

PURCHASE OF
WSPI (FM)
WILLIAMSPORT, PENNSYLVANIA
FROM
H & P COMMUNICATIONS, LTD
BY
CLEAR CHANNEL BROADCASTING, INC.

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of _____, 2004 among H & P Communications, LTD, a _____ limited liability company ("Seller"), Clear Channel Broadcasting, Inc. , a Nevada corporation ("CCB") and Clear Channel Broadcasting Licenses, Inc., a Nevada corporation ("CCBL") (CCB and CCBL, collectively, "Buyer").

Recitals

A. Seller owns and operates the following radio broadcast station (the "Station") pursuant to certain licenses, authorizations and approvals (the "FCC Authorizations") issued by the Federal Communications Commission (the "FCC"): WSPI (FM), licensed to Mount Carmel, Pennsylvania.

B. 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, the other tangible and intangible assets and properties used or held for use in the operation of the Station.

Agreement

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 1: SALE AND PURCHASE

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, Seller shall grant, convey, sell, assign, transfer and deliver to Buyer on the Closing Date (as hereinafter defined) all interests of Seller in all properties, assets, privileges, rights, interests and claims, real and personal, tangible and intangible, of every type and description, wherever located, including its business and goodwill (except for Excluded Assets as defined in Section 1.2) used or held for use in the business and operations of the Station (collectively, the "Station Assets"). Without limiting the foregoing, the Station Assets shall include the following:

(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, towers,

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, the "Tangible Personal Property").

(c) Real Property. All interests of Seller as of the date of this Agreement in all leaseholds, licenses, rights-of-way and other interests of every kind and description in and to all of the real property and buildings thereon, used or held for use in the business and operations of the Station, including without limitation those listed and described on Schedule 1.1(c) attached hereto, and any additions and improvements thereto between the date of this Agreement and the Closing Date (collectively, the "Real Property").

(d) Time Sales Agreements. All orders and agreements entered into in the ordinary course of business for the sale of advertising time on the Station for cash that are cancelable without penalty that exist on either (i) the Commencement Date under the LMA (defined below) or (ii) if such Commencement Date does not occur, then the Closing Date.

(e) Contracts. Those contracts and agreements used in connection with the business and operations of the Station that are listed and described on Schedule 1.1(e) attached hereto.

(f) Intangible Property. All interests of Seller as of the date of this Agreement in all trademarks, trade names, service marks, franchises, patents, jingles, slogans, logotypes and other intangible rights, used or held for use in connection with the business and operations of the Station, including without limitation all right, title and interest in and to the marks consisting of the Station's call letters and any and all variations thereof, and all of those listed and described on Schedule 1.1(f) attached hereto, and those acquired by Seller between the date hereof and the Closing Date (collectively, the "Intangible Property").

(g) Programming and Copyrights. All interests of Seller as of the date of this Agreement in all programs and programming materials and elements of whatever form or nature used or held for use in the business and operations of the Station, whether recorded on tape or any other substance or intended for live performance, and whether completed or in production, and all related common-law and statutory copyrights used or held for use in the business and operations of the Station, together with all such programs, materials, elements and copyrights acquired by Seller in the business and operations of the Station between the date hereof and the Closing Date.

(h) Files and Records. All FCC logs and other records that relate to the operation of the Station, and all files and other records of Seller relating to the business and operations of the Station (other than duplicate copies of such files ("Duplicate Records")), including without limitation all schematics, blueprints, engineering data, customer lists, reports, specifications, projections, statistics, promotional graphics, original art work, mats, plates, negatives and other advertising, marketing or related materials, and all other technical and financial information concerning the Station and the Station Assets.

(i) 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.

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

(k) Goodwill. All of Seller's goodwill in, and going concern value of, the Station.

(l) Internet Websites. All internet Domain leases and Domain names of the Station, the unrestricted right to the use of HTML content located and publicly accessible from those Domain names, and the "visitor" email data base for those sites.

(m) BML Stock. All shares in Broadcast Music, Inc. held with respect to the Station.

1.2 Excluded Assets. There shall be excluded from the Station Assets and retained by Seller, to the extent in existence on the Closing Date, all cash, cash equivalents, publicly traded securities, insurance policies, pension, profit sharing and all other employee benefit plans, and any Duplicate Records (the "Excluded Assets").

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; and (ii) the post-Closing obligations of Seller which CCB will assume under leases and contracts assigned to CCB that are listed on Schedules 1.1(c) and 1.1(e) ("Permitted Encumbrances").

(b) 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 or otherwise relating to employment (all employment obligations shall be brought current by Seller as of the Closing Date, including the payment of all accrued benefits and severance pay and all bonuses, whether or not such benefits or bonuses are due as of the Closing Date); (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.

(c) Seller retains and shall hereafter pay, satisfy, discharge, perform and fulfill

all obligations and liabilities 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 9 below.

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) Four Hundred Sixty Thousand Dollars (\$460,000) plus or minus (ii) the Closing Date Adjustments pursuant to Section 1.5 hereof (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. Buyer and Seller each further agrees to file its federal income tax returns and its other tax returns reflecting such allocation.

1.5 Adjustments.

(a) Except as provided in the LMA (defined below), 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; provided, however, that if the Receivables are included within the Station Assets, income in respect thereof shall be for the account of Buyer. Except as provided in the LMA (defined below), expenses for goods or services received both before and after the Adjustment Date, power and utilities charges, frequency discounts, prepaid time sales agreements, 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. 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 not paid at or before Closing, the Purchase Price shall be increased by any deposits by third parties held by Seller with respect to the Station Assets and decreased by any deposits, by Seller with third parties, included in the Station Assets. 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.

(b) With respect to trade, barter or similar agreements for the sale of time for goods or services ("Barter Agreements") assumed by Buyer pursuant to Section 1.1(e), if any, if there exists on the date of assumption an aggregate negative barter balance (i.e., the amount by which the value of air time (based upon the Station's then prevailing rates) to be provided exceeds the fair market value of goods or services to be received therefor), then such excess will be treated as prepaid time sales and adjusted for as a proration in Buyer's favor. If, however, there exists on such date an aggregate positive barter balance (i.e., the amount by which the value of airtime (based upon the Station's then prevailing rates) to be provided is less than the fair market value of goods or services to be received therefor) with respect to Barter Agreements assumed by Buyer, there shall be no proration in Seller's favor.

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 after the date of the FCC Consent (as defined in Section 4.4) pursuant to the FCC's initial order, but in no event later than the earlier of (a) one year after the date of this Agreement (the "Final Closing Date") or (b) ten business days after the date the FCC Consent (as defined in Section 4.4.) becomes Final (as defined in Section 4.4), in any case subject to the satisfaction or waiver of the last of the conditions required to be satisfied or waived pursuant to Articles 6 or 7 below (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 2: REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer as follows:

2.1 **Corporate Status.** Seller is a corporation, duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization (as first set forth above). Seller is duly qualified to do business and is in good standing in such states in which the failure to so qualify would have a material adverse effect on the business of the Station. 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. Seller has not used any name in the operation of its business other than its name as first set forth above and the Station's call letters.

2.2 **Authority.** All corporate actions necessary to be taken by or on the part of Seller in connection with the transactions contemplated by this Agreement 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.

2.3 **No Conflict.** The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not (a) conflict with or violate the certificate of incorporation or bylaws of Seller; (b) 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 (defined below) 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 (c) violate any judgment, decree, order, statute, law, rule or regulation applicable to Seller, the Station or any of the Station Assets.

2.4 **Commitments.** Seller is not a party to or bound by any written, oral or implied contract, agreement, lease or instrument or other commitment (each a "Contract"), including but not limited to any indenture, mortgage, guaranty, surety arrangement, or any contract or agreement for the purchase or sale of merchandise, programming or advertising time on the Station or for the rendition of services, except for agreements for the sale of time on the Station described in Section 1.1(d), the Real Property leases and the Contracts listed on Schedules 1.1(c) and 1.1(e), and except for: (a) any written contract terminable without penalty or involving a commitment of less than \$1,000 individually or \$10,000 in the aggregate for the purchase or sale of goods, supplies, equipment, capital assets, products or services; and (b) any written contracts involving less than \$1,000 individually or \$10,000 in the aggregate (when combined with all those described in clause (a) above) entered into in the ordinary and usual course of business from the date hereof until the Closing Date. Seller has delivered to Buyer true and complete copies of all Real Property leases and Contracts listed Schedules 1.1(c) and 1.1(e).

2.5 **No Breach.** Seller is not in violation or breach of any of the terms, conditions or provisions of any Contract, 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.

2.6 **Financial Statements.** Seller has provided to Buyer copies of the balance sheets of Seller for the years ended December 31, 2002 and December 31, 2003, the balance sheet for the year to date ending October 31, 2004 (the "Balance Sheet Date"), the statements of income of Seller for each of the years then ended, and the statement of income of Seller for such year to date (collectively, the "Financial Statements"). The Financial Statements are complete and correct, have been prepared in accordance with the books and records regularly maintained by Seller, and present fairly the financial position of Seller as of those dates and the results of its operations for the periods indicated. Buyer may conduct an audit of Seller's books and records at any time.

2.7 **Liabilities.** Seller has no liabilities or obligations relating to the Station of any kind or nature, whether known or unknown, due or not yet due, liquidated or unliquidated, fixed, contingent or otherwise, except as and to the extent reflected in the Financial Statements.

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.

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 and authorizations 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. 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. Each Station is operating in compliance with the FCC Authorizations, the Communications Act, and the rules, regulations and policies of the FCC.

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. All such reports and filings are accurate and complete. 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.

(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. 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.

(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 3 kHz to 300 GHz" (ANSI/IEEE C95.1-1992), issued by the American National Standards Institute.

2.11 Approvals and Consents. Except as described in Schedule 2.11 hereto, the execution, delivery and performance by the Seller of this Agreement and the consummation by it of the transactions contemplated hereby 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 Contract or Real Property lease to which Seller is a party, except as contemplated by Section 4.4 (FCC Consent).

2.12 Station Assets. The Station Assets constitute all of the assets necessary to conduct the present operations of 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, valid and marketable title to all of the Station Assets, free and clear of all Liens (other than Permitted Encumbrances). All items of Tangible Personal Property, including equipment and electrical devices, are in good operating condition and repair, are free from all material defect and damage, are functioning in the manner and for the purposes for which it was intended, have been maintained in accordance with industry standards, and do not require any repairs other than normal routine maintenance.

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.

(b) Seller's interests in Real Property are as follows: Seller has fee simple title to the Real Property so described on Schedule 1.1(c) as being so owned (the "Owned Property"). As to the Owned Property, Seller has good, valid and marketable fee simple title to such premises and all buildings, towers, antennae, free of any Liens (other than Permitted Encumbrances). The Owned Property includes sufficient access to the Station's facilities without need to obtain any other access rights. The Real Property and all of the buildings, towers, antennae, fixtures and improvements owned or leased by Seller, and all heating and air conditioning equipment, plumbing, electrical and other mechanical facilities, and the roof, walls and other structural components of the Real Property which are part of, or located in, such buildings, towers, antennae or improvements, are in good operating condition and repair (reasonable wear and tear excepted), comply in all material respects with applicable zoning laws and the building, health, fire and environmental protection codes of all applicable governmental jurisdictions, have no structural defects, and do not require any repairs other than normal routine maintenance to maintain them in good condition and repair. Seller has delivered to Buyer copies of all title insurance policies in favor of Seller or any mortgagee of Seller applicable to the 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, the premises described on Schedule 1.1(c) as being so leased. The leases listed in Schedule 1.1(c) hereto constitute 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. Seller has delivered to Buyer true and complete copies of such leases. All buildings, structures, improvements, fixtures, and appurtenances are in good maintenance, operating condition, and repair; are adequate and suitable for the purposes for which they are presently being used; and conform to all applicable laws, ordinances, and regulations.

(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 of 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 transactions contemplated herein.

2.14 Environmental Matters.

(a) Terms. 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, but not limited to 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 as become regulated or subject to cleanup authority under any Environmental Laws.

b) Representations and Warranties. Seller represents and warrants that:

(i) all activities of Seller with respect to the Station and the Real Property and of the Station has 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 delivered to Buyer a true and complete list of all of Seller's and the Station's registrations with, licenses from, or permits issued by governmental agencies or authorities pursuant to environmental, health and safety laws, 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) no tanks used 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 regarding the presence of any Hazardous Material on or about the Real Property;

(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 at the Real Property in such a manner as may require investigation or remediation under any applicable law;

(xi) no polychlorinated biphenyls or substances containing polychlorinated biphenyls are present on the Real Property; and

(xii) no friable asbestos is present in the operations of the Station and/or on the Real Property.

(c) No Waiver. 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.

(d) Indemnity. In addition to the terms of Article 9, Seller further agrees to defend (with counsel approved by Buyer), fully indemnify, and hold entirely free and harmless Buyer from and against all claims, judgments, damages, penalties, fines, costs, liabilities, or losses (including, without limitation, sums paid in settlement of claims, attorneys' fees, consultant fees, and expert fees) that are imposed on, paid by, or asserted against Buyer, its successors or assigns, by reason or on account of, or in connection with, or arising out of (a) the presence or suspected presence of Hazardous Material in the soil, groundwater, or soil vapor on or about the Real Property, or (b) the migration of any Hazardous Material from or onto the Real Property, or (c) the violation of any Environmental Law, and, with respect to (a), (b) and (c), that existed as of or prior to the date of Closing. This indemnification of Buyer by Seller includes without limitation, costs incurred in connection with any of the following:

(i) any investigative or remedial action involving the presence of

Hazardous Material on or about the Real Property or releases of Hazardous Material from the Real Property;

(ii) any allegations made by any governmental authority or any private citizen or entity or group of citizens or entities as to the violation of any Environmental Laws involving the Real Property or the operations conducted thereon; and/or

(iii) any injury or harm of any type to any person or entity or damage to any property arising out of, in connection with, or in any way relating to (A) the generation, manufacture, refinement, transportation, treatment, storage, recycling, disposal or release, or other handling of Hazardous Material on or about the Real Property or pursuant to the operations conducted thereon, and/or (B) the violation of any Environmental Laws, and/or (C) the contamination of the Real Property.

(e) Survey. Buyer shall have the right to conduct a review of the Real Property and take soil and water samples (including groundwater samples) from the Real Property, and to test and analyze those samples to determine the extent of any contamination of the soils and water (including groundwater) on or about the Real Property. If, based on the results of those inspections and/or tests, Buyer determines that the condition of the Real Property is unsatisfactory or if Buyer believes that its ownership of the Real Property would expose Buyer to undue risks of government intervention or third-party liability, Buyer may, without any liability owing to Seller, cancel the purchase of the Real Property and terminate this Agreement.

2.15 Compliance with Law. Seller with respect to the Station and the Station Assets, 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.

2.16 Insurance. Seller maintains insurance policies relating to the Station 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.

2.17 Employment Matters.

(a) There are no collective bargaining agreements, or written or oral agreements

relating to the terms and conditions of employment or termination of employment, covering any employees, consultants or agents of the Station, except as listed and described in Schedule 2.17 hereto. Except as listed and described in Schedule 2.17, none of the employees of the Station has written employment contracts. Seller is not engaged in any unfair labor practice or other unlawful employment practice, and there are no unfair labor practice charges or other employee related complaints, grievances or arbitrations, against Seller pending before the National Labor Relations Board, the Equal Employment Opportunity Commission, the Occupational Safety and Health Administration, the Department of Labor, any arbitration tribunal or any other federal, state, local or other governmental authority by or concerning Seller's employees. There is no strike, picketing, slowdown or work stoppage by or concerning such employees pending against or involving Seller. No representation question is pending or threatened respecting any of Seller's employees. Seller has delivered to Buyer copies of all letters, memoranda of understanding, past practices, assurances or other agreements modifying such collective bargaining agreements and other similar employee agreements.

(b) Seller, with respect to the Station, and the Station has complied with in the past and are now in compliance with all labor and employment laws, including without limitation federal, state, local and other applicable laws, rules, regulations, ordinances, order and decrees concerning collective bargaining, unfair labor practices, payments of employment taxes, occupational safety and health, worker's compensation, the payment of wages and overtime, and equal employment opportunity. The Station and Seller with respect to the Station, are not liable for any arrears or wages, benefits, taxes, damages or penalties for failing to comply with any law, rule, regulation, ordinance, order or decree relating in any way to labor or employment.

(c) Buyer shall have no obligation or liability due to or because of any past service liability, vested benefits, retirement plan insolvencies or other retirement plan or past employment obligation (except as provided herein) under local, state or federal law (including the Employee Retirement Income Security Act of 1974, as amended), resulting from the purchase of the Station or from former employees of Seller becoming employees of Buyer.

(d) Seller has provided to Buyer the names of all present employees of Seller and the positions, total annual compensation and accrued vacation and sick time of each.

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 nor, to the best of 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.

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. Schedule 1.1(f) contains a description of all material Intangible Property. 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). Seller and the Station has the sole and

exclusive right to use the Intangible Property. No service provided by the Station or any programming or other material used, broadcast or disseminated by the Station infringes upon any copyright, patent or trademark of any other party.

2.20 Bulk Sales. Neither the sale and transfer of the Station Assets pursuant to this Agreement, nor Buyer's possession and use thereof from and after Closing because of such sale and transfer, will be subject to any law pertaining to bulk sales or transfers or imposing liability upon Buyer for appraisal or liability owing to Seller.

2.21 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 transactions contemplated hereby as a result of any agreement of, or action taken by, Seller.

2.22 Absence of Material Change. Since the Balance Sheet Date:

(a) there has not been and there is not threatened any material adverse change in the financial condition, business, prospects or affairs of Seller relating to the Station or any material physical damage or loss to any of the Station Assets (whether or not such damage or loss is covered by insurance);

(b) Seller has not taken any action with respect to the Station outside of the ordinary and usual course of business, except as related to the transactions contemplated hereby;

(c) Seller with respect to the Station or the Station Assets has not borrowed any money or become contingently liable for any obligation or liability of others;

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

(e) Seller with respect to the Station has not incurred any liability or obligation of any nature to any party, except for obligations arising from the purchase of goods or the rendition of services in the ordinary course of business;

(f) Seller has not waived any right of substantial value;

(g) Seller has maintained its books, accounts and records in the usual, customary and ordinary manner; and

(h) Seller with respect to the Station has preserved its business organization intact, kept available the services of its employees, and preserved its relationships with its customers, suppliers and others with whom it deals.

2.23 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.

2.24 Affiliates. No Affiliate of Seller has an interest in any of the Station Assets or any

property used in the operation of the Station. Neither Seller nor any Affiliate of Seller, has any financial interest in any supplier, advertiser or customer of Seller or in any other business with which Seller does business or competes. For purposes of this Agreement, an "Affiliate" of an entity means any person (or any relative of any person) or entity that owns or controls, is owned or controlled by, or under common control with, such entity.

2.25 Disclosure. No 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 transactions contemplated hereby, contains or will contain any untrue statement of a material fact or omits or will 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. Seller will disclose to Buyer any fact known to Seller which Seller knows or believes would affect Buyer's decision to proceed with the execution of this Agreement. Except for facts affecting the radio industry generally, there is no adverse fact now known to Seller relating to the Station or the Station Assets which has not been disclosed to Buyer.

ARTICLE 3: REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller:

3.1 Status. Each Buyer is a Nevada corporation which is duly organized, validly existing and in good standing under the laws of the State of Nevada. Buyer has the requisite power to enter into and complete the transactions contemplated by this Agreement.

3.2 No Conflicts. Neither the execution, delivery and performance by Buyer of this Agreement nor the consummation by Buyer of the transactions contemplated hereby 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.

3.3 Corporate Action. All corporate actions necessary to be taken by or on the part of Buyer in connection with the transactions contemplated by this Agreement 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.

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 transactions contemplated hereby as a result of any agreement of or action taken by Buyer.

3.5 Qualification. To the best of Buyer's knowledge, CCBL is qualified under the Communications Act and the existing rules, regulations and policies of the FCC to hold the FCC Authorizations.

ARTICLE 4: COVENANTS OF SELLER

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

4.1 Operation of the Business. Except as contemplated by the LMA:

(a) Seller shall continue to carry on the business of the Station and keep its books and accounts, records and files in the usual and ordinary manner in which the business has been conducted in the past. Seller shall collect the Station's accounts receivable only in the ordinary course of business consistent with past practice, and shall not discount, or otherwise reduce the amount owed in respect of, any Receivables. 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.

(b) Seller shall provide Buyer with copies of the regular monthly internal operating statements relating to the Station for the monthly accounting periods between the date of this Agreement and the Closing Date by the 20th day of each calendar month for the preceding calendar month, which shall present fairly the financial position of the Station and the results of operations for the period indicated in accordance with generally accepted accounting principles. Such monthly statements shall show: (i) the actual results for such month and the budget for such month by line item, and (ii) account for items of non-recurring income and expense separately and (iii) account for and separately state all intercompany allocations of expenses relating to the Station, all of which shall be presented fairly and in accordance with generally accepted accounting principles.

(c) Seller shall make all reasonable efforts to preserve the business organization of the Station intact, retain substantially as at present the Station's employees, consultants and agents, and preserve the goodwill of the Station's suppliers, advertisers, customers and others having business relations with it.

(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 inventory, office supplies, 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 2 to become untrue or incorrect, and shall cause the conditions to Closing set forth in Article 7 below to be satisfied, and ensure that the transactions contemplated

hereby shall be consummated 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 and value;

(ii) except as may be required by applicable law, grant any raises to employees of the Station, pay any substantial bonuses or enter into any contract of employment with any employee or employees of the Station, except in the ordinary course of business;

(iii) renew, renegotiate, modify, amend or terminate any existing time sales contracts with respect to the Station except in the ordinary course of business;

(iv) enter into, renew or amend any other Contract with respect to the Station except in the ordinary course of business;

(v) 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; or

(vi) enter into any barter or trade contracts that are prepaid, or any contract with an Affiliate of Seller.

4.2 Access to Facilities, Files and Records. At the request of Buyer, 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) full access during normal business hours to all facilities, properties, accounts, books, deeds, title papers, insurance policies, licenses, agreements, contracts, commitments, records and files of every character, equipment, machinery, fixtures, furniture, vehicles, notes and accounts payable and receivable of Seller with respect to the Station; and (b) all such other information concerning the affairs of the Station as Buyer may reasonably request. All such information, when provided by Seller, shall be deemed to have been represented and warranted by Seller to be correct, complete and fully responsive to Buyer's request therefor. 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. Seller shall cause its accountants and any agent of Seller in possession of Seller's books and records to cooperate with Buyer's requests for information pursuant to this Agreement.

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.

4.4 Application for FCC Consent. As soon as possible (but in no event later than ten

business days after the date of this Agreement) Seller shall file an application with the FCC ("Application") requesting the FCC's written consent to the assignment of the FCC Authorizations to CCBL and for the consummation of the transactions contemplated by this Agreement. 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 Seller relating to the Application. Seller shall furnish all information required by the FCC and shall be represented at all meetings or hearings scheduled to consider such 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 a Final FCC Consent, then Seller's obligations under this Section 4.4 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.

4.5 Consents. Seller shall use its best efforts to obtain all of the consents noted on Schedule 2.11 hereto. If Seller does not obtain a consent required to assign a contract or lease hereunder, Buyer shall not be required to assume such contract or lease. Marked with an asterisk on Schedule 2.11 are those consents the receipt of which is a condition precedent to Buyer's obligation to close under this Agreement (the "Required Consents"). Seller shall obtain the Required Consents prior to Closing.

4.6 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 transactions contemplated hereunder; 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.

4.7 Consummation of Agreement. Subject to the provisions of Section 10.1 of this Agreement: (a) Seller shall fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and cause the transactions contemplated by this Agreement 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.

4.8 Omitted. .

4.9 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 transactions contemplated

by this Agreement.

4.10 Estoppel Certificates; Title Insurance; Liens. Seller, at Seller's expense, will obtain and deliver to Buyer (i) written estoppel certificates (the "Estoppel Certificates") duly executed by the lessors under the leases of Real Property described on Schedule 1.1(c), in form and substance satisfactory to Buyer, (ii) commitments from a title company acceptable to Buyer to issue to Buyer at standard rates ALTA extended coverage leasehold title insurance policies with respect to the leased Real Property with no exceptions other than Permitted Encumbrances (the "Title Commitments") and (iii) all UCC, judgment and state and federal tax lien search reports (showing searches in the name of Seller and 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 the Commonwealth of Pennsylvania or any other jurisdiction where the Station Assets are located (the "Lien Search Reports"). The Estoppel Certificates shall be dated the Closing Date. The Title Commitments and the Lien Search Reports shall be delivered within thirty days of the date of this Agreement and shall be updated as of the Closing.

4.11 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 of Seller 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, but not without being limited to, 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 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) Seller, with respect to the Employees, will timely give all notices required to be given under the Worker Adjustment and Retraining Act of 1988 or similar statutes or regulation of any jurisdiction relating to any plant closing or mass lay off or as otherwise required by law and shall fully indemnify and hold harmless Buyer with respect to any liability that may arise with respect thereto relating to the Employees.

(h) 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) Savings Plan without regard to the eligibility requirements contained therein.

ARTICLE 5: COVENANTS OF BUYER

Buyer covenants and agrees that from the date hereof until the completion of the Closing, except as contemplated by the LMA:

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.

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.

5.3 Consummation of Agreement. Subject to the provisions of Section 10.1 of this Agreement, Buyer shall use all reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and to cause the transactions contemplated by this Agreement to be fully carried out.

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 transactions contemplated hereunder; 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.

5.5 Omitted.

5.6 Confidentiality. Any and all information, disclosures, knowledge or facts regarding Seller, the Station and their operation and properties derived from or resulting from Buyer's acts or conduct (including without limitation acts or conduct of Buyer's officers, employees, accountants, counsel, agents, consultants or representatives, or any of them) under the provisions of Section 4.2 hereof 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 for the purpose of consummating the transactions contemplated by this Agreement.

ARTICLE 6: 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:

6.1 Representations, Warranties and Covenants.

(a) Each of the representations and warranties of Buyer 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) Buyer 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.

(c) Buyer shall have furnished Seller with a certificate, dated the Closing Date and duly executed by a Vice President of Buyer authorized on behalf of Buyer to give such a certificate, to the effect that the conditions set forth in Sections 6.1(a) and (b) have been satisfied.

6.2 Proceedings.

(a) Neither Seller nor Buyer shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

(b) In the event such a restraining order or injunction is in effect, this Agreement may not be abandoned by Seller pursuant to this Section 6.2 prior to the Final Closing Date, but the Closing shall be delayed during such period. This Agreement may be abandoned after the Final Closing Date if such restraining order or injunction remains in effect.

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

6.4 Omitted.

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

ARTICLE 7: 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:

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.

(c) Seller shall have furnished Buyer with a certificate, dated the Closing Date and duly executed by the President or Vice President of Seller authorized on behalf of Seller to give such a certificate, to the effect that the conditions set forth in Sections 7.1(a) and (b) have been satisfied.

7.2 Proceedings.

(a) Neither Seller nor Buyer shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

(b) In the event such a restraining order or injunction is in effect, this Agreement may not be abandoned by Buyer pursuant to this Section 7.2 prior to the Final Closing Date, but the Closing shall be delayed during such period. This Agreement may be abandoned after such date if such restraining order or injunction remains in effect.

7.3 FCC Authorization. The assignment of the FCC Authorizations to CCBL shall have been initially approved by the FCC (and, at Buyer's option, such FCC Consent shall have become Final), without any conditions materially adverse to Buyer.

7.4 Omitted.

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

7.6 Required Consents. Seller shall have obtained all of the Required Consents.

7.7 No Material Change. Seller's business 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 transactions contemplated hereby.

ARTICLE 8: ITEMS TO BE DELIVERED AT THE CLOSING

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, general warranty deeds and other good and sufficient instruments of sale, conveyance, transfer and assignment, in form and substance 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) and to quiet Buyer's title thereto;

(b) the consent of the FCC referred to in Sections 4.4 and 5.2 and evidence of compliance by Seller with its obligations, and the Required Consents under Section 4.5 and any other Consents obtained by Seller;

(c) certified copies of resolutions, duly adopted by the board of directors or shareholders of Seller, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Seller of this Agreement, and the consummation of the transactions contemplated hereby;

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

(e) the Estoppel Certificates, Title Commitments and the Lien Search Reports;
and

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 Contracts and Real Property leases to be assumed by CCB pursuant to this Agreement;

(c) certified copies of resolutions, duly adopted by the Boards of Directors of each Buyer, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by each Buyer of this Agreement and the consummation of the transactions contemplated hereby; and

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

ARTICLE 9: SURVIVAL; INDEMNIFICATION

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 (and not be affected in any respect by) the Closing, any investigation conducted by any party hereto and any information which any party may receive.

9.2 Basic Provision.

(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 persons which directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with 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)).

(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 persons which directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with 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)).

9.3 Definition of "Deficiencies".

(a) As used in this Article 9, 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 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 error contained in any statement, report, certificate or other document or instrument delivered by Seller pursuant to this Agreement;

(iii) any failure by Seller to pay or perform any obligation relating to the Station 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 prior to the Closing Date no matter when brought or made;

(v) any severance pay or other payment required to be paid with respect to any employee of the Station; and

(vi) any and all acts, suits, proceedings, demands, assessments and

judgments, and all 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 9, 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 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 error contained in any statement, report, certificate or other document or instrument delivered by Buyer pursuant to this Agreement;

(iii) any 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;

(iv) any litigation, proceeding or claim by any third party to the extent relating to the business or operations of the Station after the Closing Date; and

(v) any and all acts, suits, proceedings, demands, assessments and judgments, and all 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)).

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; and (B) the Indemnitees are furnished with a full release.

(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) 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 San Antonio, 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.

9.5 Payment of Deficiencies. The Indemnifying Party hereby agrees to pay the amount of established Deficiencies within 15 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.

9.6 Legal Expenses. As used in this Article 9, 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 10: MISCELLANEOUS

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 any party hereto if the FCC has denied the approvals contemplated by this Agreement in an order which has become Final; (c) by Buyer under the provisions of Section 2.14 (regarding Environmental Matters); (d) by Buyer as provided in Section 10.8 (Broadcast Transmission Interruption); (e) by Buyer as provided in Section 10.9 (Risk of Loss); (f) by Buyer or Seller if the Closing has not taken place by the Final Closing Date; (g) by Buyer, if on the Closing Date Seller has failed to satisfy the conditions set forth in Section 7.1, 7.5, 7.6 or 7.7; (h) 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; (i) by Seller, if on the Closing Date Buyer has failed to satisfy the conditions set forth in Section 6.1 or 6.5; or (j) 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.

10.2 Specific Performance. 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 addition to 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.

10.3 Expenses. Each party hereto shall bear all of its expenses incurred in connection with the transactions contemplated by this Agreement, including without limitation, accounting and legal fees incurred in connection herewith; provided, however, that: (i) Seller and Buyer shall each pay one-half of the FCC filing fees required to be paid in connection with the Application referred to in Sections 4.4 and 5.2 hereof; (ii) Seller shall be exclusively responsible for, and Buyer shall not have any liability or responsibility for any sales or transfer taxes (including without limitation any real estate transfer taxes), arising from the transfer of the Station Assets to Buyer; and (iii) Seller and Buyer shall each pay one-half of any Hart-Scott-Rodino filing fees, if applicable.

10.4 Omitted.

10.5 Remedies Cumulative. 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.

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 transactions contemplated by this Agreement, 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 transactions contemplated hereby. 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.

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 transactions contemplated by this Agreement, 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 transactions contemplated by this Agreement be made after the Application (referred to in Sections 4.4 and 5.2) 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.

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 two consecutive hours or more, Seller shall give the prompt written notice thereof to Buyer. Buyer shall then have the right, by giving written notice to Seller, to postpone (and if necessary re-postpone) the Closing to a date that is fifteen (15) days after the end of any such interruption. If regular broadcast transmission in the normal and usual manner is interrupted for a continuous period of eighteen (18) hours or more at any time prior to Closing Date, then (a) Seller immediately shall give written notice thereof to Buyer and (b) Buyer shall have the right, by giving written notice to Seller, to (i) terminate this Agreement, or (ii) postpone the Closing as provided above.

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 property is not completely repaired, replaced or restored on or before the scheduled Closing Date, Buyer at its option: (a) may 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) may elect to consummate the Closing and accept the property in its then condition, in which event Seller shall pay to Buyer all proceeds of insurance and assign to Buyer the right to any unpaid proceeds; or (c) terminate this Agreement.

10.10 Arbitration. In case any disagreement shall arise on or before the Closing Date between the parties hereto in relation to this Agreement, whether as to the construction or operation hereof or the respective rights and liabilities hereunder, such disagreement shall be decided by arbitration in accordance with the then-current Commercial Rules of the American Arbitration Association, to the extent that such rules do not conflict with the terms of this Agreement. All arbitration shall be conducted in Harrisburg, Pennsylvania. Arbitration shall be initiated by either party giving written notice to arbitrate to the other party, stating the question to be arbitrated and the name of the arbitrator selected by that party. Within five (5) days of the date of said notice to arbitrate certificate, the other party shall select and give written notice of its arbitrator to the initiating party. The two arbitrators so selected shall select a third arbitrator and give written notice within five (5) days after the third arbitrator is chosen. The arbitration shall be conducted solely by the third arbitrator, who shall hear evidence and make an award within twenty (20) days after the notice of selection of the third arbitrator is given to the parties, which award, when signed by the third arbitrator, shall be final. If either party shall refuse or neglect to appoint an arbitrator within five (5) days after the other shall have appointed an arbitrator and given written notice to arbitrate to the other, requiring such party to appoint an arbitrator, then the arbitrator so appointed by the first party shall have power to proceed to arbitrate and determine the matters of disagreement as if he were an arbitrator appointed by both the parties hereto for that purpose, and his award in writing

signed by him shall be final; provided that such award shall be made within fifteen (15) days after such refusal or neglect of the other party to appoint an arbitrator. The party against which such award is made shall pay all costs and expenses of the arbitration. The Closing Date shall be automatically postponed during any such arbitration, but not beyond the Final Closing Date. Nothing herein shall prevent Buyer from obtaining an injunction, decree of specific performance or other equitable relief from any court.

10.11 FCC Disapproval. If the Closing occurs prior to a Final FCC Consent, and prior to becoming Final the FCC Consent is reversed or otherwise set aside, and there is a Final order of the FCC (or court of competent jurisdiction) requiring the re-assignment of the FCC Authorizations to Seller, then the purchase and sale of the Station Assets shall be rescinded. In such event, Buyer shall reconvey to Seller the Station Assets, and Seller shall repay to Buyer the Purchase Price and reassume the contracts and leases assigned and assumed at Closing. Any such rescission shall be consummated on a mutually agreeable date within thirty days of such Final order (or, if earlier, within the time required by such order). In connection therewith, Buyer and Seller shall each execute such documents (including execution by Buyer of instruments of conveyance of the Station Assets to Seller and execution by Seller of instruments of assumption of the contracts and leases assigned and assumed at Closing) and make such payments (including repayment by Seller to Buyer of the Purchase Price) as are necessary to give effect to such rescission.

ARTICLE 11: GENERAL PROVISIONS

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.

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.

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 telex or 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 telex, graphic scanning or other facsimile communications equipment, delivered by such equipment, addressed as set forth below:

(a) if to Seller, then to: H & P Communications, LTD
PHB-7
322 Buchanan Street
Hollywood, Florida 33019
Attention: Eugene Picarella
Telecopier No.: _____

(b) if to Buyer, then to: Clear Channel Broadcasting, Inc.
200 East Basse Road
San Antonio, Texas 78209
Attention: Jerry Kirsting
Telecopier No.: (210) 822-2299

with a copy (which shall not constitute notice) to: Clear Channel Communications, Inc.
200 East Basse Road
San Antonio, Texas 78209
Attention: Legal department
Telecopier No.: (210) 832-3428

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.

11.4 Captions. 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.

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 Pennsylvania, without giving effect to principles of conflicts of laws.

11.6 Entire Agreement. This Agreement 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.

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.

11.7 Time Brokerage Agreement. Buyer and Seller intend to negotiate a Time Brokerage and Sales Agreement (the “LMA”) with respect to the Station pursuant to which, among other things, CCB will provide programming for, and be entitled to receive the revenues from the sale of advertising time on, the Stations.

[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: Juliana F Hill
Name: **Juliana Hill**
Title: **Senior Vice President - Finance**

SELLER:

H & P COMMUNICATIONS, LTD

By: Regene Pearson
Name: **Regene Pearson**
Title: **GENERAL PARTNER**

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