

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of May 25, 2001 among Felix Torres, an individual ("Seller"), Clear Channel Broadcasting, Inc., a Nevada corporation ("CCB") and Clear Channel Broadcasting Licenses, Inc., a Nevada corporation ("CCBL") (CCB and CCBL, collectively, "Buyer").

### WITNESSETH

WHEREAS, Seller owns and operates radio broadcast station KBMA (FM), Bryan, Texas (the "Station") pursuant to certain licenses, authorizations and approvals (the "FCC Authorizations") issued by the Federal Communications Commission (the "FCC"); and

WHEREAS, subject to the terms and conditions set forth herein, (i) Seller desires to assign to CCBL, and CCBL desires to acquire from Seller, the FCC Authorizations and (ii) Seller desires to convey to CCB, and CCB desires to acquire from Seller, certain other tangible and intangible assets and properties used or held for use in the operation of the Station.

NOW, THEREFORE, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the parties, intending to be legally bound, hereby agree as follows:

### ARTICLE I

#### SALE AND PURCHASE

Section 1.1 Station Assets. Subject to and in reliance upon the representations, warranties and agreements herein set forth, and subject to the terms and conditions herein contained, on the Closing Date (as hereinafter defined) Seller shall grant, convey, sell, assign, transfer and deliver to Buyer, and Buyer shall purchase from Seller, the following (collectively, the "Station Assets"):

(a) Licenses and Authorizations. All of the FCC Authorizations issued with respect to the Station including, without limitation, all rights in and to the Station's call letters and any variations thereof, and all of those FCC Authorizations listed and described on Schedule 1.1(a) attached hereto, and all applications therefor, together with any renewals or extensions thereof and additions thereto.

(b) Tangible Personal Property. All interests of Seller as of the date of this Agreement in all equipment, electrical devices, antennas, cables, vehicles, furniture, fixtures, office materials and supplies, hardware, tools, spare parts, and other tangible personal property of every kind and description, used or held for use in connection with the business and operations of the Station including, without limitation, those listed and described on Schedule 1.1(b) attached hereto,

and any additions and improvements thereto between the date of this Agreement and the Closing Date (collectively, “Tangible Personal Property”).

(c) Real Property. All interests of Seller in the Tower Lease Agreement described on Schedule 1.1(c) attached hereto (collectively, the “Real Property”).

(d) Intangible Property. All interests of Seller as of the date of this Agreement in and to the marks consisting of the Station’s call letters (the “Intangible Property”).

(e) Files and Records. All FCC logs and other records that relate to the Station Assets described in clauses (a)-(b) above (other than duplicate copies of such files) including, without limitation, all schematics, blueprints, engineering data, specifications and other technical information concerning the Station Assets.

(f) Claims. Any and all claims and rights against third parties if and to the extent that they relate to the Station Assets including, without limitation, all rights under manufacturers’ and vendors’ warranties.

(g) Prepaid Items. All security deposits, reserves, prepaid expenses and prepaid taxes relating to the Station Assets.

Section 1.2 Excluded Assets. Buyer is not purchasing the Station as a going concern, is not acquiring any goodwill or intellectual property of the Station and is not acquiring the Station’s existing studio facilities. The Station Asset shall include only those assets described in Section 1.1 hereof.

### Section 1.3 Liabilities.

(a) The Station Assets shall be sold and conveyed to Buyer free and clear of all mortgages, liens, deeds of trust, security interests, pledges, restrictions, prior assignments, charges, claims, defects in title and encumbrances of any kind or type whatsoever (collectively, “Liens”) except: (i) liens for real estate taxes not yet due and payable for which Buyer receives a Purchase Price adjustment under Section 1.5; (ii) the post-Closing obligations of Seller which CCB will assume under the lease described on Schedule 1.1(c), and (iii) immaterial Liens or Liens that do not materially adversely affect the use of the Station Assets as currently used (“Permitted Encumbrances”).

(b) Subject to Section 1.5, at the Closing Buyer shall assume all liabilities and obligations of Seller arising on or after the Closing Date under the lease described on Schedule 1.1(c).

(c) Except as otherwise specifically provided herein, Buyer shall not assume or be liable for, and does not undertake to attempt to, assume or discharge: (i) any liability or obligation of Seller arising out of or relating to any contract, lease agreement, or instrument; (ii) any liability or obligation of Seller arising out of or relating to any employee benefit plan otherwise relating to employment; (iii) any liability or obligation of Seller arising out of or relating to any litigation, proceeding or claim (whether or not such litigation, proceeding or claim is pending, threatened or asserted before, on or after the Closing Date); (iv) any other liabilities, obligations, debts or commitments of Seller whatsoever, whether accrued now or hereafter, whether fixed or contingent, whether known or unknown; or (v) any claims asserted against the Station or any of the Station Assets relating to any event (whether act or omission) prior to the Closing Date including, without limitation, the payment of all taxes.

(d) Buyer shall in no event assume any liability or obligation arising (i) from the assignment to Buyer of any Contract in violation of its terms or (ii) from any other breach or default by Seller upon or prior to Closing under any Contract.

(e) Seller retains and shall hereafter pay, satisfy, discharge, perform and fulfill all obligations and liabilities of Seller not expressly assumed by Buyer hereunder as they become due, without any charge or cost to Buyer, and Seller agrees to indemnify and hold Buyer and its successors and assigns harmless from and against any and all such liabilities in accordance with the terms of Article IX.

#### Section 1.4 Purchase Price.

(a) Purchase Price. The purchase price to be paid for the Station Assets will be an amount equal to the sum of (i) TWO MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$2,500,000) plus or minus (ii) the Closing Date Adjustments pursuant to Section 1.5 (the "Purchase Price").

(b) Method of Payment. Upon Closing, the Purchase Price shall be paid by Buyer in immediately available funds pursuant to written instructions of the Seller to be delivered by Seller to Buyer at least four (4) business days prior to Closing.

(c) Allocation of Purchase Price. Buyer and Seller will allocate the Purchase Price in accordance with the respective fair market values of the Station Assets and the goodwill being purchased and sold in accordance with the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended (the "Code"). The allocation shall be determined by mutual agreement of the parties within one hundred twenty (120) days after Closing. Buyer and Seller each further agrees to file its federal income tax returns and its other tax returns reflecting such allocation.

Section 1.5 Adjustments. The operation of the Station and the income and normal operating expenses attributable thereto through the date preceding the Closing Date (the

“Adjustment Date”) shall be for the account of Seller and thereafter for the account of Buyer, and, if any income or expense is properly allocable or credited, then it shall be allocated, charged or prorated accordingly. Expenses for goods or services received both before and after the Adjustment Date, power and utilities charges, and rents and similar prepaid and deferred items shall be prorated between Seller and Buyer as of the Adjustment Date in accordance with generally accepted accounting principles consistently applied (“GAAP”). All special assessments and similar charges or liens imposed against the Real Property and Tangible Personal Property in respect of any period of time through the Adjustment Date, whether payable in installments or otherwise, shall be the responsibility of Seller, and amounts payable with respect to such special assessments, charges or liens in respect of any period of time after the Adjustment Date shall be the responsibility of Buyer, and such charges shall be adjusted as required hereunder. To the extent that any of the foregoing prorations and adjustments cannot be determined as of the Closing Date, Buyer and Seller shall conduct a final accounting and make any further payments, as required on a date mutually agreed upon, within ninety (90) days after the Closing.

Section 1.6 Closing. The consummation of the sale and purchase of the Station Assets provided for in this Agreement (the “Closing”) shall take place at a date and time designated by Buyer within 15 business days after the date of the FCC Consent (as defined in Section 10.12) pursuant to the FCC’s initial order, but in no event later than one (1) year after the date of this Agreement (such date, the “Final Closing Date”), in any case subject to the satisfaction or waiver of the last of the conditions required to be satisfied or waived pursuant to Articles VI and VII (other than those requiring a delivery of a certificate or other document, or the taking of other action, at the Closing). Alternatively, the Closing may take place at such other place, time or date as the parties may mutually agree upon in writing. The date on which the Closing is to occur is referred to herein as the “Closing Date.”

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer as follows:

Section 2.1 Status. Seller is an individual, doing business as Mexican American Communications, MACE, La Fabulosa or KBMA. Seller has the requisite power to carry on the business of the Station as it is now being conducted and to own and operate the Station, and Seller has the requisite power to enter into and complete the transactions contemplated by this Agreement (the “Subject Transactions”). Seller has not used any names in the operation of the business other than the names set forth above and the Station’s call letters.

Section 2.2 Authority. All actions necessary to be taken by or on the part of Seller in connection with the Subject Transactions have been duly and validly taken, and this Agreement has

been duly and validly authorized, executed, and delivered by Seller and constitutes the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms.

Section 2.3 No Conflict. The execution, delivery and performance of this Agreement and the consummation of the Subject Transactions will not (a) except as disclosed in Schedule 2.11, conflict with or violate or result in any breach of or any default under, result in any termination or modification of, or cause any acceleration of any obligation under, any Contract (as defined in Section 2.5) to which Seller is a party or by which it is bound, or by which the Station or any of the Station Assets may be affected, or result in the creation of any Lien upon any of the Station Assets; or (b) violate any judgment, decree, order, statute, law, rule or regulation applicable to Seller, the Station or any of the Station Assets.

Section 2.4 Intentionally Omitted.

Section 2.5 No Breach. Seller is not in violation or breach of any written, oral or implied contract, agreement, lease or instrument or other commitment including, without limitation, any indenture, mortgage, guarantee, surety arrangements and/or all contract or agreement for the purchase or sale of merchandise, programming or advertising time on a radio station or for the rendition of services (each a “Contract” and collectively, “Contracts”), which relate to the Station Assets, or which are used in, related to or necessary for the business and operations of the Station (“Seller Contracts”), or any court order, judgment, arbitration award, or decree relating to or affecting the Station or the Station Assets to which Seller is a party or by which it is bound.

Section 2.6 Intentionally Omitted.

Section 2.7 Liabilities. Except as reflected in Schedule 2.7 hereto, Seller has no liabilities or obligations relating to the Station Assets of any kind or nature, whether known or unknown, due or not yet due, liquidated or unliquidated, fixed, contingent or otherwise.

Section 2.8 Taxes. Seller has filed all applicable federal, state, local and foreign tax returns required to be filed, in accordance with provisions of law pertaining thereto, and has paid all taxes, interest, penalties and assessments (including, without limitation, income, withholding, excise, unemployment, Social Security, occupation, transfer, franchise, property, sales and use taxes, import duties or charges, and all penalties and interest in respect thereof) required to have been paid with respect to or involving the Station or the Station Assets. Seller has not been advised that any of its returns, federal, state, local or foreign, have been or are being audited.

Section 2.9 Licenses. Seller is the holder of the FCC Authorizations listed and described on Schedule 1.1(a). Such FCC Authorizations constitute all of the licenses, authorizations and approvals required under the Communications Act of 1934, as amended (the “Communications Act”), or the rules, regulations and policies of the FCC for, and used in the operation of, the Station. The FCC Authorizations are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. To Seller’s

knowledge, there is not pending or threatened, any action by or before the FCC to revoke, suspend, cancel, rescind or modify any of the FCC Authorizations (other than proceedings to amend FCC rules of general applicability), and there is not now issued or outstanding or pending or threatened, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint against Seller or any Station. The Station is operating in material compliance with the FCC Authorizations, the Communications Act, and the rules, regulations and policies of the FCC.

Section 2.10 Additional FCC Matters.

(a) All reports and filings required to be filed with the FCC by Seller with respect to the Station (including, without limitation, all required equal employment opportunity reports) have been timely filed in all material respects. All such reports and filings are accurate and complete in all material respects. Seller maintains public files for the Station as required by FCC rules. With respect to FCC licenses, permits and authorizations, Seller is operating only those facilities for which an appropriate FCC Authorization has been obtained and is in effect, and Seller is meeting the conditions of each such FCC Authorization in all material respects.

(b) Seller is aware of no facts indicating that Seller is not in compliance with all requirements of the FCC, the Communications Act, or any other applicable federal, state and local statutes, regulations and ordinances. Seller is aware of no facts and Seller has received no notice or communication, formal or informal, indicating that the FCC is considering revoking, suspending, canceling, rescinding or terminating any FCC Authorization.

(c) The operation of the Station does not cause or result in exposure of workers or the general public to levels of radio frequency radiation in excess of the "Radio Frequency Protection Guides" recommended in "American National Standard Safety Levels with Respect to Human Exposure to Radio Frequency Electromagnetic Fields 300 kHz to 100 GHz" (ANSI/IEEE C95.1-1992), issued by the American National Standards Institute, and renewal of the FCC Authorizations would not constitute a "major action" within the meaning of Section 1.1301, *et seq.*, of the FCC's rules.

Section 2.11 Approvals and Consents. Except as described in Schedule 2.11 hereto, the execution, delivery and performance by Seller of this Agreement and the consummation by it of the Subject Transactions will not require any consent, permit, license or approval of, or filing with or notice to, any person, entity or governmental or regulatory authority under any provision of law applicable to Seller or any Seller Contract, except as contemplated by Sections 10.12 (Application for FCC Consent) and 4.8 (Hart-Scott-Rodino Act).

Section 2.12 Station Assets. The Station Assets constitute all of the assets necessary to broadcast a radio signal as currently broadcast by the Station. Schedule 1.1(b) contains a description of all items of Tangible Personal Property having an original cost in excess of \$1,000. Seller has good title to all of the Station Assets, free and clear of all Liens (other than Permitted Encumbrances). To the best of Seller's knowledge, all equipment on Schedule 1.1(b), except as set forth on Schedule 1.1(b), is in good operating condition and repair, is free from material defect and damage, is functioning in the manner and for the purposes for which it was intended, has been maintained in accordance with industry standards and regulations of the FCC, and does not require any repairs other than normal routine maintenance.

Section 2.13 Real Property.

(a) Schedule 1.1(c) contains descriptions of all real property owned or leased by Seller and used or held for use in connection with the business and operations of the Station and leases or licenses or other rights to possession of any real property so used or held, except for the lease for the Station's studio site, which is not included in the Station Assets.

(b) Seller's interests in Real Property are as follows: Seller does not own any Real Property.

(c) Seller's interests in Real Property not described in Section 2.13(b) herein are as follows: Seller leases, as a tenant, space for its transmission facilities pursuant to a Tower Lease Agreement described on Schedule 1.1(c). The lease listed in Schedule 1.1(c) hereto constitutes all the Real Property leases to which Seller is a party (either as lessor or lessee) and which are required or useful in the conduct of the business of the Station, except for the lease for the Station's studio site, which is not included in the Station Assets. Seller has delivered to Buyer true and complete copies of such lease.

(d) With respect to the leases of Real Property listed in Schedule 1.1(c) hereto, Seller has good title to its interest in such Real Property, free and clear of all Liens (other than Permitted Encumbrances). With respect to each such lease, (i) each such lease is in full force and effect, and is valid, binding and enforceable in accordance with its terms; (ii) all accrued and currently payable rents and other payments required thereunder have been paid; (iii) each such lease was entered into in the ordinary course of business and has provided for peaceable possession since the beginning of the original term thereof; (iv) each party thereto has complied with all respective covenants and provisions thereof; (v) no party is in default in any respect thereunder; (vi) no party has asserted any defense, set off or counterclaim thereunder; (vii) no waiver, indulgence, or postponement of any obligations thereunder has been granted by any party; (viii) no notice of default or termination has been given or received, no event of default has occurred, and no condition exists and no event has occurred that, with the giving of notice, the lapse of time, or the happening of any further event would become a default or permit early termination thereunder; (ix) neither Seller nor any other party has violated any term or condition thereunder; and (x) the

validity or enforceability thereof will in no way be affected by the sale of the Station Assets as contemplated herein. Each such lease provides sufficient access to the Station's facilities without need to obtain any other access rights. Except as set forth in Schedule 2.11 hereto, no third-party consent or approval is required for the assignment of any such lease to Buyer, or for the consummation of the Subject Transactions.

Section 2.14 Environmental Matters.

(a) As used herein, (i) the term "Environmental Laws" shall mean any and all state, federal, and local statutes, regulations and ordinances relating to the protection of human health and the environment, and (ii) the term "Hazardous Material" shall mean any hazardous or toxic substance, material, or waste including, without limitation, those substances, materials, pollutants, contaminants and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 C.F.R. § 172.101) or by the United States Environmental Protection Agency as hazardous substances (40 C.F.R. Part 302 and amendments thereto), petroleum products (as defined in Title I to the Resource Conservation and Recovery Act, 42 U.S.C. § 6991-6991(i)) and their derivatives, and such other substances, materials, pollutants, contaminants and wastes are currently regulated or subject to cleanup authority under any Environmental Laws, but the term "Hazardous Materials" shall not include consumer or commercial products that are used in the normal course of broadcast station operations so long as such products have been used for their intended purposes.

(b) Seller represents and warrants that:

(i) all activities of the Station or of Seller with respect to the Station and the Real Property have been and are being conducted in compliance with all federal, state and local statutes, ordinances, rules, regulations and orders, as well as all requirements of common law concerning those activities, repairs or construction of any improvements, manufacturing processing and/or handling of any materials, and discharges to the air, soil, surface water or groundwater;

(ii) Seller has no knowledge of the release or presence of any Hazardous Material on, in, from or onto the Real Property;

(iii) Seller has not generated, manufactured, refined, transported, stored, handled, disposed of or released any Hazardous Material on the Real Property, nor has Seller or the Station permitted the foregoing;

(iv) Seller has obtained all approvals and caused all notifications to be made as required by Environmental Laws;

(v) Seller has obtained all required registrations with, licenses from, or permits issued by governmental agencies or authorities pursuant to environmental, health and safety



laws required in connection with Seller's operation of the Station, and all such registrations, licenses or permits are in full force and effect;

(vi) Seller has not received any notice of any violation of any Environmental Laws;

(vii) no action has been commenced or threatened regarding Seller's compliance with any Environmental Laws;

(viii) to the best of Seller's knowledge, no tanks for the storage of any Hazardous Material above or below ground are present, or were at any time present on or about the Real Property;

(ix) no action has been commenced or threatened against Seller regarding the presence of any Hazardous Material on or about the Real Property in connection with Seller's operation of the Station;

(x) no Hazardous Materials are present in any medium in the operations of the Station (or of Seller with respect to the Station) and/or the Real Property in such a manner as may require investigation or remediation under any applicable law;

(xi) Seller has not used any polychlorinated biphenyls or substances containing polychlorinated biphenyls on the Real Property except as permitted by law; and

(xii) Seller has not introduced any friable asbestos on the Real Property.

(c) Seller has not and will not release or waive the liability of any previous owner, lessee, or operator of the Real Property or any party who may be potentially responsible for the presence or removal of Hazardous Material on or about the Real Property. Seller has no indemnification obligation regarding Hazardous Material to any party with respect to the Real Property.

Section 2.15 Compliance with Law. The Station, the Station Assets and Seller with respect to the Station and the Station Assets, are in all material respects in compliance with all requirements of law, federal, state and local, and all requirements of all governmental bodies or agencies having jurisdiction over any of them, the operation of the Station, the use of its properties and assets (including the Station Assets), and the Real Property. Without limiting the foregoing, Seller has paid all monies and obtained all licenses, permits, certificates and authorizations needed or required for the operation of the Station and the use of the Real Property. Seller has properly filed all reports and other documents required to be filed with any federal, state, local or foreign government or subdivision or agency thereof. Seller has not received any notice, not heretofore complied with, from any federal, state or municipal authority or any insurance or inspection body that any of its properties, facilities, equipment or business procedures or practices fails to comply

with any applicable law, ordinance, regulation, building or zoning law, or requirement of any public authority or body.

Section 2.16 Insurance. Seller maintains insurance policies relating to the Station and the Station Assets bearing the policy numbers, for the terms, with the companies, in the amounts, providing the general coverage set forth on Schedule 2.16 hereto. All of such policies are in full force and effect and Seller is not in default of any material provision thereof. Seller has not received notice from any issuer of any such policies of its intention to cancel, terminate or refuse to renew any policy issued by it.

Section 2.17 Intentionally Omitted.

Section 2.18 Litigation. There are no suits, arbitrations, administrative charges or other legal proceedings, claims or governmental investigations pending against, or threatened against, the Station or Seller relating to or affecting the Station or the Station Assets nor, to the knowledge of Seller, is there any basis for any such suit, arbitration, administrative charge or other legal proceeding, claim or governmental investigation. Seller has not been operating under or subject to, or in default with respect to, any judgment, order, writ, injunction or decree of any court or federal, state, municipal or other governmental department, commission, board, agency or instrumentality, foreign or domestic.

Section 2.19 Intangible Property. Seller has all right, title and interest in and to all Intangible Property necessary to the conduct of the Station as presently operated. Seller has received no notice of any claim that any Intangible Property or the use thereof conflicts with, or infringes upon, any rights of any third party (and there is no basis for any such claim of conflict).

Section 2.20 Brokers. There are no brokers involved in the transaction contemplated herein, except for John Barger at Barger Broadcast Brokerage, Ltd., 8023 Vantage Drive, Suite 840, San Antonio, Texas 78230, whose fees will be paid solely by Seller.

Section 2.21 FAA Compliance. Seller and the Station Assets are in material compliance with all rules and regulations of the Federal Aviation Administration applicable to the Station.

Section 2.22 Absence of Material Change. Between November 10, 2000 and the date of this Agreement:

(a) there has not been and there has not been any material physical damage or loss to any of the Station Assets (whether or not such damage or loss is covered by insurance); and

(b) Seller has with respect to the Station paid all of its liabilities and obligations as they became due.

Section 2.23 Disclosure. Seller has not and will not knowingly make any untrue statement of a material fact or knowingly omit to state a material fact required to be stated in order to make the statement, in light of the circumstances in which it is made, not misleading, in any provision of this Agreement relating to Seller, the Station or the Station Assets or any other document, Schedule, Exhibit or other information furnished by Seller to Buyer in connection with the execution, delivery and performance of this Agreement, or the consummation of the Subject Transactions.

### ARTICLE III

#### REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller:

Section 3.1 Status. Each of CCB and CCBL is a Nevada corporation which is duly organized, validly existing and in good standing under the laws of the State of Nevada and to the extent necessary is duly qualified to do business and is in good standing in the State of Texas. Buyer has the requisite power and authority to enter into and complete the Subject Transactions.

Section 3.2 No Conflicts. Neither the execution, delivery and performance by Buyer of this Agreement nor the consummation by Buyer of the Subject Transactions will: (a) conflict with or violate the certificate of incorporation or bylaws of Buyer; or (b) violate any judgment, decree, order, statute, rule or regulation applicable to Buyer.

Section 3.3 Corporate Action. All corporate actions necessary to be taken by or on the part of Buyer in connection with the Subject Transactions have been duly and validly taken, and this Agreement has been duly and validly authorized, executed and delivered by Buyer and constitutes the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with and subject to its terms.

Section 3.4 Brokers. There is no broker or finder or other person entitled to a commission or brokerage fee or payment in connection with this Agreement or the Subject Transactions as a result of any agreement of or action taken by Buyer.

Section 3.5 Qualification. CCBL is qualified under the Communications Act and the existing rules, regulations and policies of the FCC to hold the FCC Authorizations. The parties acknowledge and agree that, if the FCC changes its rules prior to Closing in such a way as to render CCBL unqualified to hold the FCC Authorizations, then such condition shall not constitute a breach by Buyer of its representations and warranties in this Agreement.

## ARTICLE IV

### COVENANTS OF SELLER

Seller covenants and agrees that from the date hereof until the completion of the Closing:

#### Section 4.1 Operation of the Business.

(a) Seller shall operate the Station in accordance with the terms of the FCC Authorizations and in compliance in all material respects with all applicable laws, rules and regulations and all applicable FCC rules and regulations. Seller shall maintain the FCC Authorizations in full force and effect and shall timely file and prosecute any necessary applications for renewal of the FCC Authorizations. Seller will deliver to Buyer, within ten (10) Business Days after filing, copies of any reports, applications or responses to the FCC related to the Station which are filed during the Closing Period.

(b) Intentionally Omitted.

(c) Intentionally Omitted.

(d) Nothing contained in this Agreement shall give Buyer any right to control the programming, operations or any other matter relating to the Station prior to the Closing Date, and Seller shall have complete control of the programming, operations and all other matters relating to the Station up to the Closing Date.

(e) Seller shall keep all Tangible Personal Property and Real Property in good operating condition (ordinary wear and tear excepted) and repair and maintain adequate and usual supplies of spare parts and other materials as have been customarily maintained in the past. Seller shall preserve intact the Station Assets and maintain in effect its current casualty and liability insurance on the Station Assets.

(f) Seller shall not, by any act or omission, cause any of the representations and warranties set forth in Article II to become untrue or incorrect, and shall use commercially reasonable efforts to cause the conditions to Closing set forth in Article VII to be satisfied, and to consummate the Subject Transactions as set forth herein.

(g) Prior to the Closing Date, Seller shall not, without the prior written consent of Buyer:

(i) sell, lease, transfer, or agree to sell, lease or transfer, any Station Assets except for non-material sales or leases, in the ordinary course of business of items which are being replaced by assets of comparable or superior kind, condition, value or utility;

(ii) renew, renegotiate, modify, amend or terminate any Contract to be assumed by Buyer hereunder;

(iii) enter into any new Contract with respect to the Station except in the ordinary course of business; or

(iv) apply to the FCC for any construction permit that would restrict the present operations of the Station, or make any change in any of the buildings, leasehold improvements or fixtures of the Station, except in the ordinary course of business;

Section 4.2 Access to Facilities, Files and Records. At the request of Buyer and with reasonable advance notice, Seller shall from time to time give or cause to be given to the officers, employees, accountants, counsel, agents, consultants and representatives of Buyer: (a) access during normal business hours to all facilities, properties, deeds, title papers, insurance policies, licenses, any Contracts to be assumed by Buyer hereunder, records and files, equipment, machinery, fixtures, furniture, vehicles, and notes of Seller with respect to the Station Assets; and (b) such other information concerning the Station Assets as Buyer may reasonably request. Any investigation or examination by Buyer shall not in any way diminish or obviate any representations or warranties of Seller made in this Agreement or in connection herewith.

Section 4.3 Representations and Warranties. Seller shall give detailed written notice to Buyer promptly upon learning of the occurrence of any event that would cause or constitute a breach, or that would have caused a breach had such event occurred or been known to Seller prior to the date hereof, of any of Seller's representations or warranties contained in this Agreement.

Section 4.4 Consents. No consent is required for the assignment of the Tower Lease Agreement. Buyer agrees to pay the assignment fee required under the existing Tower Lease Agreement.

Section 4.5 Notice of Proceedings. Seller will promptly notify Buyer in writing upon: (a) becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the Subject Transactions; or (b) receiving any notice from any governmental department, court, agency or commission of its intention (i) to institute an investigation into, or institute a suit or proceeding to restrain or enjoin, the consummation of this Agreement or the Subject Transactions, or (ii) to nullify or render ineffective this Agreement or the Subject Transactions if consummated.

Section 4.6 Consummation of Agreement. Subject to the provisions of Section 10.1: (a) Seller shall use all reasonable efforts to fulfill the conditions in Articles VI and VII, and to cause the Subject Transactions to be fully carried out; and (b) Seller shall not take any action that would make the consummation of this Agreement contrary to the Communications Act or the rules, regulations or policies of the FCC.

Section 4.7 Confidentiality. Any and all information, disclosures, knowledge or facts regarding Buyer or its business or properties to which Seller is exposed as a result of the negotiation, preparation or performance of this Agreement shall be confidential and shall not be divulged, disclosed or communicated to any other person, firm, corporation or entity, except for Seller's employees, attorneys, accountants, investment bankers, investors and lenders, and their respective attorneys, on a need-to-know basis for the purpose of consummating the Subject Transactions.

Section 4.8 Estoppel Certificates; Liens. Seller will obtain and deliver to Buyer (i) a written estoppel certificates (the "Estoppel Certificate") duly executed by the lessor under the lease described on Schedule 1.1(c) acknowledging that such lease is in full force and effect, that the lessor has no knowledge of any default under such lease, and that Seller is permitted to assign such lease to Buyer subject to payment of the assignment fee as provided in such lease, and (ii) UCC, judgment and state and federal tax lien search reports (showing searches in the name of the call letters of each Station) necessary to assure that no Liens are filed or recorded against the Station Assets in the public records of Brazos County and the Secretary of State of the State of Texas or any other jurisdiction where the Station Assets are located (the "Lien Search Reports"). The Estoppel Certificates shall be dated as of the Closing Date. The Lien Search Reports shall be delivered within thirty (30) calendar days of the date of this Agreement and shall be updated as of the Closing. Seller shall pay all expenses associated with obtaining the Estoppel Certificate. Buyer and Seller shall each pay one-half of the search service fees for obtaining the Lien Search Reports.

Section 4.9 Employee Matters.

(a) Buyer may offer employment to any of Seller's employees of the Station (each an "Employee") who is available for work on the Closing Date. Any such offer shall be for employment at will by Buyer as new employees of Buyer (subject to any applicable probation period not prohibited by law) to occupy positions designated by Buyer and pursuant to the terms and conditions determined by Buyer in its sole discretion.

(b) Seller agrees to make available to Buyer, to the fullest extent permitted by law, all information and materials requested by Buyer from the personnel files of each Employee who shall have elected to accept employment with Buyer.

(c) Buyer assumes no obligation to continue or assume any compensation arrangements or liabilities of Seller (including, without limitation, any salary, bonuses, fringe benefits, insurance plans, or pension or retirement benefits under any compensation or retirement plan maintained by Seller) to any such Employee.

(d) Seller agrees to remain responsible for the payment of all accrued benefits prior to the Closing Date in accordance with the terms of Seller's retirement plans, including any retiree medical, dental and life insurance plan. Buyer shall not at any time assume any liability

under Seller's retirement plans for the payment of benefits to any active or any terminated, vested or retired participants in Seller's retirement plans.

(e) Seller shall retain the responsibility for payment of all medical, dental, health and disability claims incurred by any Employee prior to the Closing Date, and Buyer shall not assume any liability with respect to such claims. Seller also agrees to retain responsibility for disability payments to Employees on medical or disability leave at the Closing Date until such time as such Employee is offered employment by Buyer, in its sole discretion, or as otherwise required under applicable law or regulation. Except as provided in the immediately preceding sentence, Buyer shall assume responsibility for payment of all medical, dental, health and disability claims incurred by Employees in its employ on or after the Closing Date, which are covered under Buyer's benefit plans and in which the Employee is a participant.

(f) Seller agrees that it shall retain, consistent with its normal employment practices, all liabilities and obligations, if any (including, without limitation, the liability and obligation for all wages, salary, vacation pay and unemployment, medical, dental, health and disability benefits), for those former employees of Seller who retired or terminated employment prior to the Closing Date or otherwise do not become employees of Buyer.

(g) Any Employee who becomes an employee of Buyer on the Closing Date and who was eligible to participate in Seller's 401(k) plan shall become eligible to participate in Buyer's 401(k) plan without regard to the eligibility requirements contained therein. As of the Closing Date, Buyer shall cause its 401(k) plan to permit Employees who participate in the Seller's 401(k) plan to elect to make direct rollovers of their account balances in Seller's 401(k) plan into the Buyer's 401(k) plan; provided, however, that, such action is in full compliance with all applicable law and regulations, including the Code, as of the date of the proposed rollover.

## ARTICLE V

### COVENANTS OF BUYER

Buyer covenants and agrees that from the date hereof until the completion of the Closing:

Section 5.1 Representations and Warranties. Buyer shall give detailed written notice to Seller promptly upon learning of the occurrence of any event that would cause or constitute a breach or would have caused a breach had such event occurred or been known to Buyer prior to the date hereof, of any of the representations and warranties of Buyer contained in this Agreement.

Section 5.2 Application for FCC Consent. Buyer will diligently take, or cooperate in the taking of, all steps that are necessary, proper or desirable to expedite the prosecution of the Application to a favorable conclusion. Buyer will promptly provide Seller with copies of any pleading, order or other document served on it relating to the Application. In the event that Closing occurs prior to a Final FCC Consent, then Buyer's obligations under this Section 5.2 shall survive the Closing.

Section 5.3 Consummation of Agreement. Subject to the provisions of Section 10.1, (a) Buyer shall use all reasonable efforts to fulfill the conditions in Articles VI and VII, and to cause the Subject Transactions to be fully carried out, and (b) Buyer shall not take any action that would make the consummation of this Agreement contrary to the Communications Act, the rules, regulations or policies of the FCC, or any other law.

Section 5.4 Notice of Proceedings. Buyer will promptly notify Seller in writing upon: (a) becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the Subject Transactions; or (b) receiving any notice from any governmental department, court, agency or commission of its intention (i) to institute an investigation into, or institute a suit or proceeding to restrain or enjoin, the consummation of this Agreement or such transactions, or (ii) to nullify or render ineffective this Agreement or such transactions if consummated.

Section 5.5 Intentionally Deleted.

Section 5.6 Confidentiality. Any and all information, disclosures, knowledge or facts regarding Seller, the Station and their operation and properties to which Buyer is exposed as a result of the negotiations, preparation or performance of this Agreement shall be confidential and shall not be divulged, disclosed or communicated to any other person, firm, corporation or entity, except for Buyer's attorneys, accountants, investment bankers, investors and lenders, and their respective attorneys on a need-to-know basis for the purpose of consummating the Subject Transactions.

## ARTICLE VI

### CONDITIONS TO THE OBLIGATIONS OF SELLER

The obligations of Seller under this Agreement are, at its option, subject to the fulfillment of the following conditions prior to or on the Closing Date:

Section 6.1 Representations, Warranties and Covenants.

(a) Each of the representations and warranties of Buyer contained in this Agreement shall have been materially true and correct as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall then be materially true and correct, except to the extent changes are permitted or contemplated pursuant to this Agreement.

(b) Buyer shall have materially performed and complied with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date.



(c) Buyer shall have furnished Seller with a certificate, dated the Closing Date to the effect that the conditions set forth in Sections 6.1(a) and (b) have been satisfied.

Section 6.2 Proceedings. Neither Seller nor Buyer shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the Subject Transactions.

Section 6.3 FCC Authorization. The assignment of all of the FCC Authorizations to CCBL shall have been initially approved by the FCC.

Section 6.4 Deliveries. Buyer shall have complied with each and every one of its obligations set forth in Section 8.2.

## ARTICLE VII

### CONDITIONS TO THE OBLIGATIONS OF BUYER

The obligations of Buyer under this Agreement are, at its option, subject to the fulfillment of the following conditions prior to or on the Closing Date:

Section 7.1 Representations, Warranties and Covenants.

(a) Each of the representations and warranties of Seller contained in this Agreement shall have been true and correct as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall then be true and correct except to the extent changes are permitted or contemplated pursuant to this Agreement.

(b) Seller shall have performed and complied with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

Section 7.2 Proceedings.

Neither Seller nor Buyer shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the Subject Transactions.

Section 7.3 FCC Authorization. The assignment of all of the FCC Authorizations to CCBL shall have been initially approved by the FCC.

Section 7.4 Deliveries. Seller shall have complied with each and every one of its obligations set forth in Section 8.1.

Section 7.5 No Material Change. The Station Assets shall not have been materially and adversely affected as of the Closing Date. No change shall be considered “materially adverse” if it arises out of or is related to the terms hereof or the Subject Transactions.

## ARTICLE VIII

### ITEMS TO BE DELIVERED AT THE CLOSING

Section 8.1 Deliveries by Seller. At the Closing, Seller shall deliver to Buyer duly executed by Seller or such other signatory as may be required by the nature of the document:

(a) bills of sale, certificates of title, endorsements, assignments, and other good and sufficient instruments of sale, conveyance, transfer and assignment, in form and substance reasonably satisfactory to Buyer, sufficient to sell, convey, transfer and assign the FCC Authorizations to CCBL and the other Station Assets to CCB free and clear of any Liens (other than Permitted Encumbrances);

(b) the certificate referred to in Section 7.1(c);

(c) an opinion of Seller’s FCC counsel in substantially the form attached at Exhibit A hereto; and

(d) the Estoppel Certificates, and the Lien Search Reports; and

Section 8.2 Deliveries by Buyer. At the Closing, Buyer shall deliver to Seller:

(a) the Purchase Price, which shall be paid in the manner specified in Section 1.4;

(b) an instrument or instruments of assumption of the Seller Contracts and Real Property leases to be assumed by CCB pursuant to this Agreement in form and substance reasonably satisfactory to Seller; and

(c) the certificate referred to in Section 6.1(c).

## ARTICLE IX

### SURVIVAL; INDEMNIFICATION

Section 9.1 Survival. All representations, warranties, covenants and agreements contained in this Agreement, or in any certificate, agreement, or other document or instrument, delivered pursuant hereto, shall survive for a period of six (6) months as to any representation

concerning the condition of the Tangible Personal Property and for a period of twenty-four (24) months following the Closing as to all other matters.

Section 9.2     Indemnification.

(a)     From and after Closing, Seller (an “Indemnifying Party”) hereby agrees to indemnify and hold harmless Buyer, the directors, officers and employees of Buyer and all Affiliates of Buyer, and their respective successors and assigns (collectively, the “Buyer Indemnitees”) from, against and in respect of, and to reimburse the Buyer Indemnitees for, the amount of any and all Deficiencies (as defined in Section 9.3(a)) to the extent that the amount of such Deficiencies exceeds in the aggregate \$10,000.

(b)     From and after Closing, Buyer (an “Indemnifying Party”) hereby agrees to indemnify and hold harmless Seller, the directors, officers and employees of Seller and all Affiliates of Seller, and their respective successors and assigns (collectively, the “Seller Indemnitees”) from, against and in respect of, and to reimburse the Seller Indemnitees for, the amount of any and all Deficiencies (as defined in Section 9.3(b)).

Section 9.3     Definition of “Deficiencies.”

(a)     As used in this Article IX, the term “Deficiencies” when asserted by Buyer Indemnitees or arising out of a third party claim against Buyer Indemnitees shall mean any and all losses, damages, liabilities and claims sustained by the Buyer Indemnitees and arising out of, based upon or resulting from:

(i)     any material misrepresentation, breach of warranty, or any non-fulfillment of any representation, warranty, covenant, obligation or agreement on the part of Seller contained in or made pursuant to this Agreement;

(ii)    any material error contained in any statement, report, certificate or other document or instrument delivered by Seller pursuant to this Agreement; and

(iii)   any failure by Seller to pay or perform any obligation relating to the Station or the Station Assets that is not expressly assumed by Buyer pursuant to the provisions of this Agreement;

(iv)    any litigation, proceeding or claim by any third party relating to the business or operations of the Station or the Station Assets prior to the Closing Date no matter when brought or made;

(v)    any and all acts, suits, proceedings, demands, assessments and judgments, and all reasonable fees, costs and expenses of any kind, related or incident to any of the foregoing (including, without limitation, any and all Legal Expenses (as defined in Section 9.6 below)).

(b) As used in this Article IX, the term “Deficiencies” when asserted by Seller Indemnitees or arising out of a third party claim against Seller Indemnitees shall mean any and all losses, damages, liabilities and claims sustained by the Seller Indemnitees and arising out of, based upon or resulting from:

(i) any material misrepresentation, breach of warranty, or any non-fulfillment of any representation, warranty, covenant, obligation or agreement on the part of Buyer contained in or made pursuant to this Agreement;

(ii) any material error contained in any statement, report, certificate or other document or instrument delivered by Buyer pursuant to this Agreement;

(iii) any material failure by Buyer to pay or perform any obligation or liability relating to the Station that is expressly assumed by Buyer pursuant to the provisions of this Agreement; and

(iv) any and all acts, suits, proceedings, demands, assessments and judgments, and all reasonable fees, costs and expenses of any kind, related or incident to any of the foregoing (including, without limitation, any and all Legal Expenses).

#### Section 9.4 Procedures.

(a) In the event that any claim shall be asserted by any third party against the Buyer Indemnitees or Seller Indemnitees (Buyer Indemnitees or Seller Indemnitees, as the case may be, hereinafter, the “Indemnitees”), which, if sustained, would result in a Deficiency, then the Indemnitees, as promptly as practicable after learning of such claim, shall notify the Indemnifying Party of such claim, and shall extend to the Indemnifying Party a reasonable opportunity to defend against such claim, at the Indemnifying Party’s sole expense and through legal counsel acceptable to the Indemnitees, provided that the Indemnifying Party proceeds in good faith, expeditiously and diligently. The Indemnitees shall, at their option and expense, have the right to participate in any defense undertaken by the Indemnifying Party with legal counsel of their own selection. No settlement or compromise of any claim which may result in a Deficiency may be made by the Indemnifying Party without the prior written consent of the Indemnitees unless: (A) prior to such settlement or compromise the Indemnifying Party acknowledges in writing its obligation to pay in full the amount of the settlement or compromise and all associated expenses relating to such Deficiency; and (B) the Indemnitees are furnished with a full release relating to such Deficiency.

(b) In the event that the Indemnitees assert the existence of any Deficiency against the Indemnifying Party, they shall give written notice to the Indemnifying Party of the nature and amount of the Deficiency asserted. If the Indemnifying Party within a period of thirty (30) calendar days after the giving of the Indemnitees’ notice, shall not give written notice to the Indemnitees announcing its intent to contest such assertion of the Indemnitees (such notice by the

Indemnifying Party being hereinafter referred to as the “Contest Notice”), such assertion of the Indemnitees shall be deemed accepted and the amount of the Deficiency shall be deemed established. In the event, however, that a Contest Notice is given to the Indemnitees within said 30-day period, then the contested assertion of a Deficiency shall be settled by arbitration to be held in Bryan, Texas in accordance with the Commercial Rules of the American Arbitration Association then existing. The determination of the arbitrator shall be delivered in writing to the Indemnifying Party and the Indemnitees and shall be final, binding and conclusive upon all of the parties hereto, and the amount of the Deficiency, if any, determined to exist, shall be deemed established.

(c) The Indemnitees and the Indemnifying Party may agree in writing, at any time, as to the existence and amount of a Deficiency, and, upon the execution of such agreement, such Deficiency shall be deemed established.

Section 9.5 Payment of Deficiencies. The Indemnifying Party hereby agrees to pay the amount of established Deficiencies within fifteen (15) calendar days after the establishment thereof. The amount of established Deficiencies shall be paid in cash. At the option of the Indemnitees, the Indemnitees may offset any Deficiency or any portion thereof that has not been paid by the Indemnifying Party to the Indemnitees against any obligation the Indemnitees, or any of them, may have to the Indemnifying Party.

Section 9.6 Legal Expenses. As used in this Article IX, the term “Legal Expenses” shall mean any and all fees (whether of attorneys, accountants or other professionals), costs and expenses of any kind reasonably incurred by any person identified herein and its counsel in investigating, preparing for, defending against, or providing evidence, producing documents or taking other action with respect to any threatened or asserted claim.

## ARTICLE X

### MISCELLANEOUS

Section 10.1 Termination. This Agreement may be terminated at any time prior to Closing: (a) by the mutual consent of Seller and Buyer; (b) by Buyer or Seller, if the FCC has denied the approvals contemplated by this Agreement in an order which has become Final; (c) by Buyer or Seller, if the Closing has not taken place by the Final Closing Date for reasons other than through the failure of the party seeking to terminate this Agreement to comply fully with its obligations under this Agreement; (d) by Buyer, as provided in Section 10.10 (Risk of Loss); (e) by Buyer, if on the Closing Date, Seller has failed to satisfy the conditions set forth in Section 7.1, 7.5 or 7.6; (f) by Buyer, if Seller has failed to cure a material breach of any of its representations, warranties or covenants under this Agreement within fifteen (15) calendar days after it receives notice from Buyer of such breach; (g) by Seller, if on the Closing Date, Buyer has failed to satisfy the conditions set forth in Section 6.1 or 6.4; or (h) by Seller, if Buyer has failed to cure a material breach of any of its representations, warranties or covenants under this Agreement within fifteen (15) calendar days after it receives notice from Seller of such breach. A termination pursuant to this

Section 10.1 shall not relieve any party of any liability it would otherwise have for a breach of this Agreement.

Section 10.2 Specific Performance. The parties acknowledge that the Station is of a special, unique and extraordinary character, and that damages alone are an inadequate remedy for a breach of this Agreement. In the event of a breach or threatened breach by Seller of any representation, warranty, covenant or agreement under this Agreement, at Buyer's election, in lieu of any other remedy available to it, Buyer shall be entitled to an injunction restraining any such breach or threatened breach and, subject to obtaining any requisite approval of the FCC, to enforcement of this Agreement by a decree of specific performance requiring Seller to fulfill its obligations under this Agreement, in each case without the necessity of showing economic loss or other actual damage and without any bond or other security being required. Such right of specific performance or injunctive relief shall be in lieu of Buyer's right to recover damages and to pursue any other remedies available for breach. In any action by Seller or Buyer to specifically enforce the breaching party's obligation to close the transactions contemplated by this Agreement, the breaching party shall waive the defense that there is an adequate remedy at law or in equity and agrees that the other party shall be entitled to obtain specific performance of the breaching party's obligation to close without being required to prove actual damages. As a condition to seeking specific performance, Buyer shall not be required to tender the Purchase Price as contemplated by Section 1.4 but shall be required to demonstrate that Buyer is ready, willing and able to tender the Purchase Price as contemplated by such Section.

Section 10.3 Expenses. Expenses. Each party hereto shall bear all of its expenses incurred in connection with the Subject Transactions including, without limitation, accounting and legal fees incurred in connection herewith; provided, however, that Seller and Buyer shall each pay one-half of the FCC filing fees required to be paid in connection with the Application and any sales or transfer taxes (including, without limitation, any real estate transfer taxes), arising from the transfer of the Station Assets to Buyer.

Section 10.4 Bulk Sales Laws. Seller agrees to indemnify and hold Buyer harmless, in the manner and to the extent provided in Article IX, from all claims made by creditors with respect to non-compliance with any bulk sales law.

Section 10.5 Liquidated Damages/Remedies Cumulative. If, on the Closing Date, (i) Seller shall have satisfied the conditions precedent to Closing set forth herein, including, but not limited to those set forth in Article VII, except to the extent that Seller is unable to satisfy such condition because of Buyer's breach under this Agreement or the condition is only satisfiable at the Closing, (ii) Buyer shall not then have a right to terminate this Agreement pursuant to the terms hereof, and (iii) Buyer shall fail or refuse to consummate the purchase and sale contemplated by this Agreement, then Seller shall be entitled, as Seller's sole and exclusive remedy hereunder, to receive from Buyer, and Buyer hereby agrees to pay to Seller \$125,000.00 as liquidated damages, it being understood and agreed that the amount of liquidated damages represents Buyer's and Seller's reasonable estimate of actual damages and does not constitute a penalty and that payment

to Seller of such liquidated damages will constitute full payment for any and all damages suffered by Seller by reason of Buyer's failure to consummate the purchase and sale contemplated by this Agreement. In addition, Seller shall be entitled to obtain from Buyer court costs and reasonable attorneys' fees and expenses incurred by it in enforcing its rights hereunder. As a condition to obtaining liquidated damages, Seller shall not be required to have tendered the Station Assets but shall be required to demonstrate that it is willing and able to do so and to perform its other closing obligations in all material respects. Except as set forth in Sections 10.2 and 10.5, the remedies provided in this Agreement shall be cumulative and shall not preclude the assertion by any party hereto of any other rights or the seeking of any other remedies against the other party hereto.

Section 10.6 Further Assurances. From time to time prior to, on and after the Closing Date, each party hereto will execute all such instruments and take all such actions as any other party shall reasonably request, without payment of further consideration, in connection with carrying out and effectuating the intent and purpose hereof and all Subject Transactions including, without limitation, the execution and delivery of any and all confirmatory and other instruments in addition to those to be delivered on the Closing Date, and any and all actions which may reasonably be necessary to complete the Subject Transactions. The parties shall cooperate fully with each other and with their respective counsel and accountants in connection with any steps required to be taken as part of their respective obligations under this Agreement.

Section 10.7 Public Announcements.

(a) Prior to the Closing Date, no party shall, without the approval of the other party hereto, make any press release or other public announcement concerning the Subject Transactions, except (i) to announce it has been entered into, and (ii) as and to the extent that such party shall be so obligated by law, in which case such party shall give advance notice to the other party and the parties shall use their best efforts to cause a mutually agreeable release or announcement to be issued.

(b) Notwithstanding the foregoing, the parties acknowledge that the rules and regulations of the FCC require that public notice of the Subject Transactions be made after the Application has been filed with the FCC. The form and substance of such public notice, to the extent not dictated by the Communications Act or the rules and regulations of the FCC, shall be mutually agreed upon by Seller and Buyer.

Section 10.8 Broadcast Transmission Interruption. If, before the Closing, the regular broadcast transmission of any Station in the normal and usual manner is interrupted for a period of twenty four (24) consecutive hours or more, Seller shall give the prompt written notice thereof to Buyer.

Section 10.9 Risk of Loss. The risk of loss, damage or destruction to any of the Station Assets shall be borne by Seller at all times up to 12:01 a.m. local time on the Closing Date and it shall be the responsibility of Seller to repair or cause to be repaired and to restore the property to its condition prior to any such loss, damage, or destruction. In the event of any such loss, damage, or destruction, the proceeds of any claim for any loss, payable under any insurance policy with respect thereto, shall be used to repair, replace, or restore any such property to its former condition, subject to the conditions stated below. In the event of any loss or damage to any of the Station Assets, Seller shall notify Buyer thereof in writing immediately. Such notice shall specify with particularity the loss or damage incurred, the cause thereof (if known or reasonably ascertainable), and the insurance coverage. In the event that the subject property is not completely repaired, replaced or restored on or before the scheduled Closing Date, Buyer, at its option, may: (a) elect to postpone Closing until such time as the property has been completely repaired, replaced or restored (and, if necessary, Seller shall join Buyer in requesting from the FCC any extensions of time in which to consummate the Closing that may be required in order to complete such repairs); or (b) elect to consummate the Closing and accept the subject property in its then-current condition, in which event Seller shall pay to Buyer all proceeds of insurance and assign to Buyer the right to any unpaid proceeds.

Section 10.10 [Intentionally omitted.]

Section 10.11 Application for FCC Consent. As soon as possible (but in no event later than seven (7) calendar days after the date of this Agreement), Buyer and Seller shall file an application with the FCC (the "Application") requesting the FCC's written consent to the assignment of the Station's FCC Authorizations to CCBL and for the consummation of the Subject Transactions. Buyer and Seller shall diligently take all steps that are necessary, proper or desirable to expedite the prosecution of the Application to a favorable conclusion. Seller shall promptly provide Buyer with a copy of any pleading, order or other document served on Buyer or Seller relating to the Application. Buyer and Seller shall furnish all information required by the FCC and shall be represented at all meetings or hearings scheduled to consider the Application. The FCC's written consent to the Application is referred to herein as the "FCC Consent." In the event that Closing occurs hereunder prior to the receipt of a Final FCC Consent, then Buyer and Seller's obligations under this Section 10.10 shall survive the Closing. For purposes of this Agreement, the term "Final" shall mean that action shall have been taken by the FCC (including action duly taken by the FCC's staff, pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or sua sponte action of the FCC with comparable effect shall be pending; and as to which the time for filing any such request, petition, appeal, certiorari or for the taking of any such sua sponte action by the FCC shall have expired or otherwise terminated.

Section 10.12 Non-Assignable Contracts. Nothing contained in this Agreement shall be construed as an assignment or an attempted assignment of any Contract which is by law non-assignable without the consent of the other party or parties thereto, unless such consent shall be given.



Section 10.13 Section 1031 Exchange. Buyer or Seller may intend that the transfer of all or part of the Station Assets contemplated by this Agreement will be part of an exchange of assets that will qualify, pursuant to Section 1031 of the Code, and regulations thereunder, as a deferred like-kind exchange by Buyer or Seller. In keeping with that intention, it is expressly acknowledged that Buyer or Seller, each of their assignees or transferees, may, at or prior to Closing, assign, subject to Section 11.1, their rights (in whole or in part) under this Agreement to a qualified intermediary as defined in Treasury regulation section 1.1031(k)-1(g)(4), or a similar entity or arrangement (“Qualified Intermediary”), subject to all of Buyer’s or Seller’s rights and obligations herein and shall promptly provide written notice of such assignment to the other party. Each party shall cooperate with the reasonable requests of the other party’s Qualified Intermediary in arranging and effecting this exchange under Section 1031 of the Code. Without limiting the generality of the foregoing, if Buyer or Seller has given notice of its intention to effect an exchange using a Qualified Intermediary, the other party shall promptly provide the requesting party with written acknowledgment of such notice, and the Qualified Intermediary shall pay the purchase price for any Station Assets, or transfer the Station Assets, as the case may be identified by such party to be included in a like-kind exchange to the other party, and such payment or transfer shall satisfy the obligations of such party to make payment for those Station Assets. Notwithstanding the foregoing, a party’s assignment to a Qualified Intermediary will not relieve such of any of its duties or obligations herein. Except for the obligations of parties set forth in this Section 10.14, neither shall not have any liability or obligation to the other party for the failure of such party’s contemplated exchange to qualify as a like-kind exchange under Section 1031 of the Code unless such failure is the result of the material breach by the other party’s representations, warranties, covenants and obligations herein.

## ARTICLE XI

### GENERAL PROVISIONS

Section 11.1 Successors and Assigns. Except as otherwise expressly provided herein, this Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective representatives, successors and assigns. Seller may not assign any of its rights or delegate any of its duties hereunder without the prior written consent of Buyer, and any such attempted assignment or delegation without such consent shall be void. Buyer may assign its rights and obligations hereunder in whole or in part without Seller’s consent; provided, however that an assignment pursuant to this Section 11.1 shall not delay the Closing or relieve Buyer of its financial obligations hereunder, and provided further that Buyer shall pay to Seller 50 percent of any consideration in excess of the Purchase Price received by Buyer from such assignee, if any, in connection with such assignment.

Section 11.2 Amendments; Waivers. The terms, covenants, representations, warranties and conditions of this Agreement may be changed, amended, modified, waived, or terminated only by a written instrument executed by the party waiving compliance. The failure of any party at any

time or times to require performance of any provision of this Agreement shall in no manner affect the right of such party at a later date to enforce the same. No waiver by any party of any condition or the breach of any provision, term, covenant, representation or warranty contained in this Agreement, whether by conduct or otherwise, in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of any other provision, term, covenant, representation or warranty of this Agreement.

Section 11.3 Notices. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing (which shall include notice by facsimile transmission) and shall be deemed to have been duly made and received when personally served, or when delivered by Federal Express or a similar overnight courier service, expenses prepaid, or, if sent by facsimile communications equipment, delivered by such equipment, addressed as set forth below:

(a) if to Seller, then to:

Mr. Felix Torres  
1451 South Oaks Drive  
College Station, Texas 77845  
Telecopier No.:

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

Leventhal Senter & Lerman P.L.L.C.  
2000 K Street, N.W., Suite 600  
Washington, DC 20006  
Attention: Meredith S. Senter, Jr., Esq.  
Telecopier No.: 202-293-7783

(b) if to Buyer, then to:

Clear Channel Broadcasting, Inc.  
200 E. Basse Rd.  
San Antonio, Texas 78209  
Attention: Mark P. Mays  
Telecopier No.: (210) 822-2299

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

Wiley, Rein & Fielding  
1776 K Street, N.W.  
Washington, D.C. 20006  
Attention: Richard J. Bodorff, Esq.  
Telecopier No.: (202) 429-7209

Any party may alter the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section providing for the giving of notice. Any such notice or communication shall be deemed to have been received (i) when delivered, if personally delivered, (ii) when sent, if sent by telecopy on any day that is not a Saturday, Sunday, legal holiday or other day on which banks in San Antonio, Texas are required

to be closed (each a “Business Day”) (or, if not sent on a Business Day, on the next Business Day after the date sent by telecopy), (iii) on the next Business Day after dispatch, if sent by nationally recognized, overnight courier guaranteeing next Business Day delivery, and (iv) on the fifth Business Day following the date on which the piece of mail containing such communication is posted, if sent by mail.

Section 11.4 Captions; References. The captions of Articles and Sections of this Agreement are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement. References to an “Article” or “Section” when used without further attribution shall refer to the particular article or section of this Agreement.

Section 11.5 Governing Law. This Agreement and all questions relating to its validity, interpretation, performance and enforcement shall be governed by and construed in accordance with the laws of the State of Texas, without giving effect to principles of conflicts of laws.

Section 11.6 Entire Agreement. This Agreement, together with all Exhibits and Schedules attached hereto, constitutes the full and entire understanding and agreement between the parties with regard to the subject matter hereof, and supersedes all prior agreements, understandings, inducements or conditions, express or implied, oral or written, relating to the subject matter hereof. The express terms hereof control and supersede any course of performance and/or usage of trade inconsistent with any of the terms hereof. This Agreement has been prepared by all of the parties hereto, and no inference of ambiguity against the drafter of a document therefore applies against any party hereto.

Section 11.7 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories. A facsimile copy of any signature shall be deemed an original for all purposes; provided, however original signatures shall be delivered as soon as possible.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

BUYER:

CLEAR CHANNEL BROADCASTING, INC.  
CLEAR CHANNEL BROADCASTING LICENSES, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

SELLER:

Felix Torres

\_\_\_\_\_

## Schedules

- 1.1(a) - FCC Authorizations
- 1.1(b) - Tangible Personal Property
- 1.1(c) - Real Property
- 1.1 (e) - Intangible Property
- 2.7 - Liabilities
- 2.11 - Consents
- 2.16 - Insurance Policies

## Exhibits

Exhibit A - Form of Opinion Letter

EXHIBIT "A"

FORM OF OPINION FROM SELLER'S COUNSEL

[Letterhead of Seller's Counsel]

[Closing Date]

Clear Channel Broadcasting, Inc.  
Clear Channel Broadcasting Licenses, Inc.  
200 Concord Plaza, Suite 600  
San Antonio, Texas 78216

Gentlemen:

We have acted as counsel to \_\_\_\_\_ ("Seller"), in connection with the transactions contemplated by the Asset Purchase Agreement dated \_\_\_\_\_, 2000 (the "Asset Purchase Agreement") by and among Clear Channel Broadcasting, Inc., a Nevada corporation ("CCB"), Clear Channel Broadcasting Licenses, Inc., a Nevada corporation ("CCBL" and, together with CCB, "Buyer"), and Seller including, without limitation, the sale to Buyer by Seller of substantially all of the assets, properties and rights of Seller used in the business and operations of the radio stations \_\_\_\_\_ (together, the "Stations"), except for certain assets of Seller as set forth in the Asset Purchase Agreement. The Asset Purchase Agreement, together with all other documents and agreements contemplated by the Asset Purchase Agreement are referred to together herein as the "Transaction Documents." This is the opinion contemplated by Section \_\_\_\_\_ of the Asset Purchase Agreement. Except as otherwise provided herein, capitalized terms herein shall have the meaning ascribed to them in the Asset Purchase Agreement.

[insert appropriate introduction material including any assumptions]

1. Seller holds the Federal Communications Commission licenses, permits and authorizations set forth on Schedule 1.1(a) to the Asset Purchase Agreement (the "FCC Licenses"). The FCC Licenses are in full force and effect. To our knowledge, the FCC Licenses are all of the material licenses issued by the FCC for the operation of the Stations as they are currently operated.

2. The FCC has granted its consent to the assignment of the FCC Licenses to CCBL. The orders granting such consent are Final. [If Closing occurs prior to Final Consent, delete the second sentence of this paragraph.]

3. To our knowledge, there is not now issued, outstanding, pending or threatened, any notice of violation, order to show cause, complaint, or investigation by or before the FCC directed against any of the Stations or Seller or the FCC Licenses, nor is there any proceeding by or before the FCC that could materially adversely affect any of the FCC Licenses or the Stations other than proceedings of general applicability to the radio broadcasting industry.

Very truly yours,

[Seller's Counsel]

By: \_\_\_\_\_  
For the Firm