercises its option to purchase the Station pursuant to Section 8 hereof, the term of this Agreement will expire as to all matters on the date that the sale of the Station to Programmer pursuant to the option is consummated or, in the event that the Programmer exercises the purchase option and the Purchase Agreement contemplated by the option is subsequently terminated, this Agreement may be terminated by Programmer with respect to the purchase and utilization of air time on the Station by Programmer on the first day of any month after the asset purchase agreement has been terminated. With respect to the lease provided for in Section 9, it will terminate at the time specified in that Section.

**1.3. Consideration.** (a) Programmer shall pay Owner for the air time on the Station a monthly fee of Three Thousand Dollars (\$3,000), in advance, on the first day of each month during the term of this Agreement subsequent to the date on which the Station commences operations pursuant to program test authority. If the Station commences operations pursuant to program test authority on a date other than the first of a month, at the time the first monthly fee payment is due, Programmer will pay Owner a prorated fee for the portion of the first month during which the station was operating.

(b) As additional consideration for the use of the Station's facilities, during the term of this agreement and so long as Programmer owns them, Programmer shall maintain the Station's transmission facilities and shall repair and/or replace worn out or defective equipment and components, including transmitter tubes, at Programmer's sole expense except to the extent that the repairs and/or replacements are covered by manufacturers' warranties and insurance.

**1.4. Authorization.** Owner and Programmer each represent that it is legally qualified, empowered, and able to enter into this Agreement and that this Agreement will not constitute a breach or

default under any other agreement, judgment, or decree to which it is a party or by which it is legally bound.

## Section 2

### Operation

#### 2.1. Owner's Responsibilities.

(a) Owner shall be responsible for, and shall pay in a timely manner, all costs of operating, owning, and controlling the Station, including, but not limited to, utilities; rent; salaries, payroll taxes, insurance and benefits with respect to Owner's employees; one half of the salaries, payroll taxes, insurance and benefits with respect to a receptionist who will work for both Programmer and Owner; and maintenance costs for the Station's studio equipment. The studio shall be adequate to accommodate program origination facilities, the Station's general manager and such other employees of Owner who are necessary for the operation of the Station in accordance with the FCC's rules and regulations, including, without limitation, the FCC's main studio rule.

(b) Owner shall be responsible for the Station's compliance with all applicable provisions of the Communications Act of 1934, as amended, the rules, regulations, and policies of the FCC and all other applicable laws, including, without limitation, laws relating to equal employment opportunity, human exposure to radio-frequency radiation, and the safety of air navigation.

(c) Owner shall engage its own general manager, who shall be responsible for overseeing the operation and programming of the Station, and for engaging its own chief operator who shall be responsible for the Station's compliance with all engineering requirements.

(d) Owner shall maintain all authorizations required for the construction and operation of the Station in full force and effect during the term of this Agreement, unimpaired by any acts or omissions of Owner.

(e) Owner represents that there is not now pending or, to Owner's best knowledge, threatened, any action by the FCC or any other party that may adversely affect any of the authorizations necessary for the construction or operation of the Station as authorized in Owner's construction permit for the Station. However, the parties acknowledge that a modification application was filed with the FCC on July 11, 1994, and is still pending. This Agreement is contingent on its grant and may be cancelled in writing, by either party, without penalty, if it is not granted. If it is, Owner will duly file its license application with the FCC upon completion of construction.

(f) During the term of this Agreement, Owner shall not sell, transfer, assign, pledge, or otherwise dispose of any of the assets used for the operation of the Station, except with the prior written consent of Programmer, if such action would adversely affect Owner's performance hereunder or the business and operations of Programmer permitted hereby.

(g) Owner shall maintain full replacement value insurance on the Station's equipment owned by it and, in the event of any loss or damage to such property, Owner shall use the proceeds of any applicable insurance policies to replace, restore, or repair the lost or damaged property as promptly as practicable.

(h) Owner shall cooperate with Programmer, at Programmer's expense, in making such arrangements as Programmer shall reasonably request to deliver Programmer's programming from any remote location to the Station's transmitter site.

## **2.2 Programmer's Responsibilities.**

(a) Programmer shall employ and be responsible for the salaries, taxes, insurance, and related costs for all personnel used in the production of the programs supplied to the Station hereunder, and all other costs incurred by Programmer for the production of such programs.

(b) Programmer shall be responsible for any expenses incurred in the origination and/or delivery of programming from any remote location to the Station's transmitter site, and for any publicity or promotional expenses incurred by Programmer.

(c) As long as Programmer owns them, Programmer shall be responsible for repair and maintenance, at Programmer's sole expense (except to the extent covered by manufacturers' warranties or insurance), of the Station's transmission facilities, all of which shall be kept in a good state of repair and good working condition so as to permit their operation in compliance with the rules and regulations of the FCC and the standards of good engineering practice.

(d) Programmer shall not include in the Programming any music that is not within the repertoire of ASCAP, BMI or SESAC unless Programmer has first obtained a license from the person or entity that holds the rights to license performances of the music, if required, and provided a copy of such license to Owner. Programmer shall be responsible for the payment of all music licensing fees which are owed to ASCAP, BMI, SESAC and/or any other licensing organization. If available, Programmer shall obtain a license in its own name from ASCAP, BMI and SESAC with respect to music that may be included in the Programming, and Programmer will remit music license fees with respect to the Programming directly to any music licensing organizations from which it is able to obtain a license.

In the event that Programmer is unable to obtain its own music license from any music licensing organization, Programmer will cooperate with Owner in preparing any reports or statements required to be submitted to the music licensing organization(s) from which Programmer was unable to obtain a license and Programmer will reimburse Owner for all music license fees paid by Owner with respect to the Programming within five (5) business days of receiving from Owner a statement of the fees paid.

**2.3. Advertising and Programming.** Programmer shall be entitled to all revenue from the sale of advertising or program time on the Station, except for revenues from advertising or program time sold by Owner for hours of operation reserved for programming by Owner. Programmer does not assume any obligation of Owner under any contract or advertising arrangement entered into by Owner.

**2.4. Political Advertising.** Programmer is prohibited from directly selling any advertising time to candidates for political office and will refer all requests that it receives for political advertising to Owner. At least sixty (60) days prior to any primary or general election, Programmer will provide Owner with information as to the lowest unit rate for all classes and categories of time in the Programming that Programmer offers for sale to commercial advertisers, and shall provide copies of advertising contracts and other documents used by Programmer to determine the lowest unit rate applicable to each class or category of time. Additionally, Programmer will promptly notify Owner of any changes in its lowest rates which occur during the forty-five (45) day period before any primary election and the sixty (60) days period before any general election. Owner shall have the right to sell to candidates for federal political office as much time in the Programming for political advertisements as Owner reasonably believes is necessary in order for Owner to satisfy its obligations to afford federal candidates reasonable access to the facilities of the Station and to comply with its obligations to afford such candidates equal opportunities, and Programmer shall insert such political advertisements in the Programming; provided that to the extent practicable and consistent with Owner's obligations as the licensee of the Station, Owner will consult with Programmer regarding the number and scheduling of political advertisements to be inserted in the Programming, and provided further that Programmer will be entitled to the net revenue received by Owner from the sale of political advertisements inserted in the Programming.

### Section 3

#### Compliance with Regulations

**3.1. Permittee/Licensee Authority.** Nothing in this Agreement shall abrogate the unrestricted authority of the Owner to discharge



its obligations to the public and to comply with the law, and the rules, regulations, and policies of the FCC. Without limiting the generality of the foregoing, Programmer recognizes that Owner will have certain obligations to broadcast programming which covers issues of public importance in the Grand Junction, Colorado, area. The parties intend that Owner will use a portion of the air time reserved to it under Section 1.1 above to satisfy its programming obligations. Additionally, Programmer will regularly submit to Owner on or before the 5th day of the first month of each calendar quarter a listing of the programs and PSAs included in the programming during the preceding calendar quarter that were responsive to the needs, issues and problems of the Station's service area for the purpose of assisting Owner in preparing its quarterly "issues/programs lists."

**3.2 Station Identification Announcements/EBS Test.** During all hours when Programmer is delivering the Programming for broadcast over Station Programmer shall (i) include in the Programming, at the appropriate times, the hourly station identification announcement required to be broadcast over Station. Additionally, during all hours when Programmer is delivering the Programming for broadcast over Station, Programmer shall maintain at the location from which the Programming is being originated a receiver capable of receiving test messages and alerts over the Emergency Broadcast System, which EBS receiver shall be continuously monitored. If an EBS test or alert is received during the hours when Programmer is delivering the Programming for broadcast over Station, Programmer shall cause the appropriate EBS test or alert message to be transmitted over Station, shall, in the event of an actual activation of the Emergency Broadcast System, cause all steps that Station is required to take in such an event to be taken, and shall be responsible for assuring that the receipt and broadcast of all EBS tests and alerts are properly recorded in the station log.

**3.3. Additional Permittee/Licensee Rights and Obligations.**

(a) Owner retains the right to cut into Programmer's programming in case of an emergency, although both parties shall cooperate in the broadcast of emergency information over the Station.

(b) Owner shall coordinate with Programmer the Station's hourly station identification announcements so that such announcements are aired in accord with FCC rules. In addition, Owner and Programmer shall coordinate the broadcast of such sponsorship identification announcements as are necessary and appropriate concerning the programming supplied by Programmer hereunder.

(c) Owner shall maintain a main studio within the Station's principal community contour and shall maintain the Station's local public inspection file at such main studio.

(d) Owner represents that 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 in respect of the Station have been, and will in the future be, filed in a timely manner and are and will be true and complete and accurately present the information contained therein and, to the extent required to be kept in the public inspection file of the Station, are and will be kept in such file.

**3.4. Access to Programmer Materials.** Owner, solely for the purpose of ensuring Programmer's compliance with the law, FCC rules, and Station policies, shall be entitled to review on a confidential basis any programming material relating to Station broadcasts as it may reasonably request. Programmer shall provide Owner with copies of all correspondence relating to the Station's broadcasts and all complaints received from the public.

**3.5. Regulatory Changes.** In the event of any directive, order or decree of an administrative agency or court of competent jurisdiction, including without limitation any material change or clarification in FCC rules, policies, or precedent, that would cause this Agreement to be invalid or violate any applicable law, and such order or decree has become effective and has not been stayed, the parties will use their respective best efforts and negotiate in good faith to modify this Agreement to the minimum extent necessary so as to comply with such order or decree without material economic detriment to either party, and this Agreement, as so modified, shall then continue in full force and effect.

#### **Section 4** **Station Programming**

**4.1. Station Broadcast Guidelines.** Owner has adopted and will enforce certain guidelines ("Guidelines"), a copy of which appears as Attachment B hereto. Programmer agrees and covenants to comply in all material respects with the Guidelines and to all rules and regulations of the FCC with respect to the programming supplied to the Station by Programmer.

**4.2. Licensee Control of Programming.** Programmer recognizes that the Owner has full authority to control the operation of the Station. The parties agree that Owner's authority includes, but is not limited to, the right to reject or refuse such portions of Programmer's programming which Owner reasonably believes to be contrary to the public interest; provided, however, that Owner shall use its best efforts to give Programmer prior notice of Owner's objection to Programmer's proposed programming, including the basis for such objection, and a reasonable opportunity to

substitute acceptable programming. In accordance with the Guidelines and FCC, rules, regulations and policies, Owner and Programmer will cooperate in an effort to avoid conflicts regarding programming on the Station.

**4.3. Rejection of Programming.** In the event Owner rejects programming from Programmer pursuant to the terms of this Agreement, the amount due Owner pursuant to Section 1.3 shall be prorated based on the percentage that the total hours of programming rejected by Owner in any calendar month bears to the total amount of programming that Programmer would have broadcast over the Station during the month if no programming had been rejected; provided that no proration shall be made unless the aggregate amount of programming rejected by Owner in any month exceeds 2 hours. In the event that Owner rejects, in the aggregate, five (5) or more hours of the Programming scheduled for broadcast over the Station in any calendar month, Programmer shall have the right, at its option, to terminate this Agreement effective as of the first day of the second calendar month beginning after the month in which the rejection of Programming giving rise to the option occurred by giving Owner written notice of Programmer's exercise of such option within fifteen (15) days of the end of such month. If Programmer exercises its termination remedy for excessive rejection of Programming provided for in this Section, such termination shall be deemed to have occurred pursuant to Section 5(e) hereof and Programmer shall be entitled to receive from Owner the compensation for such termination specified in Section 5(e).

## Section 5

### Termination and Remedies Upon Default

In addition to other remedies available at law or equity, this Agreement may be terminated as set forth below by either Owner or Programmer by written notice to the other if the party seeking to terminate is not then in material default or breach hereof, upon the occurrence of any of the following:

(a) 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, such order or decree has gone into effect and has not been stayed, and the parties are unable, after negotiating in good faith for a period of at least thirty (30) days, to modify this Agreement to comply with applicable law.

(b) the other party is in material breach of its obligations hereunder and has failed to cure such breach within ten (10) business days after receipt of written notice thereof from the non-breaching party in the case of Programmer's failure to pay Owner any amount due hereunder, Owner's failure to make any payment hereunder when due thereunder, or Programmer's material breach of

the Guidelines or any FCC rule, regulation or policy concerning the broadcast by Programmer over the Station; provided, however, if the breach is one that cannot be cured with reasonable diligence within ten (10) days, but could be cured within an additional thirty (30) days and the breaching party is diligently attempting to cure the breach, then the non-breaching party may not terminate this Agreement on account of such breach until such additional thirty (30) day period has elapsed without a cure;

(c) the mutual consent of both parties;

(d) there is a 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, and the parties are unable, after negotiating in good faith for at least thirty (30) days, to modify this Agreement to comply with the change in FCC rules, policies or precedent;

(e) thirty (30) days after Owner gives Programmer written notice that Owner has determined that the public interest would be better served if this Agreement were terminated; provided that, if Owner exercises its right to terminate this Agreement pursuant to this subsection (e) or because Owner has not timely cured a breach under 5(b), Owner will pay Programmer the following sum to compensate Programmer for its loss of the right to present programming over the Station:

(i) If the termination is effective during the first year of the term of this Agreement - [\$600,000]

(ii) If the termination is effective during the second year of the term of this Agreement - [\$500,000]

(iii) If the termination is effective during the third year of the term of this Agreement - [\$400,000].

(iv) If the termination is effective during the fourth year of the term of this Agreement - [\$300,00].

(f) at the option of Programmer or Owner, in the event that the FCC fails to grant the pending, July 11, 1994, modification application.

## Section 6

### Indemnification

**6.1. Programmer's Indemnification.** Programmer shall indemnify, defend, and hold harmless Owner from and against any and all claims, losses, costs, liabilities, damages, FCC forfeitures, and expenses (including reasonable legal fees and other expenses incidental thereto) of every kind, nature, and description, arising

out of (i) Programmer's broadcasts under this Agreement; (ii) any misrepresentation or breach of any warranty of Programmer contained in this Agreement; and (iii) any breach of any covenant, agreement, or obligation of Programmer contained in this Agreement.

**6.2. Owner's Indemnification.** Owner shall indemnify, defend, and hold harmless Programmer from and against any and all claims, losses, costs, liabilities, damages, FCC forfeitures, and expenses (including reasonable legal fees and other expenses incidental thereto) of every kind, nature, and description, arising out of (i) Owners' broadcasts under this Agreement; (ii) any misrepresentation or breach of any warranty of Owner contained in this Agreement; and (iii) any breach of any covenant, agreement or obligation of Owners contained in this Agreement.

**6.3. Procedure for Indemnification.** The party seeking indemnification under this Section ("Indemnitee") shall give the party from whom it seeks indemnification ("Indemnitor") prompt notice, pursuant to Section 10.7, of the assertion of any such claim, provided, however, that the failure to give notice of a claim within a reasonable time shall only relieve the Indemnitor of liability to the extent it is materially prejudiced thereby. Promptly after receipt of written notice, as provided herein, of a claim by a person or entity not a party to this Agreement, the Indemnitor shall assume the defense of such claim; provided, however, that (i) if the Indemnitor fails, within a reasonable time after receipt of written notice of such claim, to assume the defense, compromise, and settlement of such claim on behalf of and for the account and risk of the Indemnitor, subject to the right of the Indemnitor (upon notifying the Indemnitee of its election to do so) to assume the defense of such claim at any time prior to the settlement, compromise, judgment, or other final determination thereof, (ii) if in the reasonable judgment of the Indemnitee, based on the advice of its counsel, a direct or indirect conflict of interest exists between the Indemnitee and the Indemnitor, the Indemnitee shall (upon notifying the Indemnitor of its election to do so) have the right to undertake the defense, compromise, and settlement of such claim on behalf of and for the account and risk of the Indemnitor (it being understood and agreed that the Indemnitor shall not be entitled to assume the defense of such claim), (iii) if the Indemnitee in its sole discretion so elects, it shall (upon notifying the Indemnitor of its election to do so) be entitled to employ separate counsel and to participate in the defense of such claim, but the fees and expenses of counsel so employed shall (except as contemplated by clauses (i) and (ii) above) be borne solely by the Indemnitee, (iv) the Indemnitor shall not settle or compromise any claim or consent to the entry of any judgment that does not include as an unconditional term thereof the grant by the claimant or plaintiff to each Indemnitee of a release from any and all liability in respect thereof, and (v) the Indemnitor shall not settle or compromise any claim in any manner,

or consent to the entry of any judgment, that could reasonably be expected to have a material adverse effect on the Indemnitee.

**6.4. Dispute Over Indemnification.** If upon presentation of a claim for indemnity hereunder, the Indemnitor does not agree that all, or part, of such claim is subject to the indemnification obligations imposed upon it pursuant to this Agreement, it shall promptly so notify the Indemnitee. Thereupon, the parties shall attempt to resolve their dispute, including where appropriate, reaching an agreement as to that portion of the claim, if any, which both concede is subject to indemnification. To the extent that the parties are unable to reach some compromise, the parties agree to submit the matter for binding arbitration pursuant to the rules and procedures of the American Arbitration Association ("AAA") and to share equally in the costs of such arbitration at the closest AAA office to Grand Junction, Colorado.

## Section 7

### Liability Insurance

**7.1. Programmer's Insurance.** During the term of this Agreement, including any extension or renewal thereof, Programmer shall procure and maintain, at Programmer's sole expense, a standard broadcaster's liability policy covering the Programming and the Programmer's activities and operations in the production, promotion, and marketing of the Programming and a policy of public liability insurance, which policies shall provide for at least One Millions Dollars (\$1,000,000) coverage for any single claim or occurrence, shall name the Owner as an additional insured, and shall provide that they may not be cancelled for failure of payment of the required premium, or for any other reason, without thirty (30) days' advance written notice to Owner. Within ten (10) days following the commencement of the term of this Agreement, Programmer shall provide Owner with evidence that it has procured such insurance.

**7.2. Owner's Insurance.** During the term of this Agreement, including any extension or renewal thereof, Owner shall procure and maintain, at Owner's sole expense, a standard broadcaster's liability policy covering the Owner's business, operations and programming and a policy of public liability insurance which shall cover Owner's use and occupancy of the Leased Premises as well as all other aspects of Owner's business activities, which policies shall provide for at least One Million Dollars (\$1,000,000) coverage for any single claim or occurrence, shall name the Programmer as an additional insured, and shall provide that they may not be cancelled for failure of payment of the required premium, or for any other reason, without thirty (30) days' advance written notice to Owner. Within ten (10) days following the commencement of the term of this Agreement, Owner shall provide Programmer with evidence that it has procured such insurance.

## Section 8

### Programmer's Option to Purchase Station

**8.1. Terms of Option.** Programmer shall have the right, at its option (the "Option") to purchase all of the assets of the Station then owned by Owner including the Station's FCC License and other FCC authorizations pursuant to the terms and conditions of the Purchase Agreement which is Attachment C hereto in consideration of (i) payment to Owner on the Closing Date of the sum of One Hundred Thousand Dollars (\$100,000)\* in immediately available funds. If Programmer fails to exercise the Option granted hereby in the manner and within the time period specified below, the Option shall lapse and Programmer shall have no right to purchase the Station pursuant to this Agreement. In order to facilitate the exercise of Programmer's Option, simultaneously with the execution of this Agreement, Owner has delivered to Programmer a duly executed copy of the Purchase Agreement.

**8.2. Exercise of Option.** The purchase option granted to Programmer pursuant to this Section shall be exercisable by Programmer giving written notice to Owner in the manner specified in Section 10.7 hereof at any time after the date on which the Station commences operations pursuant to program test authority and for the duration of this Agreement or for four years, whichever is longer. The notice of Programmer's exercise of the purchase option shall be accompanied by a fully executed copy of the Purchase Agreement which shall be dated as of the date of the notice of the exercise of the option and by a complete and duly executed assignee's portion of FCC Form 314, or any relevant successor FCC Form. As expeditiously as possible, and at all events within ten (10) business days of receiving the notice of the exercise of the option, the executed Purchase Agreement and the executed assignee's portion of FCC Form 314, Owner will prepare and execute the Assignor's portion of FCC Form 314 and file the complete Form 314 with the FCC. Thereafter, Owner and Programmer shall take all actions necessary or appropriate to complete the transaction provided for in the Purchase Agreement as expeditiously as possible. The parties will cooperate fully in completing any aspect of the Purchase Agreement such as, by way of limited example, the Appendices referenced at Paragraph 2 of the Purchase Agreement.

**8.3. FCC Consent.** Owner and Programmer each acknowledge that the exercise of the Option and acquisition of the assets and FCC licenses of the Station by Programmer is subject to the prior consent of the FCC. Nothing contained herein shall give Programmer the right, directly or indirectly, to control, supervise, or direct the operation of the Station unless and until the required prior FCC consent has been obtained.

\* Payment price is subject to possible FCC modification.

**8.4. Survival of Option In Event of Termination of This Agreement.** The option granted to Programmer hereunder shall survive the termination of this Agreement for any reason other than a material and unremedied default by Programmer in its obligations hereunder.

## Section 9

### Studio/Transmitter Site Lease

**9.1. Leased Premises.** Programmer agrees to lease to Owner the studio/office space and tower/transmitter space at the leased premises and certain station equipment all of which is delineated in Attachment A hereto.

**9.2. Terms of Lease.** Owner shall pay Programmer a monthly rental for the Leased Premises and equipment, in advance, on the first day of each month during the term of this Agreement of Two Thousand Three Hundred Dollars (\$2,300) commencing with the date the Station begins operations pursuant to Program Test Authority. If the Station commences operations pursuant to Program Test Authority on a date other than the first of a month, at the time the first monthly lease payment is due, Owner will pay Programmer a prorated monthly rental for the portion of the prior month during which the Station was operating. Owner shall be responsible for all charges for electrical utilities, telephone, and personal property taxes attributable to its use or occupancy of the Leased Premises. Owner shall only use the Leased Premises for activities related to the business and operation of the Station and such other activities as may be approved, in writing, by Programmer, which consent will not be unreasonably withheld. All equipment installed at the Leased Premises shall be approved, in advance, by Programmer and shall be installed by, or under the supervision of, Programmer's Chief Engineer.

**9.3. Term of Lease.** The term of the lease shall commence on the date hereof and shall continue until the earlier of: (a) the date on which this Agreement is terminated as a result of a material breach by Owner of this Agreement, (b) the date which is one hundred eighty (180) days after the option to purchase the Station granted to Programmer in Section 8 of this Agreement expires, (c) the Closing Date under the Purchase Agreement, or (d) in the event Programmer exercises its option to purchase the Station pursuant to Section 8 of this Agreement, and either (i) the FCC issues a "final order," as defined below, denying the application for the FCC's consent for the construction permit, or license, for the Station to be assigned to Programmer or (ii) the Purchase Agreement is terminated due to no fault of Owner, one hundred eighty (180) days after the FCC issues such a final order or the said Purchase Agreement is so terminated.



**9.4. Termination Provisions.** In the event that the instant agreement is terminated for any reason, Owner shall be allowed to continue to lease equipment and studio and tower space on the same terms and conditions as delineated in this section for a period not to exceed six months from the date of termination, unless extended at the sole option of Programmer. During said six month period, Owner and Programmer shall negotiate in good faith for an extension of the tower lease and for the sale to owner of equipment owned by Programmer but used exclusively in conjunction with the operation of the Station. It is the intention of the parties that the equipment will be sold to Owner at fair market value, and if the parties are unable to agree on said value, they will seek the intervention of a third mutually-acceptable party, preferably a consulting engineering or broadcast consultant, whose fees will be jointly paid by the parties and whose determination of fair market value will be binding on them. Payment shall be cash at closing. If Owner wishes to avail himself of the opportunity to acquire the equipment, he must give written notice to Programmer during the six month period after termination, with closing on the sale to take place on the 30th day thereafter or, if the valuation of the equipment is not completed within that 30 days, then within 5 business days after the valuation is established.

## Section 10

### Miscellaneous

**10.1. Assignment.** Programmer may assign all of its rights and obligations hereunder to any FCC-qualified entity at its sole discretion, so long as such other entity agrees, in writing, to accept and adhere to all of the terms of this Agreement, and the Lease Agreement as assignee of Programmer's obligations and rights thereunder. Owner may not assign its right and obligations hereunder. Subject to the foregoing, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the parties hereto and their respective successors and assigns.

**10.2. Call Letters.** Upon request of Programmer and at Programmer's expense, Owner shall change Station's call letters (with the consent of the FCC) to such call letters that Programmer shall designate.

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

**10.4. Entire Agreement.** This Agreement and the Attachments hereto embody the entire agreement and understanding of the parties and supersede any and all prior agreements, arrangements, and understandings relating to matters provided for herein. No amendment, waiver of compliance with any provision or condition hereof, or consent pursuant to this Agreement will be effective unless evidenced by an instrument in writing signed by the party to be charged therewith.

**10.5. Headings.** The headings are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

**10.6. Governing Law.** The obligations of Permittee/Licensee and Programmer are subject to applicable federal, state and local law, rules and regulations, including, but not limited to, the Communications Act of 1934, as amended, and the rules and regulations of the FCC. The construction and performance of the Agreement will be governed by the laws of the State of Colorado except for the choice of law rules used in that jurisdiction.

**10.7. Notices.** Any notice, demand, or request required or permitted to be given under the provisions of the Agreement shall be in writing and shall be deemed to have been duly delivered on the date of personal delivery or on the date of receipt if mailed by registered or certified mail, postage prepaid and return receipt requested, and shall be deemed to have been received on the date of personal delivery or on the date set forth on the return receipt,

to the following addresses, or to such other address as any party may request, in the case of Owner, by notifying Programmer, and in the case of Programmer, by notifying Owner:

To Owner:                    John Harvey Rees  
                                 P.O. Box 10  
                                 Ohio City, CO 81237

To Programmer:            W. Russell Withers, Jr.  
                                 3501 Broadway  
                                 P.O. Box 1508  
                                 Mt. Vernon, IL 61864

**10.8. Attorneys' Fees.** If either party initiates any litigation against the other involving this Agreement, the prevailing party in such action shall be entitled to receive reimbursement from the other party for all reasonable attorneys' fees and other costs and expenses incurred by the prevailing party in respect of that litigation, including any appeal, and such reimbursement may be included in the judgement or final order issued in that proceeding.

**10.9. Venue.** Any litigation seeking to enforce any provision of, or based on any right arising out of this Agreement shall be brought either in a court of the State of Colorado, or in a United States District Court for the district in which the City of Grand Junction is located, if it has or can acquire jurisdiction. The parties agree that those courts shall be the exclusive forums for all such actions, and hereby waive any objection to venue in those courts based on the doctrine of forum non conveniens or otherwise.

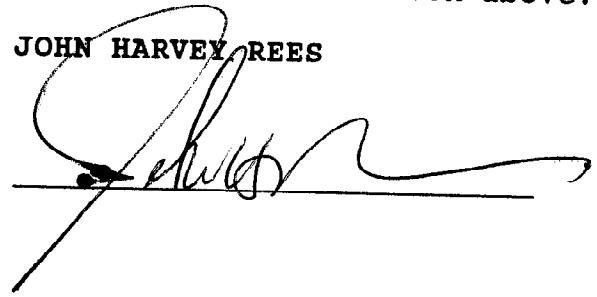
**10.10. Waiver of Jury Trial.** Each party irrevocably waives trial by jury and the right thereto in any and all litigation in any court with respect to, in connection with, or arising out of this Agreement.

**10.11. Confidentiality.** Subject to the requirements of applicable FCC regulations, including Section 73.3613(d) of the Commission's rules [47 C.F.R. § 73.3613(d)], the parties agree to use their respective best efforts to keep the terms of this Agreement confidential. The parties will not publicize the existence of this Agreement, except that the parties will cooperate to inform their respective employees of the existence of this Agreement and to broadcast appropriate sponsorship identification announcements concerning the programming provided by Programmer hereunder. In the event that either party receives a request, under the terms of a valid and effective subpoena or order issued by a court of competent jurisdiction or a government body, including but not limited to the FCC, to disclose all or any part of the information contained in this Agreement, the party receiving the request shall (i) promptly notify the other party of the existence of circumstances surrounding such request, (ii) consult

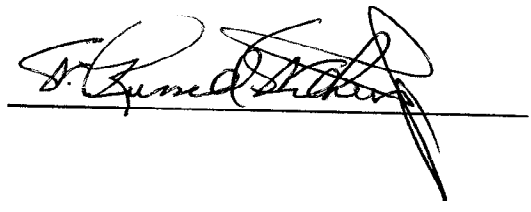
with the other party, to the extent practicable, as to the appropriate response to the request, and (iii) if disclosure of such information is required, exercise reasonable efforts to obtain an order or other reliable assurance that confidential treatment will be accorded to the information disclosed.

IN WITNESS WHEREOF, the parties hereto have executed this Program Service Agreement on the day and year first written above.

JOHN HARVEY REES

A handwritten signature in cursive script, appearing to read "John Harvey Rees", is written over a horizontal line. A diagonal line extends downwards from the end of the signature.

W. RUSSELL WITHERS, JR.

A handwritten signature in cursive script, appearing to read "W. Russell Withers, Jr.", is written over a horizontal line. A diagonal line extends downwards from the end of the signature.

26001.00\Agr.715

Program Service Purchase Option and Lease Agreement

Attachment A

Studio/Office Space to be leased by Programmer to Owner located in the building at:

345 Hillcrest Manor  
Grand Junction, CO 81501

It is estimated that the space to be made available to Programmer will constitute approximately 500 square feet, its exact location to be specified by Programmer, who will be responsible for the placement of equipment.

Rental: \$500.00 per month

Tower/Transmitter Building Space to be leased by Programmer to Owner:

Located at:

345 Hillcrest Manor  
Grand Junction, CO 81501

Leased Payments: \$400.00 per month for tower  
\$100.00 per month for building

Equipment to be Leased to Owner:

Monthly Equipment Lease Payments: \$1,300.00

Equipment list attached as page 17.1.

Withers Broadcasting Company of Colorado

1	TT25EL	RCA Transmitter
1	JHD-LV2-2	Jampro 2 Bay Channel 4 Visual Antenna
1	JHD-LV2-1	Jampro 1 Bay Channel 4 Aural Antenna
8	VO-5600	Sony U'Matic VTRs
1	FA-410	For-A Timebase Corrector
2	FA-420	For-A Timebase Correctors
8	PM-95	Ikegami 9" B&W Monitors
2	6M9177	Setchell Carlson Monitors
1	WV-5203B	Panasonic Triple 5" Monitor
5	RS-10A	Videotek Routing Switchers
5	VP-5000	Sony U'Matic Player
1	5860/5850	Leader Waveform/Vectorscope
1	PVM-1910	Sony 19" Color Monitor
1	DP-100	3M Proc Amp with AGC
1	MA-201	Controller
5	MA-108	Interfaces
1		AgilOmni Satellite Ream Package
1	1601	Wegner Communications Main Feed
1	1694-02	Wegner Communicatios AGC
1	USF-201	Videotek Sync. Gen.
1	375	CADCO Demode

X

  
W. Russell Withers

## Attachment B

### Guidelines

Programmer will take care to observe and exercise reasonable diligence to comply with the following guidelines in the preparation, writing and broadcasting of programs on the Station:

1. Payola. Programmer shall not broadcast any material in violation of applicable laws and regulations governing "payola." Programmer shall verify its compliance with such laws by executing and delivering an affidavit in the form attached hereto to Owner at such times as Owner may reasonably request.

2. No Gambling. Any form of gambling on the programs is prohibited.

3. Election Procedures. At least 30 days before the start of any election campaign, Programmer will clear with the Station's Manager the rate that Programmer will charge for the time to be sold to candidates for public office or their supporters to make certain that such rate conforms with applicable law and Station policy, and to coordinate Station policy concerning access to the Station's facilities by candidates for public office.

4. Required Announcements. Programmer will broadcast (i) an announcement in a form satisfactory to Licensee at the beginning of each hour to identify the Station, and (ii) any other announcements required by applicable law or Station policy.

5. No Illegal Announcements. No announcements or promotions prohibited by law of any lottery or game will be made over the Station.

6. Programming Prohibitions. Programmer will not knowingly broadcast any of the following programs or announcements:

(a) False Claims. False or unwarranted claims for any product or service.

(b) Unfair Imitation. Infringements of another advertiser's rights through plagiarism or unfair imitation of either program idea or copy or any other unfair competition.

(c) Profanity. Any programs or announcements that are slanderous, obscene, profane, or indecent, either in theme or in treatment.

(d) Unauthorized Testimonials. Any testimonials which cannot be authenticated.

Owner may waive any of the foregoing regulations and restrictions in specific instances if, in its opinion, good broadcasting in the public interest is served.



[Attachment to Guidelines]

County of Mesa  
State of Colorado

ANTI-PAYOLA AFFIDAVIT

W. Russell Withers, Jr., being first duly sworn, deposes and says as follows:

1. I am an owner of Withers Broadcasting Company ("Programmer").

2. So far as I am aware, no programming furnished by Programmer to Station KJWA (TV), Grand Junction, Colorado, for which services, money or other valuable consideration has been directly or indirectly paid or promised to, or charged or accepted by Programmer or any other person unless at the time of broadcast, such programming has been announced or otherwise indicated as paid for or furnished by the payor.

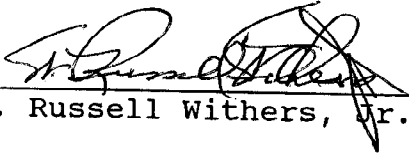
3. Programmer confirms that, in the future, it will not pay, promise to pay, request or receive any service, money or any other valuable consideration, direct or indirect, from a third party in exchange for the influencing of, or the attempt to influence, the preparation or presentation of broadcast matter on Station KJWA (TV, Grand Junction, Colorado, unless accompanied by proper sponsorship identification announcements.

4. Except as may be reflected in Paragraph 5 hereof, neither Programmer, Programmer's officers, directors and stockholders, nor any member of the immediate family of Programmer's officers, directors and stockholders has any present direct or indirect ownership interest in any entity engaged in the following businesses or activities (other than an investment in a corporation whose stock is publicly held), serves as an officer or director of, whether with or without compensation, or serves as an employee of, any entity engaged in the following business or activities:

1. The publishing of music;
2. The production, distribution (including wholesale and retail sales outlets), manufacture or exploitation of music, films, tapes, recordings or electrical transcriptions of any program material intended for radio broadcast use;
3. The exploitation, promotion or manage of persons rendering artistic, production and/or other services in the entertainment field; or

4. The wholesale or retail sale of records intended for public purchase.

5. A full disclosure of such interest referred to in Paragraph 4 above, is as follows:

  
\_\_\_\_\_  
W. Russell Withers, Jr.

Subscribed and sworn to before me  
this \_\_\_ day of \_\_\_\_\_, 1994.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

**Attachment C**  
**Asset Purchase Agreement**

J. Harvey Rees  
P.O. Box 10  
Ohio City, CO 81237

Dear Harvey:

This letter will constitute an amendment to the Program Services, Purchase Option and Lease Agreement (the "Agreement") for Television Station KJWA(TV), Grand Junction, Colorado by and among John Harvey Rees and W. Russell Withers, Jr. dba Withers Broadcasting Company, dated August 23, 1994. It addresses the concerns you expressed concerning certain terms of the Agreement. When signed by both of us, this letter will be an addendum to that Agreement.

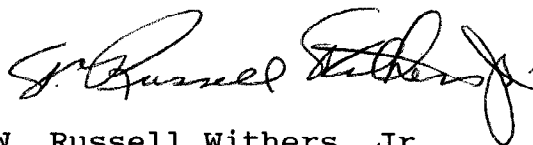
Section 5(e) is revised to provide that if termination is effective during the first year of the term of the Agreement, Owner will pay Programmer the sum of \$400,000. If the termination is effective during the second year of the term of the Agreement, Owner will pay Programmer the sum of \$300,000. If the termination is effective during the third or fourth year of the Agreement, Owner will pay Programmer the sum of \$200,000.

Section 8.1 is amended to provide that the consideration for the purchase of all of the assets of the station is \$200,000, subject to possible FCC modification.

Section 10.1 is amended to provide that Programmer may not assign its rights and obligations under the Agreement without the prior written consent of the Owner.

This letter amendment may be executed in any number of counterparts, each of which will be deemed an original.

Very truly yours,



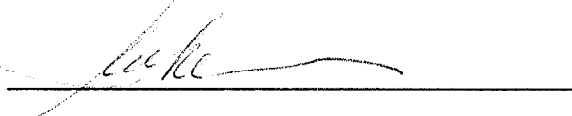
W. Russell Withers, Jr.

Dated: August 30, 1994

ACCEPTED:

John Harvey Rees

Dated: Aug 30, 1994



DUPLICATE

**ADDENDUM TO  
PROGRAM SERVICES, PURCHASE OPTION AND LEASE AGREEMENT**

For good and valuable consideration, the receipt of which is hereby acknowledged, John Harvey Rees ("Owner") and W. Russell Withers, Jr. d/b/a Withers Broadcasting Company ("Programmer") hereby mutually agree to this Addendum to their "Program Services, Purchase Option and Lease Agreement" ("PSPOLA") entered into as of the 23<sup>rd</sup> day of August, 1994.

1. All references to station KJWA(TV), Channel 4, Grand Junction, Colorado in the PSPOLA are hereby amended to reflect that the call letters for this station have been changed to KFOX(TV).


2. Paragraphs 1.1 and 1.2 of the PSPOLA are hereby amended so that the term of the PSPOLA commences on the day that station KFOX(TV) commences operations under program test authority, and that the initial term of the PSPOLA shall be for fifteen (15) years. Programmer shall have the option, by giving written notice at least thirty (30) calendar days in advance of the expiration of the term, to extend the PSPOLA for two additional fifteen (15) year terms.

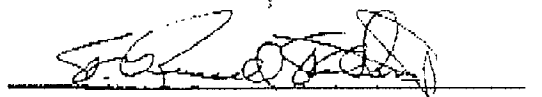
3. Section 9 of the PSPOLA and accompanying Attachment A are hereby amended to reflect that an application has been filed with the FCC, File No. BMPCT-990706KJ, to modify station KFOX(TV)'s construction permit to a point on the Black Ridge Communications Site west of Grand Junction, Colorado, where the land is owned by the United States government and is leased for communications uses. This point will be the joint transmitter site for KFOX(TV) and KREX-TV.

4. The foregoing represents the only changes to the PSPOLA made by this Addendum. In all other respects, the PSPOLA is unchanged and remains in full force and effect.

IN WITNESS WHEREOF, the parties note their agreement to the foregoing.

DATED this 28<sup>th</sup> day of APRIL, 1999.

  
\_\_\_\_\_  
John Harvey Rees

  
\_\_\_\_\_  
W. Russell Withers, Jr.  
d/b/a Withers Broadcasting  
Company

DUPLICATE

**ADDENDUM TO  
PROGRAM SERVICES, PURCHASE OPTION AND LEASE AGREEMENT**

For good and valuable consideration, the receipt of which is hereby acknowledged, John Harvey Rees ("Owner") and W. Russell Withers, Jr. d/b/a Withers Broadcasting Company ("Programmer") hereby mutually agree to this Addendum to their "Program Services, Purchase Option and Lease Agreement" ("PSPOLA") entered into as of the 23<sup>rd</sup> day of August, 1994.

1. All references to station KQWA(TV), Channel 4, Grand Junction, Colorado in the PSPOLA are hereby amended to reflect that the call letters for this station have been changed to KFQX(TV).

2. Paragraphs 1.1 and 1.2 of the PSPOLA are hereby amended so that the term of the PSPOLA commences on the day that station KFQX(TV) commences operations under program test authority, and that the initial term of the PSPOLA shall be for fifteen (15) years. Programmer shall have the option, by giving written notice at least thirty (30) calendar days in advance of the expiration of the term, to extend the PSPOLA for two additional fifteen (15) year terms.


3. Section 9 of the PSPOLA and accompanying Attachment A are hereby amended to reflect that an application has been filed with the PCC, File No. BMPCT-990706KJ, to modify station KFOX(TV)'s construction permit to a point on the Black Ridge Communications Site west of Grand Junction, Colorado, where the land is owned by the United States government and is leased for communications uses. This point will be the joint transmitter site for KFOX(TV) and KREX-TV.

4. The foregoing represents the only changes to the PSPOLA made by this Addendum. In all other respects, the PSPOLA is unchanged and remains in full force and effect.

IN WITNESS WHEREOF, the parties note their agreement to the foregoing.

DATED this 28<sup>th</sup> day of APRIL, 1999.

  
 \_\_\_\_\_  
 John Harvey Rees

  
 \_\_\_\_\_  
 W. Russell Withers, Jr.  
 d/b/a Withers Broadcasting  
 Company



DUPLICATE

**ADDENDUM TO  
PROGRAM SERVICES, PURCHASE OPTION AND LEASE AGREEMENT**

For good and valuable consideration, the receipt of which is hereby acknowledged, John Harvey Rees ("Owner") and W. Russell Withers, Jr. d/b/a Withers Broadcasting Company ("Programmer") hereby mutually agree to this Addendum to their "Program Services, Purchase Option and Lease Agreement" ("PSPOLA") entered into as of the 23<sup>rd</sup> day of August, 1994.

1. All references to station KJWA(TV), Channel 4, Grand Junction, Colorado in the PSPOLA are hereby amended to reflect that the call letters for this station have been changed to KFOX(TV).

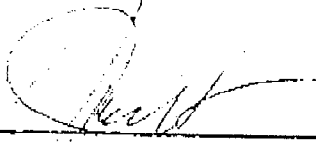
2. Paragraphs 1.1 and 1.2 of the PSPOLA are hereby amended so that the term of the PSPOLA commences on the day that station KFOX(TV) commences operations under program test authority, and that the initial term of the PSPOLA shall be for fifteen (15) years. Programmer shall have the option, by giving written notice at least thirty (30) calendar days in advance of the expiration of the term, to extend the PSPOLA for two additional fifteen (15) year terms.

3. Section 9 of the PSPOLA and accompanying Attachment A are hereby amended to reflect that an application has been filed with the FCC, File No. BMPCD-990706KJ, to modify station KFOX(TV)'s construction permit to a point on the Black Ridge Communications Site west of Grand Junction, Colorado, where the land is owned by the United States government and is leased for communications uses. This point will be the joint transmitter site for KFOX(TV) and KREX-TV.

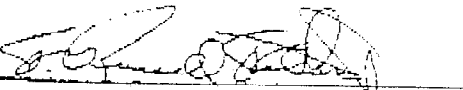
4. The foregoing represents the only changes to the PSPOLA made by this Addendum. In all other respects, the PSPOLA is unchanged and remains in full force and effect.

IN WITNESS WHEREOF, the parties note their agreement to the foregoing.

DATED this 28<sup>th</sup> day of APRIL, 1999.



John Harvey Rees



W. Russell Withers, Jr.  
d/b/a Withers Broadcasting  
Company

DUPLICATE

ADDENDUM TO  
PROGRAM SERVICES, PURCHASE OPTION AND LEASE AGREEMENT

For good and valuable consideration, the receipt of which is hereby acknowledged, John Harvey Rees ("Owner") and W. Russell Withers, Jr. d/b/a Withers Broadcasting Company ("Programmer") hereby mutually agree to this Addendum to their "Program Services, Purchase Option and Lease Agreement" ("PSPOLA") entered into as of the 23<sup>rd</sup> day of August, 1994.

1. All references to station KJWA(TV), Channel 4, Grand Junction, Colorado in the PSPOLA are hereby amended to reflect that the call letters for this station have been changed to KFOX(TV).

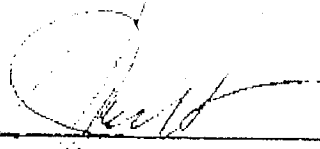
2. Paragraphs 1.1 and 1.2 of the PSPOLA are hereby amended so that the term of the PSPOLA commences on the day that station KFOX(TV) commences operations under program test authority, and that the initial term of the PSPOLA shall be for fifteen (15) years. Programmer shall have the option, by giving written notice at least thirty (30) calendar days in advance of the expiration of the term, to extend the PSPOLA for two additional fifteen (15) year terms.

3. Section 9 of the PSPOLA and accompanying Attachment A are hereby amended to reflect that an application has been filed with the FCC, File No. BMPC-990706KJ, to modify station KFOX(TV)'s construction permit to a point on the Black Ridge Communications Site west of Grand Junction, Colorado, where the land is owned by the United States government and is leased for communications uses. This point will be the joint transmitter site for KFOX(TV) and KREX-TV.

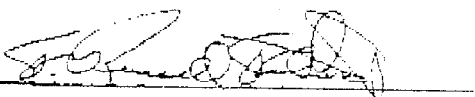
4. The foregoing represents the only changes to the PSPOLA made by this Addendum. In all other respects, the PSPOLA is unchanged and remains in full force and effect.

IN WITNESS WHEREOF, the parties note their agreement to the foregoing.

DATED this 28<sup>th</sup> day of APRIL, 1999.



John Harvey Rees



W. Russell Withers, Jr.  
d/b/a Withers Broadcasting  
Company

DUPLICATE

ADDENDUM TO  
PROGRAM SERVICES, PURCHASE OPTION AND LEASE AGREEMENT

For good and valuable consideration, the receipt of which is hereby acknowledged, John Harvey Reep ("Owner") and W. Russell Withers, Jr. d/b/a Withers Broadcasting Company ("Programmer") hereby mutually agree to this Addendum to their "Program Services, Purchase Option and Lease Agreement" ("PSPOLA") entered into as of the 23<sup>rd</sup> day of August, 1996.

1. All references to station KJWR(TV), Channel 4, Grand Junction, Colorado in the PSPOLA are hereby amended to reflect that the call letters for this station have been changed to KFOX(TV).

2. Paragraphs 1.1 and 1.2 of the PSPOLA are hereby amended so that the term of the PSPOLA commences on the day that station KFOX(TV) commences operations under program test authority, and that the initial term of the PSPOLA shall be for fifteen (15) years. Programmer shall have the option, by giving written notice at least thirty (30) calendar days in advance of the expiration of the term, to extend the PSPOLA for two additional fifteen (15) year terms.

**Amendment to Program Services, Purchase Option, and Lease Agreement**

For good and valuable consideration, the receipt of which is hereby acknowledged, John Harvey Rees ("Owner") and W. Russell Withers, Jr. ("Programmer") hereby mutually agree to amend ("Amendment") the August 23, 1994, Program Services, Purchase Option, and Lease Agreement ("PSPOLA"), as previously amended by the August 30, 1994 letter amendment ("Letter Amendment") and the April 28, 1999 addendum ("Addendum") to provide that, contingent upon the closing on the assignment of Programmer's stations to Hoak Media of Colorado, LLC ("Hoak") (see FCC application BALCT-20030819ACQ) (the "Assignment") which anticipates as well the assignment of the PSPOLA to Hoak, the term listed in Section 1.2 of the of the PSPOLA is modified as necessary so as to provide: The term shall be 10 years from the closing date of the transaction referenced in the Assignment and extendable for another 10 year term provided that both parties mutually agree to such second 10 year term. Accordingly, upon consummation of the Assignment and simultaneous assignment of the PSPOLA to Hoak, the PSPOLA term will be modified thereafter as set forth in this Amendment. In the event the Assignment is not consummated, the PSPOLA will not be assigned and accordingly in that event this Amendment is null and void and Owner and Programmer will abide by the PSPOLA, as amended by the Letter Amendment and the Addendum, as executed on August 30, 1994 and April 28, 1999 respectively.

Dated this 10 day of October 2003

\_\_\_\_\_  
John Harvey Rees

\_\_\_\_\_  
W. Russell Withers, Jr.  
d/b/a Withers Broadcasting Company

Agreed by:

Hoak Media of Colorado, LLC

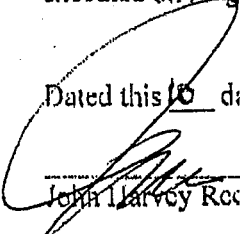
By:   
Eric Van Den Branden

DC01/404336.1

Amendment to Program Services, Purchase Option, and Lease Agreement

For good and valuable consideration, the receipt of which is hereby acknowledged, John Harvey Rees ("Owner") and W. Russell Withers, Jr. ("Programmer") hereby mutually agree to amend ("Amendment") the August 23, 1994, Program Services, Purchase Option, and Lease Agreement ("PSPOLA"), as previously amended by the August 30, 1994 letter amendment ("Letter Amendment") and the April 28, 1999 addendum ("Addendum") to provide that, contingent upon the closing on the assignment of Programmer's stations to Hoak Media of Colorado, LLC ("Hoak") (see FCC application BA1.CT-20030819ACQ) (the "Assignment") which anticipates as well the assignment of the PSPOLA to Hoak, the term listed in Section 1.2 of the of the PSPOLA is modified as necessary so as to provide: The term shall be 10 years from the closing date of the transaction referenced in the Assignment and extendable for another 10 year term provided that both parties mutually agree to such second 10 year term. Accordingly, upon consummation of the Assignment and simultaneous assignment of the PSPOLA to Hoak, the PSPOLA term will be modified thereafter as set forth in this Amendment. In the event the Assignment is not consummated, the PSPOLA will not be assigned and accordingly in that event this Amendment is null and void and Owner and Programmer will abide by the PSPOLA, as amended by the Letter Amendment and the Addendum, as executed on August 30, 1994 and April 28, 1999 respectively.

Dated this 10 day of October 2003

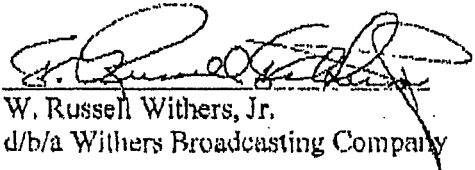
  
\_\_\_\_\_  
John Harvey Rees

Agreed by:

Hoak Media of Colorado, LLC

By: \_\_\_\_\_  
Eric Van Den Branden

DC01/404336.1

  
\_\_\_\_\_  
W. Russell Withers, Jr.  
d/b/a Withers Broadcasting Company

**Amendment to Program Services, Purchase Option and Lease Agreement**

For good and valuable consideration, the receipt of which is hereby acknowledged, Hoak Media of Colorado, LLC ("Programmer") and Parker Broadcasting, Inc. ("Owner") hereby mutually agree to amend ("Amendment") the August 23, 1994 Program Services, Purchase Option, and Lease Agreement ("PSPOLA"), as previously amended by the August 30, 1994 letter amendment ("Letter Amendment"), the April 28, 1999 addendum ("Addendum"), and the October 10, 2003 Amendment to PSPOLA ("October 2003 Amendment") as follows:

1. Section 1.3 of the PSPOLA is amended to replace "Three Thousand Dollars (\$3,000)" in lines 2-3 with "Ten Thousand Five Hundred Dollars (\$10,500)".
2. Section 2.1(a) of the PSPOLA is amended by deleting in its entirety the following clause in lines 5-7 "one half of the salaries, payroll taxes, insurance and benefits with respect to a receptionist who will work for both Programmer and Owner;".
3. Section 9.2 of the PSPOLA is amended by deleting in its entirety the first sentence in lines 1-5.
4. The foregoing represents the only changes to the PSPOLA made by this Amendment. In all other respects, the PSPOLA, as amended by the Letter Amendment, the Addendum and the October 2003 Amendment, is unchanged and remains in full force and effect.

IN WITNESS WHEREOF, the parties note their agreement to the foregoing.

Dated this 31<sup>st</sup> day of January 2005

**PARKER BROADCASTING, INC.**

**HOAK MEDIA OF COLORADO, LLC**

  
By: Barry Parker  
Its: President

\_\_\_\_\_  
By: Eric Van den Branden  
Its: President



**Amendment to Program Services, Purchase Option and Lease Agreement**

For good and valuable consideration, the receipt of which is hereby acknowledged, Hoak Media of Colorado, LLC ("Programmer") and Parker Broadcasting, Inc. ("Owner") hereby mutually agree to amend ("Amendment") the August 23, 1994 Program Services, Purchase Option, and Lease Agreement ("PSPOLA"), as previously amended by the August 30, 1994 letter amendment ("Letter Amendment"), the April 28, 1999 addendum ("Addendum"), and the October 10, 2003 Amendment to PSPOLA ("October 2003 Amendment") as follows:

1. Section 1.3 of the PSPOLA is amended to replace "Three Thousand Dollars (\$3,000)" in lines 2-3 with "Ten Thousand Five Hundred Dollars (\$10,500)".
2. Section 2.1(a) of the PSPOLA is amended by deleting in its entirety the following clause in lines 5-7 "one half of the salaries, payroll taxes, insurance and benefits with respect to a receptionist who will work for both Programmer and Owner;"
3. Section 9.2 of the PSPOLA is amended by deleting in its entirety the first sentence in lines 1-5.
4. The foregoing represents the only changes to the PSPOLA made by this Amendment. In all other respects, the PSPOLA, as amended by the Letter Amendment, the Addendum and the October 2003 Amendment, is unchanged and remains in full force and effect.


IN WITNESS WHEREOF, the parties note their agreement to the foregoing.

Dated this 31<sup>st</sup> day of January 2005

**PARKER BROADCASTING, INC.**

**HOAK MEDIA OF COLORADO, LLC**

\_\_\_\_\_  
By: Barry Parker  
Its: President

  
\_\_\_\_\_  
By: Eric Van den Branden  
Its: President