UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
CORPUS CHRISTI DIVISION

IN RE:	§	**CHAPTER 11**
	§	
HIGH MAINTENANCE BROADCASTING, LLC, and	§	**Case No. 13-20270**
	§	
	§	**Jointly Administered**
GH BROADCASTING, INC.,	§	
Debtors		

FIRST AMENDED DISCLOSURE STATEMENT WITH RESPECT TO THE FIRST AMENDED JOINT PLAN OF REORGANIZATION FOR HIGH MAINTENANCE BROADCASTING, LLC AND GH BROADCASTING, INC.

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Dated: January 27, 2014

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The Plan requires FCC Consent to the issuance of the New Interests in the Debtors. As noted above, there is no guarantee that the Debtors will obtain the FCC Consent required to consummate the Plan. In addition, the Debtors' FCC Licenses are set to expire in 2014 and the Debtors must file an application for renewal of the Licenses on or before April 1, 2014. While the Debtors believe it is unlikely, it is possible that the FCC will deny the renewal application. In connection with the renewal, the FCC could levy a fine or other penalty as a result of the Debtors' failure to fully comply with certain FCC rules and regulations prior to the Petition Date. If the FCC levies a fine or other penalty for past violations, it is possible that such fine or penalty could have a material adverse impact on the Debtors' operations or adversely affect the Debtors' ability to perform their obligations under the Plan. 36

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I. INTRODUCTION

Debtors High Maintenance Broadcasting, LLC ("High Maintenance") and GH Broadcasting, Inc. ("GH") (collectively the "Debtors") submit this First Amended Disclosure Statement (the "Disclosure Statement") in connection with their First Amended Joint Plan of Reorganization (the "Plan") proposed in the-above-captioned Bankruptcy Cases.[1] A copy of the Plan is attached hereto as **Exhibit A**. The Plan provides for the reorganization of the Debtors. For a summary of the proposed treatment of your Claim or Interest under the Plan, please see the chart on pages 8-12 below.

II. NOTICE TO HOLDERS OF CLAIMS AND INTERESTS

The purpose of this Disclosure Statement is to enable Holders of Claims and Interests in the Debtors whose Claims and Interests are impaired under, and are entitled to vote on, the Plan to make an informed decision in exercising their right to vote to accept or reject the Plan.

THIS DISCLOSURE STATEMENT CONTAINS INFORMATION THAT MAY BEAR UPON YOUR DECISION TO ACCEPT OR REJECT THE PLAN. PLEASE READ THIS DOCUMENT CAREFULLY.

On January 28, 2014, the Bankruptcy Court conducted a hearing on the adequacy of the Disclosure Statement and subsequently entered an order pursuant to section 1125 of the Bankruptcy Code (the "Disclosure Statement Order") approving this Disclosure Statement as containing information of a kind, and in sufficient detail, to enable a hypothetical, reasonable investor, typical of the Holders of Claims against and Interests in the Debtor entitled to vote on the Plan (if any), to make an informed judgment with respect to the acceptance or rejection of the Plan. A copy of the Disclosure Statement Order is included in the materials accompanying this Disclosure Statement. APPROVAL OF THIS DISCLOSURE STATEMENT BY THE BANKRUPTCY COURT DOES NOT CONSTITUTE A DETERMINATION BY THE BANKRUPTCY COURT REGARDING THE FAIRNESS OR MERITS OF THE PLAN. FURTHER, THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, NOR HAS THE COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREIN.

Each Holder of a Claim or Interest entitled to vote to accept or reject the Plan, if any, should read this Disclosure Statement and the Plan in their entirety before voting. No solicitation of votes to accept or reject the Plan may be made except pursuant to this Disclosure Statement and section 1125 of the Bankruptcy Code. Except for the Debtors and their professionals, no person has been authorized to use or promulgate any information concerning the Debtors, their

[1] Unless otherwise defined herein, capitalized terms used herein have the meanings ascribed to them in Article I of the Plan.

businesses, or the Plan, other than the information contained herein, in connection with the solicitation of votes to accept or reject the Plan. No Holder of a Claim or Interest entitled to vote on the Plan should rely upon any information relating to the Debtors, their business, or the Plan other than that contained in this Disclosure Statement and the attached exhibits. Unless otherwise indicated, the sources of all information set forth herein are the Debtors and their professionals.

If you are entitled to vote to accept or reject the Plan, a ballot will be sent for the purpose of voting on the Plan. After carefully reviewing this Disclosure Statement, including the attached exhibits, please indicate your acceptance or rejection of the Plan on the ballot (if you are entitled to vote on the Plan) and return it to the address set forth on the ballot, in the enclosed return envelope so that it will be received by the Debtors' tabulation agent, Neligan Foley LLP, 325 North St. Paul, Suite 3600, Dallas, Texas 75201, Attention: Ruth Clark, no later than 5:00 p.m. Central Time on February 14, 2014.

If you do not vote to accept the Plan, or if you are not entitled to vote on the Plan, you may be bound by the Plan if it is accepted by the requisite Holders of Claims or Interests who are entitled to vote on the Plan, or is deemed accepted by Holders of Claims and Interests that are unimpaired and thus not entitled to vote on the Plan. See "Confirmation of the Plan — Solicitation of Votes; Voting Procedures," "Confirmation Hearing," "Requirements for Confirmation of a Plan," and "Cramdown" in Section VII below.

TO BE SURE YOUR BALLOT IS COUNTED, YOUR BALLOT MUST BE RECEIVED NO LATER THAN 5:00 P.M. CENTRAL TIME, ON FEBRUARY 14, 2014. For detailed voting instructions and the name, address, and phone number of the person you may contact if you have questions regarding the voting procedures, see "Solicitation of Votes; Voting Procedures" in Section VIII.A below.

Pursuant to section 1128 of the Bankruptcy Code, the Bankruptcy Court has scheduled a hearing to consider confirmation of the Plan (the "Confirmation Hearing"), on **February 18, 2014, at 9:00 a.m. Central Time**, in the United States Bankruptcy Court for the Southern District of Texas, Corpus Christi Division. **The Bankruptcy Court has directed that objections, if any, to confirmation of the Plan be filed and served on or before February 13, 2014 at 5:00 p.m. Central Time**, in the manner described under the caption, "Confirmation Hearing," in Section VIII.B below.

The Debtors will also be filing with the Bankruptcy Court a Plan Supplement no later than February 10, 2014. The Plan Supplement will include, among other things, (i) a Schedule of Assumed Contracts, which identifies the Executory Contracts the Debtors will assume under the Plan and the proposed Cure Amounts of such contracts; (ii) the HMB Operating Agreement; (iii) the GHB Bylaws; and (iv) the Exit Loan documents. Copies of the Plan Supplement may be viewed and/or downloaded from the Bankruptcy Court's PACER website. Further, the Debtors will provide copies of any or all of the Exhibits to the Plan and the Plan Supplement upon written request submitted to the Debtor's counsel: Neligan Foley LLP, Attn: Patrick J. Neligan, Jr., 325 N. St. Paul, Suite 3600, Dallas, Texas 75201.

THE DEBTORS URGE ALL HOLDERS OF IMPAIRED CLAIMS TO ACCEPT THE PLAN.

III. EXPLANATION OF CHAPTER 11

A. Overview of Chapter 11

Chapter 11 is the principal reorganization chapter of the Bankruptcy Code. Pursuant to chapter 11, the debtor attempts to reorganize its business for the benefit of the debtor, its creditors, and other parties in interest.

The commencement of a bankruptcy case creates an estate comprising all the legal and equitable interests of the debtor in property as of the date the bankruptcy petition is filed. In a chapter 11 case, sections 1101, 1107, and 1108 of the Bankruptcy Code provide that a debtor may continue to operate its business and remain in possession of its property as a "debtor in possession" unless the bankruptcy court orders the appointment of a trustee. In the present chapter 11 case, the Debtors have remained in possession of their property and continued to operate their business as debtors in possession.

The filing of a bankruptcy petition also triggers the automatic stay provisions of the Bankruptcy Code. Section 362 of the Bankruptcy Code provides, *inter alia*, for an automatic stay of all attempts to collect prepetition claims from the debtor or otherwise interfere with its property or business. Except as otherwise ordered by the Bankruptcy Court, the automatic stay remains in full force and effect until the effective date of a confirmed plan of reorganization.

The formulation of a plan of reorganization is the principal purpose of a chapter 11 case. The plan sets forth the means for satisfying the claims against and interests in the debtor. Generally, unless a trustee is appointed, only the debtor may file a plan during the first 120 days of a chapter 11 case (the "Exclusivity Period"). If the debtor files a plan during the first 120 days, the Exclusive Period is automatically extended an additional 60 days during which it may solicit acceptances of its Plan. Additionally, section 1121(d) of the Bankruptcy Code permits the court to extend or reduce the Exclusivity Period upon a showing of "cause." In the Debtors' Bankruptcy Cases, the Bankruptcy Court ordered an extension of the Exclusivity Period. Thus, absent further order of the Bankruptcy Court, the Exclusivity Period will terminate on January 6, 2014.

B. Plan of Reorganization

Although referred to as a plan of reorganization, a debtor's plan may provide for anything from a complex restructuring of a debtor's business and its related obligations to a simple liquidation of the debtor's assets. After a plan of reorganization has been filed, the holders of claims against or interests in a debtor are permitted to vote to accept or reject the plan. Before soliciting acceptances of the proposed plan, section 1125 of the Bankruptcy Code requires the debtor to prepare a disclosure statement containing adequate information of a kind, and in sufficient detail, to enable a hypothetical reasonable investor to make an informed judgment about the plan. This Disclosure Statement is presented to Holders of Claims against and Interests in the Debtors to satisfy the requirements of section 1125 of the Bankruptcy Code.

If all classes of claims and interests accept a plan of reorganization, the bankruptcy court may nonetheless deny confirmation of the plan unless the court independently determines that the requirements of section 1129 of the Bankruptcy Code have been satisfied. Section 1129 sets forth the requirements for confirmation of a plan and, among other things, requires that a plan meet the "best interests" test and be "feasible." The "best interests" test generally requires that the value of the property to be distributed to the holders of claims and interests under a plan may not be less than those parties would receive if the debtor were liquidated pursuant to a hypothetical liquidation under chapter 7 of the Bankruptcy Code. Under the "feasibility" requirement, the court generally must find that there is a reasonable probability that the debtor will be able to meet its obligations under its plan without the need for further financial reorganization. The Debtors believe that the Plan satisfies all the applicable requirements of section 1129(a) of the Bankruptcy Code, including, in particular, the "best interests" test and the "feasibility" requirement.

Chapter 11 does not require that each holder of a claim against or interest in a debtor vote in favor of a plan of reorganization in order for the bankruptcy court to confirm the plan. At a minimum, however, the plan must be accepted by a majority in number and two-thirds in amount of those claims actually voting in at least one class of impaired claims under the plan. The Bankruptcy Code also defines acceptance of the plan by a class of interests (equity securities) as acceptance by holders of two-thirds of the number of shares actually voting. In the present case, only the Holders of Claims or Interests who are entitled to vote on the Plan, and who actually vote on the Plan, will be counted as either accepting or rejecting the Plan.

In addition, classes of claims or interests that are not "impaired" under a plan of reorganization are conclusively presumed to have accepted the plan and thus are not entitled to vote. Accordingly, acceptances of a plan will generally be solicited only from those persons who hold claims or interests in an impaired class. A class is "impaired" if the legal, equitable, or contractual rights attaching to the claims or equity interests of that class are modified in any way under the plan. Modification for purposes of determining impairment, however, does not include curing defaults and reinstating maturity or payment in full in cash. **Under the Plan, Claims and Interests in Classes 3, 4, 7, and 8 are impaired and are thus entitled to vote on the Plan. Claims in Classes 1, 2, 5, and 6 are unimpaired and are thus not entitled to vote on the Plan.** Administrative Claims and Priority Tax Claims are unclassified because their treatment is prescribed by the Bankruptcy Code, and the Holders of such Claims are not entitled to vote on the Plan.

The bankruptcy court may also confirm a plan of reorganization even though fewer than all classes of impaired claims and interests accept it. For a plan of reorganization to be confirmed despite its rejection by a class of impaired claims or interests, the proponent of the plan must show, among other things, that the plan does not "discriminate unfairly" and that the plan is "fair and equitable" with respect to each impaired class of claims or interests that has not accepted the plan.

Under section 1129(b) of the Bankruptcy Code, a plan is "fair and equitable" as to a class of rejecting claims if, among other things, the plan provides: (a) with respect to secured claims,

that each such holder will receive or retain on account of its claim property that has a value, as of the effective date of the plan, equal to the allowed amount of such claim; and (b) with respect to unsecured claims and equity interests, that the holder of any claim or equity interest that is junior to the claims or equity interests of such class will not receive or retain on account of such junior claim or equity interest any property at all unless the senior class is paid in full.

A plan does not "discriminate unfairly" against a rejecting class of claims if (a) the relative value of the recovery of such class under the plan does not differ materially from that of any class (or classes) of similarly situated claims, and (b) no senior class of claims is to receive more than 100% of the amount of the claims in such class.

The Debtors believe that the Plan has been structured so that it will satisfy the requirements of the Bankruptcy Code, but reserve the right to seek confirmation of the Plan or to amend the Plan such that it can be confirmed on any ground possible including, if necessary, over the objection of any Class of Claims, including the right to request confirmation of the Plan under the "cramdown" provisions of section 1129 of the Bankruptcy Code.

IV. SUMMARY OF THE PLAN

THIS IS ONLY A SUMMARY OF CERTAIN PROVISIONS OF THE PLAN. THE PLAN INCLUDES OTHER PROVISIONS THAT MAY AFFECT YOUR RIGHTS. YOU ARE URGED TO READ THE PLAN IN ITS ENTIRETY BEFORE VOTING ON THE PLAN.

A. General Overview

The Debtors believe, and will demonstrate at the Confirmation Hearing, that confirmation and consummation of the Plan are in the best interests of Holders of Claims against and Interests in the Debtors. The Plan is the product of negotiations with various stakeholders in the Debtors. The Plan essentially contemplates that, in exchange for the Exit Capital Contribution, ownership and control of the Debtors will be transferred to Corpus 18 LLC on the Effective Date. Within three (3) years from the Effective Date, the Debtors, in their business judgment taking into account the interests of all stakeholders, will market and sell their assets and will distribute the Sale Proceeds to Holders of Claims and Interests as set forth in the Plan. The Debtors believe the Sale Proceeds will be sufficient to pay all Claims in full but there are no guarantees or assurances as to the price at which the Debtors will be able to sell their assets.

In the meantime, on or as soon as practicable after the Initial Distribution Date, Holders of Allowed Administrative Claims and Allowed Priority Claims will be paid in Cash or in the ordinary course of business as their Claims come due. On or about six months after the Effective Date, the First Victoria Secured Claim and the Frost Secured Claim will be paid in Cash in full and final satisfaction of such claims. The London Secured Claim will be paid in Cash in the Allowed amount as soon as practicable after the London Secured Claim Allowance Date. Commencing after the second calendar quarter following the Effective Date, and each quarter thereafter, Holders of Allowed General Unsecured Claims will receive quarterly interest payments until the Debtors consummate the Sale. Upon consummation of the Sale, Holders of Allowed General Unsecured Claims can expect to receive their Pro Rata share of the General

Unsecured Sale Proceeds in full and final satisfaction of their claims. Further description of the treatments of the various Claims can be found at pages 8-12 of this Disclosure Statement.

B. Classification and Treatment of Claims and Interests

The following is a summary of the classification and treatment of Claims and Interests under the Plan. The classification and treatment of Claims and Interests herein is without prejudice to a party in interest asserting that it is entitled to a different classification or treatment under the Plan or applicable law. The Administrative Claims and Priority Tax Claims (*i.e.*, unclassified claims) shown below constitute the Debtors' estimate of the amount of such Claims, taking into account amounts, if any, paid or projected to be paid prior to the Effective Date. The total amount of Claims shown below reflects the Debtors' current estimate of the likely amount of such Claims, subject to the resolution by settlement or litigation of Claims that the Debtors believe are subject to disallowance or reduction. Reference should be made to the entire Disclosure Statement and to the Plan for a complete description of the classification and treatment of Claims and Interests.

1. Unclassified Claims Against the Debtors

In accordance with section 1123(a)(1) of the Bankruptcy Code, unclassified Claims against the Debtors consist of Administrative Claims and Priority Tax Claims. Based on its books and records and its projections for future expenses, the Debtors presently estimate the amounts of such Claims on the Effective Date as follows:

Administrative Claims	$465,000.00
Priority Tax Claims	$16,823.44

The Holder of any Administrative Claim that is incurred, accrued or in existence prior to the Effective Date, other than (i) a Fee Claim, (ii) an Allowed Administrative Claim, or (iii) a liability in the Ordinary Course of Business must file with the Bankruptcy Court and serve on all parties required to receive such notice a request for the allowance of such Administrative Claim on or before thirty (30) days after the Effective Date. Such request must include at a minimum (i) the name of the Holder of the Claim, (ii) the amount of the Claim, and (iii) the basis of the Claim. Failure to timely and properly file and serve the request (as required under Section 3.01(a) of the Plan) shall result in the Administrative Claim being forever barred and discharged. Objections to such requests must be filed and served pursuant to the Bankruptcy Rules on the requesting party and the Debtor within thirty (30) days after the filing of the applicable request for payment of an Administrative Claim.

Any Person who holds or asserts an Administrative Claim that is a Fee Claim for compensation for services rendered and reimbursement of expenses incurred prior to the Effective Date shall be required to file with the Bankruptcy Court and serve on all parties required to receive such notice a Fee Application within ninety (90) days after the Effective Date. Failure to timely and properly file and serve a Fee Application as required under Section 3.01(b) of the Plan shall result in the Fee Claim being forever barred and discharged. No Fee Claim will be deemed Allowed until an order allowing the Fee Claim becomes a Final Order. Objections to Fee Applications must be filed and served pursuant to the Bankruptcy Rules on the

Debtor and the Person to whose application the objections are filed within thirty (30) days after the filing of the applicable Fee Application. No hearing may be held until the objection period has expired.

An Administrative Claim with respect to which notice has been properly filed pursuant to Section 3.01(a) of the Plan shall become an Allowed Administrative Claim if no timely objection is filed. If a timely objection is filed, the Administrative Claim shall become an Allowed Administrative Claim only to the extent Allowed by a Final Order. An Administrative Claim that is a Fee Claim, and with respect to which a Fee Application has been properly filed and served pursuant to Section 3.01(b) of the Plan, shall become an Allowed Administrative Claim only to the extent Allowed by a Final Order.

Holders of Administrative Claims based on liabilities incurred in the Ordinary Course of Business of the Debtor during the Bankruptcy Case (other than Claims of governmental units for taxes or other amounts and/or interest and penalties related to such taxes or other amounts, or alleged Administrative Claims arising in tort) shall not be required to file any request for payment of such Claims. Liabilities incurred in the Ordinary Course of Business will be paid by the Debtors pursuant to the terms and conditions of the transaction giving rise to such Administrative Claim, without any further action by the Holders of such Administrative Claim. The Debtors reserve the right to object to any claim arising, or asserted as arising, in the Ordinary Course of Business and to withhold payment of such claim until such time as any objection is resolved pursuant to a settlement or a Final Order of the Bankruptcy Court.

Except to the extent that an Allowed Priority Tax Claim has been paid prior to the Effective Date, each Holder of an Allowed Priority Tax Claim, in full satisfaction, release, settlement, and discharge of and exchange for such Claim, shall receive (a) to the extent such Claim is due and owning on the Effective Date, Cash in an amount equal to the Allowed amount of such Priority Tax Claim on the Effective Date, (b) to the extent such Claim is not due and owing on the Effective Date, Cash in an amount equal to the Allowed amount of such Priority Tax Claim as and when due under applicable non-bankruptcy law, or (c) such other treatment as is acceptable to the Debtor and the Holder of an Allowed Priority Tax Claim.

The Debtors shall timely pay to the United States Trustee all quarterly fees incurred pursuant to 28 U.S.C. § 1930(a)(6). Any fees due as of the most recent quarterly invoice before the Confirmation Date will be paid in full within thirty (30) days after the Effective Date.

2. Classified Claims and Interests

The following is an estimate of the numbers and amounts of classified Claims and Interests to receive treatment under the Plan, and their respective treatment:

UNLESS OTHERWISE NOTED, THE DEBTORS' ESTIMATES OF THE NUMBER AND AMOUNT OF CLAIMS IN EACH CLASS SET FORTH IN THE TABLE BELOW INCLUDE ALL CLAIMS ASSERTED AGAINST THE DEBTORS WITHOUT REGARD TO THE VALIDITY OR TIMELINESS OF THE FILING OF THE CLAIMS. LIKEWISE, THE ESTIMATE REFLECTS THE AMOUNT OF ALL CLAIMS FOR A PARTICULAR CLASS BASED ON THE AMOUNT SET FORTH IN THE RESPECTIVE PROOF OF CLAIM,

WITHOUT REGARD TO THE AMOUNT REFLECTED IN THE DEBTORS' RECORDS. BY INCLUDING ANY CLAIM IN THE ESTIMATES SET FORTH BELOW, THE DEBTORS ARE NOT WAIVING THEIR RIGHTS TO OBJECT TO ANY CLAIM ON OR BEFORE THE CLAIM OBJECTION DEADLINE ESTABLISHED BY THE PLAN. IN ADDITION, THE DEBTORS HAVE NOT YET UNDERTAKEN AN ANALYSIS OF POTENTIAL AVOIDANCE ACTIONS AND THE DEBTORS ARE NOT WAIVING THEIR RIGHT TO ASSERT AVOIDANCE ACTIONS. PAYMENTS RECEIVED BY NON-INSIDER CREDITORS WITHIN NINETY (90) DAYS PRIOR TO THE PETITION DATE AND BY INSIDER CREDITORS WITHIN ONE YEAR PRIOR TO THE PETITION DATE ARE LISTED IN THE DEBTOR'S SCHEDULES ON FILE WITH THE COURT. A COPY OF THE SCHEDULES IS AVAILABLE FOR EXAMINATION ON PACER OR BY WRITTEN REQUEST SENT TO THE DEBTORS' COUNSEL.

Class	Treatment
Class 1A – Non-Tax Priority Claims Against HMB Estimated Amount: $9,421.30 Estimated Number: 1 Class 1B – Non-Tax Priority Claims Against GHB Estimated Amount: n/a Estimated Number: 0	Unimpaired On or as soon as practicable after the later of (a) the Initial Distribution Date or (b) the Allowance Date with respect to a Non-Tax Priority Claim, each Holder of such Allowed Non-Tax Priority Claim shall receive from the relevant Debtor, in full satisfaction, settlement, release and discharge of and in exchange for such Allowed Non-Tax Priority Claim, (y) Cash in an amount equal to the Allowed amount of its Non-Tax Priority Claim, including such interest as may be required by applicable law, or (z) such other, less favorable treatment to which such Holder and the relevant Debtor agree in writing. To the extent an Allowed Non-Tax Priority Claim entitled to priority treatment under 11 U.S.C. §§ 507(a)(4) or (5) exceeds the statutory cap applicable to such Claim, such excess amount shall be treated as a Class 6 General Unsecured Claim against the relevant Debtor.
Class 2A – Secured Tax Claims Against HMB Estimated Amount: $4,150.67 Estimated Number: 1 Class 2B – Secured Tax Claims Against GHB Estimated Amount: n/a Estimated Number: 0	Unimpaired With respect to any Allowed Secured Tax Claim for tax years prior to 2013, to the extent not already paid or otherwise satisfied, on or as soon as practicable after the later of (a) the Initial Distribution Date or (b) the Allowance Date with respect to a Secured Tax Claim, each Holder of an Allowed Secured Tax Claim shall receive from the relevant Debtor in full satisfaction, settlement, release and discharge of and in exchange for such Allowed Secured Tax Claim, (x) Cash equal to the Allowed Amount of its Allowed Secured Tax Claim, plus interest thereon at the rate provided under applicable non-bankruptcy law

Class	Treatment
	pursuant to section 511 of the Bankruptcy Code from the Petition Date through the date such Claim is paid in full, (y) the Collateral securing the Allowed Secured Tax Claim, or (z) such other, less favorable treatment as may be agreed upon in writing by such Holder and the relevant Debtor. The Holder of a Secured Tax Claim for ad valorem taxes for any tax year from 2013 and thereafter shall retain all rights and remedies for payment thereof in accordance with applicable non-bankruptcy law. Each Holder of an Allowed Secured Tax Claim shall retain its Lien on any Collateral that secures its Claim or the proceeds of such Collateral (to the extent such Collateral is sold by the Debtor, free and clear of such Lien) to the same extent and with the same validity and priority as such Lien held as of the Petition Date until (a) the Holder of such Allowed Secured Tax Claim (i) has been paid Cash equal to the value of its Allowed Secured Tax Claim and/or (ii) has received a return of the Collateral securing its Allowed Secured Tax Claim, or (iii) has been afforded such other treatment as to which such Holder and the relevant Debtor have agreed upon in writing, or (b) such purported Lien has been determined by a Final Order to be invalid or avoidable. To the extent that a Secured Tax Claim exceeds the value of the interest of the Estate in the property that secured such Claim, such Claim shall be deemed Disallowed pursuant to Bankruptcy Code section 502(b)(3). If the relevant Debtor fails to timely make any payment to a Holder of an Allowed Secured Tax Claim as required under Section 6.02 of the Plan, the affected Holder of an Allowed Secured Tax Claim may send written notice of default to such Debtor. If the default is not cured within twenty-one (21) days after notice of default is mailed, such Holder may proceed with any remedies for collection of amounts due under applicable non-bankruptcy law without further order of the Bankruptcy Court.
Class 3– First Victoria Secured Claim Estimated Amount: $3,073.50 (plus any allowed fees and	Impaired The Allowed amount of the First Victoria Secured Claim shall be agreed to by HMB and the Holder thereof or determined by the Bankruptcy Court. In full satisfaction,

Class	Treatment
expenses) Estimated Number: 1	settlement, release and discharge of and in exchange for the Allowed First Victoria Secured Claim and all Liens securing such Claim, First Victoria shall receive on the date that is six (6) months from the Effective Date, a Distribution of Cash in an amount equal to the principal amount of its claim, plus any interest and reasonable fees and expenses allowable under section 506 of the Bankruptcy Code.
Class 4 – Frost Secured Claim Estimated Amount: $47,388.49 (plus any allowed fees and expenses) Estimated Number: 1	Impaired The Allowed amount of the First Victoria Secured Claim shall be agreed to by HMB and the Holder thereof, or determined by the Bankruptcy Court. In full satisfaction, settlement, release and discharge of and in exchange for the Allowed First Victoria Secured Claim and all Liens securing such Claim, First Victoria shall receive monthly payments of $1,000, beginning on the first month following the Effective Date, which payments shall be due by the 5th day of the month for which it is owed. On the date that is six (6) months from the Effective Date (or such other date as to which such First Victoria and the Debtor agree in writing), a Distribution of Cash in an amount equal to the outstanding principal amount of its claim, plus any interest and reasonable fees and expenses allowable under section 506 of the Bankruptcy Code.
Class 5 – London Secured Claim Estimated Amount: $325,000.00 Estimated Number: 1	Unimpaired The London Secured Claim will be allowed in an amount (i) agreed upon by HMB and the holder of the London Secured Claim or (ii) determined by the Bankruptcy Court, but in no event shall the Allowed amount exceed the amount payable under the Escrow Agreement. The London Secured Claim will be paid in full in Cash in the Allowed amount as soon as practicable after the Allowance Date.
Class 6A – Miscellaneous Secured Claims Against HMB Estimated Amount: Unknown Estimated Number: Unknown Class 6B – Miscellaneous	Unimpaired The Allowed amount of each Miscellaneous Secured Claim shall be agreed to by the relevant Debtor and the Holder thereof, or determined by the Bankruptcy Court. On or as soon as practicable after the later of (i) the Initial Distribution Date or (ii) the Allowance Date, each Holder of an Allowed Miscellaneous Secured Claim shall receive

Class	Treatment
Secured Claims Against GHB Estimated Amount: Unknown Estimated Number: Unknown	from the relevant Debtor, in full satisfaction, settlement, release and discharge of and in exchange for such Claim, (x) Cash equal to the value of its Allowed Miscellaneous Secured Claim, (y) the Collateral securing the Allowed Miscellaneous Secured Claim, or (z) such other, less favorable treatment as to which such Holder and the Debtor agree in writing. Each Holder of an Allowed Miscellaneous Secured Claim shall retain its Lien in the Collateral that secures its Claim or the proceeds of such Collateral (to the extent such Collateral is sold by the relevant Debtor free and clear of such Lien) to the same extent and with the same validity and priority as such Lien held as of the Petition Date until (i) the Holder of such Allowed Miscellaneous Secured Claim has received (A) Cash equal to the value of its Allowed Miscellaneous Secured Claim, (B) a return of the Collateral securing its Allowed Miscellaneous Secured Claim, or (C) such other treatment as to which such Holder and the relevant Debtor shall have agreed upon in writing, or (ii) such purported Lien has been determined by a Final Order to be invalid or avoidable. If any Allowed Miscellaneous Secured Claim exceeds the value of the Collateral securing such Claim, then pursuant to Bankruptcy Code section 506(a), any such excess amount shall be deemed to be and shall be treated as a Class 7 General Unsecured Claim.
Class 7A – General Unsecured Claims Against HMB Estimated Amount: $13,519,185.34 Estimated Number: 39 Class 7B – General Unsecured Claims Against GHB Estimated Amount: $11,062,838.35 Estimated Number: 27*	Impaired The Allowed amount of each General Unsecured Claim shall be agreed to by the Debtors and the Holder thereof, or determined by the Bankruptcy Court. On or as soon as practicable after the later of (a) the end of the second calendar quarter following the Effective Date or (b) the Allowance Date with respect to a General Unsecured Claim, and within fifteen days of the end of each calendar quarter thereafter, each Holder of such Allowed General Unsecured Claim shall receive from the Debtors a payment of Cash in the amount equal to the General Unsecured Claim Interest due on such Holder's General Unsecured Claim. Payments of General Unsecured Claim Interest shall continue until the Sale is consummated. Upon consummation of the Sale, each Holder of an Allowed General Unsecured Claim shall receive from the Debtors, in full satisfaction, settlement, release and discharge of and in exchange for such Allowed General Unsecured Claim,

Class	Treatment
*19 of the 27 General Unsecured Claims against GHB arise from GHB's guaranty of Noteholders' Claim, and therefore will be reduced on an dollar-for-dollar basis as the Noteholders' Claim is paid by HMB under the Plan.	an amount of Cash from the General Unsecured Sale Proceeds equal to such Holder's Pro Rata share of the General Unsecured Sale Proceeds. Nothing contained herein shall be deemed to affect or abrogate the right, pursuant to section 510(a) of the Bankruptcy Code, of a Holder of an General Unsecured Claim against HMB or GHB, to enforce an otherwise enforceable subordination agreement against any other Holder of a General Unsecured Claim against HMB or GHB. To the extent a party holds a General Unsecured Claim against a Debtor arising out of the Debtor's guaranty of a debt that serves as the basis for a Claim against the other Debtor, the Holder of such General Unsecured Claim will only receive payment sufficient to satisfy the underlying Claim. Similarly, Holders of such guaranty Claims will only receive the General Unsecured Claim Interest due on the underlying Claim. In no event shall a Holder of a guaranty claim be paid more than in the principal and interest due on the underlying Claim.
Class 8A – Interests In HMB Number of Holders: 4 Class 8B – Interests In GHB Number of Holders: 3	Impaired Interests in HMB will be deemed canceled and extinguished as of the later of (i) the Effective Date, or (ii) the FCC Approval Date. Upon consummation of the Sale, each Holder of an Interest in HMB shall receive from the Debtors, in full satisfaction, settlement, release and discharge of and in exchange for such Interest, an amount of Cash from the Old Equity Sale Proceeds equal to such Holder's Pro Rata share of the Old Equity Sale Proceeds, if any; <u>provided</u>, <u>however</u>, that nothing contained herein shall be deemed to affect or abrogate the right, pursuant to section 510(a) of the Bankruptcy Code, of a Holder of an Interest in HMB, to enforce an otherwise enforceable subordination agreement against any other Holder of an Interest in HMB or GHB. Interests in GHB will be deemed canceled and extinguished as of the later of (i) the Effective Date, or (ii) the FCC Approval Date. Upon consummation of the Sale, each Holder of an Interest in GHB shall receive from the Debtors, in full satisfaction, settlement, release and discharge of and in exchange for such Allowed Interest, an amount of Cash from the Old Equity Sale Proceeds equal to such Holder's Pro Rata share of the Old Equity Sale Proceeds, if any; <u>provided</u>, <u>however</u>, that nothing contained herein shall be deemed to affect or abrogate the

Class	Treatment
	right, pursuant to section 510(a) of the Bankruptcy Code, of a Holder of an Interest in GHB, to enforce an otherwise enforceable subordination agreement against any other Holder of an Interest in HMB or GHB.

C. Means of Implementation of the Plan

1. Substantive Consolidation

On the Effective Date, the Debtors' Estates shall be deemed to be substantively consolidated for purposes of the Plan and all classes of Claims will be paid as if the Debtors were a single enterprise. Holders of Claims and Interests will receive Pro Rata Distributions based upon a hypothetical pooling of the Debtors' Assets, General Unsecured Claims, and Interests. However, the Debtors reserve the right to amend the Plan to eliminate this provision prior to the Confirmation Hearing if the Debtors believe elimination of this provision is the best interest of creditors. In the event the Debtors do amend the Plan to eliminate this provision, the Debtors will notify the Court and all parties in interest of any such amendment at least three days prior to the Confirmation Hearing.

2. Distributions; Sources of Funds for Distributions Under the Plan

The Debtors will make all distributions required under the Plan, subject to the provisions of the Plan. The sources of Cash necessary for the Debtors to pay Allowed Claims and Allowed Interests that are to be paid in Cash by the Debtors under the Plan will be: (a) the Cash of the Debtors on hand as of the Effective Date; (b) Cash arising from the operation, ownership, maintenance, and/or sale of the Debtors' Assets owned, managed, and/or serviced by or at the direction of the Debtors on or after the Effective Date; (c) Cash in the amount of $500,000 that will be funded on or prior to the Effective Date under the Plan (composed of the Exit Capital Contribution in the amount of $250,000 plus the Exit Loan in the amount of $250,000), and (d) any Cash generated or received by the Debtors on or after the Effective Date from any other source, including, without limitation, any recoveries from the prosecution of all Causes of Action.

3. Allowance of Noteholders' Claims and Provision Exit Funding

(a) **Allowance of Noteholders' Claims.** On the Effective Date, the Noteholders' Claims shall be Allowed in the amount set forth on the Proofs of Claim filed by the respective Notheholders in the Bankruptcy Cases.

(b) **Amount of Exit Funding; Uses.** On or before the Effective Date, the Noteholders and Corpus 18 LLC shall fund their respective portions of the Exit Funding, in the aggregate amount of $500,000. The Debtors shall use the Exit Funding to pay certain Allowed Claims pursuant to the terms of the Plan, and for general working capital purposes.

(c) **Exit Capital Contribution.** On or before the Effective Date, Corpus 18 LLC shall make the Exit Capital Contribution to the Debtors, and in exchange therefor, Corpus 18 LLC shall receive, on the Effective Date, all of the equity interests in the reorganized Debtors as provided in Section 7.04 of the Plan.

(d) **Exit Loan.** On the or before Effective Date, the Noteholders shall make the Exit Loan to the Debtors, which shall constitute additional indebtedness under the Amended Senior Notes and treated as part of the Noteholders Claims. For the avoidance of doubt and notwithstanding the fact that new funds are being advanced on or around the Effective Date, the Exit Loan shall be deemed to be a prepetition loan to the Debtors and shall constitute a prepetition obligation of the Debtors, payable as a part of the Noteholders Claims (and, therefore, a General Unsecured Claim) pursuant to the terms of the Plan.

(e) **Appointment of Noteholders' Agent.** On the Effective Date, the Noteholders' Agent shall be appointed pursuant to the terms of the Noteholders' Agent Agreement, and shall be vested with the rights and powers provided therein to act on behalf of the Noteholders. The form of the Noteholders' Agent Agreement shall be included in the Plan Supplement.

(f) **Deferral of Interest Payments.** The Noteholders' Agent shall have the authority, in his sole discretion, to defer the payment of the General Unsecured Claim Interest to the Noteholders. All deferred General Unsecured Claim Interest payments shall be treated as part of the Noteholders' Claim and paid in accordance with the Plan.

4. Issuance of New Interests to Corpus 18 LLC

In exchange for the Exit Capital Contribution, the New Interests in the Debtors will be issued to Corpus 18 LLC. Because it involves a change in the Debtors' ownership, the issuance of the New Interests under the Plan requires FCC Consent. As a result, the New Interests will not be issued to Corpus 18 LLC until the later of (a) the Effective Date and (b) the FCC Approval Date. Upon the FCC Approval Date, Corpus 18 LLC will own 100% of the New Interests in the Debtors and therefore control both the Debtors and the Licenses.

5. Debtors' Management and Operations Post-Effective Date

From and after the Effective Date, each of the Debtors shall retain title, ownership, possession, and control over the management of the Assets in its Estate, pursuant to the GHB Bylaws and HMB Operating Agreement, copies of which shall be included in the Plan Supplement. From and after the Effective Date, the Manager (as defined in the HMB Operating Agreement) of HMB shall be Thomas L. Hurley, or such other entity as is determined pursuant to the HMB Operating Agreement. From and after the Effective Date, the Chief Executive Officer of GHB shall be Thomas L. Hurley. Any other post-Effective Date members, managers, officers and directors of shall be identified in the GHB Bylaws and HMB Operating Agreement. Unless and until all Distributions required by the terms of the Plan on account of Allowed Claims have been paid in full, no distribution of any kind shall be made on account of any New Interests, and the GHB Bylaws and the HMB Operating Agreement shall so provide.

Between the Confirmation Date and the Effective Date, Hurley shall serve as the Debtors' General Manager and Chief Restructuring Officer. During this period, Hurley may only be removed by order of the Bankruptcy Court for cause shown after notice and a hearing. As used herein, "Cause" means (a) commission of any act of fraud or dishonesty by Hurley in connection with the provision of his services to the Debtors; (b) commission of willful misconduct by Hurley that is materially injurious to the Debtors; (c) criminal felony indictment of Hurley relating to the provision of services to the Debtors; or (d) death or incapacity of Hurley. After the Effective Date, Hurley shall serve at will and at the Debtors' discretion.

6. Marketing and Sale of the Debtors' Assets

From and after the Effective Date, the Debtors, in the exercise of their reasonable business judgment as exercised by Hurley or his successor, shall, in an orderly manner taking into account the interests of all stakeholders, liquidate and convert to cash the Debtors' Assets, grant liens, as necessary, and make timely distributions as provided for in this Plan.

7. Discharge of the Debtors

Except as provided in the Bankruptcy Code, the Plan or the Confirmation Order, all consideration distributed under the Plan will be in exchange for, and in complete satisfaction, settlement, discharge, and release of, all Claims against and Interests in the Debtors of any nature whatsoever, whether known or unknown, or against the assets or properties of the Debtors that arose before the Effective Date. Except as provided in the Bankruptcy Code, the Plan or the Confirmation Order, upon the Effective Date, entry of the Confirmation Order acts as a discharge and release under Bankruptcy Code section 1141(d)(1)(A) of all Claims against and Interests in the Debtors and the Debtors' assets and properties, arising at any time before the Effective Date, regardless of whether a proof of Claim or Interest was filed, whether the Claim or Interest is Allowed, or whether the Holder of the Claim or Interest votes to accept the Plan or is entitled to receive a Distribution under the Plan. Except as provided in the Plan or the Confirmation Order, upon the Effective Date, any Holder of a discharged Claim or Interest will be precluded from asserting against the Debtor or any of its assets or properties any other or further Claim or Interest based on any document, instrument, act, omission, transaction or other activity of any kind or nature that occurred or arose before the Effective Date. Except as provided in the Plan or the Confirmation Order, and subject to the occurrence of the Effective Date, the Confirmation Order will be a judicial determination of discharge of all liabilities of the Debtors to the extent allowed under Bankruptcy Code section 1141, and the Debtors will not be liable for any Claims or Interests and will only have the obligations as are specifically provided for in the Plan.

8. Injunction

Except as otherwise provided in the Plan, the Confirmation Order shall provide, among other things, that from and after the Effective Date, all Holders of Claims against and Interests in the Debtors are permanently enjoined from taking any of the following actions against the Debtors or any of the Debtors' property on account of any such Claim or Interest: (a) commencing or continuing in any manner or in any place, any action or other proceeding; (b) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order; (c) creating, perfecting, or enforcing any encumbrance or Lien; (d) asserting a

setoff, subrogation, or recoupment of any kind against any debt, liability, or obligation due to the Debtors; and (e) commencing or continuing, in any manner or in any place, any action that does not conform to or comply with, or is inconsistent with, the provisions of the Plan; provided, however, that nothing contained herein shall preclude such Persons from exercising their rights pursuant to and consistent with the terms of the Plan or the Confirmation Order. If allowed by the Bankruptcy Court, any Person injured by any willful violation of such injunction shall recover actual damages, including costs and attorneys' and experts' fees and disbursements, and, in appropriate circumstances, may recover punitive damages, from the willful violator.

9. Exculpation

The Debtors and the Debtors' Professionals, and any of their respective present or former members, officers, directors, employees, advisors, representatives, successors, and assigns, shall not have or incur any liability or obligation, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, and whether asserted or assertable directly or derivatively, in law, equity, or otherwise, to any Holder of a Claim or Interest or any other Person for any act or omission originating or occurring on or after the Petition Date through and including the Effective Date in connection with, relating to, or arising out of the Debtors, the Estates, the administration of the Bankruptcy Case, the operation of the Debtors' businesses during the Bankruptcy Case, the formulation, negotiation, preparation, filing, dissemination, approval, or confirmation of the Plan, the Disclosure Statement, the solicitation of votes for or confirmation of the Plan, the consummation or administration of the Plan, or the property to be liquidated and/or distributed under the Plan, except for their willful misconduct or gross negligence as determined by a Final Order of a court of competent jurisdiction. The foregoing parties will be entitled to rely reasonably upon the advice of counsel in all respects regarding their duties and responsibilities under the Plan.

10. Release

In consideration of the Exit Funding to the Debtors and the related funding of the Plan and, any and all Causes of Action held by or assertable on behalf of the Debtors, and any causes of action that are derivative of the Debtors' rights, in any way relating to the Debtors, the Noteholders Claims, the Bankruptcy Case, the Plan, negotiations regarding or concerning the Plan, or the ownership, management and operations of the Debtors against the Noteholders, their Professionals, or any of their respective present or former principals, agents, members, officers, directors, employees, advisors, representatives, trustors, trustees, beneficiaries, successors, and assigns (the "Releasees") shall be deemed settled and released as of the Effective Date, and the Releasees shall not have or incur any liability or obligation, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, and in law, equity, or otherwise, to the Debtors or their Estate (or, derivatively of the Debtors, to any Holder of a Claim or Interest or any other Person) for any act or omission originating or occurring before or after the Petition Date in connection with, relating to, or arising out of the Debtors.

The Noteholders' claims based upon guaranty agreements signed by Fred Hoffmann, Lauryn Hoffman, Don Gillis, and Deidre Gillis are not affected by the terms of the Plan. However, the Noteholders' claims against them have been, or will be, formally released under

the terms of a separate settlement agreement effective as of the Effective Date of this Plan. The settlement agreement provides, or will provide, for the dismissal with prejudice of all litigation between the Noteholders and Fred Hoffmann, Lauryn Hoffman, Don Gillis, and Deidre Gillis. The settlement agreement also provides, or will provide, for the release of the Noteholders' liens on the Interests held by Fred Hoffmann, Lauryn Hoffman, Don Gillis, and Deidre Gillis. As a result, the Notholders will have no claim to any of the Sales Proceeds to which Old Equity may be entitled.

11. Revocation or Withdrawal of the Plan

The Debtors reserve the right to revoke and/or withdraw the Plan at any time before the Confirmation Date. If the Debtors revoke or withdraw the Plan, or if confirmation or the Effective Date of the Plan does not occur, then the Plan shall be deemed null and void. In such event, nothing contained herein or in the Plan shall be deemed to constitute a waiver or release of any Claims by or against the Debtors or any other Person or to prejudice in any manner the rights of the Debtors or any other Person in any further proceedings involving the Debtors or any other Person.

12. Modification of the Plan

The Debtors reserve the right to modify the Plan in writing at any time before the Confirmation Date, provided that (a) the Plan, as modified, meets the requirements of Bankruptcy Code sections 1122 and 1123 and (b) the Debtors shall have complied with Bankruptcy Code section 1125. The Debtors further reserve the right to modify the Plan in writing at any time after the Confirmation Date and before substantial consummation of the Plan, provided that (a) the Plan, as modified, meets the requirements of Bankruptcy Code sections 1122 and 1123, (b) the Debtors shall have complied with Bankruptcy Code section 1125, and (c) the Bankruptcy Court, after notice and a hearing, confirms the Plan as modified, under Bankruptcy Code section 1129. A Holder of a Claim or Interest that has accepted or rejected the Plan shall be deemed to have accepted or rejected, as the case may be, such Plan as modified, unless, within the time fixed by the Bankruptcy Court, such Holder changes its previous acceptance or rejection.

D. <u>Executory Contracts and Unexpired Leases</u>

Except as otherwise provided in a Final Order, pursuant to Bankruptcy Code sections 365(a), (b), (c) and (f), all Cure Amounts that may require payment under Bankruptcy Code section 365(b)(1) under any Executory Contract that is assumed pursuant to a Final Order of the Bankruptcy Court (which may be the Confirmation Order) shall be paid by the relevant Debtor within thirty (30) Business Days after such order becomes a Final Order with respect to undisputed Cure Amounts or within thirty (30) Business Days after a Disputed Cure Amount is Allowed by agreement of the parties or a Final Order. If a party to an assumed Executory Contract has not filed an appropriate pleading on or before the date of the Confirmation Hearing disputing any proposed Cure Amount, the cure of any other defaults, the promptness of the Cure Amount payments, or the provisions of adequate assurance of future performance, then such party shall be deemed to have waived its right to dispute such matters. Any party to an assumed Executory Contract that receives full payment of a Cure Amount shall waive the right to receive

any payment on a Class 7 General Unsecured Claim that relates to or arises out of such assumed Executory Contract. Notwithstanding the foregoing, a Debtor may, in its sole discretion, file a motion to reject any Executory Contract as to which a Cure Claim is established by an order of the Bankruptcy Court, and any such motion shall be filed no later than ten (10) Business Days after the order of the Bankruptcy Court allowing such Cure Claim becomes a Final Order.

If the rejection of an Executory Contract pursuant to Section 8.01 or 8.02 of the Plan gives rise to a Claim by any non-Debtor party or parties to such Executory Contract, such Claim shall be forever barred and shall not be enforceable against the Debtors, the Estates, or the agents, successors, or assigns of the foregoing, unless a proof of such Claim is filed with the Bankruptcy Court and served upon the Debtors on or before the Rejection Bar Date. Any Holder of a Claim arising out of the rejection of an Executory Contract that fails to file a proof of such Claim on or before the Rejection Bar Date shall be forever barred, estopped, and enjoined from asserting such Claim against the Debtors, the Estates or any of their Assets. Nothing contained herein shall extend the time for filing a proof of Claim for rejection of any Executory Contract rejected before the Confirmation Date.

Any Rejection Claim arising from the rejection of an Executory Contract shall be treated as a General Unsecured Claim pursuant to the Plan, except as limited by the provisions of Bankruptcy Code sections 502(b)(6) and 502(b)(7) and mitigation requirements under applicable law. Nothing contained herein shall be deemed an admission by either Debtor that such rejection gives rise to or results in a Rejection Claim or shall be deemed a waiver by either Debtor or any other party in interest of any objections to such Rejection Claim if asserted.

For the avoidance of doubt, HMB intends to assume the License Agreement, dated as of December 1, 2007, between American Towers, Inc. and Minority Media TV-38, LLC, which was assigned to HMB by agreement dated February 19, 2008. HMB will pay American Towers, Inc. the Cure Amount of $39,361.78, or such other amount as is agreed by the parties, in accordance with the terms of the Plan.

V. DESCRIPTION OF THE DEBTORS

A. Overview of the Debtors' Business

HMB owns and operates full power television station KUQI-TV (Channel 38), which is licensed to Corpus Christi, Texas (FCC Facility ID No. 82910) and is primarily affiliated with the Fox television network. HMB has a transmitter site, a studio location, operation of a live remote vehicle and its headquarters located in Corpus Christi. HMB also holds the FCC license to operate KUQI-TV and owns the domain name kuquitv.com and other intangible assets related to the ownership and operation of KUQI-TV.

GHB owns and operates two (2) low-power television broadcast stations, KXPX (Channel 14) and KTOV (Channel 21), which are licensed to Corpus Christi, Texas (FCC Facility ID Nos. 14678 and 125469, respectively). GHB owns broadcasting and production equipment and holds the FCC licenses to operate KXPX and KTOV. GHB also provides sales, marketing, graphic and on-air operations for HMB.

The Debtors generate revenue primarily through three means: advertising sales, paid programming, and cable retransmission agreements. As of the Consent Date, the Debtors broadcast on-air commercials for approximately 65 entities. The vast majority of advertisements are for 30-second spots. The contract rate for advertising air-time is based primarily on the day of the week, the time of day, and popularity of the individual program a particular advertisement is run. . The Debtors' advertising contracts are not identical from month-to-month; rather, the supply and demand of advertising results in an inventory of advertising contracts that is constantly in flux. The duration of advertising contracts generally range from a one-time spot to an annual contract. Advertisers rarely enter into contracts with terms longer than one year. Advertising sales tend to be sensitive to economic cycles, with sales being more robust in an economic boom and slower in an economic downturn. For calendar year 2012, the Debtors' combined income from advertising sales was approximately $1,928,107, with $1,566,186 attributable to HMB spot sales and $361,921 attributable to GHB spot sales.

HMB also enters into cable retransmission agreements with various cable, satellite or similar providers. Pursuant to these agreements, the providers purchase the right to run KUQI-TV and, in some instances, KTOV and KXPX programs on their cable and satellite networks. HMB currently has retransmission agreements with eight (8) cable and satellite providers in approximately ten (10) service areas. During 2012, High Maintenance derived a total of $162,889 in income from these retransmission agreements. The Debtors' most recent renewals of these agreements have resulted in a substantialincrease in the revenue derived from retransmission.

In addition to income-generating assets, a significant portion of the Debtors' value lies in their equipment (e.g., sophisticated transmission and receiver equipment) and intangibles, such as licenses (including FCC broadcast licenses and programming licenses) and network affiliation agreements. As of the Consent Date, the Debtors collectively hold four (4) FCC licenses, and approximately 60 programming licenses, and are parties three (3) network affiliation agreements.

B. Organizational Structure

HMB is a Texas limited liability company formed in 2007. The members of HMB are: Lauryn Hoffman ("Ms. Hoffman") (44%), Deidre Gillis ("Ms. Gillis") (44%), VaNisha Mallory ("Ms. Mallory") (6%) and the H&P Gentile Family Limited Partnership (Dr. Herve Gentile is the general partner of such partnership) (6%), who collectively own 100% of the membership interest of the company, with no individual member holding a majority ownership (i.e., 50% or more) interest. HMB qualifies as a minority-owned business.

GHB is a Texas corporation formed in 1999 and originally owned by Fred Hoffmann ("Mr. Hoffmann") and Don Gillis ("Mr. Gillis"). GHB is currently owned by Mr. Hoffmann (33⅓%), Mr. Gillis (33⅓%), and Dr. Herve Gentile (33⅓%) (with no individual holding a majority ownership interest), and each of them is a director of GHB..

Since May 6, 2013, Thomas L. Hurley has served as the General Manager and Chief Restructuring Officer of each of the Debtors.

C. Debtors' Pre-Petition Financing

1. HMB

Prior to the Petition Date, HMB obtained financing from one primary source and one secondary source. First, in early 2008, for the purpose of purchasing KUQI-TV and related assets, HMB borrowed $6,300,000 from Corpus 38, LLC ("Corpus 38"), a Florida limited liability company, pursuant to a promissory note dated as of February 15, 2008 (as amended, the "Original Note"). To secure payment of the Original Note, HMB executed a Security Agreement dated February 15, 2008, pursuant to which it granted Corpus 38 a security interest in all the tangible and intangible personal property of HMB. As further security, GHB likewise executed a Security Agreement dated February 15, 2008, pursuant to which it granted Corpus 38 a security interest in all the tangible and intangible personal property of GHB. As further assurance of payment, GHB, Ms. Hoffman, Mr. Hoffmann, Ms. Gillis and Mr. Gillis (collectively the "Guarantors") each unconditionally guaranteed repayment of the Original Note, pursuant to two "Guaranty" documents executed on February 15, 2008. Further, Ms. Hoffmann, Ms. Gillis and Ms. Mallory pledged their membership interests in High Maintenance, and Mr. Hoffman and Mr. Gillis (collectively with Ms. Hoffmann, Ms. Gillis, and Ms. Mallory, the "Pledgors") pledged their stock in GHB, pursuant to separate pledge agreements executed on February 15, 2008 (collectively, the "Pledge Agreements"), to secure payment of the Original Note.

In September of 2008, as part of a reorganization of Corpus 38, Corpus 38 distributed its interest in the Original Note to the Noteholders, who were the holders of membership interests in Corpus 38's sole member, Bela Broadcasting, LLC. In recognition of the reorganization and related distribution by Corpus 38, High Maintenance executed nineteen (19) promissory notes dated as of September 1, 2008 (the "Amended Senior Notes"), one to each of the Noteholders, in the aggregate original principal amount of $6,300,000. To secure payment of the Amended Senior Notes by HMB, each of the Debtors executed an amended and restated security agreement dated September 1, 2008 (the "Amended Security Agreements"), which granted Robert Stone, as Agent for the Senior HM Lenders (the "Agent"), a security interest in all of the Debtors' tangible and intangible personal property. As of the Petition Date, the financing statements filed with respect to the Amended Security Agreements had lapsed; thus, all claims arising under the Amended Senior Notes are unsecured vis-à-vis the Debtors. In September 2008, GHB, the Guarantors amended and restated the Senior Guarantees; and Pledgors amended and restated the Pledge Agreements, thereby pledging 100% of the membership interests in High Maintenance and 100% of the stock in GHB to the Agent for the benefit of the Noteholders.

Second, before the Petition Date, HMB converted what had been a working capital loan with First Victoria National Bank ("First Victoria") to a term loan by executing a promissory

note, dated August 25, 2009, payable to First Victoria in the original principal amount of $49,818.12 ("First Victoria Note"). Pursuant to a Commercial Security Agreement executed by HMB, dated August 25, 2009 (the "First Victoria Security Agreement"), the First Victoria Note is secured by liens on certain "Collateral," as defined in the First Victoria Security Agreement, including "All Accounts and General Intangibles" and certain other property of HMB. To further secure payment of the First Victoria Note, each of the Guarantors each executed a Commercial Guaranty dated August 25, 2009, under which they each agreed, individually, to unconditionally guaranty repayment of the First Victoria Note.

2. GHB

Before the Petition Date, GHB obtained financing from The Frost National Bank, now known as Frost Bank ("Frost"), pursuant to a Promissory Note dated April 11, 2007 (the "Frost Note") in the original principal amount of $272,142.98. Pursuant to a Commercial Security Agreement executed by GHB, dated April 11, 2007 (the "Frost Security Agreement"), the Frost Note is secured by liens on certain "Collateral," as defined in the Frost Security Agreement, including all accounts and equipment of GHB. To further secure payment of the Frost Note, Mr. Gillis and Mr. Hoffmann each executed a Guaranty dated August 25, 2009, under which they each agreed, individually, to unconditionally guaranty repayment of the Frost Note.

D. Pre-Bankruptcy Disputes With The Noteholders

HMB purchased KUQI-TV from Minority Media TV-38, LLC, which was then the subject of a receivership action in the United States District Court for the Southern District of Florida, in February 2008. As noted above, Corpus 38 financed HMB's purchase of KUQI-TV under the terms of the Original Note in the face amount of $6,300,000. Thereafter, a dispute arose between HMB and Corpus 38 (and subsequently the Noteholders) over the amount owed under the Original Note (and subsequently the Amended Senior Notes). Specifically, HMB contended that the principal amount due under the Original Note and Amended Senior Notes should be discounted to $4,400,000 based on certain pre-sale representations by Corpus 38. The parties were unable to reach an agreement and the principal amount owed under the Original Note and Amended Senior Notes was not discounted.

In March 2010, the Noteholders asserted that the Debtors had defaulted under the Amended Senior Notes by failing to make certain principal and interest payments when due. The Amended Senior Notes matured and became due on February 14, 2012. HMB continued to dispute the principal amount due under the Amended Senior Notes and therefore did not repay the Amended Senior Notes at the time they came due.

In March 2012, the Debtors entered into several agreements (the "Purchase Agreements") to sell substantially all of their assets to affiliates of London Broadcasting Company, Inc. (the "LBC Buyers") for $8,500,000. Such sale was scheduled to close no later than December 31, 2012. While the sale was pending, the HMB and the Noteholders continued to disagree over the amounts owed under the Amended Senior Notes.

On March 15, 2012, HMB filed a lawsuit against Corpus 38 and various related defendants in Nueces County, Texas seeking recovery against Corpus 38 for fraudulent

inducement in connection with HMB's purchase of KUQI-TV and execution of the Original Note (the "Noteholder Litigation"). On or about August 8, 2012, the Agent filed suit against the Guarantors in Florida state court seeking to recover the recover the full amount due under the Amended Senior Notes (the "Guarantor Litigation"). The Noteholder Litigation and the Guarantor Litigation are discussed more fully in the section titled "Litigation" below.

By letters dated January 29, 2013, the Agent gave the Pledgors notice that he intended to sell the Pledged Interests at a private sale on February 15, 2013. However, no foreclosure sale has occurred to date and the Pledged Interest are still owned by the Pledgors. Neither the Noteholder Litigation, the Guarantor Litigation, nor the dispute regarding the Pledged Interests was resolved before the commencement of the Bankruptcy Cases.

E. The LBC Buyers' Breach Of The Purchase Agreements

As noted above, under the Purchase Agreements the LBC Buyers agreed to purchase the Debtors' assets and the sale was scheduled to close by December 31, 2012. By letters dated June 22, 2012, the LBC Buyers notified the Debtors of certain alleged breaches of the Purchase Agreements. The Debtors contend that each of the alleged breaches was either unfounded, immaterial, or subsequently cured by the Debtors.

Contrary to the LBC Buyers' assertions, the Debtors fulfilled all of their obligations under the Purchase Agreements. Among other things, the Purchase Agreements required the Debtors to cause the FCC to downgrade the license for KXPX (FCC Facility ID No. 14678) from a Class A low-power television station license to a standard low-power license. In reliance upon the LBC Buyers' contractual agreement to purchase the Debtors' assets for $8,500,000, the Debtors took the appropriate action with the FCC to ensure that the KXPX Class A license was downgraded to a standard low-power license in the late summer of 2012.

Despite the fact that the Debtors had complied with their obligations under the Purchase Agreements, the LBC Buyers failed to comply with their contractual obligation to close on the purchase of the Debtors' assets by December 31, 2012. By letter dated January 7, 2013, the LBC Buyers notified the Debtors that they were terminating the Purchase Agreements. The Debtors contend that the LBC Buyers' termination of the Purchase Agreements was improper, invalid, and constitutes a breach of the Purchase Agreements. The Debtors' claims against the LBC Buyers' for breaching the Purchase Agreements are discussed in the section titled "Litigation" below.

VI. THE DEBTORS' BANKRUPTCY

A. Factors Leading To Bankruptcy Cases

At the time HMB purchased KUQI-TV in 2008, the national and local economies were in recession, and the recovery has been slow and incomplete. A significant percentage of the Debtors' cash flow is derived from advertising revenue, which is sensitive to economic downturns. Thus, the Debtors' advertising sales revenues have suffered due to the economic decline associated with the recession.

During late 2011 and early 2012, the Debtors began to experience heightened cash flow problems. Further, the Debtors became involved in various disputes with the Noteholders regarding payments and amounts due under the Amended Senior Notes. In March 2010, HMB became unable to make the principal and interest payments required under the Amended Senior Notes.

In March 2012, the Debtors entered into the Purchase Agreements to sell substantially all of their assets to the LBC Buyers on or before December 31, 2012. A timely closing of the sale would have enabled the Debtors, among other things, to resolve all disputes with the Noteholders and pay a settled amount of the Amended Senior Notes in full. However, as a result of the LBC Buyers' breach of the Purchase Agreements, the sale was not consummated and the Debtors remained unable to repay the amounts due under the Amended Senior Notes.

After the LBC Buyers terminated the sale, the Debtors redoubled their efforts to improve their management team and increase their revenue and net income. In mid-May 2013, each of the Debtors, with the approval of the Noteholders, retained Thomas L. Hurley as its General Manager and Chief Restructuring Officer. Mr. Hurley has over 20 years' experience in the television station business, with particular focus on sales and programming strategies that maximize revenue and market share. Mr. Hurley's efforts have been focused on developing and implementing a business plan that will enable the Debtors to successfully reorganize and maximize the recovery to all stakeholders.

B. Commencement of the Bankruptcy Cases

Despite the Debtors' and Mr. Hurley's continued efforts to improve the Debtors' economic performance, the Debtors were unable to reach a resolution to their disputes with the Noteholders. On June 17, 2013, several of the Noteholders filed an involuntary petition under chapter 11 of the Bankruptcy Code against HMB. On July 2, 2013, the Noteholders filed an involuntary petition against GHB. The Bankruptcy Cases were assigned to the Honorable Richard S. Schmidt, United States Bankruptcy Judge for the Southern District of Texas, Corpus Christi Division.

On July 3, 2013, a summons regarding the Involuntary Petition was served on HMB. GH was not served with a summons. On July 24, 2013, HMB and GHB filed a response to the involuntary petition, in which they assented to the entry of an order for relief. On July 25, 2013 (the "Consent Date"), Judge Schmidt entered a consensual order for relief under chapter 11 of the Bankruptcy Code for each of the Debtors.

C. Significant Events Since Commencement of the Bankruptcy Case

1. First Day Hearing And Associated Motions

On August 1, 2013, the Bankruptcy Court held a hearing to consider various motions filed by the Debtors shortly after the consent date. Among these motions were a motion to pay certain pre-petition employee wages and related claims, a motion for authority to continue using the Debtors' existing bank accounts, a motion to provide adequate assurance of payment to

various utility service providers, and a motion for joint administration of the Debtors' Bankruptcy Cases. The Bankruptcy Court granted these motions by order of the same date.

The Bankruptcy Court has subsequently heard and granted motions by the Debtors requesting authority to retain various professionals, including Neligan Foley LLP as the Debtors' bankruptcy counsel, Clarion Financial Services, LLC as the Debtors' financial advisor, and various professionals utilized in the ordinary course of the Debtors' business.

2. Filing of Schedules and Creditors' Meeting

On August 23, 2013, the Debtors each filed their Schedules and Statement of Financial Affairs. The Debtors filed amended Schedules and Statements of Financial Affairs on August 28, 2013. These Schedules and Statements are available from the Bankruptcy Court via PACER or upon written request to the Debtors' counsel. On August 30, 2013, the Office of the United States Trustee held a meeting of creditors in accordance with section 341 of the Bankruptcy Code in Corpus Christi, Texas.

3. Extension Of The Exclusivity Periods

Under section 1121(b) of the Bankruptcy Code, the Debtors were given the exclusive right to file a plan of reorganization in their Bankruptcy Cases until November 22, 2013 (the "Exclusivity Period"). By Motion filed October 16, 2013, the Debtors sought a 45 day extension of the Exclusivity Period under section 1121(d) of the Bankruptcy Code. The Debtors also requested a corresponding 45 day extension of the 180 day period for the confirmation of a plan of reorganization in Section 1121(c)(3) (the "Confirmation Period"). By order dated November 13, 2013, the Bankruptcy Court granted the Debtors' motion. The current deadlines for the Debtors to file and confirm a plan under Sections 1121(b) and 1121(c)(3) are January 6, 2014 and March 7, 2014, respectively.

4. Successful Mediation

On October 24, 2013, the Debtors, certain representatives of the Noteholders, and certain representatives of the Guarantors attended a voluntary mediation in Dallas, Texas in an effort to reach a global resolution of various disputes among the parties. At the mediation, the parties were able to agree on a compromise resolution that forms the basis of, and is reflected in, the terms of the Plan.

5. Capital Investment and Turnaround

Since assuming control of the Debtors, Mr. Hurley has focused on implementing a new business plan intended to improve the Debtors' financial performance. To that end, the Debtors have made substantial capital investments and personnel changes. For example, the Debtors have purchased technical equipment that enables them to broadcast in full high-definition at all times. The Debtors have also implemented an automated commercial trafficking system and a new sales system that have increased efficiency and enabled the Debtors to maximize inventory rates and sales revenue. In addition, the Debtors hired Tim Noble as Station Manager and Director of Sales and Steve Gratzer as National Sales Manager. Mr. Noble, who has significant

experience in the broadcast industry in Corpus Christi, has reorganized the Debtors' sales department and hired additional sales staff. Mr. Gratzer is pursuing additional sales revenue from national accounts. As noted above, the Debtors also renegotiated their cable and satellite retransmission agreements, substantially increasing the income they realize from those agreements. As of the end of 2013, the Debtors had seen a marked increase in their financial performance and expect that revenue will continue to grow in 2014.

VII. LITIGATION

A. Pending Litigation

As of the Consent Date, HMB was a party in certain pending litigation, including the Noteholder Litigation. *See High Maintenance Broadcasting, LLC v. Corpus 38, LLC*, Cause No. 2012-dcv-1319-h in the 347th Judicial District Court in Nueces County, Texas. In the Noteholder Litigation, HMB asserted claims against Corpus 38 and certain related defendants for fraudulent inducement in connection with HMB's 2008 purchase of KUQI-TV and the execution of the Original Note. Generally, HMB contended that Corpus 38 fraudulently induced HMB into executing the Original Note by representing that the principal amount of the Original Note would be discounted from $6,300,000 to $4,400,000 after the transaction was finalized. HMB also asserted a claim for tortious interference with prospective business relations against one of the Noteholder, alleging that the Noteholder actively dissuaded the LBC Buyers from consummating the 2012 sale transaction with the Debtors. Corpus 38 and the other defendants denied HMB's allegations and sought dismissal of the Noteholder Litigation. HMB has agreed to settle and dismiss the Noteholder Litigation in consideration for the Noteholders' consent to the treatment of the Noteholders' Claims under the Plan.

As of the Consent Date, the Debtors were also a party to litigation styled *Rhum v. High Maintenance Broadcasting, et al.*, Cause No. 2013-ccv-60208-3, pending in the County Court at Law No. 3 in Nueces County, Texas. In that lawsuit, Andrea Rhum sought to recover damages arising out of the Debtors' alleged failure to pay for certain services provided by Ms. Rhum. On May 1, 2013, the court entered a judgment in favor of Ms. Rhum against the Debtors. Ms. Rhum has filed proofs of Claim for $35,745.13 and $16,778.34 against HMB and GHB, respectively. Ms. Rhum's Claims will be treated as General Unsecured Claims under the Plan.

B. Potential Litigation Under Non-Bankruptcy Law

The Debtors are currently investigating potential claims against the LBC Buyers arising out of the LBC Buyers' breach of the Purchase Agreements and associated tortious and wrongful conduct. The Debtors believe they have affirmative claims for damages against the LBC Buyers' as a result of the LBC Buyers' conduct in connection with the failed sale. In addition to claims for damages, the Debtors believe they are entitled to the release of $325,000, which is being held in escrow under the terms of an Earnest Money Escrow Agreement that was executed along with the Purchase Agreements. As a result of the LBC Buyers' failure to close and breach of the Purchase Agreements, the Debtors may be entitled to the release of the escrowed funds. The Debtor has not yet completed its investigation into these and other potential claims and nothing herein or in the Plan shall be deemed a waiver of any rights with respect thereto.

The Debtors may also have claims against current and former officers, directors, and/or managers of the Debtors related to the management's operation of the Debtors' businesses. Specifically, the Debtors may have avoidance causes of action arising under the Bankruptcy Code and common law causes of action arising under Texas state law related to certain pre-petition transfers and transactions between the Debtors and their officers, directors, and/or managers. The Debtors have not yet completed their investigation into these and other potential claims and nothing herein or in the Plan shall be deemed a waiver of any rights with respect thereto..

C. Avoidance Causes of Action

Section 547 of the Bankruptcy Code enables a debtor in possession to avoid a transfer to a creditor made within 90 days before the petition date (or within one year before the petition date in the case of a transfer to an insider) if the transfer was made on account of an antecedent debt and enabled the creditor to receive more than it would in a liquidation. A creditor can assert certain defenses to the avoidance of such a preferential transfer based upon, among other things, the transfer's occurring as part of the ordinary course of the debtor's business or that, subsequent to the transfer, the creditor provided the debtor with new value. Section 548 of the Bankruptcy Code allows a debtor in possession to avoid a transfer to a creditor made within one year before the petition date if (a) the transfer was made with actual intent to hinder, delay, or defraud other creditors or (b) the transfer was for less than reasonably equivalent value and the debtor was insolvent or undercapitalized at the time of the transfer or became insolvent or undercapitalized as a result of the transfer. A list of all transfers by the Debtors within 90 days before the Petition Date, and one year to insiders, is provided in the Debtors' Statements of Financial Affairs filed with the Bankruptcy Court. To the extent the Debtors' Statements of Financial Affairs are inaccurate or do not reflect all of the respective transfers, nothing in this Disclosure Statement or Plan shall constitute a waiver of the Debtors' rights to pursue avoidance actions to recover the full amount of any such transfer(s).

D. All Causes of Action to Be Transferred to the Reorganized Debtors

As of the Effective Date, all Causes of Action (including, without limitation, claims based on sections 510, 544, 547 and 548 of the Bankruptcy Code) will revest in the Debtors, as reorganized under the Plan. In accordance with section 1123(b)(3)(B) of the Bankruptcy Code, the reorganized Debtors shall retain the exclusive right to assert, prosecute, settle, or compromise any Causes of Action vested in it under the Plan as well as any and all defenses, counterclaims, and rights that have been asserted or could be asserted by the Debtors against or with respect to all Claims asserted against the Debtors or property of the Debtors' Estates.

In accordance with section 1123(b) of the Bankruptcy Code, and except where such Causes of Action have been expressly released, the reorganized Debtors shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, and the reorganized Debtor's rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. No Person may rely on the absence of a specific reference in the Plan or Disclosure Statement to any Cause of Action against them as any indication that the Debtor or the reorganized Debtors, as applicable, will not pursue any and all available Causes of Action

against them. Unless any Cause of Action against a Person is expressly waived, relinquished, released, compromised, or settled in the Plan or a Bankruptcy Court order, the reorganized Debtors expressly reserve all Causes of Action for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppels, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches, shall apply to such Causes of Action upon, after or as a consequence of the confirmation of the Plan. The reorganized Debtors shall be entitled to, and shall retain, the proceeds of any Cause of Action.

VIII. CONFIRMATION OF THE PLAN

A. Solicitation of Votes; Voting Procedures

1. Ballots and Voting Deadlines

A ballot to be used for voting to accept or reject the Plan, together with an addressed return envelope, is enclosed with all copies of this Disclosure Statement mailed to all Holders of Claims and Interests entitled to vote, if any. BEFORE COMPLETING YOUR BALLOT, PLEASE READ CAREFULLY THE INSTRUCTION SHEET THAT ACCOMPANIES THE BALLOT.

The Bankruptcy Court has directed that in order to be counted for voting purposes, ballots for the acceptance or rejection of the Plan must be received no later than 5:00 p.m. Central Time on February 14, 2014, at the following address:

Neligan Foley LLP
Attn: Ruth Clark
325 North St. Paul, Suite 3600
Dallas, Texas 75201
Fax: 214-840-5301

YOUR BALLOT MAY NOT BE COUNTED IF IT IS RECEIVED AT THE ABOVE ADDRESS AFTER 5:00 P.M. CENTRAL TIME ON FEBRUARY 14, 2014. FACSIMILE BALLOTS WILL BE ACCEPTED NO LATER THAN 5:00 P.M. CENTRAL TIME ON FEBRUARY 14, 2014.

2. Parties in Interest Entitled to Vote

Any Holder of a Claim against the Debtors as of the Voting Record Date (January 28, 2014) whose Claim has not previously been disallowed by the Bankruptcy Court or objected to by the Debtors is entitled to vote to accept or reject the Plan, if such Claim is impaired under the Plan and either (a) such Holder's Claim has been scheduled by the Debtors (and such Claim is not scheduled as disputed, contingent, or unliquidated) or (b) such Holder has filed a proof of claim on or before the Bar Date (November 28, 2013), the last date set by the Bankruptcy Court for such filings.

If a creditor or other party in interest files a motion seeking temporary allowance for voting purposes of a claim that has been objected to by a party in interest (a "Temporary

Allowance Motion"), the Debtors shall mail, via express or overnight mail, a solicitation package approved by the Bankruptcy Court together with a ballot (a "Temporary Allowance Ballot") to the creditor holding such claim within two business days after the filing of such motion. The creditor shall execute and return the Temporary Allowance Ballot to the Debtors' tabulation agent at the address set forth above prior to the Voting Deadline. After notice and hearing, the Court may temporarily allow the claim of the creditor in an amount which the court deems proper for the purpose of accepting or rejecting a plan.

3. Definition of Impairment

As set forth in section 1124 of the Bankruptcy Code, a class of claims or equity interests is impaired under a plan of reorganization unless, with respect to each claim or equity interest of such class, the plan:

(a) leaves unaltered the legal, equitable, and contractual rights of the holder of such claim or equity interest; or

(b) notwithstanding any contractual provision or applicable law that entitles the holder of a claim or equity interest to demand or receive accelerated payment of such claim or equity interest after the occurrence of a default:

(i) cures any such default that occurred before or after the commencement of the case under the Bankruptcy Code, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code;

(ii) reinstates the maturity of such claim or interest as it existed before such default;

(iii) compensates the holder of such claim or interest for any damages incurred as a result of any reasonable reliance on such contractual provision or such applicable law; and

(iv) does not otherwise alter the legal, equitable or contractual rights to which such claim or interest entitles the holder of such claim or interest.

4. Classes Impaired Under the Plan

Classes of claims or equity interests that are not impaired under a plan of reorganization are conclusively presumed to have accepted the plan and thus are not entitled to vote. Classes of claims or equity interests that are impaired under a plan and are not receiving any distribution under the plan are conclusively presumed to have rejected the plan and thus are not entitled to vote on the plan. Accordingly, acceptances of a plan will generally be solicited only from those persons who hold claims or equity interests in an impaired class and are receiving a distribution under the plan. A class is "impaired" if the legal, equitable, or contractual rights attaching to the claims or equity interests of that class are modified in any way under the plan. Modification for purposes of determining impairment, however, does not include curing defaults and reinstating

maturity, or payment in full in Cash.

Claims and Interests in Classes 3, 4, 7, and 8 are impaired under the Plan and the Holders of those Claims and Interests are entitled to vote on the Plan. Claims in Classes 1, 2, 5 and 6 are not impaired under the Plan, and the Holders of those Claims are conclusively presumed to have accepted the Plan under Bankruptcy Code section 1126(f) and are thus not entitled to vote on the Plan. Administrative Expense Claims and Priority Tax Claims are unclassified. Their treatment is prescribed by the Bankruptcy Code, and the Holders of such Claims are not entitled to vote on the Plan.

5. Vote Required For Class Acceptance

Under the Bankruptcy Code, a Class of Claims that is entitled to vote to accept or reject the Plan shall have accepted the Plan if it is accepted by at least two-thirds (2/3) in amount and more than one-half (1/2) in number of the Allowed Claims in such Class that have voted on the Plan. The Bankruptcy Code also provides that a Class of Interests that is entitled to vote to accept or reject the Plan shall have accepted the Plan if it is accepted by the Holders of at least two-thirds (2/3) in amount of the Allowed Interests in such Class that have voted on the Plan.

B. Confirmation Hearing

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court, after notice, to hold a hearing on confirmation of a plan. By order of the Bankruptcy Court, **the Confirmation Hearing on the Plan has been scheduled for February 18, 2014 at 9:00a.m. Central Time** in the United States Bankruptcy Court for the Southern District of Texas, Corpus Christi Division. The Bankruptcy Court may adjourn the Confirmation Hearing from time to time without further notice except for an announcement made at the confirmation hearing or any adjournment thereof.

Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to confirmation of a plan. **Any objection to confirmation of the Plan must be made in writing and filed with the Bankruptcy Court on or before February 13, 2014 at 5:00 p.m. Central Time**, at the following address:

Clerk of the United States Bankruptcy Court
Southern District of Texas
1133 N. Shoreline Blvd.
Corpus Christi, TX 78401

In addition, any such objection must be served upon the following parties, together with proof of service, so that they are ***received*** **by such parties on or before 5:00 p.m. Central Time on February 14, 2014**:

Neligan Foley LLP
Attn: Ruth Clark
325 N. St. Paul, Suite 3600
Dallas, TX 75242
(214) 840-5301 (Fax)

COUNSEL FOR THE DEBTOR

Objections to confirmation of the Plan are governed by Bankruptcy Rule 9014 and the Disclosure Statement Order. **UNLESS AN OBJECTION TO CONFIRMATION IS SERVED AND FILED ON THE DEBTORS AND THE OTHER NOTICE PARTIES AND THEIR COUNSEL SO THAT IT IS ACTUALLY RECEIVED BY NO LATER THAN 5:00 P.M. CENTRAL TIME ON FEBRUARY 14, 2014, THE BANKRUPTCY COURT MAY NOT CONSIDER IT.**

The Debtors believe that the key dates leading up to and including the Confirmation Hearing may be summarized as follows:

1. Febuary 13, 2014, 5:00 p.m. Central Time: Deadline for parties to file and serve any objection to the Plan.

2. February 14, 2014, 5:00 p.m. Central Time: Deadline for parties entitled to vote on the Plan, if any, to have their ballots received by the tabulation agent.

3. February 18, 2014, 9:00 a.m. Central Time: Commencement of the Confirmation Hearing.

C. Requirements For Confirmation of a Plan

At the Confirmation Hearing, the Bankruptcy Court must determine whether the Bankruptcy Code's requirements for confirmation of the Plan have been satisfied, in which event the Bankruptcy Court will enter an order confirming the Plan. As set forth in section 1129 of the Bankruptcy Code, these requirements are as follows:

1. The plan complies with the applicable provisions of the Bankruptcy Code.

2. The proponent of the plan complied with the applicable provisions of the Bankruptcy Code.

3. The plan has been proposed in good faith and not by any means forbidden by law.

4. Any payment made or promised by the debtor, by the plan proponents, or by a person issuing securities or acquiring property under the plan, for services or for costs and expenses in, or in connection with, the case, or in connection with the plan and incident to the case, has been approved by, or is subject to the approval of, the Bankruptcy Court as reasonable.

5. (a) (i) The proponent of the plan has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the plan, as a director, officer, or voting trustee of the debtor, an affiliate of the debtor participating in a joint plan with the debtor, or a successor to the debtor under the plan; and

(ii) the appointment to, or continuance in, such office of such individual, is consistent with the interests of creditors and equity security holders and with public policy; and

(b) the proponent of the plan has disclosed the identity of any insider that will be employed or retained by the reorganized debtor, and the nature of any compensation for such insider.

6. Any governmental regulatory commission with jurisdiction, after confirmation of the plan, over the rates of the debtor have approved any rate change provided for in the plan, or such rate change is expressly conditioned on such approval.

7. With respect to each impaired class of claims or interests:

(a) each holder of a claim or interest of such class has accepted the plan or will receive or retain under the plan on account of such claim or interest property of a value, as of the effective date of the plan, that is not less than the amount that such holder would so receive or retain if the debtor liquidated on such date under chapter 7 of the Bankruptcy Code on such date; or

(b) if section 1111(b)(2) of the Bankruptcy Code applies to the claims of such class, the holder of a claim of such class will receive or retain under the plan on account of such claim property of a value, as of the effective date of the plan, that is not less than the value of such holder's interest in the estate's interest in the property that secures such claims.

8. With respect to each class of claims or interests:

(a) such class has accepted the plan; or

(b) such class is not impaired under the plan.

9. Except to the extent that the holder of a particular claim has agreed to a different treatment of such claim, the plan provides that:

(a) with respect to a claim of a kind specified in section 507(a)(2) or 507(a)(3) of the Bankruptcy Code, on the effective date of the plan, the holder of such claim will receive on account of such claim cash equal to the allowed amount of such claim;

(b) with respect to a class of claims of a kind specified in section 507(a)(1), 507(a)(4), 507(a)(5), 507(a)(6), or 507(a)(7) of the Bankruptcy Code, each holder of a claim of such class will receive:

(i) if such class has accepted the plan, deferred cash payments of a value, as of the effective date of the plan, equal to the allowed amount

of such claim; or

(ii) if such class has not accepted the plan, cash on the effective date of the plan equal to the allowed amount of such claim; and

(c) with respect to a claim of a kind specified in section 507(a)(8) of the Bankruptcy Code, the holder of a claim will receive on account of such claim regular installment payments in cash –

(i) of a total value, as of the effective date of the plan, equal to the allowed amount of such claim;

(ii) over a period ending not later than 5 years after the date of the order for relief under section 301, 302, or 303; and

(iii) in a manner not less favorable than the most favored nonpriority unsecured claim provided for by the plan (other than cash payments made to a class of creditors under section 1122(b)); and

(d) with respect to a secured claim that would otherwise meet the description of an unsecured claim of a governmental unit under section 507(a)(8), but for the secured status of that claim, the holder of that claim will receive on account of that claim, cash payments, in the same manner and over the same period, as described in subparagraph (c) above.

10. If a class of claims is impaired under the plan, at least one class of claims that is impaired has accepted the plan, determined without including any acceptance of the plan by any insider holding a claim of such class.

11. Confirmation of the plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the debtor or any successor to the debtor under the plan, unless such liquidation or reorganization is proposed in the plan.

12. All fees payable under 28 U.S.C. § 1930, as determined by the Bankruptcy Court at the hearing on confirmation of the plan, have been paid or the plan provides for the payments of all such fees on the effective date of the plan.

13. The plan provides for the continuation after its effective date of payment of all retiree benefits, as that term is defined in section 1114 of the Bankruptcy Code, at the level established pursuant to subsection (e)(1)(B) or (g) of section 1114, at any time prior to confirmation of the plan, for the duration of the period the debtor has obligated itself to provide such benefits.

The Debtors believe that the Plan satisfies all the statutory requirements of chapter 11 of the Bankruptcy Code, that they have complied or will have complied with all the requirements of chapter 11, and that the Plan is proposed in good faith.

The Debtors believe that Holders of all Allowed Claims and Interests impaired under the Plan, if any, will receive payments or other property under the Plan having a present value as of the Effective Date not less than the amounts likely to be received if the Debtors were liquidated in a case under chapter 7 of the Bankruptcy Code. A liquidation analysis demonstrating that the Plan will result in equal or greater payments to Holders of Claims and Interest than a liquidation under chapter 7 is attached hereto as **Exhibit B**. At the Confirmation Hearing, the Bankruptcy Court will determine whether Holders of Allowed Claims or Interests would receive greater distributions under the Plan than they would receive in liquidation under chapter 7. The Debtors also believe that the Plan is feasible and that they will be able to satisfy their obligations under the Plan. A financial forecast demonstrating that the Debtors will be able to meet their obligations under the Plan is attached hereto as **Exhibit C**.

D. Cramdown

If any impaired Class of Claims or Interests does not accept the Plan, the Bankruptcy Court may still confirm the Plan at the request of the Debtors if, as to each impaired Class that has not accepted the Plan, the Bankruptcy Court determines that the Plan "does not discriminate unfairly" and is "fair and equitable" with respect to that Class. A plan of reorganization "does not discriminate unfairly" within the meaning of the Bankruptcy Code if no Class receives more than it is legally entitled to receive for its claims or equity interests.

"Fair and equitable" has different meanings with respect to the treatment of secured and unsecured claims. As set forth in section 1129(b)(2) of the Bankruptcy Code, those meanings are as follows:

1. With respect to a class of *secured claims*, the plan provides:

(a) (i) that the holders of such claims retain the liens securing such claims, whether the property subject to such liens is retained by the debtor or transferred to another entity, to the extent of the allowed amount of such claims; and

(ii) that each holder of a claim of such class receive on account of such claim deferred cash payments totaling at least the allowed amount of such claim, of a value, as of the effective date of the plan, of at least the value of such holder's interest in the estate's interest in such property;

(b) for the sale, subject to section 363(k) of the Bankruptcy Code, of any property that is subject to the liens securing such claims, free and clear of such liens, with such liens to attach to the proceeds of such sale, and the treatment of such liens on proceeds under clause (a) or (c) of this paragraph 1; or

(c) the realization by such holders of the "indubitable equivalent" of such claims.

2. With respect to a class of *unsecured claims*, the plan provides:

(a) that each holder of a claim of such class receive or retain on

account of such claim property of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or

(b) the holder of any claim or interest that is junior to the claims of such class will not receive or retain under the plan on account of such junior claim or interest any property.

3. With respect to a class of *equity interests*, the plan provides:

(a) that each holder of an interest of such class receive or retain on account of such interest property of a value, as of the effective date of the plan, equal to the greatest of the allowed amount of any fixed liquidation preference to which such holder is entitled, any fixed redemption price to which such holder is entitled, or the value of such interest; or

(b) that the holder of any interest that is junior to the interests of such class will not receive or retain under the plan on account of such junior interest any property.

In the event that any impaired Class of Claims or Interests does not accept the Plan, the Bankruptcy Court will determine at the Confirmation Hearing whether the Plan is fair and equitable with respect to, and does not discriminate unfairly against, any rejecting impaired Class of claims or equity interests. For the reasons set forth above and below, the Debtors believe that the Plan does not discriminate unfairly against, and is fair and equitable with respect to, each impaired Class of Claims or Interests.

IX. RISK FACTORS

The following is intended as a summary of certain risks associated with the Plan, but it is not exhaustive and must be supplemented by the analysis and evaluation made by each Holder of a Claim or Interest of the Plan and this Disclosure Statement as a whole with such Holder's own advisors.

A. Insufficient Acceptances

For the Plan to be confirmed, each impaired Class of Claims or Interests is given the opportunity to vote to accept or reject the Plan, unless the Plan provides that the Holders in such Class will not receive any distribution under the Plan (in which event such Holders are deemed to reject the Plan). With regard to any impaired voting Classes, the Plan will be deemed accepted by a Class of impaired Claims if the Plan is accepted by claimants of such Class who hold at least two-thirds (2/3) in amount and more than one-half (1/2) in number of the total Allowed Claims in that Class that actually vote on the Plan. Only those members of a Class who vote to accept or reject the Plan will be counted for voting purposes. In the event that the Bankruptcy Court determines that an impaired Class of Claims has not voted to accept the Plan, the Debtors reserve the right to request confirmation of the Plan pursuant to the cramdown provisions in section 1129(b) of the Bankruptcy Code, which will allow confirmation of the Plan even if a particular Class of impaired Claims has not accepted the Plan. However, there can be

no assurance that any impaired Class of Claims will accept the Plan or that the Debtors would be able to use the cramdown provisions of the Bankruptcy Code for confirmation of the Plan.

B. Confirmation Risks

The following specific risks exist with respect to confirmation of the Plan:

(i) Any objection to confirmation of the Plan filed by a member of a Class of Claims or Interests can either prevent confirmation of the Plan or delay confirmation for a significant period of time.

(ii) Since the Debtors may be seeking to obtain approval of the Plan over the rejection of one or more impaired Classes of Claims or Interests, the cramdown process could delay confirmation.

C. Conditions Precedent

Confirmation of the Plan and occurrence of the Effective Date are subject to certain conditions precedent that may never occur. For example, if the Debtors do not receive the Exit Funding as set forth in the Plan, they may be able to fulfill their obligations under the Plan. Similarly, if the Debtors do not receive FCC Consent to the issuance of the New Interests in the Debtors to Corpus 18, LLC, the Debtors may be unable to consummate the Plan. The Debtors, however, will work diligently with all parties in interest to ensure that all conditions precedent are satisfied.

D. Risk Regarding Amounts and Classification of Claims

The estimated number and amount of claims in each Plan Class set forth on pages 8-11 of this Disclosure Statement are based on the Debtors' review and analysis of its Schedules and the proofs of claim filed in the Bankruptcy Case, and on the Debtors' assumptions regarding how certain Claims may be classified and treated under the Plan. There can be no assurance that the estimated amount of distributions and recoveries by Creditors in any Class (whether in amount or as a percentage of any Allowed Claim), will prove to be accurate, and the distributions and recoveries may be substantially less than estimated.

E. Sale Risk

The Debtors' ability to fulfill the terms of the Plan is largely dependent upon their ability to market and sell the Debtors' assets within the time frame set forth in the Plan. While the Debtors believe they will be able to do so, both their ability to complete a sale of their assets and the price at which they will be able to sell those assets remains uncertain. If the Debtors are unable to sell their assets, or if the price at which they will sell their assets is significantly below the amounts set forth in the Plan, parties' estimated distributions may be substantially less.

F. Economic Pressures

The current conditions in the domestic and global economies, the duration of which is unknown and unpredictable, and other general economic conditions could adversely affect the

Debtors' financial performance and its ability to produce earnings necessary to pay ongoing operating costs and other expenses.

G. FCC Approval/Renewal Risk

The Plan requires FCC Consent to the issuance of the New Interests in the Debtors. As noted above, there is no guarantee that the Debtors will obtain the FCC Consent required to consummate the Plan. In addition, the Debtors' FCC Licenses are set to expire in 2014 and the Debtors must file an application for renewal of the Licenses on or before April 1, 2014. While the Debtors believe it is unlikely, it is possible that the FCC will deny the renewal application. In connection with the renewal, the FCC could levy a fine or other penalty as a result of the Debtors' failure to fully comply with certain FCC rules and regulations prior to the Petition Date. If the FCC levies a fine or other penalty for past violations, it is possible that such fine or penalty could have a material adverse impact on the Debtors' operations or adversely affect the Debtors' ability to perform their obligations under the Plan.

X. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

The chief alternative to the Plan is a sale of the Debtors' assets and distribution of the net sale proceeds to creditors in accordance with the priorities established by the Bankruptcy Code. A sale of the Debtors' assets could either occur in chapter 11 or following conversion of the Bankruptcy Case to chapter 7. The Debtors have considered whether a liquidation of their assets would be in the best interest of Holders of Claims and Interests and concluded that the liquidation value of the Debtors' assets would likely be lower than the value that may be realized under the Plan.

Because the majority of the Debtors' assets consist of intangible property, including their respective Licenses, the value of the Debtors' assets is not readily known. However, the Debtors believe that the value of their assets, including their respective FCC Licenses, will be substantially higher if their businesses are sold as a going concern than if the assets were sold in a liquidation. Furthermore, the Debtors believe that a chapter 7 conversion and liquidation: (1) would lead to additional administrative expenses for the fees and costs of the trustee and his/her professionals; (2) would result in additional expenses and claims in the chapter 7 case, which would be entitled to priority in payments over chapter 11 administrative expenses and pre-petition claims; (3) would lead to additional delay with uncertain results; and (4) could result in the loss of the Debtors' Licenses. While the amount of the fees, costs and expenses associated with a chapter 7 trustee and his/her professionals cannot be estimated with any certainty, it is believed that they could easily add tens of thousands of dollars in administrative expenses to the Debtors' respective Estate, if not more.

In addition, the Plan provides for the funding of $500,000 in Exit Funding to be used by the Debtors to pay certain Allowed Claims and for general working capital purposes. Without the Exit Funding, the Debtors would not be able to pay all Allowed Administrative Claims in full on the Effective Date and would likely require additional financing for working capital purposes. Unless the Plan is confirmed, the Debtors are uncertain to receive the necessary financing.

If the Plan is not confirmed, Holders of General Unsecured Claims will not be guaranteed to receive the Distributions set forth in the Plan, and would instead receive a distribution of proceeds from the liquidation of the Debtors' assets in accordance with the priorities established by the Bankruptcy Code (*i.e.*, after payment in full of administrative, priority and secured claims). As set forth above, the Debtors believe that Distributions will be greater under the Plan than they would be in a liquidation scenario. Thus, the Debtors believe that the Plan is in the best interest of Holders of Claims and Interests and should be accepted by all Holders of Claims entitled to vote on the Plan.

Section 1129(a)(7) of the Bankruptcy Code requires that every creditor in an impaired class who has not accepted a proposed plan of reorganization receive at least as much under the plan as that creditor would receive in a hypothetical liquidation of the Debtors under chapter 7 of the Bankruptcy Code. That is, each creditor who votes to reject the plan is entitled to be certain that it is no worse off under the plan than it would be if the Debtors were liquidated and the proceeds of that liquidation were distributed among all the Debtor's creditors in accordance with the distribution priorities established by the Bankruptcy Code. This requirement is generally known as the "best interests of creditors" test.

For the reasons set forth above, the Debtors believe that the best interests test is satisfied under the Plan. The Debtors will file a liquidation analysis supporting this contention with the Bankruptcy Court prior to the Disclosure Statement hearing.

XI. CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

The following discussion summarizes certain federal income tax consequences of the implementation of the Plan to the Debtors and certain Holders of Claims. This summary does not address all aspects of federal income taxation that may be relevant to all persons considering the Plan. Special federal income tax considerations not discussed in this summary may be applicable to, among other persons, financial institutions, insurance companies, foreign corporations, tax-exempt institutions and persons who are not citizens or residents of the United States. In addition, this summary does not discuss the effect of any foreign, state or local tax law, the effect of which may be significant. Furthermore, this discussion assumes that the Debtor is classified as a partnership for U.S. federal income tax purposes.

This summary is based on the Internal Revenue Code of 1986, as amended ("IRC"), the regulations promulgated thereunder, judicial decisions, and administrative positions of the Internal Revenue Service (the "Service"). All Section references in this summary are to Sections of the IRC. Any change in the foregoing authorities may be applied retroactively in a manner that could adversely affect persons considering the Plan.

No ruling will be sought from the Service with respect to the federal income tax aspects of the Plan and there can be no assurance that the conclusions set forth in this summary will be accepted by the Service. No opinion has been sought or obtained with respect to the tax aspects of the Plan.

THIS SUMMARY IS INTENDED FOR GENERAL INFORMATION ONLY. PERSONS CONSIDERING THE PLAN ARE ADVISED TO CONSULT THEIR OWN TAX

ADVISORS CONCERNING THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE REORGANIZATION OF THE DEBTOR, THE RECEIPT OF ANY PAYMENT UNDER THE PLAN, AND THE IMPACT ON THAT PERSON OR ANY OTHER PERSON OF ANY OBLIGATION IMPOSED UNDER THE PLAN.

IRS Circular 230 Disclosure: To ensure compliance with requirements imposed by the IRS in Circular 230, you are hereby informed that (i) any tax advice contained in this Disclosure Statement is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code, (ii) the advice is written to support the promotion or marketing of the transactions or matters addressed in the Disclosure Statement and (iii) each Holder should seek advice based on its particular circumstances from an independent tax advisor.

A. Tax Consequences to the Debtors

Under the IRC, a taxpayer generally must include in gross income the amount of any discharge-of-indebtedness income realized during the taxable year. If, as contemplated under the Plan, the Debtors do not pay all Allowed Claims in full, then the Debtors may be required to realize discharge-of-indebtedness income.

B. Tax Consequences To Holders of Interests

Under the Plan, the Interests in the Debtors will be extinguished on the Effective Date. The amount, character and timing of any gain or loss recognized by the Holder of any Interest depends on a variety of factors, including the individual circumstances of such Holder. Each Holder of an Interest in the Debtors should consult with its own tax advisor to determine the impact of the Plan's treatment of its Interest in the Debtors.

C. Tax Consequences to Holders of Claims

A Holder of an Allowed Claim who receives Cash or other consideration in satisfaction of any Allowed Claim may recognize ordinary income. Each Holder of a Claim is urged to consult with its tax advisor regarding the tax implications of any Distributions it may receive under the Plan.

D. Information Reporting and Withholding

All distributions to Holders of Claims and Interests are subject to any applicable withholding (including employment tax withholding). Under the IRC, interest, dividends and other "reportable payments" may, under certain circumstances, be subject to "backup withholding" then in effect. Backup withholding generally applies if the holder (1) fails to furnish its social security number or other taxpayer identification number ("TIN"), (2) furnishes an incorrect TIN, (3) fails properly to report interest or dividends or (4) under certain circumstances, fails to provide a certified statement, signed under penalty of perjury, that the TIN provided is its correct number and that it is not subject to backup withholding. Backup withholding is not an additional tax but merely an advance payment, which may be refunded to the extent it results in an overpayment of tax. Certain persons are exempt from backup withholding, including, in certain circumstances, corporations and financial institutions.

THE FOREGOING SUMMARY OF CERTAIN MATERIAL FEDERAL INCOME TAX CONSEQUENCES HAS BEEN PROVIDED FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER OF A CLAIM OR INTEREST. EACH HOLDER OF A CLAIM OR INTEREST IS URGED TO CONSULT ITS OWN TAX ADVISORS FOR THE FEDERAL, STATE, LOCAL AND FOREIGN INCOME AND OTHER TAX CONSEQUENCES THAT MAY BE APPLICABLE UNDER THE PLAN.

XII. CONCLUSION

The Debtors urge all Holders of Claims entitled to vote on the Plan to vote to **ACCEPT** the Plan and to evidence such acceptance by returning their ballots so that they will be received by **5:00 p.m. Central Time on February 14, 2014.**

Dated: January 27, 2014

HIGH MAINTENANCE BROADCASTING, LLC

By: _/s/ Thomas L. Hurley_
Thomas L. Hurley
Its General Manager and
Chief Restructuring Officer

GH BROADCASTING, INC.

By: _/s/ Thomas L. Hurley_
Thomas L. Hurley
Its General Manager and
Chief Restructuring Officer