

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL	
OMB Number:	3235-0104
Estimated average burden hours per response:	0.5

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>HIGHLAND CAPITAL MANAGEMENT LP</u>  (Last) (First) (Middle) 13455 NOEL ROAD SUITE 800  (Street) DALLAS TX 75240  (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 08/04/2006	3. Issuer Name and Ticker or Trading Symbol <u>GRAY TELEVISION INC [ GTN ]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable)  Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)	5. If Amendment, Date of Original Filed (Month/Day/Year)  6. Individual or Joint/Group Filing (Check Applicable Line) Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock, no par value <sup>(1)(2)(3)</sup>	4,273,722 <sup>(1)(2)</sup>	I	See Footnote <sup>(4)</sup>
Common Stock, no par value <sup>(1)(2)(3)</sup>	259,100 <sup>(1)(2)</sup>	D <sup>(5)</sup>	

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			

1. Name and Address of Reporting Person\*  
HIGHLAND CAPITAL MANAGEMENT LP  
 (Last) (First) (Middle)  
 13455 NOEL ROAD  
 SUITE 800  
 (Street)  
 DALLAS TX 75240  
 (City) (State) (Zip)

1. Name and Address of Reporting Person\*  
DONDERO JAMES D  
 (Last) (First) (Middle)  
 13455 NOEL ROAD  
 SUITE 800  
 (Street)  
 DALLAS TX 75240  
 (City) (State) (Zip)

1. Name and Address of Reporting Person\*  
Highland Credit Strategies Fund  
 (Last) (First) (Middle)  
 13455 NOEL ROAD  
 SUITE 800

(Street)	DALLAS	TX	75240
(City)	(State)	(Zip)	
1. Name and Address of Reporting Person*			
<u>Strand Advisors, Inc.</u>			
(Last)	(First)	(Middle)	
13455 NOEL ROAD			
SUITE 800			
(Street)	DALLAS	TX	75240
(City)	(State)	(Zip)	

**Explanation of Responses:**

- This statement is filed by and on behalf of: (i) Highland Credit Strategies Fund ("Credit Strategies Fund"); (ii) Highland Capital Management, L.P. ("Capital Management"); (iii) Strand Advisors, Inc. ("Strand"); and (iv) James D. Dondero. Capital Management serves as an investment adviser and/or manager to other persons, including Credit Strategies Fund. Capital Management may be deemed to beneficially own shares owned and/or held by and/or for the account and/or benefit of other persons, including Credit Strategies Fund. Strand is the general partner of Capital Management. Strand may be deemed to beneficially own shares owned and/or held by and/or for the account and/or benefit of Capital Management. Mr. Dondero is the President of Credit Strategies Fund and the President and a director of Strand. Mr. Dondero may be deemed to beneficially own shares owned and/or held by and/or for the account and/or benefit of Strand.
- Each of the reporting persons states that neither the filing of this statement nor anything herein shall be deemed an admission that such person is, for purposes of Section 16 of the Act or otherwise, the beneficial owner of any securities covered by this statement. Each of the reporting persons disclaims beneficial ownership of the securities covered by this statement, except to the extent of the pecuniary interest of such person in such securities.
- Each of the reporting persons may be deemed to be a member of a group with respect to the issuer or securities of the issuer for the purposes of Section 13(d) or 13(g) of the Act. Each of the reporting persons declares that neither the filing of this statement nor anything herein shall be construed as an admission that such person is, for the purposes of Section 13(d) or 13(g) of the Act or any other purpose, (i) acting (or has agreed or is agreeing to act together with any other person) as a partnership, limited partnership, syndicate, or other group for the purpose of acquiring, holding, or disposing of securities of the issuer or otherwise with respect to the issuer or any securities of the issuer or (ii) a member of any group with respect to the issuer or any securities of the issuer.
- Includes shares and/or held by and/or for the account and/or benefit of other persons, including 259,100 shares and/or held by and/or for the account and/or benefit of Credit Strategies Fund.
- Includes 259,100 shares and/or held by and/or for the account and/or benefit of Credit Strategies Fund.

By: Strand Advisors, Inc., its  
general partner /s/ James      11/15/2006  
Dondero, President

\*\* Signature of Reporting Person      Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 5 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.**

## JOINT FILING AGREEMENT AND POWER OF ATTORNEY

November 15, 2006

Pursuant to and in accordance with the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder, each party hereto hereby agrees to the joint filing, on behalf of each of them, of any filing required by such party under Section 13 or Section 16 of the Exchange Act or any rule or regulation thereunder (including any amendment, supplement, and/or exhibit thereto) with the Securities and Exchange Commission (and, if such security is registered on a national securities exchange, also with the exchange), and further agrees to the filing, furnishing, and/or incorporation by reference of this Joint Filing Agreement and Power of Attorney as an exhibit thereto. This Joint Filing Agreement and Power of Attorney shall remain in full force and effect until revoked by any party hereto in a signed writing provided to each other party hereto, and then only with respect to such revoking party.

Know all men by these presents, that each party hereto hereby constitutes and appoints each of J. Kevin Ciavarra and Michael S. Mince, and each of them, as the true and lawful attorneys-in-fact and agents, or attorney-in-fact and agent, of such party with full power and authority and full power of substitution and resubstitution, for, in the name of, and on behalf of such party, place and stead, in any and all capacities, (i) to execute any and all filings required by such party under Section 13 or Section 16 of the Exchange Act or any rule or regulation thereunder (including any amendment, supplement, and/or exhibit thereto), for, in the name of, and on behalf of such party, (ii) to do and perform any and all acts for, in the name of, and on behalf of such party which said attorneys-in-fact, or any of them, determine may be necessary or appropriate to complete and execute any and all such filings, amendments, supplements, and/or exhibits, and any and all other document(s) in connection therewith, (iii) to file such filings, amendments, supplements, exhibits, and/or documents with the Securities and Exchange Commission (and, if such security is registered on a national securities exchange, also with the exchange), and (iv) to perform any and all other acts that said attorneys-in-fact or agents, or any of them, determine may be necessary or appropriate in connection with the foregoing that may be in the best interest of or legally required by such party, granting unto said attorneys-in-fact and agents, or any of them, full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as fully to all intents and purposes as such party might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, shall do or cause to be done by virtue hereof. Each party hereto hereby acknowledges that the foregoing attorneys-in-fact and agents, or any of them, in serving in such capacity at the request of such undersigned party, are not assuming any of the responsibilities of the undersigned to comply with Section 16 or Section 13(d) of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

IN WITNESS WHEREOF, each party hereto, being duly authorized, has caused this Joint Filing Agreement and Power of Attorney to be executed and effective as of the date first written above.

Highland Credit Strategies Fund

By: /s/ James Dondero

-----  
Name: James Dondero  
Title: President

Highland Capital Management, L.P.

By: Strand Advisors, Inc., its general partner

By: /s/ James Dondero

-----  
Name: James Dondero  
Title: President

Strand Advisors, Inc.

By: /s/ James Dondero

-----  
Name: James Dondero  
Title: President

James Dondero

By: /s/ James Dondero

-----  
Name: James Dondero

JOINT FILER INFORMATION

Name: Strand Advisors, Inc.

Address: Two Galleria Tower  
13455 Noel Road, Ste. 800  
Dallas, Texas 75201

Designated Filer: Highland Capital Management, L.P.

Issuer and Ticker Symbol: Gary Television, Inc (NYSE: GRN)

Date of Event Requiring Statement: August 4, 2006

Relationship of Reporting Person(s) to Issuer: 10% Owner

If Amendment, Date Original Filed (Month/Day/Year): Not Applicable

Individual or Joint/Group Filing: Form filed by More than One Reporting Person

Signature: STRAND ADVISORS, INC.

By: /s/ James Dondero  
-----  
Name: James Dondero  
Title: President  
Date: November 15, 2006

JOINT FILER INFORMATION

Name: James Dondero

Address: Two Galleria Tower  
13455 Noel Road, Ste. 800  
Dallas, Texas 75201

Designated Filer: Highland Capital Management, L.P.

Issuer and Ticker Symbol: Gary Television, Inc (NYSE: GRN)

Date of Event Requiring Statement: August 4, 2006

Relationship of Reporting Person(s)  
to Issuer: 10% Owner

If Amendment, Date Original Filed  
(Month/Day/Year): Not Applicable

Individual or Joint/Group Filing: Form filed by More than One Reporting  
Person

Signature: JAMES DONDERO

By: /s/ James Dondero  
-----  
Name: James Dondero  
Date: November 15, 2006

JOINT FILER INFORMATION

Name: Highland Credit Strategies Fund

Address: Two Galleria Tower  
13455 Noel Road, Ste. 800  
Dallas, Texas 75201

Designated Filer: Highland Capital Management, L.P.

Issuer and Ticker Symbol: Gary Television, Inc (NYSE: GRN)

Date of Event Requiring Statement: August 4, 2006

Relationship of Reporting Person(s)  
to Issuer: 10% Owner

If Amendment, Date Original Filed  
(Month/Day/Year): Not Applicable

Individual or Joint/Group Filing: Form filed by More than One Reporting  
Person

Signature: HIGHLAND CREDIT STRATEGIES FUND

By: /s/ James Dondero  
-----  
Name: James Dondero  
Title: President  
Date: November 15, 2006