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February 22, 2005

Gregory L. Masters
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BY HAND DELIVERY

Marlene H. Dortch, Esq.
Secretary
Federal Communications Commission
236 Massachusetts Avenue, N.E.
Suite 110
Washington, DC 20002

RECEIVED

FEB 22 2005

Federal Communications Commission
Office of Secretary

**Re: Filing of Attributable Joint Sales Agreement
KDB(FM), Santa Barbara, California (Facility ID #51169)**

Dear Ms. Dortch:

On behalf of Clear Channel Communications, Inc. ("Clear Channel") and pursuant to the Commission's Public Notice of January 3, 2005 (DA 04-4035), transmitted herewith is a copy of an Agreement for the Sale of Commercial Time by which a Clear Channel subsidiary sells advertising time on the above-referenced station. In accordance with Section 73.3613(d)(2) of the Commission's rules, confidential and proprietary information has been redacted from this copy of the agreement.

Should there be any questions concerning this matter, please contact the undersigned.

Very truly yours,

Gregory L. Masters

WRFMAIN 12300685.1

AGREEMENT FOR THE SALE OF COMMERCIAL TIME

THIS AGREEMENT FOR THE SALE OF COMMERCIAL TIME (this "Agreement") is made as of April 1, 2003 between Pacific Broadcasting Company, a California corporation ("Licensee") and Clear Channel Broadcasting, Inc., a Nevada corporation ("Clear Channel").

Recitals

- A. Licensee owns and operates the following radio station (the "Station") pursuant to licenses issued by the Federal Communications Commission ("FCC") and is engaged in the business of radio broadcasting of classical music and has available advertising time:

KDB (FM)

- B. Licensee desires to sell to Clear Channel, and Clear Channel desires to purchase from Licensee, advertising time on the Station on the terms set forth in this Agreement.

Agreement

NOW, THEREFORE, taking the foregoing recitals into account, and in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. **Term of Agreement.** The initial term of this Agreement will begin on the date hereof and will continue until the date five (5) years after the date hereof unless extended or earlier terminated in accordance with the provisions of this Agreement. Such initial term may be extended by Clear Channel for an additional period of five (5) years thereafter upon written notice to Licensee given at least six (6) months prior to the expiration of the initial term. The initial term and any extensions thereof are sometimes referred to herein as the "Term". Notwithstanding anything to the contrary herein, Clear Channel or Licensee may terminate this Agreement at any time, with or without cause, upon one hundred eighty (180) days written notice to the other party.

2. **Advertising Time.** During the term of this Agreement, Licensee shall provide to Clear Channel, and shall permit Clear Channel to resell to advertisers, all of the time available for commercial spot announcements on the Station (which time availability shall, in any day of the week, be not less than an average of (a) ten (10) minutes per each hour of broadcast during the hours of 6:00 a.m. through 7:00 p.m., and (b) six (6) minutes per each hour of broadcast during the hours of 7:00 p.m. through 6:00 a.m.). Notwithstanding the foregoing sentence, individual musical compositions can be broadcast without

commercial spot announcements. In reselling such time and producing and furnishing material under this agreement, Clear Channel shall comply with all applicable federal, state, and local laws, rules and regulations. Clear Channel shall make available to Licensee all material required to be made available for public inspection regarding requests for time by or on behalf of political candidates or the broadcast of controversial issue advertising. All commercial material furnished by Clear Channel for broadcast on the Station shall include any and all sponsorship identification announcements as required by Section 317 of the Communications Act of 1934, as amended, and the FCC's Rules and Regulations. To assist Clear Channel in its advertising time sale efforts, Licensee shall, during the term of this Agreement, maintain the same general programming format of the Station that is in effect on the date hereof, unless ninety (90) days advance written notice of a format change is given to Clear Channel. Notwithstanding anything herein to the contrary, if Licensee effects any such format change without Clear Channel's written consent, then Licensee shall indemnify and hold Clear Channel harmless from and against any and all revenue lost as a result of such change, due upon notice from Clear Channel to Licensee, and Clear Channel may elect to terminate this Agreement at such time by providing not less than one hundred eighty (180) days written notice to Licensee.

3. **Payments.** During the term of this Agreement, Clear Channel shall pay Licensee the payments set forth on Schedule A hereto within the period set forth therein.

4. **Revenues.** Licensee shall retain all accounts receivable of the Station entered into prior to the first day of the term of this Agreement, except to the extent that such accounts receivable pertain to advertising which is to be broadcast during the Term, in which case Licensee hereby assigns, transfers and conveys to Clear Channel all such accounts receivable. During the term of this Agreement, Clear Channel shall be entitled to all revenues attributable to commercial advertisements on the Station (and all revenue from the Station's internet website if any), all network revenue of the Station, and all other advertising revenue of the Station during the Term. Notwithstanding anything herein to the contrary, (i) Clear Channel may (but shall not be obligated to) include material furnished hereunder in any Station programming that is streamed on any internet website, and Clear Channel shall be entitled to all revenue there from, and (ii) Licensee shall not include any material furnished by Clear Channel hereunder in any internet streaming unless requested to do so by Clear Channel.

5. **Personnel.** Clear Channel shall employ and be responsible for the salaries, benefits, employer taxes, and related costs of employment of a sales staff for the sale of the advertising time and for the collection of accounts receivable with respect to commercial advertisements broadcast on the Station during the term of this Agreement. Clear Channel shall also operate the Station's computerized traffic system, provide and pay the cost of personnel to do so, and generate logs for the Station in accordance with a schedule of advertising availabilities designed and furnished to Clear Channel by Licensee.

6. **Maintenance of Signal.** Licensee shall maintain the operating power of the Station at the maximum level authorized by the FCC for the Station throughout the term of

this Agreement, and shall repair and maintain the Station's towers and transmitter sites and equipment in good working order.

7. **Operation of the Station.** During the term of this Agreement, Licensee shall maintain full control over the operation of the Station, including programming, editorial policies, personnel, and facilities. Licensee is responsible for the Station's compliance with the Communications Act of 1934, as amended, FCC rules, regulations, and policies, and all other applicable laws. Licensee shall be solely responsible for and pay in a timely manner all expenses relating to the operation of the Station other than for the sale of advertising time, including but not limited to, maintenance of the studios and transmitting facilities, taxes, payments due under any leases, contracts and agreements, music performance license fees, and all utility costs relating to the operation of the Station. Licensee shall also maintain insurance covering the Station's transmission facilities. Licensee may exercise its discretion to reject advertising sold by Clear Channel if the broadcast of such advertising would violate applicable laws or regulations or mutually agreed upon advertising standards for the station. Licensee may preempt any commercial time sold by Clear Channel if necessary to present program material of pressing public interest or concern. Licensee shall promptly notify Clear Channel of any such rejection or preemption of advertising and shall cooperate with Clear Channel in efforts to fulfill Clear Channel's commitments to advertisers. If Clear Channel sustains any liability or loss of revenue as a result of the rejection or preemption by Licensee of any advertising for any reason other than specified in this paragraph, Licensee shall indemnify and hold Clear Channel harmless from and against any and all revenue lost as a result of such change, due upon notice from Clear Channel to Licensee.

8. **Advertising Rates.** The rates for advertising sold by Clear Channel shall be set by Clear Channel, provided, however, that Clear Channel shall comply with all applicable laws and regulations regarding access to airtime and rates charged for political advertising, shall consult with Licensee concerning such access and rates for political advertising, and shall indemnify, defend and hold Licensee harmless against any liability incurred by Licensee as a result of any failure by Clear Channel to comply with such laws and regulations. Clear Channel may sell advertising time in combination with time on any other station(s) in the market. Clear Channel shall keep written records relating to the sale of commercial advertising on the Station consistent with Clear Channel's past practices at existing stations and shall make such records available to Licensee for inspection upon reasonable notice.

9. **Delivery of Material for Broadcast.** All advertising material furnished by Clear Channel for broadcast on the Station shall be delivered to the Station in a format reasonably agreeable to Clear Channel and Licensee, in a form ready for broadcast on the Station's existing playback equipment, and with quality suitable for broadcast. Licensee shall not be required to provide production services or to copy, reformat, or otherwise manipulate material furnished by Clear Channel other than inserting tape cartridges or similar broadcast-ready media into machinery for broadcast.

10. Licensee's Premises.

(a) If requested by Clear Channel, during the term of this Agreement, Licensee shall provide Clear Channel access to and the use of such of Licensee's studio and office facilities in the Station's market as reasonably necessary for Clear Channel to exercise its rights and perform its obligations under this Agreement. When on Licensee's premises, Clear Channel's personnel shall be subject to the direction and control of Licensee's management personnel and shall not act contrary to the terms of any lease for such premises.

(b) If requested by Licensee, during the term of this Agreement, Clear channel shall provide Licensee access to and the use of such of Clear Channel's studio and office facilities located in the Station's market as are reasonably necessary for Licensee to comply with its obligations under applicable FCC rules and this Agreement. Licensee shall pay Clear Channel rental for the use of such facilities as described in Schedule A. When on Clear Channel's premises, Licensee shall not act contrary to the terms of any lease for such premises and shall be subject to the direction and control of Licensee's management. Such facility use rights shall continue during the term of this Agreement, and may be extended by Licensee at the most recent monthly rental amount for up to six (6) additional months thereafter, as described in Schedule A.

11. Representations, Warranties and Covenants.

(a) Licensee represents, warrants and covenants as follows: (i) Licensee holds all licenses, permits, and authorizations necessary for the operation of the Station as presently conducted, and such licenses, permits and authorizations are in full force and effect, and Licensee will use best efforts to keep them in full force and effect throughout the term of this Agreement; (ii) there is not now pending, nor to Licensee's best knowledge is there threatened, any action by the FCC or any other party to revoke, cancel, suspend, refuse to renew, or otherwise modify any of such licenses, permits or authorizations; (iii) Licensee, to the best of Licensee's knowledge, is not in material violation of any statute, ordinance, rule, regulation, policy, order, or decree of any federal, state, or local entity, court, or authority having jurisdiction over it, the Station, or over any part of their operations or assets; (iv) during the term of this Agreement, Licensee shall not knowingly take any action or omit to take any action which would put it in material violation of or in default under any agreement to which Licensee or its owners is a party, which default or violation would have a material adverse impact upon Licensee, its assets, or the Station or upon Licensee's ability to perform this Agreement; (v) all reports and applications required to be filed with the FCC or any other governmental body have been, and during the term of this Agreement will be, filed in a timely and complete manner by Licensee; (vi) Licensee will maintain the Station's facilities in accord with good engineering practice and in compliance in all material respects with the engineering requirements set forth in the FCC's rules and regulations and the Station's FCC licenses, including broadcasting at substantially maximum authorized power to the Station's service areas (except at such time that a reduction of power is required for routine or emergency maintenance); and, (vii) Licensee currently has, and throughout the term of this Agreement

will maintain, good and marketable title to all assets and properties used in the operation of the Station.

(b) Clear Channel and Licensee each represent and warrant to the other that (i) it has the power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, (ii) it is in good standing in the jurisdiction of its organization and is qualified to do business in all jurisdictions where the nature of its business requires such qualification, (iii) it has duly authorized this Agreement, and this Agreement is binding upon it, and (iv) the execution, delivery, and performance by it of this Agreement does not conflict with, result in a breach of, or constitute a default or ground for termination under any agreement to which it is a party or by which it is bound.

12. Events of Default.

(a) The occurrence of any of the following will be deemed an Event of Default by Clear Channel under this Agreement: (i) Clear Channel fails to make timely payments as provided for in Section 3 of this Agreement; (ii) Clear Channel fails to observe or perform its other obligations contained in this Agreement in any material respect; or (iii) Clear Channel breaches the representations and warranties made by it under this Agreement in any material respect.

(b) The occurrence of the following will be deemed an Event of Default by Licensee under this Agreement: (i) Licensee fails to observe or perform its obligations contained in this Agreement in any material respect; or (ii) Licensee breaches the representations and warranties made by it under this Agreement in any material respect.

(c) Notwithstanding the foregoing, an Event of Default will not be deemed to have occurred until fifteen (15) days after the non-defaulting party has provided the defaulting party with written notice specifying the Event of Default and such Event of Default remains uncured. Upon the occurrence of an Event of Default, and in the absence of a timely cure pursuant to this Section, the non-defaulting party may terminate this Agreement, effective immediately upon written notice to the defaulting party. If this Agreement is terminated for any reason, the parties agree to cooperate with one another and to take all actions necessary to rescind this Agreement and return the parties to the *status quo ante*, including providing Licensee with reasonable time to relocate its broadcast facilities to avoid disruption of its broadcast activities.

Upon termination of this Agreement, by default or otherwise, all programming and other material created, compiled, assembled or otherwise developed by or for Licensee, but not including any marketing and sales material developed by Clear Channel or its personnel, shall be and remain the exclusive property of Licensee. Upon such termination, the parties shall cooperate so that such property is timely returned to Licensee for continuous broadcasting, at no cost or expense to Licensee, whether within the equipment or possession of Clear Channel or of another third party, with Licensee to provide storage equipment

therefor.

13. **Other Agreements.** Licensee shall not enter into any other commercial time sales, time brokerage, local marketing or similar agreements for the Station with any third party during the term of this Agreement. Licensee shall not broadcast on the Station any programming that includes commercial advertising sold by any third party without Clear Channel's prior written consent.

14. **Services and Facilities Unique.** The parties hereto agree that the services and facilities to be provided by each party to the other under this Agreement are unique, and that substitutes therefore cannot be purchased or acquired in the open market. For that reason, either party would be irreparably damaged in the event of a material breach of the Agreement by the other party. Accordingly, either party may request that a decree of specific performance be issued by a court of competent jurisdiction, enjoining the other party to observe and to perform such other party's covenants, conditions, agreements, and obligations hereunder, and each party hereby agrees neither to oppose nor to resist the issuance of such a decree on the grounds that there may exist an adequate remedy at law for any material breach of this Agreement.

15. **Indemnification.** Clear Channel shall indemnify, defend and hold Licensee harmless against any and all liability (i) for libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, infringement of copyrights or proprietary rights, or failure to comply with applicable law, resulting from the broadcast on the Station of any material furnished by Clear Channel for such broadcast hereunder or (ii) resulting from any Event of Default by Clear Channel under this Agreement. Licensee shall indemnify, defend and hold Clear Channel harmless against any and all liability (i) for libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, infringement of copyrights or proprietary rights, or failure to comply with applicable law, resulting from the broadcast of any other material on the Station or (ii) resulting from any Event of Default by Licensee under this Agreement. The obligations under this Section shall survive any termination of this Agreement.

16. **No Partnership, Agency Relationship or Joint Venture.** This Agreement is not intended to be, and shall not be construed as, an agreement to form a partnership, agency relationship, or joint venture between the parties. Except as otherwise specifically provided in this Agreement, neither party shall be authorized to act as an agent of or otherwise to represent the other party.

17. **Successors and Assigns.** Licensee may not assign its rights or obligations under this Agreement, either in whole or in part, without the prior written consent of Clear Channel, which consent shall not be unreasonably withheld. It is understood that the shareholders of Licensee plan to transfer all of the ownership of Licensee to the Santa Barbara Foundation, a nonprofit community foundation, as soon as the Federal Communications Commission approves such transfer, and Clear Channel hereby consents to that transfer of ownership. Clear Channel may assign its rights and obligations hereunder

with the consent of Licensee, which consent shall not be unreasonably withheld. Notwithstanding the foregoing provisions, Clear Channel may assign this Agreement, without Licensee's consent, to any corporation which controls, is controlled by, or is under common control with Clear Channel, or to any corporation resulting from the merger or consolidation with Clear Channel, provided that Clear Channel shall remain fully liable and obligated to fulfill all of its covenants and obligations pursuant to this Agreement. The covenants, conditions and provisions hereof are and shall be for the exclusive benefit of the parties hereto and their successors and permitted assigns, and nothing herein, express or implied, is intended or shall be construed to confer upon or to give any person or entity other than the parties hereto and their permitted successors and assigns any right, remedy or claim, legal or equitable, under or by reason of this Agreement. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

18. **Authority; Construction; Entire Agreement.** This Agreement shall be construed in accordance with the laws of the State of Texas, without regard to principles of conflicts of laws. This Agreement embodies the entire agreement between the parties with respect to the subject matter hereof, and there are no other agreements, representations, or understanding, oral or written, between them with respect thereto. All disputes shall be resolved by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association.

19. **Entire Agreement; Modification and Waiver.** This Agreement and any other documents referred to herein or delivered pursuant hereto, which form a part hereof, contains the entire understanding of the parties with respect to its subject matter. There are no restrictions, agreements, promises, warranties, covenants or undertaking other than expressly set forth herein. This Agreement supersedes all prior agreements and understandings between the parties. No modification or waiver of any provision of this Agreement shall be effective unless in writing and signed by the party against whom such modification or waiver is asserted, and no failure to exercise any right, power, or privilege hereunder shall operate to restrict the exercise of the same right, power, or privilege upon any other occasion or to restrict the exercise of any other right, power, or privilege upon the same or any other occasion. The rights, powers, privileges, and remedies of the parties hereto are cumulative and are not exclusive of any rights, powers, privileges, or remedies which they may have at law, in equity, by statute, under this Agreement, or otherwise.

20. **Severability.** If any provision of this Agreement or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law, except that if such invalidity or unenforceability should change the basic economic positions of the parties, they shall negotiate in good faith such changes in other terms as shall be practicable in order to restore them to their prior positions.

In the event that the FCC alters or modifies its rules or policies in a fashion which would raise a substantial and material question as to the validity of any provision of this

Agreement, the parties shall negotiate in good faith to revise any such provision of this Agreement in an effort to comply with all applicable FCC rules and policies, while attempting to preserve the intent of the parties as embodied in the provisions of this Agreement. The parties hereto agree that, upon the request of either of them, they will join in requesting the view of the staff of the FCC, to the extent necessary, with respect to the revision of any provision of this Agreement in accordance with the foregoing. Subject to the foregoing sentences of this paragraph, either party may terminate this Agreement by written notice to the other if it reasonably determines, based upon any ruling or decision of the FCC or any court of competent jurisdiction, and/or the opinion of its counsel after the date hereof, that this Agreement, or the continued performance by the parties of their obligations hereunder, violates the Communications Act of 1934, as amended, or the rules or policies of the FCC or any other applicable law.

21. Notices. All notices, demands, requests, or other communications which may be or are required to be given or made by any party to any party pursuant to this Agreement shall be in writing and shall be hand delivered, mailed by first-class registered or certified mail, return receipt requested, postage prepaid, delivered by overnight air courier, or transmitted by facsimile transmission and shall be deemed to have been duly delivered and received on the date of personal delivery, on the third day after deposit in the U.S. mail if mailed by registered or certified mail, postage prepaid and return receipt requested, on the day after delivery to a nationally recognized overnight courier service if sent by an overnight delivery service for next morning delivery, and on the same day if transmitted by facsimile, addressed as follows:

if to Licensee: Pacific Broadcasting Company
23 W. Micheltorena St.
Santa Barbara, CA 93101
Attention: Robertson C. Scott, Jr.
Telecopier No.: (805) 966-4788

with a copy (which will not constitute notice) to: Santa Barbara Foundation
Attention: Charles O. Slosser, Executive Director
15 East Carrillo Street
Santa Barbara, California 93101
Telecopier: 805/966-2345

With a copy (which will not constitute notice) to: S. Timothy Buynak
Hatch & Parent
21 E. Carrillo St.
Santa Barbara, CA 93101
Telecopier No: (805) 965-4333

if to Clear Channel:

Clear Channel Broadcasting, Inc.
200 East Basse Road
San Antonio, Texas 78209
Attention: President
Telecopier No.: (210) 822-2299
Attention: General Counsel
Telecopier No.: (210) 832-3428

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

Wiley Rein & Fielding LLP
1776 K Street, N.W.
Washington, D.C. 20006
Attention: Doc Bodensteiner
Telecopier No.: (202) 719-7049

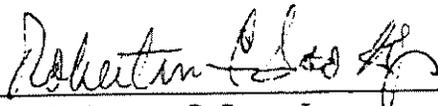
22. Miscellaneous. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. The headings are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement. Words indicated in parenthesis signify an abbreviation for the previous set of words or terms, so that when the abbreviation is used within the Agreement, it shall have the same meaning as a full statement of the words or terms. If either party is delayed or prevented from the performance of any act required hereunder by reason of acts of God, strikes, lockouts, labor troubles, inability to procure materials, restrictive governmental laws or regulations, delays caused by the other party or other cause without the fault and beyond the control of the party obligated (financial inability excepted), performance of such act shall be excuse for the period of delay and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Any schedules attached hereto are an integral part of this Agreement with the same force and effect as if set forth in full in the text of the Agreement.

[SIGNATURE PAGE FOLLOWS]

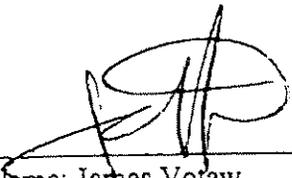
**SIGNATURE PAGE TO
AGREEMENT FOR THE SALE OF COMMERCIAL TIME**

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

LICENSEE: PACIFIC BROADCASTING COMPANY

By: 
Name: Robertson C. Scott, Jr.
Title: President

CLEAR CHANNEL: CLEAR CHANNEL BROADCASTING, INC.

By: 
Name: James Votaw
Title: General Manager

Attachments: Schedules A & B

21 East Carrillo Street
Santa Barbara, CA 93101
Telephone: (805) 963-7000
Fax: (805) 965-4333



S. Timothy Buynak

Direct Dial: (805) 882-1402
TBuynak@HatchParent.com

January 31, 2003

By Hand

Mr. Robertson C. Scott, Jr., President
Pacific Broadcasting Company
23 West Micheltorena St.
Santa Barbara, CA 93101

Mr. James Votaw, General Manager
Clear Channel Broadcasting, Inc.
414 East Cota Street
Santa Barbara, CA 93101

**Re: Agreement for the Sale of Commercial Time
Effective Date**

Dear Roby and Jim:

With regard to the Agreement for the Sale of Commercial Time ("Agreement") between Pacific Broadcasting Company ("Licensee") and Clear Channel Broadcasting, Inc. ("Clear Channel"), notwithstanding the effective date of the Agreement as stated therein, the parties agree and acknowledge that due to the inability to determine with certainty the date on which Pacific Broadcasting Company is able to broadcast "KDB-FM" from Clear Channel's local facilities at 414 East Cota Street, the parties intend that the term of the Agreement, for purposes of the payments under Section 3 of the Agreement, shall commence on the date on which Pacific Broadcasting Company broadcasts "live" from the new location.

By signing below, the parties intend for this letter agreement to amend the Agreement as necessary in accordance with Section 19 thereof.

Sincerely,

S. Timothy Buynak
For HATCH & PARENT
A Law Corporation

STB:MLP

SB 322631 v1:010528.0002

Mr. Robertson C. Scott, Jr., President
Mr. James Votaw, General Manager
January 31, 2003
Page 2

AGREED:

Pacific Broadcasting Company

By Robertson C. Scott, Jr.
Robertson C. Scott, Jr., President

Clear Channel Broadcasting, Inc.

By J. Votaw
James Votaw, General Manager