
ASSET EXCHANGE AGREEMENT

dated as of July __, 2001

by and among

CLEAR CHANNEL BROADCASTING, INC.,

CLEAR CHANNEL BROADCASTING LICENSES, INC.,

CLEAR CHANNEL COMMUNICATIONS, INC.,

FOX/UTV HOLDINGS, INC.,

UTV OF SAN ANTONIO, INC.,

FOX TELEVISION STATIONS, INC.

and

THE NEWS CORPORATION LIMITED

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ASSET EXCHANGE AGREEMENT

ASSET EXCHANGE AGREEMENT, dated as of July __, 2001, by and among Fox/UTV Holdings, Inc., a Delaware corporation ("Fox Salt Lake City"), UTV of San Antonio, Inc., a Texas corporation and a wholly owned subsidiary of Fox Salt Lake City ("Fox San Antonio"), Fox Television Stations, Inc., a Delaware corporation ("FTS"), and The News Corporation Limited, a South Australia corporation ("TNCL" and, together with Fox San Antonio, Fox Salt Lake City and FTS, the "Fox Entities"), Clear Channel Broadcasting, Inc., a Nevada corporation ("CCB"), Clear Channel Broadcasting Licenses, Inc., a Nevada corporation ("CCBL") (CCB and CCBL, collectively, "Clear Channel"), and Clear Channel Communications Inc., a Texas corporation ("Clear Channel Parent" and, together with Clear Channel, the "Clear Channel Entities"). Capitalized terms used in this Agreement but not defined when used are defined in Article I.

W I T N E S S E T H:

WHEREAS, Clear Channel is the owner of television station WFTC-TV, Channel 29, in Minneapolis ("WFTC"), Minnesota, and television station KFTC-TV, Channel 26, in Bemidji, Minnesota ("KFTC" and, together with WFTC, the "Clear Channel Station"), under licenses issued by the Federal Communications Commission ("FCC"); and

WHEREAS, (i) Fox San Antonio and FTS together operate and own all of the assets and licenses used in the operation of television station KMOL-TV, Channel 4, in San Antonio, Texas ("KMOL"), and (ii) Fox Salt Lake City and FTS together operate and own all of the assets and licenses used in the operation of television station KTVX-TV, Channel 4, in Salt Lake City, Utah ("KTVX" and, together with KMOL, the "Fox Stations"), pursuant to a Stations Operating Agreement substantially in the form approved by the FCC and a License Assignment Agreement, each dated as of _____, 2001 (the "Fox Stations Operating Agreement" and the "Fox Stations License Assignment Agreement," respectively);

WHEREAS, TNCL and FTH are required to divest KTVX pursuant to a Final Judgment entered in the action entitled United States v. The News Corporation, LTD. et. al., Civ. No. 01-CV-771 pending in the United States District Court for the District of Columbia (the "Final Judgment");

WHEREAS, TNCL and FTH are subject to the Hold Separate Stipulation and Order (the "Hold Separate Order") executed by the United States District Court for the District of Columbia in the Divestiture Action, which order requires KTVX to be operated and managed independently and separately from FTH's other television stations (including television station KTSU-TV/Salt Lake City, Utah) until a sale of KTVX closes, including a sale pursuant to the Asset Exchange Agreement;

WHEREAS, prior to the Closing, Fox Salt Lake City intends to acquire all of the operating assets of KMOL via a merger of Fox San Antonio into Fox Salt Lake City (the "Fox Merger"); and

WHEREAS, the Clear Channel Entities and the Fox Entities desire to exchange all of the Clear Channel Exchanged Assets and Clear Channel Assumed Liabilities (which relate to the Clear Channel Station) for the Fox Exchanged Assets and the Fox Assumed Liabilities (which relate to the Fox Stations) as a like-kind exchange under Section 1031 of the Internal Revenue Code of 1986, as amended (the “Code”), and upon the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, the parties hereto hereby agree as follows:

ARTICLE I. DEFINITIONS

1.1 *Definitions.* When used in this Agreement, the following terms shall have the meanings specified:

“Action” shall mean any claim, action, suit, arbitration, inquiry, proceeding or investigation by or before any Governmental Authority.

“Affiliate” shall mean, with respect to a specified Person, a Person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by or is under common Control with the specified Person; provided, however, that for purposes of this definition: (i) Affiliates of the Clear Channel Entities shall be limited to Clear Channel Parent and the Affiliates of Clear Channel Parent that Clear Channel Parent Controls and (ii) Affiliates of the Fox Entities shall be limited to (x) TNCL and any of TNCL’s Affiliates that TNCL Controls and (y) FTH (as defined in “Chris-Craft Closings”) and any of FTS’s Affiliates that FTS Controls.

“Agreement” shall mean this Asset Exchange Agreement, together with the Schedules and the Exhibits attached hereto, as the same may be amended, modified or supplemented from time to time in accordance with the terms hereof.

“Antitrust Laws” shall mean the Sherman Act, as amended, the Clayton Act, as amended, the HSR Act, the Federal Trade Commission Act, as amended, and all other federal, state and foreign, if any, Laws that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade or lessening of competition through merger or acquisition.

“Business Day” shall mean any day on which the principal offices of the Securities and Exchange Commission in Washington D.C. are open to accept filings, or, in the case of determining a date when payment is due, any day on which banks are not required or authorized to close in the City of New York.

“CERCLA” shall mean the Comprehensive Environmental Response, Compensation, Liability Act of 1980, as amended, and the regulations thereunder, as in effect from time to time.

“Chris-Craft” shall mean Chris-Craft Industries, Inc., a Delaware corporation.

“Chris-Craft Closing” shall mean the closing of the transactions contemplated by the separate Agreements and Plans of Merger, each dated as of August 13, 2000, as the same may be

amended, modified or supplemented from time to time, by and among: (i) Chris-Craft, TNCL, News Publishing Australia Limited (“NPAL”) and FTH; (ii) BHC Communications, Inc., TNCL, NPAL and FTH; and (iii) Fox Salt Lake City, TNCL, NPAL and FTH.

“Clear Channel Accounts Receivable” shall mean all accounts receivable, including accounts receivable relating to Clear Channel Tradeout Agreements and film and program barter agreements (except to the extent set forth in Section 2.5(f)), and all rights to receive payments under any notes, bonds and other evidences of indebtedness and all other rights to receive payments, in each case arising out of sales occurring in the conduct of the Clear Channel Business prior to the Effective Time for services performed or delivered by the Clear Channel Business prior to the Effective Time and in each case valued net of any reserves established in respect thereof.

“Clear Channel Assumed Liabilities” shall mean: (a) the current liabilities of Clear Channel related to the Clear Channel Station as of the Effective Time on the Clear Channel Final Net Working Capital Statement delivered pursuant to Section 2.5; (b) the liabilities and obligations with respect to the Clear Channel Contracts and Clear Channel Permits arising from and accruing exclusively with respect to the period after the Effective Time; and (c) the liabilities and obligations that are expressly assumed by Fox in Section 10.2; provided, however, that the Clear Channel Assumed Liabilities shall not include: (i) any liability or obligation under or with respect to any Clear Channel Contract or Clear Channel Permit required by the terms thereof to be discharged on or prior to the Effective Time; (ii) any liability or obligation for which Clear Channel has already received the partial or full benefit of the asset to which such liability or obligation relates, but only to the extent of such benefit received; (iii) any liability or obligation for borrowed money; (iv) any liability for Taxes of any of the Clear Channel Entities; (v) any liability or obligation with respect to the Sales Representation Agreement; (vi) any liability or obligation under any litigation or other legal proceeding relating to the Clear Channel Station to the extent arising from the operation of the Clear Channel Station prior to the Closing; (vii) any liabilities or obligations referred to in clause (ii) of Section 7.8; and (viii) any liability or obligation relating to or arising out of any of the Clear Channel Retained Assets.

“Clear Channel Assumption Agreement” shall mean an instrument pursuant to which the Fox Assumed Liabilities are to be assumed by Clear Channel.

“Clear Channel Bill of Sale” shall mean an instrument pursuant to which Clear Channel will convey to Fox all of its right, title and interest in and to the Clear Channel Exchanged Assets in accordance herewith.

“Clear Channel Business” shall mean the operations and business of the Clear Channel Station.

“Clear Channel Contracts” shall mean those agreements (other than those included in the Clear Channel Retained Assets) that relate to the Clear Channel Business and to which Clear Channel is a party or that are for the benefit of the Clear Channel Station, whether written or oral, including the Clear Channel Leases, all license agreements and all contractual obligations incurred by Clear Channel for the Clear Channel Program Rights, including those agreements listed on Schedule 4.5(h).

“Clear Channel Copyrights” shall mean all copyrights, including copyright applications, registrations and similar rights used by the Clear Channel Station (other than those included in the Clear Channel Retained Assets), including those registered copyrights and copyright applications identified on Schedule 4.6(e)(1).

“Clear Channel Equipment” shall mean all machinery, equipment, towers, Clear Channel Motor Vehicles, furniture, fixtures, furnishings, toolings, parts, blank films and tapes and other items of tangible personal property (other than those included in the Clear Channel Retained Assets) owned or leased by Clear Channel and used in the operation of the Clear Channel Station, including those items listed on Schedule 1.1(j).

“Clear Channel Exchanged Assets” shall mean all of the assets, properties and businesses (other than those included in the Clear Channel Retained Assets), of every type and description, real, personal and mixed, tangible and intangible, that are owned, leased or licensed by Clear Channel and are used or held for use in the conduct of the Clear Channel Business, whether or not any of such assets, properties and businesses have any value for accounting purposes or are carried or reflected on or specifically referred to in Clear Channel’s books or financial statements, including all right, title and interest of Clear Channel in, to and under the following:

- (a) all goodwill;
- (b) all Clear Channel Real Property;
- (c) all Clear Channel Equipment;
- (d) all Clear Channel Accounts Receivable;
- (e) all prepaid expenses, including ad valorem taxes, leases and rentals;
- (f) all books of account, general, financial, tax (other than income tax) and personnel records (unless prohibited by Law), invoices, supplier lists, correspondence and other documents, records, files and papers, in each case whether in hard copy or computer format, and all computer software and programs and any rights thereto;
- (g) all Clear Channel Intangible Property;
- (h) all internet web sites and related agreements, content and databases, as and to the extent relating to the Clear Channel Business, including those set forth on Schedule 1.1(k);
- (i) all claims, causes of action, choses in action, rights of recovery and rights of set-off of any kind (excluding rights to insurance proceeds but including rights under and pursuant to all warranties, representations and guarantees made by suppliers of products, materials or equipment, or components thereof);

(j) all sales and promotional literature, customer lists and other sales-related materials;

(k) all Clear Channel Contracts;

(l) all prepayments under advertising sales contracts, including Clear Channel Tradeout Agreements, for committed air time for advertising that has not aired prior to the Effective Time;

(m) all transferable municipal, state and federal franchises, permits, licenses, agreements, waivers and authorizations, including any renewals thereof or any pending application therefor, including the Clear Channel FCC Licenses (the “Clear Channel Permits”);

(n) all management and other systems (including computers and peripheral equipment), databases, computer software, computer disks and similar assets related to the Clear Channel Business and all licenses and rights in relation thereto; and

(o) all current assets included in the Net Working Capital relating to the Clear Channel Station, subject to adjustment as provided in Section 2.5 and other than that constituting the Final Excess Working Capital Amount, as applicable.

“Clear Channel FCC Licenses” shall mean all licenses, permits and authorizations issued by the FCC for the operation of the Clear Channel Station as currently operated, including those listed on Schedule 1.1(l).

“Clear Channel Intangible Property” shall mean: (a) the Clear Channel Copyrights; (b) the Clear Channel Trademarks; (c) the Clear Channel Trade Secrets; (d) all of the rights of Clear Channel in and to the call letters “WFTC” and “WFTC-TV;” (e) all domain names related to the Clear Channel Station registered to the Clear Channel Entities; and (f) all goodwill, if any, associated therewith.

“Clear Channel Interim Covenants” shall mean the covenants and agreements of the Clear Channel Entities contained in Sections 6.1, 6.2(a), 6.3(a), 6.3(b), 6.4, 6.5, 6.6, 7.1, 7.2, 7.3, 7.4, 7.5 and 7.7.

“Clear Channel Lease Assignment” shall mean one or more instruments pursuant to which all of Clear Channel’s right, title and interest in and to the Clear Channel Leases are to be assigned to Fox.

“Clear Channel Leases” shall mean those leases or licenses of real property used or held for use in the conduct of the Clear Channel Business as listed on Schedule 1.1(m).

“Clear Channel License Assignment Agreement” shall mean the agreement pursuant to which, immediately upon the consummation of the Closing, Fox shall assign the Clear Channel FCC Licenses to FTS, and FTS shall become the licensee of the Clear Channel Station to assure compliance with the Communications Act.

“Clear Channel Material Adverse Effect” shall mean a material adverse effect on: (a) the Clear Channel Exchanged Assets, the Clear Channel Assumed Liabilities, the Clear Channel Business or the financial condition or results of operations of the Clear Channel Business; provided, however, that any material adverse effect arising out of or resulting from: (i) an event or series of events or circumstances affecting the television broadcast industry generally; (ii) the ratings or performance of a television network of which the Clear Channel Station is an affiliate; (iii) this Agreement or the transactions contemplated hereby; or (iv) changes in economic, regulatory or political conditions generally, in each case, shall not constitute a Clear Channel Material Adverse Effect; or (b) the ability of any Clear Channel Entity to perform its obligations under this Agreement or the other instruments and agreements contemplated hereby.

“Clear Channel Motor Vehicles” shall mean all motor vehicles owned by Clear Channel and used in the operation of the Clear Channel Station, including those listed on Schedule 1.1(n).

“Clear Channel Motor Vehicle Title Certificates” shall mean the official evidences of title to the Clear Channel Motor Vehicles.

“Clear Channel Permitted Liens” shall mean the following Liens: (a) Liens existing exclusively on Clear Channel Retained Assets; (b) Liens existing at the Effective Time to remain on Clear Channel Exchanged Assets as listed on Schedule 1.1(o); (c) Liens for Taxes, assessments or other governmental charges or levies not yet due; (d) statutory Liens of landlords and Liens of carriers, warehousemen, mechanics, materialman and other Liens imposed by law created in the ordinary course of the Clear Channel Business and on a basis consistent with past practice for amounts that are not yet due and payable or are being contested in good faith; (e) Liens (other than any Lien imposed by ERISA) incurred or deposits made in the ordinary course of the Clear Channel Business and on a basis consistent with past practice in connection with worker’s compensation, unemployment insurance or other types of social security; (f) minor defects of title, easements, rights-of-way, restrictions and other similar charges or encumbrances not materially detracting from the value of the Clear Channel Real Property or interfering in any material respect with the ordinary conduct of the Clear Channel Business; (g) Liens not created by Clear Channel that affect the underlying fee interest of any Clear Channel Real Property leased by Clear Channel but do not materially interfere with the present use of such property; (h) Liens created by or through the Fox Entities or any of their Affiliates; and (i) any state of facts that an accurate survey would show, provided such facts do not materially interfere with the present use or materially detract from the value of the Clear Channel Real Property; provided, however, that all obligations secured by the Clear Channel Permitted Liens described in items (c), (d) and (e) are Clear Channel Retained Liabilities and shall be paid and performed by Clear Channel when due unless adjusted in favor of Fox pursuant to Section 2.5.

“Clear Channel Program Rights” shall mean all rights of Clear Channel presently existing or obtained after the date of this Agreement and prior to the Effective Time in accordance with the terms of this Agreement, to broadcast television programs or shows as part of the Clear Channel Station’s programming, including all film and program barter agreements, sports rights agreements, syndication agreements and network affiliation agreements.

“Clear Channel Real Property” shall mean the real property owned, leased, subleased or licensed by Clear Channel, as listed in Schedule 1.1(p), and all buildings, improvements and

fixtures thereon, together with all strips and gores, rights of way, easements, privileges and appurtenances pertaining thereto, including any right, title and interest of Clear Channel in and to any street adjoining any portion of the Clear Channel Real Property.

“Clear Channel Retained Assets” shall mean: (a) cash and cash equivalents as of the Effective Time, including bank accounts, certificates of deposit and marketable securities; (b) intercompany accounts owing by and among Clear Channel and Clear Channel Parent or any Affiliate of Clear Channel Parent other than those that relate to Clear Channel Contracts listed on Schedule 4.5(h) or are entered into after the date of this Agreement in accordance with Section 6.1(e); (c) insurance policies relating to the Clear Channel Business and all claims, credits, causes of action or rights thereunder; (d) the marks and names set forth on Schedule 1.1(q)(1) (the “Clear Channel Trademarks and Tradenames”); (e) the copyright and copyright applications and regulations set forth on Schedule 1.1(q)(2); (f) any assets of any Clear Channel Plan sponsored by the Clear Channel Entities, other than assets of any Clear Channel Plan that is sponsored by the Clear Channel Station and expressly assumed by Fox in Section 10.2; (g) all books, records, files and papers, whether in hard copy or computer format, prepared in connection with this Agreement or the transactions contemplated hereby and all minute books and corporate records of the Clear Channel Entities and their Affiliates; (h) all claims, causes of action, choses in action, rights of recovery and rights of set-off of any kind (including rights under and pursuant to all warranties, representations and guarantees made by suppliers of products, materials or equipment, or components thereof) to the extent such claims, causes of action, choses in action, rights of recovery and rights of set-off relate to the Clear Channel Retained Assets or the Clear Channel Retained Liabilities; (i) all rights to insurance proceeds; (j) the contracts, property and assets described on Schedule 1.1(r); (k) all claims for and rights to refunds or credits with respect to Taxes paid by the Clear Channel Entities or any of their Affiliates relating to the conduct or operations of the Clear Channel Station for all periods or portions thereof ending on or prior to the Effective Time or pursuant to Section 10.1 of this Agreement (including, in each case, any interest received from the relevant taxing authority); (l) all rights of the Clear Channel Entities arising under this Agreement and the other instruments and agreements contemplated hereby; (m) any and all right, title or interest in or to: (A) the names “Clear Channel” or any derivation thereof; and (B) any other marks owned, used or held for use by Clear Channel Parent or its Affiliates (other than Clear Channel) other than any such marks pursuant to a license transferred in connection with the consummation of the transactions contemplated by this Agreement; and (n) all internet websites, domain names and trade secrets not related exclusively to the Clear Channel Business.

“Clear Channel Station Operating Agreement” shall mean the agreement substantially in the form of the Fox Stations Operating Agreement, with such modifications as the FCC may require to the Fox Stations Operating Agreement in connection with its approval of the assignment to FTS of the Fox FCC Licenses upon the Chris-Craft Closing, pursuant to which, immediately upon the consummation of the Closing, FTS and Fox shall operate the Clear Channel Station with the intent that the activities of such stations be treated for Federal income tax purposes as a partnership formed to operate the Clear Channel Station for joint profit.

“Clear Channel Title Company” shall mean Chicago Title Insurance Company or such other title insurance company acceptable to Clear Channel.

“Clear Channel Trademark Assignment” shall mean an instrument pursuant to which Clear Channel assigns to Fox all of its right, title and interest in and to the Clear Channel Trademarks.

“Clear Channel Trademarks” shall mean all of those trade names, trademarks, service marks, jingles, slogans, logos, trademark and service mark registrations and trademark and service mark applications (other than those included in Clear Channel Retained Assets) owned, used, held for use, licensed by or leased by Clear Channel relating to the Clear Channel Station as set forth on Schedule 4.6(e)(2) and the goodwill appurtenant thereto.

“Clear Channel Tradeout Agreement” shall mean any contract, agreement or commitment of Clear Channel, oral or written, other than film and program barter agreements, pursuant to which Clear Channel has agreed to sell or trade commercial air time or commercial production services of the Clear Channel Station in consideration for any property or service in lieu of or in addition to cash.

“Clear Channel Trade Secrets” shall mean all proprietary information of Clear Channel necessary to the current operation of the Clear Channel Station (other than as included in the Clear Channel Retained Assets) that is not generally known and is used or useful in a trade or business, as to which reasonable efforts have been made to prevent unauthorized disclosure, and which provides a competitive advantage to those who know or use it.

“Clear Channel Warranty Deed” shall mean one or more deeds with covenants against the acts of Clear Channel in a form reasonably acceptable to the Fox Title Company, pursuant to which the Clear Channel Real Property owned by Clear Channel shall be conveyed to Fox at the Closing.

“Closing” shall mean the closing of the transactions contemplated by this Agreement, to be held at 10:00 a.m., local time at the offices of TNCL, 1211 Avenue of the Americas, New York, New York 10036, as soon as possible, but in no event later than the five Business Days after the satisfaction or waiver of the conditions set forth in Article VIII hereof (other than those requiring the delivery of a certificate or other document, or the taking of other action at the Closing), or at such other time or place as the Clear Channel Parent and the TNCL may mutually agree upon in writing.

“Closing Date” shall mean the date on which the Closing is consummated.

“Code” shall mean the United States Internal Revenue Code of 1986, as amended.

“Communications Act” shall mean, collectively, the Communications Act of 1934, as amended, and the rules and regulations promulgated thereunder, all as in effect from time to time.

“Control” (including the terms “Controlling,” “Controlled by” and “under Common Control with”) shall mean, the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“Divestiture Action” shall mean the action entitled United States v. The News Corporation, LTD, Fox Television Holdings, Inc. and Chris-Craft Industries, Inc., Civ. No. 01-CV-771 pending in the United States District Court for the District of Columbia.

“Effective Time” shall mean 2:01 a.m. local New York City time, on the Closing Date.

“Environmental Claim” shall mean any and all administrative, regulatory or judicial actions, orders, decrees, suits, demands, demand letters, directives, claims, Liens, investigations, proceedings or notices of noncompliance or violation (written or oral) by any Person, alleging potential liability (including potential responsibility or liability for enforcement, investigatory costs, cleanup costs, governmental response costs, removal costs, remedial costs, natural resources damages, property damages, personal injuries or penalties) arising out of, based on or resulting from the operation of either of the Fox Stations or the Clear Channel Station, as the case may be, and relating to or arising from: (a) the presence, Release or threatened Release of any Hazardous Material at any location at which Hazardous Materials from the Fox Stations’ or the Clear Channel Station’s, as the case may be, operations are, or are alleged to be, present, whether or not such location is currently owned, operated, leased or managed by the Fox Stations or the Clear Channel Station, as the case may be; (b) any violation or alleged violation of any Environmental Law; or (c) any and all claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief resulting from the presence, Release or threatened Release of any Hazardous Materials.

“Environmental Laws” shall mean any applicable statute, treaty, enactment, ordinance, rule, regulation, decision, judgment, decree, permit or license, whether local, state, territorial or national:

- (a) relating to Releases or threatened Releases of Hazardous Materials into the indoor or outdoor environment;
- (b) relating to the use, treatment, storage, disposal, handling, manufacturing or shipment of Hazardous Material;
- (c) relating to the regulation of storage tanks; or
- (d) otherwise relating to pollution or protection of human health and the indoor or outdoor environment.

“Environmental Permit” shall mean all permits, licenses, registrations, approvals and other authorizations by any Governmental Authority required under Environmental Laws and relating to the conduct of any of the Fox Stations or the Clear Channel Station’s, as the case may be, operations and businesses.

“ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended.

“FCC” shall mean the United States Federal Communications Commission.

“FCC Consent” shall mean the FCC’s grant of its consent to (i) the assignment of the Fox FCC Licenses from FTS to Clear Channel and (ii) the assignment of the Clear Channel FCC Licenses from Clear Channel to FTS, as contemplated by the Clear Channel Station Operating Agreement and the Clear Channel Station License Assignment Agreement.

“Final Order” shall mean action by the FCC (including action duly taken by the FCC’s staff, pursuant to delegated authority), which shall not have been vacated, reversed, stayed, enjoined, set aside, annulled or suspended, with respect to which no timely request for stay, petition for rehearing, reconsideration, review, 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.

“Financing Lease” shall mean any Clear Channel Contract or Fox Contract which is properly characterized as a capitalized lease obligation in accordance with GAAP.

“Fox” shall mean, as the context requires, Fox San Antonio, Fox Salt Lake City or Fox San Antonio and Fox Salt Lake City.

“Fox Accounts Receivable” shall mean all accounts receivable, including accounts receivable relating to Fox Tradeout Agreements or film and program barter agreements (except to the extent set forth in Section 2.5(f)), and all rights to receive payments under any notes, bonds and other evidences of indebtedness and all other rights to receive payments, in each case arising out of sales occurring in the conduct of the Fox Businesses prior to the Effective Time for services performed or delivered by the Fox Businesses prior to the Effective Time and in each case valued net of any reserves established in respect thereof.

“Fox Assumed Liabilities” shall mean: (a) the current liabilities of Fox related to the Fox Stations as of the Effective Time on the Fox Final Net Working Capital Statements delivered pursuant to Section 2.5; and; (b) the liabilities and obligations with respect to the Fox Contracts and Fox Permits arising from and accruing exclusively with respect to the period after the Effective Time; and (c) the liabilities and obligations that are expressly assumed by Clear Channel in Section 10.3; provided, however, that the Fox Assumed Liabilities shall not include: (i) any liability or obligation under or with respect to any Fox Contract or Fox Permit required by the terms thereof to be discharged on or prior to the Effective Time; (ii) any liability or obligation for which Fox has already received the partial or full benefit of the asset to which such liability or obligation relates, but only to the extent of such benefit received; (iii) any liability or obligation for borrowed money; (iv) any liability or obligation to FTH or any of its Affiliates under the Fox Stations Operating Agreement; (v) any liability or obligation with respect to the United Special Severance Plan relating to stock options only; (vi) any liability for Taxes of any of the Fox Entities; (vii) any liability or obligation under any sales representation agreement relating to the Fox Stations; (viii) any liability or obligation under any litigation or other legal proceeding relating to the Fox Stations to the extent arising from the operation of the Fox Stations prior to the Closing; (ix) any liabilities or obligations referred to in clause (i) of Section 7.8; and (xii) any liability or obligation relating to or arising out of any of the Fox Retained Assets.

“Fox Assumption Agreement” shall mean an instrument pursuant to which the Clear Channel Assumed Liabilities are to be assumed by Fox.

“Fox Bill of Sale” shall mean an instrument pursuant to which Fox and FTS together will convey to Clear Channel all of the Fox Station’s right, title and interest in and to the Fox Exchanged Assets in accordance herewith.

“Fox Businesses” shall mean, as the context requires, collectively, the operations and business of Fox San Antonio, Fox Salt Lake City or Fox San Antonio and Fox Salt Lake City.

“Fox Contracts” shall mean those agreements (other than those included in the Fox Retained Assets) that relate to the Fox Businesses and to which Fox is a party or that are for the benefit of the Fox Stations, whether written or oral, including the Fox Leases, all license agreements and all contractual obligations incurred by Fox for the Fox Program Rights, including those agreements listed on Schedule 3.5(h).

“Fox Copyrights” shall mean all copyrights, copyright applications, registrations and similar rights used by the Fox Stations (other than those included in the Fox Retained Assets), including those registered copyrights and copyright applications identified on Schedule 3.6(e)(1).

“Fox Equipment” shall mean all machinery, equipment, towers, Fox Motor Vehicles, furniture, fixtures, furnishings, toolings, parts, blank films and tapes and other items of tangible personal property (other than those included in the Fox Retained Assets) owned or leased by Fox and used in the operation of the Fox Stations, including those items listed on Schedule 1.1(a).

“Fox Exchanged Assets” shall mean all of the assets, properties and businesses (other than those included in the Fox Retained Assets), of every type and description, real, personal and mixed, tangible and intangible, that are owned, leased or licensed by Fox or FTS and are used or held for use in the conduct of the Fox Businesses, whether or not any of such assets, properties and businesses have any value for accounting purposes or are carried or reflected on or specifically referred to in Fox’s books or financial statements, including all right, title and interest of Fox or FTS in, to and under the following:

- (a) all goodwill;
- (b) all Fox Real Property;
- (c) all Fox Equipment;
- (d) all Fox Accounts Receivable;
- (e) all prepaid expenses, including ad valorem taxes, leases and rentals;
- (f) all books of account, general, financial, tax (other than income tax) and personnel records (unless prohibited by Law), invoices, supplier lists, correspondence and other documents, records, files and papers, in each case

whether in hard copy or computer format, and all computer software and programs and any rights thereto;

(g) all Fox Intangible Property;

(h) all internet web sites and related agreements, content and databases, as and to the extent relating to the Fox Businesses, including those set forth on Schedule 1.1(b);

(i) all claims, causes of action, choses in action, rights of recovery and rights of set-off of any kind (excluding rights to insurance proceeds but including rights under and pursuant to all warranties, representations and guarantees made by suppliers of products, materials or equipment, or components thereof);

(j) all sales and promotional literature, customer lists and other sales-related materials;

(k) all Fox Contracts;

(l) all prepayments under advertising sales contracts, including Fox Tradeout Agreements, for committed air time for advertising that has not been aired prior to the Closing;

(m) all transferable municipal, state and federal franchises, permits, licenses, agreements, waivers and authorizations, including any renewals thereof or any pending application therefor, including the Fox FCC Licenses (the “Fox Permits”);

(n) all management and other systems (including computers and peripheral equipment), databases, computer software, computer disks and similar assets, related to the Fox Businesses and all licenses and rights in relation thereto; and

(o) all current assets included in the Net Working Capital relating to the Fox Stations, subject to adjustment as provided in Section 2.5 and other than that constituting the Final Excess Working Capital Amount, as applicable.

“Fox FCC Licenses” shall mean all licenses, permits and authorizations issued by the FCC for the operation of the Fox Stations as currently operated, including those listed on Schedule 1.1(c).

“Fox Intangible Property” shall mean: (a) the Fox Copyrights; (b) the Fox Trademarks; (c) the Fox Trade Secrets; (d) all of the rights of Fox in and to the call letters “KMOL” “KMOL-TV” and “KTVX” and “KTVX-TV”; (e) all domain names related to the Fox Stations registered by the Fox Entities; and (f) all goodwill, if any, associated therewith.

“Fox Interim Covenants” shall mean the covenants and agreements of the Fox Entities contained in Sections 5.1, 5.2(a), 5.3(a), 5.3(b), 5.4, 5.5, 5.6, 7.1, 7.2, 7.3, 7.4, 7.5 and 7.7.

“Fox Lease Assignment” shall mean one or more instruments pursuant to which all of Fox’s right, title and interest in and to the Fox Leases are to be assigned to Clear Channel.

“Fox Leases” shall mean those leases or licenses of real property used or held for use in the conduct of the Fox Businesses as listed on Schedule 1.1(d).

“Fox Material Adverse Effect” shall mean a material adverse effect on: (a) the Fox Exchanged Assets, the Fox Assumed Liabilities, the Fox Businesses (taken together), or the financial condition or results of operations of the Fox Businesses (taken together); provided, however, that any material adverse effect arising out of or resulting from: (i) an event or series of events or circumstances affecting the television broadcast industry generally; (ii) the ratings or performance of a television network of which the Fox Stations are an affiliate; (iii) this Agreement or the transactions contemplated hereby; or (iv) changes in economic, regulatory or political conditions generally, in each case, shall not constitute a Fox Material Adverse Effect; or (b) the ability of any Fox Entity to perform its obligations under this Agreement or the other instruments and agreements contemplated hereby.

“Fox Motor Vehicles” shall mean all motor vehicles owned by Fox and used in the operation of the Fox Stations, including those listed on Schedule 1.1(e).

“Fox Motor Vehicle Title Certificates” shall mean the official evidences of title to the Fox Motor Vehicles.

“Fox Permitted Liens” shall mean the following Liens: (a) Liens existing exclusively on Fox Retained Assets; (b) Liens existing at the Effective Time to remain on Fox Exchanged Assets as listed on Schedule 1.1(f); (c) Liens for Taxes, assessments or other governmental charges or levies not yet due; (d) statutory Liens of landlords and Liens of carriers, warehousemen, mechanics, materialman and other Liens imposed by law created in the ordinary course of the Fox Businesses and on a basis consistent with past practice for amounts that are not yet due and payable or are being contested in good faith; (e) Liens (other than any Lien imposed by ERISA) incurred or deposits made in the ordinary course of the Fox Businesses and on a basis consistent with past practice in connection with worker’s compensation, unemployment insurance or other types of social security; (f) minor defects of title, easements, rights-of-way, restrictions and other similar charges or encumbrances not materially detracting from the value of the Fox Real Property or interfering in any material respect with the ordinary conduct of the Fox Businesses; (g) Liens not created by Fox that affect the underlying fee interest of any Fox Real Property leased by Fox but do not materially interfere with the present use of such property; (h) Liens created by or through the Clear Channel Entities or any of their Affiliates; (i) any state of facts that an accurate survey would show, provided such facts do not materially interfere with the present use or materially detract from the value of the Fox Real Property; and (j) Liens arising out of the Final Judgment or Hold Separate Order prior to the Closing; provided, however, that, all obligations secured by the Fox Permitted Liens described in items (c), (d) and (e) are Fox Retained Liabilities and shall be paid and performed by Fox when due unless adjusted in favor of Clear Channel pursuant to Section 2.5.

“Fox Program Rights” shall mean all rights of Fox presently existing or obtained after the date of this Agreement and prior to the Effective Time in accordance with the terms of this

Agreement to broadcast television programs or shows as part of the Fox Stations' programming, including all film and program barter agreements, sports rights agreements, syndication agreements and network affiliation agreements.

"Fox Real Property" shall mean the real property owned, leased, subleased or licensed by Fox, as listed in Schedule 1.1(g), and all buildings, improvements and fixtures thereon, together with all strips and gores, rights of way, easements, privileges and appurtenances pertaining thereto, including any right, title and interest of Fox in and to any street adjoining any portion of the Fox Real Property.

"Fox Retained Assets" shall mean: (a) cash and cash equivalents as of the Effective Time, including bank accounts, certificates of deposit and marketable securities; (b) intercompany accounts owing by and among Fox and TNCL or any Affiliate of TNCL, other than those that relate to Fox Contracts listed on Schedule 3.5(h) or are entered into after the date of this Agreement in accordance with Section 5.1(e); (c) insurance policies relating to the Fox Businesses and all claims, credits, causes of action or rights thereunder; (d) the marks and names set forth on Schedule 1.1(h)(1) (the "Fox Trademarks and Tradenames"); (e) the copyright and copyright applications and regulations set forth on Schedule 1.1(h)(2); (f) any assets of any Fox Plan sponsored by the Fox Entities, other than assets of any Fox Plan that is sponsored by the Fox Stations and expressly assumed by Clear Channel in Section 10.3; (g) all books, records, files and papers, whether in hard copy or computer format, prepared in connection with this Agreement or the transactions contemplated hereby and all minute books and corporate records of the Fox Entities and their Affiliates; (h) all claims, causes of action, choses in action, rights of recovery and rights of set-off of any kind (including rights under and pursuant to all warranties, representations and guarantees made by suppliers of products, materials or equipment, or components thereof) to the extent such claims, causes of action, choses in action, rights of recovery and rights of set-off relate to the Fox Retained Assets or the Fox Retained Liabilities; (i) all rights to insurance proceeds; (j) the contracts, property and assets described on Schedule 1.1(i); (k) all claims for and rights to refunds or credits with respect to Taxes paid by the Fox Entities or any of their Affiliates relating to the conduct or operations of the Fox Stations for all periods or portions thereof ending on or prior to the Effective Time or pursuant to Section 10.1 of this Agreement (including, in each case, any interest received from the relevant taxing authority); (l) all rights of the Fox Entities arising under this Agreement and the other instruments and agreements contemplated hereby; and (m) any and all right, title or interest in or to: (A) the names "News", "News Corporation" or "Fox" or any derivation thereof; and (B) any other marks owned, used or held for use by TNCL or its Affiliates (other than Fox) other than any such marks pursuant to a license transferred in connection with the consummation of the transactions contemplated by this Agreement; and (o) all internet websites, domain names and trade secrets not related exclusively to the Fox Businesses.

"Fox Title Company" shall mean Chicago Title Insurance Company or such other title insurance company acceptable to Fox.

"Fox Trade Secrets" shall mean all proprietary information of Fox used in the operation of the Fox Stations (other than as included in the Fox Retained Assets) that is not generally known and is used or useful in a trade or business, as to which reasonable efforts have been

made to prevent unauthorized disclosure and which provides a competitive advantage to those who know or use it.

“Fox Trademark Assignment” shall mean an instrument pursuant to which Fox assigns to Clear Channel all of its right, title and interest in and to the Fox Trademarks.

“Fox Trademarks” shall mean all of those trade names, trademarks, service marks, jingles, slogans, logos, trademark and service mark registrations and trademark and service mark applications (other than those included in the Fox Retained Assets) owned, used, held for use, licensed by or leased by Fox relating to the Fox Stations set forth on Schedule 3.6(e)(2) and the goodwill appurtenant thereto.

“Fox Tradeout Agreement” shall mean any contract, agreement or commitment of Fox, oral or written, other than film and program barter agreements, pursuant to which Fox has agreed to sell or trade commercial air time or commercial production services of the Fox Stations in consideration for any property or service in lieu of or in addition to cash.

“Fox Warranty Deed” shall mean one or more deeds with covenants against the acts of Fox in a form reasonably acceptable to the Clear Channel Title Company, pursuant to which the Fox Real Property owned by Fox shall be conveyed to Clear Channel at the Closing.

“FTH” shall mean Fox Television Holdings, Inc., a Delaware corporation.

“GAAP” shall mean United States generally accepted accounting principles as in effect on the date of the Fox Base Balance Sheets and the Clear Channel Base Balance Sheet, consistently applied.

“Governmental Authority” shall mean any United States (federal, state or local) or any foreign government or governmental, regulatory or administrative authority, agency or other instrumentality thereof or any commission, court, tribunal or judicial or arbitral body.

“Hazardous Materials” shall mean hazardous or toxic wastes, chemicals, substances, constituents, pollutants or related material, whether solids, liquids, or gases, defined or regulated under § 101(14) of CERCLA; RCRA; the Toxic Substances Control Act, 15 U.S.C. §§ 2601 et seq.; the Safe Drinking Water Act, 42 U.S.C. §§ 300f et seq.; the Clean Air Act, as amended, 42 U.S.C. §§ 7401 et seq.; the Federal Water Pollution Control Act, 33 U.S.C. §§ 1251 et seq.; the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. §§ 11001 et seq.; or any similar federal or local Environmental Laws, including polychlorinated biphenyls (PCBs), asbestos, radioactive materials and wastes and petroleum products (including crude oil and any fraction thereof).

“IRS” shall mean the United States Internal Revenue Service.

“Knowledge of the Fox Entities”, “to the Fox Entities’ Knowledge” or “Knowledge” when used in reference to any Fox Entity shall mean the actual knowledge of any of the following: (1) Lawrence Jacobs, Executive Vice President and Deputy General Counsel of TNCL; (2) Heather Waters Borthwick, Vice President and Assistant General Counsel of News America Incorporated; (3) Mitch Stern, Chairman and Chief Executive Officer of FTS; (4) Tom

Herwitz, President/Station Operations of Fox Television; (5) Betsy Swanson, Senior Vice President/Finance of FTS and (6) Gerald D. Friedman, Senior Vice President/Legal Affairs of FTS; in each case after reasonable investigation, which investigation shall include: (A) reviews of such documents as the Fox Entities in their reasonable judgment believe are reasonably appropriate; and (B) interviews with the following persons (whether employed at the Fox Stations or at a regional or corporate level with Chris-Craft prior to the date of this Agreement or by the Fox Entities thereafter) and such other persons as the Fox Entities in their reasonable judgment believe are reasonably appropriate: (i) the General Manager of each Fox Station; (ii) the Chief Engineer of each Fox Station; (iii) the Business Manager of each Fox Station; (iv) the Vice President, Broadcast Counsel, Chris-Craft Television Division; provided, however, that such reasonable investigation shall not include, for all purposes of this definition, any investigation into matters concerning pricing for advertising sales and for the purchase and distribution of programming relating to KTVX, as and to the extent restricted under the Final Judgment or the Hold Separate Order.

“Knowledge of the Clear Channel Entities”, “to the Clear Channel Entities’ Knowledge” or “Knowledge” when used in reference to any Clear Channel Entity shall mean the actual knowledge of (1) Randall Mays, Executive Vice President and Chief Financial Officer of Clear Channel, (2) William Moll, President of Clear Channel’s Television Division, (3) Bill Hammersly, Vice President-Human Resources of Clear Channel and (4) Ken Wyker, Senior Vice President, General Counsel and Secretary of Clear Channel; in each case after reasonable investigation, which investigation shall include: (A) reviews of such documents as the Clear Channel Entities in their reasonable judgment believe are reasonably appropriate; and (B) interviews with the following persons and such other persons as the Clear Channel Entities in their reasonable judgment believe are reasonably appropriate: (i) the General Manager of the Clear Channel Station; (ii) the Chief Engineer of the Clear Channel Station; and (iii) the Business Manager of the Clear Channel Station.

“Law” shall mean any United States (federal, state, local) or foreign statute, law, ordinance, regulation, rule, code, order, judgment, injunction or decree.

“Lien” shall mean, with respect to any property or asset, any mortgage, deed of trust, pledge, hypothecation, security interest, encumbrance, easement, right of way, encroachment, claim, lien, lease (including any capitalized lease) or charge of any kind, whether voluntarily incurred or arising by operation of Law or otherwise, including any agreement to give or grant any of the foregoing, any conditional sale or other title retention agreement and the filing of, or agreement to give, any financing statement with respect to any assets or property under the Uniform Commercial Code of any state or comparable Law.

“Market Cable System” shall mean, with respect to any television broadcast station, each DBS system serving, and each United States cable television system within, such station’s market, as defined in 47 C.F.R. § 76.55(e), with two thousand (2,000) or more subscribers.

“Net Working Capital” with respect to either the Fox Stations (taken together) or Clear Channel Station shall mean: (x) all current assets relating to such stations, including all Fox Accounts Receivables or Clear Channel Accounts Receivables, as the case may be, all prepaid programming rights (to the extent applicable to programming to be aired after the Effective

Time) and other similar prepaid expenses, but excluding cash (other than petty cash located on the Fox Real Property or the Clear Channel Real Property, as the case may be), all bank accounts, all cash equivalents and all other similar types of investments, including all certificates of deposit, U.S. Treasury bills and other marketable securities; minus: (y) all current operating liabilities relating to such stations, including all trade and sundry payables and all payment obligations pursuant to programming contracts (except to the extent set forth in Section 2.5(f)) and license agreements, but excluding any cash overdraft or other liability associated with checks written prior, to the Closing Date, in each case determined in accordance with GAAP and as set forth on the parties' net working capital statements delivered pursuant to Section 2.5.

"PBGC" shall mean the Pension Benefit Guaranty Corporation.

"Person" shall mean any natural person, partnership, corporation, limited liability company, firm, association or other legal entity or organization, including any Governmental Authority.

"RCRA" shall mean the Resource Conservation and Recovery Act, as amended, and the regulations thereunder, as in effect on the date of this Agreement.

"Regulations" shall mean the Treasury Regulations promulgated pursuant to the Code.

"Release" shall mean any release, spill, emission, leaking, dumping, injection, pouring, deposit, disposal, discharge, dispersal, leaching or migration into the environment (including ambient air, surface water, groundwater, land surface or subsurface strata) or within any building, structure, facility or fixture.

"Sales Representation Agreement" shall mean the Representation Agreement between Katz Communications Inc. and Clear Channel dated January 1, 1996 and amended on the same date, as the same may be in effect from time to time.

"Schedules" shall mean those schedules referred to in this Agreement.

"Severance Benefit" shall mean the aggregate of any cash payment that an employee becomes or is entitled to receive on the occurrence of a termination of employment for any reason other than retirement, death or disability.

"Tax or Taxes" shall mean all income, gross receipts, gains, sales, use, employment, franchise, profits, excise, property, ad valorem, stamp, transfer, value added, intangibles or other taxes, fees, duties, assessments or charges of any kind (whether payable directly or indirectly or by withholding), together with any interest, penalties or additions to tax imposed by any taxing authority with respect thereto.

"United Special Severance Plan" shall mean the United Television, Inc. Special Severance Plan.

1.2 *Additional Defined Terms.* Each of the following additional capitalized terms used in this Agreement shall have the meanings specified in the section noted:

<u>DEFINED TERM</u>	<u>SECTION</u>
<u>“Active Clear Channel Employees</u>	10.2(b)(i)
<u>“Active Fox Employees”</u>	10.3(b)(i)
<u>“Arbitrator”</u>	2.5(d)
<u>“Cable Act”</u>	5.1(s)
<u>“CCPP”</u>	10.2(c)
<u>“Clear Channel Accounts”</u>	10.2(d)
<u>“Clear Channel Base Balance Sheet”</u>	4.11
<u>“Clear Channel Entities”</u>	Preamble
<u>“Clear Channel Employees”</u>	10.2(a)
<u>“Clear Channel Estimated Net Working Capital Statement”</u>	2.5(a)
<u>“Clear Channel Final Net Working Capital Statement”</u>	2.5(c)
<u>“Clear Channel Financial Statements”</u>	4.11
<u>“Clear Channel Indemnified Parties”</u>	9.1(a)
<u>“Clear Channel Parent”</u>	Preamble
<u>“Clear Channel Plans”</u>	4.18(a)
<u>“Clear Channel Retained Liabilities”</u>	2.2(b)
<u>“Clear Channel Savings Plans”</u>	10.2(d)
<u>“Clear Channel Station”</u>	Recitals
<u>“Clear Channel Title Commitments”</u>	6.3(a)
<u>“Clear Channel Title Policy”</u>	6.3(a)
<u>“Clear Channel Transferred Employees”</u>	10.2(b)(i)
<u>“Clear Channel Warranty Breach”</u>	9.2(a)(i)
<u>“Code”</u>	Recitals
<u>“CS Plan”</u>	10.3(d)
<u>“DOJ”</u>	Recitals
<u>“Estimated Excess Net Working Capital Amount”</u>	2.5(b)
<u>“Estimated Net Working Capital Amount”</u>	2.5(b)
<u>“Estimated Net Working Capital Statements”</u>	2.5(a)
<u>“FCC”</u>	Recitals
<u>“FCC Applications”</u>	7.2(a)
<u>“Final Adjustment”</u>	2.5(e)

<u>“Final Excess Working Capital Amount”</u>	2.5(c)
<u>“Final Judgment”</u>	Recitals
<u>“Final Net Working Capital Statements”</u>	2.5(c)
<u>“Former Fox Employees”</u>	10.3(a)
<u>“Former Clear Channel Employees”</u>	10.2(a)
<u>“Fox Accounts”</u>	10.3(d)
<u>“Fox Base Balance Sheets”</u>	3.11
<u>“Fox Employees”</u>	10.3(a)
<u>“Fox Entities”</u>	Preamble
<u>“Fox Estimated Net Working Capital Statement”</u>	2.5(a)
<u>“Fox Final Net Working Capital Statement”</u>	2.5(c)
<u>“Fox Financial Statements”</u>	3.11
<u>“Fox Indemnified Parties”</u>	9.2(a)
<u>“Fox Pension Plan”</u>	10.3(c)
<u>“Fox Plans”</u>	3.18(a)
<u>“Fox Retained Liabilities”</u>	2.2(c)
<u>“Fox Salt Lake City”</u>	Preamble
<u>“Fox San Antonio”</u>	Preamble
<u>“Fox Savings Plans”</u>	10.3(d)
<u>“Fox Stations”</u>	Recitals
<u>“Fox Stations License Assignment Agreement”</u>	Recitals
<u>“Fox Stations Operating Agreement”</u>	Recitals
<u>“Fox Title Commitments”</u>	5.3(a)
<u>“Fox Title Policy”</u>	5.3(a)
<u>“Fox Transferred Employees”</u>	10.3(b)(i)
<u>“Fox Warranty Breach”</u>	9.1(a)(i)
<u>“FTC”</u>	7.1(b)
<u>“FTS”</u>	Preamble
<u>“HSR Act”</u>	3.3
<u>“Hold Separate Order”</u>	Recitals
<u>“Inactive Clear Channel Employees”</u>	10.2(b)(i)
<u>“Inactive Fox Employees”</u>	10.3(b)(i)

<u>“Indemnified Party”</u>	9.3
<u>“Indemnifying Party”</u>	9.3
<u>“KFTC”</u>	Recitals
<u>“KMOL”</u>	Recitals
<u>“KTVX”</u>	Recitals
<u>“Losses”</u>	9.1(a)
<u>“Net Working Capital Statement”</u>	2.5(a)
<u>“PCBs”</u>	3.14(d)
<u>“Preliminary Adjustment”</u>	2.5(b)
<u>“Termination Date”</u>	11.1(a)(ii)
<u>“TNCL”</u>	Preamble
<u>“WARN Act”</u>	10.2(g)
<u>“WFTC”</u>	Recitals

1.3 *Terms Generally.* Words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other genders as the context requires; (a) the terms “hereof”, “herein” and “herewith” and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including all of the Schedules and Exhibits hereto) and not to any particular provision of this Agreement, and Article, Section, paragraph, Exhibit and Schedule references are to the Articles, Sections, paragraphs, Exhibits and Schedules to this Agreement unless otherwise specified; (b) the word “including” and words of similar import when used in this Agreement shall mean “including, without limitation,” unless otherwise specified; (c) the word “or” shall not be exclusive; (d) provisions shall apply, when appropriate, to successive events and transactions; (e) terms not found in Section 1.1 are defined elsewhere in this Agreement; and (f) the phrase “consistent with past practice” and like phrases, when used in this Agreement with respect to the Fox Stations or the Fox Businesses, unless otherwise specified herein, shall mean the past practices of TNCL as exercised with respect to television stations owned and operated by the Fox Entities prior to the date of the Chris-Craft Closing or the past practices of the Fox Stations as operated by Chris-Craft, and when used in this Agreement with respect to the Clear Channel Station shall mean the past practices of Clear Channel as exercised with respect to the Clear Channel Station.

ARTICLE II. EXCHANGE OF ASSETS

2.1 *Exchange of Assets.* Subject to the terms and conditions set forth herein, at the Closing: (i) the Clear Channel Entities shall transfer, assign and convey to Fox, and Fox shall acquire from Clear Channel, all of the Clear Channel Exchanged Assets and, in exchange therefor, Fox and FTS shall transfer, assign and convey to Clear Channel (or cause to be transferred, assigned and conveyed to Clear Channel), and Clear Channel shall acquire from Fox and FTS, all of the Fox Exchanged Assets; and (ii) Fox shall pay to Clear Channel \$10 million

via wire transfer in immediately available funds to an account designated in writing by Clear Channel to TNCL at least two (2) Business Days prior to the Closing. The Fox Exchanged Assets consisting of tangible personal property shall be exchanged for the Clear Channel Exchanged Assets consisting of tangible personal property, the Fox Exchanged Assets consisting of real property shall be exchanged for the Clear Channel Exchanged Assets consisting of real property and the Fox Exchanged Assets consisting of intangible property shall be exchanged for Clear Channel Exchanged Assets consisting of intangible property.

2.2 *Assumption of Liabilities.*

(a) Subject to the terms and conditions set forth herein, at the Closing:

(i) Fox shall assume, effective as of the Effective Time, the Clear Channel Assumed Liabilities pursuant to the Fox Assumption Agreement; and

(ii) Clear Channel shall assume, effective as of the Effective Time, the Fox Assumed Liabilities pursuant to the Clear Channel Assumption Agreement.

(b) Notwithstanding anything to the contrary contained herein, the Fox Entities shall not: (A) assume or be bound by or be obligated or responsible for any duties, responsibilities, commitments, expenses, Taxes, obligations or liabilities of the Clear Channel Entities or relating to the Clear Channel Exchanged Assets or the Clear Channel Business (or which may be asserted against or imposed upon Fox as a successor or transferee of Clear Channel, as an acquirer of the Clear Channel Exchanged Assets or the Clear Channel Business or otherwise as a matter of Law) of any kind or nature (fixed or contingent, known or unknown), other than the Clear Channel Assumed Liabilities, or (B) be responsible for any liabilities and obligations, other than the Clear Channel Assumed Liabilities, arising out of the operation by the Clear Channel Entities of the Fox Exchanged Assets and the Fox Stations, to the extent attributable to any period from and after Closing or (C) be responsible for (i) any liabilities and obligations arising out of the Clear Channel Retained Assets, (ii) any liabilities and obligations listed in the proviso to the defined term “Clear Channel Assumed Liabilities” and (iii) any liabilities and obligations (whether or not constituting an Environmental Claim or noncompliance with any Environmental Law or Environmental Permit or a breach of or inaccuracy in the representations and warranties of the Clear Channel Entities pursuant to Section 4.14) that are imposed by third parties and that relate to environmental matters or conditions as and to the extent such matters or conditions exist prior to the Closing (clauses (A), (B) and (C), collectively, the “Clear Channel Retained Liabilities”).

(c) Notwithstanding anything to the contrary contained herein, the Clear Channel Entities shall not: (A) assume or be bound by or be obligated or responsible for any duties, responsibilities, commitments, expenses, Taxes, obligations or liabilities of the Fox Entities or relating to the Fox Exchanged Assets or the Fox Businesses (or which may be asserted against or imposed upon Clear Channel as a successor or transferee of Fox, as an acquirer of the Fox Exchanged Assets or the Fox Businesses or otherwise as a matter of Law) of any kind or nature (fixed or contingent, known or unknown), other than the Fox Assumed Liabilities, or (B) be responsible for

any liabilities and obligations, other than the Fox Assumed Liabilities, arising out of the operation by the Fox Entities of the Clear Channel Exchanged Assets and the Clear Channel Station, to the extent attributable to any period from and after the Closing or (C) be responsible for (i) any liabilities and obligations arising out of the Fox Retained Assets, (ii) any liabilities and obligations listed in the proviso to the defined term “Fox Assumed Liabilities” and (iii) any liabilities and obligations (whether or not constituting an Environmental Claim or noncompliance with any Environmental Law or Environmental Permit or a breach of or inaccuracy in the representations and warranties of the Fox Entities pursuant to Section 3.14) that are imposed by third parties and that relate to environmental matters or conditions as and to the extent such matters or conditions exist prior to the Closing (clauses (A), (B) and (C), collectively, the “Fox Retained Liabilities”).

2.3 *Closing.* Subject to the terms and conditions set forth herein at the Closing:

(a) The Fox Entities shall deliver, or cause to be delivered to the Clear Channel Entities: (A) properly executed and dated as of the Closing Date: (i) the Fox Assumption Agreement; (ii) the Fox Bill of Sale and an assignment of the Fox FCC Licenses; (iii) the Fox Motor Vehicle Title Certificates; (iv) the Fox Trademark Assignment; (v) the Fox Warranty Deed; (vi) the Fox Lease Assignment; (vii) all consents of third parties obtained by Fox as of the Closing Date to the assignment of the Fox Contracts to Clear Channel; and (viii) such other documents as provided in Article VIII hereof or as the Clear Channel Entities shall reasonably request to effect the transactions contemplated by this Agreement; and (B) any amounts payable by the Fox Entities under this Agreement at the Closing; and

(b) The Clear Channel Entities shall deliver, or cause to be delivered to the Fox Entities: (A) properly executed and dated as of the Closing Date: (i) the Clear Channel Assumption Agreement; (ii) the Clear Channel Bill of Sale and an assignment of the Clear Channel FCC Licenses; (iii) the Clear Channel Motor Vehicle Title Certificates; (iv) the Clear Channel Trademark Assignment; (v) the Clear Channel Warranty Deed; (vi) the Clear Channel Lease Assignment; (vii) all consents of third parties obtained by Clear Channel as of the Closing Date to the assignment of the Clear Channel Contracts to Fox; and (viii) such other documents as provided in Article VIII hereof or as the Fox Entities shall reasonably request to effect the transactions contemplated by this Agreement; and (B) any amounts payable by the Clear Channel Entities under this Agreement at the Closing.

2.4 *Allocation of Fair Market Value.*

(a) The fair market value of each of the assets (other than those which, individually or in the aggregate, are not material in value) that comprise the Fox Exchanged Assets and the Clear Channel Exchanged Assets shall be determined on the basis of appraisals (the “Appraisal”) prepared by the firm of Bond & Pecaro or such other appraisal firm as the parties may mutually agree (the “Appraiser”), whose fees and expenses shall be shared equally between Fox and Clear Channel. The parties shall direct the Appraiser to deliver the Appraisals within sixty (60) days after the Closing Date.

(b) Each acquiring party under this Agreement, shall cause to be prepared within forty-five (45) days of receipt of the Appraisals, a draft of IRS Forms 8824 and 8594 on the basis of the Appraisals. Each such acquiring party shall deliver drafts of their respective IRS Forms 8824 and 8594 for each station to the appropriate conveying party for approval, which approval shall not be unreasonably withheld or delayed.

(c) To the extent permissible under Section 1031 of the Code, each party to this Agreement shall report the transaction contemplated hereby as a “like-kind exchange”, consistent with the Appraisals, and the IRS Forms 8594 and 8824 prepared in accordance with clause (b) above, and shall not take, and shall not permit their respective Affiliates, representatives, successors and assigns to take, any position on any federal, state or local tax return or report, or in any tax examination, tax audit or tax litigation, inconsistent with such reporting position, the Appraisals, or such IRS Form 8594 or 8824; provided, however, that nothing herein shall be deemed to prevent any of the parties or their respective Affiliates, representatives, successors and assigns from compromising its position with respect to the application of Section 1031, if such party determines in good faith that to do so would be in its best interests and written notification of such determination is delivered to the other party.

(d) Subject to Section 2.4(c), each party to this Agreement shall cooperate with the others, including, without limitation, in preparing IRS Forms 8594 and 8824 and executing all necessary agreements and documents to the extent necessary for them to treat the exchange of the assets hereunder as a “like-kind exchange” to the extent permissible under Section 1031 of the Code.

(e) In order to effectuate the transactions contemplated hereby as a like-kind exchange to the maximum extent possible under Section 1031 of the Code, or to facilitate one or more of the exchanges (or any part thereof) as part of a deferred like-kind exchange, each party to this Agreement (i) may at any time at or prior to Closing assign its rights, in whole or in part, under this Agreement (but such assignment shall not relieve it of its obligations under this Agreement) to a “qualified intermediary” (as defined in Treas. Reg. § 1.1031(k)-1(g)(4)), subject to all rights and obligations hereunder of the parties, respectively, and, in such event, (ii) shall promptly provide written notice of such assignment to the other party. If Fox shall have given notice of such assignment to a qualified intermediary, Clear Channel shall (i) promptly provide Fox with written acknowledgment of such notice and (ii) at the Closing, convey the Clear Channel Assets (or such portion of them as shall have been designated by the qualified intermediary) to the “qualified intermediary” rather than to Fox (which conveyance shall, to such extent, discharge the obligation of Clear Channel to deliver the Clear Channel Exchanged Assets and the Clear Channel Stations hereunder). If Clear Channel shall have given notice of such assignment to a qualified intermediary, the Fox Entities shall (i) promptly provide Clear Channel with written acknowledgment of such notice, (ii) if requested, at the Closing, convey the Fox Exchanged Assets (or such portion of them as shall have been designated by the qualified intermediary to the “qualified intermediary” rather than to Clear Channel (which conveyance shall, to such extent, discharge the obligation of Fox to deliver the Fox Assets and the corresponding Fox Stations hereunder), and (iii) if

requested, at the Closing make the payment provided by Section 2.1 (or such portion thereof as shall be designated by the qualified intermediary) to or on behalf of the qualified intermediary (which payment shall to the extent thereof satisfy its obligation to make such payment hereunder).

(f) Neither party to this Agreement shall have any liability or obligation to any other party for the failure of the exchange of the assets hereunder to qualify as a like-kind exchange under Section 1031 of the Code unless such failure is the result of a breach by it of its representations, warranties, covenants and obligations set forth in this Section 2.4. Notwithstanding anything in this Agreement to the contrary, the provisions of this Section 2.4 shall survive without limitation.

2.5 Working Capital Adjustment.

(a) No later than five (5) Business Days prior to the Closing Date: (i) Fox shall deliver to Clear Channel unaudited statements of net working capital for each of the Fox Stations, prepared in accordance with GAAP, setting forth a good faith estimate of the current assets and current liabilities of such stations as at the proposed Closing Date, together with a calculation of the estimated Net Working Capital of the Fox Stations (taken together) as at the Closing Date (the “Fox Estimated Net Working Capital Statement”); and (ii) Clear Channel shall deliver to Fox an unaudited statement of net working capital for the Clear Channel Station, prepared in accordance with GAAP, setting forth a good faith estimate of the current assets and current liabilities of such station as at the proposed Closing Date, together with a calculation of the estimated Net Working Capital of the Clear Channel Station as at the proposed Closing Date (the “Clear Channel Estimated Net Working Capital Statement” and, together with the Fox Estimated Net Working Statement, the “Estimated Net Working Capital Statements”).

(b) If the estimated Net Working Capital of the Fox Stations (taken together) exceeds the estimated Net Working Capital of the Clear Channel Station (each as set forth in the Estimated Net Working Capital Statements), or vice versa (such excess, the “Estimated Excess Net Working Capital Amount”), then whichever of Fox or Clear Channel received the Estimated Excess Net Working Capital Amount pursuant to the exchange of assets under this Agreement shall be required to make a cash payment to the other, at the Closing, in an amount equal to the Estimated Excess Net Working Capital Amount (such payment, the “Preliminary Adjustment”). Notwithstanding the foregoing, if either of Fox or Clear Channel shall make a good faith objection to the other’s Estimated Net Working Capital Statement that is not resolved by such parties within five (5) Business Days after the receipt of the Estimated Net Working Capital Statements, then the Preliminary Adjustment shall not be required to be made.

(c) Within ninety (90) days following the Closing Date: (i) Fox’s auditors shall deliver to Clear Channel unaudited statements of net working capital for each of the Fox Stations, prepared in accordance with GAAP, setting forth the actual current assets and current liabilities of such stations as at the Closing Date, together with a calculation of the actual Net Working Capital of the Fox Stations (taken together) as at the Closing Date (the “Fox Final Net Working Capital Statement”); and (ii) Clear

Channel shall deliver to Fox an unaudited statement of net working capital for the Clear Channel Station, prepared in accordance with GAAP, setting forth the actual current assets and current liabilities of such station as at the Closing Date, together with a calculation of the actual Net Working Capital of the Clear Channel Station as at the Closing Date (the “Clear Channel Final Net Working Capital Statement” and, together with the Fox Final Net Working Capital Statement, the “Final Net Working Capital Statements”).

(d) The Final Net Working Capital Statements shall be final and binding on Fox and Clear Channel unless, within ten (10) Business Days of the receipt thereof, Fox or Clear Channel makes a good faith written objection thereto. If such an objection is made, then Fox and Clear Channel shall consult with each other and attempt to resolve such objection. If they are unable to resolve such objection within ten (10) Business Days of receipt thereof, then the auditors of each of Fox and Clear Channel shall select an internationally recognized, independent public accounting firm, which accounting firm shall not have been the auditing firm representing any of the Fox Entities or the Clear Channel Entities during the last two (2) years (the “Arbitrator”), to prepare and deliver to each of the Fox Entities and the Clear Channel Entities, within sixty (60) days of being selected, its own Final Net Working Capital Statements for the Fox Stations (taken together) and the Clear Channel Station. The Arbitrator’s determination of the Final Net Working Capital Statements for the Fox Stations (taken together) and the Clear Channel Station shall be binding on both the Fox Entities and the Clear Channel Entities. The fees and expenses of the Arbitrator shall be borne equally by Fox and Clear Channel.

(e) If the final Net Working Capital of the Fox Stations (taken together) exceeds the final Net Working Capital of the Clear Channel Station (each as set forth in the Final Working Capital Statements of the parties determined in accordance with Section 2.5(d)), or vice versa (such excess, plus interest thereon from the Closing Date at the prime rate of Citibank, N.A. in New York City at the time of determination through the date of payment indicated below being referred to herein as the “Final Excess Working Capital Amount”), then a cash payment (the “Final Adjustment”) shall be made by either Fox or Clear Channel to the other within ten (10) days after the Final Net Working Capital Statements are agreed to by Fox and Clear Channel or delivered by the Arbitrator to Fox and Clear Channel, with such Final Adjustment to be determined as follows.

(i) If neither party paid the Preliminary Adjustment, then whichever of Fox or Clear Channel received the Final Excess Working Capital Amount pursuant to the exchange of assets under this Agreement shall pay to the other party the Final Adjustment in an amount equal to the Final Excess Working Capital Amount.

(ii) If Fox or Clear Channel paid the Preliminary Adjustment and also received the Final Excess Working Capital Amount pursuant to the exchange of assets under this Agreement, then: (x) if the Final Excess Working Capital Amount exceeded the Preliminary Adjustment, then the party that paid the

Preliminary Adjustment shall pay the other party the Final Adjustment in an amount equal to such excess; and (y) if the Preliminary Adjustment exceeded the Final Excess Working Capital Amount, then the party that received the Preliminary Adjustment shall pay the other party the Final Adjustment in an amount equal to such excess.

(iii) If Fox or Clear Channel paid the Preliminary Adjustment, but did not also receive the Final Excess Working Capital Amount pursuant to the exchange of assets under this Agreement, then the party that received the Preliminary Adjustment and the Final Excess Working Capital Amount pursuant to the exchange of assets under this Agreement shall pay the other party the Final Adjustment in an amount equal to the sum of the Final Excess Working Capital Amount and the amount of the Preliminary Adjustment received.

(iv) If Fox or Clear Channel paid the Preliminary Adjustment and the Preliminary Adjustment was in an amount equal to the Final Excess Working Capital Amount, then no Final Adjustment shall be payable.

(f) For purposes of the net working capital statements prepared pursuant to this Section 2.5 and any calculation of Net Working Capital: (A) current assets and current liabilities shall be deemed to include the assets and liabilities, whether or not current, under Fox Tradeout Agreements and Clear Channel Tradeout Agreements; (B) liabilities due under the Fox or Clear Channel film or programming license agreements (barter or otherwise) shall be required to be brought current by Fox and Clear Channel by the Closing, and neither such liabilities nor any assets constituting prepaid programming shall be included in such net working capital statements, except, in the case of such liabilities, to the extent of any payment required to be made under such agreements in, and in the case of any prepayments made under such agreements, to the extent of any prepayments relating to, the calendar month in which the Effective Time occurs and, for the purpose of determining the due date for payments due under film or programming license agreements (barter or otherwise) that are silent as to the day of the month on which payment is due, such agreements shall be deemed to provide that the payment is due on the first day of the month in which the Effective Time occurs; (C) Fox Retained Assets, Fox Retained Liabilities, Clear Channel Retained Assets and Clear Channel Retained Liabilities shall be excluded; (D) the compensation equivalent of all unpaid, accrued employee vacation time and employee sick leave, payroll taxes, bonuses, commissions and fringe benefits for the period prior to the Effective Time for all Fox Transferred Employees and all Clear Channel Transferred Employees shall be included (and all information reasonably necessary to determine the accuracy thereof shall be provided); and (E) credit shall be given for liabilities for advertising time to be aired after the Effective Time for which payment has been, or will be made to the party transferring such liability.

2.6 *Consents of Third Parties.* Anything in this Agreement to the contrary notwithstanding, this Agreement shall not constitute an agreement to assign any of the Fox Exchanged Assets or Clear Channel Exchanged Assets or any claim, right or any benefit arising thereunder or resulting therefrom if an attempted assignment thereof, without the consent of the

applicable third party thereto, would constitute a breach or other contravention thereof or in any way adversely affect the rights of Clear Channel or Fox, as the case may be, thereunder. Fox or Clear Channel, as applicable, will use commercially reasonable efforts to obtain the consent of the other parties to any such Fox Contract or Clear Channel Contract, as the case may be, for the assignment thereof to Clear Channel or Fox, as the case may be. If such consent is not obtained, Fox and Clear Channel will cooperate to achieve a mutually agreeable arrangement under which Clear Channel or Fox, as the case may be, would obtain the benefits and assume the obligations thereunder (but only to the extent such obligations would have constituted Fox or Clear Channel Assumed Liabilities if such assignment occurred on the Closing Date) from and after the Closing Date in accordance with this Agreement. Notwithstanding the foregoing, none of the Clear Channel Entities or the Fox Entities shall be required to pay consideration to any third party to obtain any such consent, except as provided in the applicable Fox Contract or Clear Channel Contract. Notwithstanding anything to the contrary contained in this Agreement, the sole Closing conditions relating to the obtaining of consents, approvals or authorizations of third parties are contained in Article VIII.

ARTICLE III. REPRESENTATIONS AND WARRANTIES OF THE FOX ENTITIES

The Fox Entities jointly and severally represent and warrant to the Clear Channel Entities as follows:

3.1 *Incorporation.*

(a) Fox San Antonio is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Texas with all requisite power and authority to operate KMOL together with FTS pursuant to the Fox Station Operating Agreement and carry on its business as now conducted.

(b) Fox Salt Lake City is, as of the date of this Agreement, and, if the Fox Merger is not consummated on or before the Closing, will be at the Closing, a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware with all requisite power and authority to carry on its business as now conducted.

(c) FTS is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware with all requisite power and authority to carry on its business as now conducted.

(d) TNCL is a corporation duly incorporated and validly existing under the laws of South Australia with all requisite power and authority to carry on its business as now conducted.

(e) Except as set forth on Schedule 3.1(e), the Fox Exchanged Assets do not include any Persons.

3.2 *Authorization; Enforceability.* The execution, delivery and performance of this Agreement by each Fox Entity and all of the documents and instruments required hereby to

which each Fox Entity is a party, and the consummation by each Fox Entity of the transactions contemplated hereby and thereby, are within the corporate power of such Fox Entity and have been duly authorized by all necessary corporate action on the part of each Fox Entity and its stockholders. This Agreement has been duly executed and delivered by each Fox Entity, and at the Closing, such other documents and other instruments required hereby to be executed and delivered by each such Fox Entity will be duly executed and delivered by the applicable Fox Entity or Entities. Subject to compliance with the provisions of the Final Judgment, this Agreement is a valid and binding obligation of each Fox Entity, enforceable against it in accordance with its terms. Subject to compliance with the provisions of the Final Judgment, each other document and instrument required hereby to which such Fox Entity is a party will be, when executed and delivered by such Fox Entity, the valid and binding obligation of such Fox Entity, enforceable against such Fox Entity in accordance with its terms.

3.3 *Governmental Authorizations.* The execution, delivery and performance by each Fox Entity of this Agreement and the other documents or instruments contemplated hereby to which such Fox Entity is a party and the consummation by such Fox Entity of the transactions contemplated hereby and thereby require no action by or in respect of, or filing with, any Governmental Authority other than: (i) the FCC; (ii) compliance with any applicable requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the “HSR Act”); (iii) compliance with the Final Judgment and Hold Separate Order; and (iv) any such action or filing as to which the failure to make or obtain would not reasonably be likely to have, individually or in the aggregate, a Fox Material Adverse Effect.

3.4 *No Conflicts.* Neither the execution, delivery or performance of this Agreement by any Fox Entity or the other documents or instruments contemplated hereby to which any Fox Entity is a party does or will, after the giving of notice, or the lapse of time or both, or otherwise:

(a) conflict with, result in a breach of, or constitute a default under, the constituent documents of any Fox Entity;

(b) assuming compliance with the matters referred to in Section 3.3 above, violate any Law applicable to any Fox Entity, or any court or administrative order or process that relates to the ownership or operation of the Fox Stations or any of the Fox Exchanged Assets, except for any such violations that would not, individually or in the aggregate, reasonably be likely to have a Fox Material Adverse Effect;

(c) result in the creation or imposition of any Lien upon any of the Fox Exchanged Assets that would remain on the Fox Exchanged Assets after Closing, other than Fox Permitted Liens, except, as would not, individually or in the aggregate, reasonably be likely to have a Fox Material Adverse Effect; or

(d) except as set forth on Schedule 3.4(d) and except as required by the terms of the Final Judgment, require any consent or other action by or notice to any Person under, or constitute a default under, or give rise to any right of termination, cancellation or acceleration of any right or obligation of any Fox Entity or to a loss of any benefit to which any Fox Entity is entitled under, any provision of any agreement or other instrument binding upon such Fox Entity or by which any of the Fox Exchanged Assets is

or may be bound, except for any such consents, actions, defaults, rights or losses that would not, individually or in the aggregate, reasonably be likely to have a Fox Material Adverse Effect.

3.5 *Fox Material Contracts.*

(a) As of the date of this Agreement, the Fox Contracts listed on Schedule 3.5(a) constitute all of the Fox Contracts with third parties:

(i) for the sale of broadcast time for advertising or other purposes for cash that was not made in the ordinary course of the Fox Businesses consistent with past practice;

(ii) with a term of more than six (6) months from the date of this Agreement or that involve payments or receipts over such remaining term of more than \$50,000 with respect to any single agreement and \$200,000 in the aggregate for all such non-disclosed contracts with respect to the Fox Stations, other than those Fox Contracts that constitute advertising sales contracts made in the ordinary course of the Fox Businesses consistent with past practice;

(iii) involving the purchase, sale or lease of real property;

(iv) involving the lease, sublease or similar agreement under which any Fox Entity is a lessor or sublessor of, or makes available for use to any third party, (x) any portion of the Fox Real Property, or (y) any portion of the premises otherwise occupied by such Fox Entity;

(v) involving construction, architecture, engineering or other agreements relating to uncompleted construction projects;

(vi) under which Fox has borrowed any money from, or issued any note, bond, debenture or other evidence of indebtedness to, any third party (including Affiliates) or involving any Financing Leases;

(vii) under which Fox has, directly or indirectly, made any loan, extension of credit (other than in the ordinary course of the Fox Businesses) or capital contribution to, or investment in, any third party (including to Affiliates), other than to officers and employees of Fox for travel or business expenses in the ordinary course of the Fox Businesses);

(viii) constituting a mortgage, pledge or security agreement, deed of trust or other instrument granting a material Lien upon any property of the Fox Stations;

(ix) containing a guarantee or indemnification (other than indemnification obligations made in the ordinary course of the Fox Businesses consistent with past practices) by any Fox Entity;

(x) containing confidentiality (other than confidentiality obligations made in the ordinary course of the Fox Businesses consistent with past practices) or noncompetition restrictions binding on: (A) the Fox Stations or its employees or consultants and relating to the Fox Stations; or (B) any of the Affiliates of the Fox Stations that may bind any of the Clear Channel Entities or their Affiliates as a result of the consummation of the transactions contemplated by this Agreement;

(xi) involving a joint venture or similar agreement with another party with respect to all or any part of the operations of the Fox Stations;

(xii) involving any contract, agreement or commitment with any Affiliate of any Fox Entity or any officer, director or employee of the Fox Entities or their Affiliates;

(xiii) involving employment by the Fox Stations of any employee or consultant; and

(xiv) involving any labor agreement or collective bargaining agreement of the Fox Stations.

(b) No default (with the lapse of time or giving of a notice or both) on the part of any Fox Entity and, to the Knowledge of the Fox Entities, any other party thereto exists under any of the Fox Contracts other than such defaults that would not, individually or in the aggregate, reasonably be likely to have a Fox Material Adverse Effect.

(c) None of the Fox Entities has received written notice of any default under any material Fox Contract.

(d) Each Fox Contract is in full force and effect and constitutes the legal and binding obligation of, and is legally enforceable against, Fox in accordance with its terms and, to the Knowledge of the Fox Entities, is legally enforceable against the other parties thereto, subject, in each case, to the effect of any applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to the effect of general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law) except as would not, individually or in the aggregate, reasonably be likely to have a Fox Material Adverse Effect.

(e) The Fox Entities have made available to the Clear Channel Entities prior to the date of this Agreement true and complete copies of all Fox Contracts listed on Schedule 3.5(a), including all amendments, modifications and supplements thereto, and any assignments thereof, and Schedule 3.5(e) contains summaries of the provisions of all material oral Fox Contracts.

(f) Schedule 3.5(f) includes an accurate and complete list of all Fox Tradeout Agreements and sets forth for each Fox Tradeout Agreement the parties thereto, the value of broadcast time required to be provided on the Fox Stations from and after

June 30, 2001 and the value of goods and services to be provided to the Fox Stations from and after such date.

(g) There are no leasing commissions or similar payments due, arising out of, resulting from or with respect to any Fox Lease that are owed by the Fox Entities or any Affiliate thereof.

(h) Schedule 3.5(h) is a list, as of June 30, 2001, of all Fox Contracts relating to Fox Program Rights, true and complete copies of which have been made available to Clear Channel prior to the date of this Agreement.

(i) As of the date of this Agreement: (x) no party to any Fox Contract has made or asserted in writing, any defense, setoff or counterclaim under such Fox Contract; and (y) no party has exercised any option granted to it to cancel or terminate any Fox Contract or to shorten the term thereof, except, in each case, as would not, individually or in the aggregate, reasonably be likely to have a Fox Material Adverse Effect.

(j) Notwithstanding anything to the contrary contained in this Agreement, if the representations and warranties in this Section 3.5 or in any certificate delivered pursuant hereto related to this Section 3.5 would require the Fox Entities to seek or obtain information from KTVX concerning pricing for advertising sales and for the purchase and distribution of programming relating to KTVX, such actions shall not be required and such representations and warranties shall not be made or deemed to be made by the Fox Entities.

3.6 *Intangible Property.* Except as set forth in Schedule 3.6:

(a) Except for the Final Judgment and the Hold Separate Order, there are no claims, demands or proceedings instituted, pending or, to the Knowledge of the Fox Entities, threatened by any third party pertaining to or challenging the Fox Entities' right to use any of the Fox Intangible Property, except for any such claims, demands or proceedings as would not, individually or in the aggregate, reasonably be likely to have a Fox Material Adverse Effect.

(b) To the Knowledge of the Fox Entities, there is no trademark, trade name, patent or copyright owned by a third party that a Fox Entity is using in the Fox Businesses without license to do so except for such failures to hold licenses as would not, individually or in the aggregate, reasonably be likely to have a Fox Material Adverse Effect.

(c) Except for the Fox Retained Assets, the Fox Intangible Property constitutes all Fox Copyrights, Fox Trademarks and rights in and to call letters necessary for or used in the operation of the Fox Stations (other than copyrights and trademarks with respect to television programming licensed to the Fox Stations).

(d) All material Fox Intangible Property has been duly applied for or registered in, filed in or issued by, or registration has been applied for, as applicable, the

appropriate Governmental Authority where such registration, filing or issuance is necessary for the Fox Businesses as conducted on the date of this Agreement, and all such filings, registrations and issuances are valid and in good standing.

(e) Except for the Fox Retained Assets, all material Fox Copyrights and Fox Trademarks that are registered or filed are described, listed or set forth on Schedules 3.6(e)(1) and 3.6(e)(2), respectively, all of which are transferable to Clear Channel without the consent of any third party.

3.7 *Title to Fox Exchanged Assets; Liens.* Fox has good title to or valid leasehold interests in all of the Fox Exchanged Assets (other than the Fox Real Property, as to which the provisions of Section 3.8 apply), free and clear of any and all Liens (other than Fox Permitted Liens). At the Closing, all of the Fox Exchanged Assets shall be transferred to Clear Channel free and clear of any and all Liens (other than Fox Permitted Liens or Liens created by the Clear Channel Entities).

3.8 *Real Property.*

(a) Fox has good, marketable and insurable fee simple absolute title or valid leasehold interests as applicable in the Fox Real Property, free and clear of any and all Liens (other than Fox Permitted Liens). Fox does not own, lease, sublease, license or use any real property in the operation of the Fox Stations other than the Fox Real Property. Upon the consummation of the Closing, all right, title and interest of Fox in, to and under the Fox Leases and the Fox Real Property will be transferred to Clear Channel free and clear of any and all Liens (other than Fox Permitted Liens or Liens created by the Clear Channel Entities).

(b) None of the Fox Entities has received written notice of, or otherwise has Knowledge of, any pending condemnation or similar proceeding affecting the Fox Real Property or any portion thereof, and, to the Knowledge of the Fox Entities, no such condemnation or similar proceeding is presently contemplated or threatened that would, individually or in the aggregate, reasonably be likely to have a Fox Material Adverse Effect.

(c) Except as disclosed on Schedule 3.8(c), there are no parties in possession of any portion of the Fox Real Property other than Fox, whether as lessees or tenants at will.

(d) Subject to compliance by Fox prior to Closing with the Hold Separate Order, the current use of the Fox Real Property does not, and all parts thereof as aforesaid do not, violate any restrictive covenant affecting the Fox Real Property or otherwise violate any Law, except for violations that would not, individually or in the aggregate, reasonably be likely to have a Fox Material Adverse Effect. To the Knowledge of the Fox Entities, there are no facts that would prevent any portion of the Fox Real Property from being occupied after the Closing in substantially the same manner as currently occupied.

(e) To the Knowledge of the Fox Entities, there is no Law now in existence the operation of which would require any Fox Entity to make any material expenditure to modify or improve any of the Fox Real Property to bring such Fox Real Property into substantial compliance therewith.

(f) The Fox Real Property has reasonably adequate access to and from completed, dedicated and accepted public roads, and there is no pending or, to the Knowledge of the Fox Entities, threatened Action that would materially impair or curtail such access. All towers, guy anchors, buildings and other improvements included in the Fox Exchanged Assets are wholly within the lot limits of the Fox Real Property and do not encroach on any adjoining premises, and there are no encroachments on any portion of the Fox Real Property by any improvements located on any adjoining premises, except for such encroachments as would not, individually or in the aggregate, reasonably be likely to have a Fox Material Adverse Effect.

(g) There are no structural, electrical, mechanical, plumbing, air conditioning, heating or other defects in the buildings located on the Fox Real Property, and the roofs of the buildings located on the Fox Real Property are free from leaks and in good condition, except for such defects or leaks as would not, individually or in the aggregate, reasonably be likely to have a Fox Material Adverse Effect.

(h) All amounts owing to any architect, contractor, subcontractor or materialman for labor or materials performed, rendered or supplied to or in connection with the Fox Real Property have been or shall have been paid prior to Closing.

3.9 *Condition of Fox Equipment.* Each material item of Fox Equipment is in good condition and repair for its current use, ordinary wear and tear excepted, and is not in need of imminent repair or replacement, and those material items of Fox Equipment constituting transmitting and studio equipment are operating in accordance with standards of good engineering practice in the television broadcasting industry. Except as set forth on Schedule 3.9, all material operating systems and computer software included in the Fox Exchanged Assets are: (x) operating satisfactorily for the task to which they are being applied and in accordance with all vendor warranties and vendor-supplied user documentation; (y) reasonably capable of handling existing and currently contemplated work volumes; and (z) not in imminent need of upgrade, enhancement or replacement.

3.10 *Fox Exchanged Assets.* Except for: (x) the Fox Retained Assets; and (y) assets, properties and rights that are disposed of or consumed in the ordinary course of the Fox Businesses since the date of this Agreement in a manner permitted by this Agreement, the Fox Exchanged Assets include all of the assets, properties and rights of every type and description, real, personal and mixed, tangible and intangible, that are necessary to the continued conduct of the Fox Businesses by Clear Channel in all material respects in the same manner as the Fox Businesses is conducted as of the date of this Agreement.

3.11 *Financial Statements.* Attached as Schedule 3.11(a)(1) are true and complete copies of the unaudited balance sheets as at December 31, 2000 and as at June 30, 2001 for each of the Fox Stations (collectively, the “Fox Base Balance Sheets”), and related statements of

income for the twelve month period ended December 31, 2000 and the six month period ended June 30, 2001, respectively (collectively, the “Fox Financial Statements”). The Fox Financial Statements: (A) are in accordance with the books and records of the Fox Stations; (B) have been prepared in accordance with GAAP except (i) as set forth on Schedule 3.11(a)(2), and (ii) that such financial statements do not contain all of the footnote disclosures required by GAAP; and (C) present fairly in all material respects the financial condition of the Fox Stations as at the dates indicated.

3.12 *No Changes.* Except as disclosed in Schedule 3.12, since June 30, 2001:

(a) there has not been any event, occurrence or development that, individually or in the aggregate, has had or would reasonably be likely to have a Fox Material Adverse Effect;

(b) the Fox Businesses have been operated in the ordinary course of the Fox Businesses and consistent with the past practices of the Fox Stations;

(c) there has not been any change in any method of accounting or accounting practice with respect to the Fox Businesses, except for (i) any such change required after the consummation of the Chris-Craft Closing to make the Fox Stations’ method of accounting or accounting practice consistent with TNCL’s method of accounting or accounting practice and (ii) any such change required by reason of a concurrent change in GAAP;

(d) there has not been any increase or change to the rate or nature of the compensation (including wages, salaries and bonuses) that is paid or payable to any Person employed by the Fox Stations, except in the ordinary course of the Fox Businesses and consistent with past practices or pursuant to existing compensation and fringe benefit plans, practices and arrangements that have been disclosed to the Clear Channel Entities prior to the date of this Agreement;

(e) as of the date of this Agreement, there has not been any damage, destruction or loss, whether or not covered by insurance, with respect to the property and assets of the Fox Stations having a replacement cost of more than \$50,000 for any single loss or \$200,000 for all such losses;

(f) as of the date of this Agreement, Fox has not instituted or settled any material legal proceeding with respect to the Fox Businesses, other than the Divestiture Action; and

(g) Fox has not agreed or committed to do anything set forth in this Section 3.12 (other than Sections 3.12(a) and 3.12(e)).

3.13 *No Litigation; Labor Disputes; Compliance with Laws.*

(a) Except as set forth in Schedule 3.13(a)(1), there is no Action pending or, to the Knowledge of the Fox Entities, threatened against the Fox Businesses or which any of the Fox Exchanged Assets are subject that would, individually or in the

aggregate, reasonably be likely to have a Fox Material Adverse Effect. Except as set forth in Schedule 3.13(a)(2), neither the Fox Businesses nor the Fox Exchanged Assets are under or subject to any order, award, stipulation, judgment, writ, decree, determination or injunction of any Governmental Authority that would, individually or in the aggregate, reasonably be likely to have a Fox Material Adverse Effect.

(b) The Fox Businesses are not subject to or bound by any labor agreement or collective bargaining agreement and there is no labor organization recognized or certified as the exclusive bargaining representative for any unit of employees of the Fox Businesses. There is no labor dispute, grievance, controversy, strike or request for union representation pending or, to the Knowledge of the Fox Entities, threatened against the Fox Businesses that would, individually or in the aggregate, reasonably be likely to have a Fox Material Adverse Effect.

(c) None of the Fox Entities is in violation of any Law applicable to the Fox Exchanged Assets or the conduct of the Fox Businesses, except for violations that would not, individually or in the aggregate, reasonably be likely to have a Fox Material Adverse Effect. This Section 3.13(c) does not apply to: (i) real estate matters, which are covered by Section 3.8; (ii) environmental matters, which are covered by Section 3.14; (iii) matters relating to the FCC, which are covered by Section 3.15; and (iv) matters relating to employee benefit plans, which are covered by Section 3.18.

3.14 *Environmental Matters.* Except as set forth in Schedule 3.14:

(a) The Fox Stations are in compliance with all Environmental Laws except for such failures to so comply as would not, individually or in the aggregate, reasonably be likely to have a Fox Material Adverse Effect, and Fox has not received any communication (written or oral) from any Person that alleges that the Fox Stations are in such non-compliance, except for such failures to comply as would not, individually or in the aggregate, reasonably be likely to have a Fox Material Adverse Effect.

(b) Except as would not, individually or in the aggregate, reasonably be likely to have a Fox Material Adverse Effect: (i) the Fox Stations have obtained or applied for all Environmental Permits necessary for Fox to hold in connection with the conduct by Fox of the Fox Businesses; (ii) the Fox Stations are in compliance with all terms and conditions of the Environmental Permits held by Fox; and (iii) Fox has not been advised by any Governmental Authority of any potential material change in the terms and conditions of any Environmental Permit, either prior to or upon its removal.

(c) To the Knowledge of the Fox Entities, there have been no Releases or threatened Releases of any Hazardous Materials that would reasonably be likely to form the basis of any Environmental Claim: (x) relating to the Fox Stations; or (y) against any Person whose liability for any such Environmental Claim Fox has or may have retained or assumed either contractually, by operation of law or otherwise, in each case the result of which would, individually or in the aggregate, reasonably be likely to have a Fox Material Adverse Effect.

(d) (i) There are no underground storage tanks located on any Fox Real Property; (ii) there is no asbestos contained in or forming part of any building, building component, structure or office space located on any Fox Real Property; (iii) no polychlorinated biphenyls (“PCBs”) are used or stored on or at any Fox Real Property; and (iv) none of the electrical equipment located at any Fox Real Property contains any PCBs, except in clauses (i) through (iv), above, in amounts that, individually or in the aggregate, would not reasonably be expected to have a Fox Material Adverse Effect.

(e) There are no on-site or off-site locations where any Fox Entity has stored, disposed of or arranged for the disposal of Hazardous Materials that relate in any way to the Fox Stations or the Fox Exchanged Assets.

3.15 *FCC Matters; Operation and Condition of the Fox Stations*

(a) The Fox FCC Licenses are identified in Schedule 1.1(c) and are held by FTS as of the date of this Agreement in accordance with the Fox Stations Operating Agreement and the Fox Stations License Assignment Agreement. Schedule 1.1(c) also sets forth the expiration date of each Fox FCC License. The Fox FCC Licenses are validly issued and in full force and effect. Except as disclosed on Schedule 1.1(c): (i) no licenses, permits or authorizations of any Governmental Authority other than the FCC are required for the operation of the Fox Stations in the manner as conducted as of the date of this Agreement and as of the Closing Date; (ii) such Fox FCC Licenses constitute all of the licenses and authorizations required under the Communications Act for, and/or used in the conduct of, the Fox Businesses as operated as of the date of this Agreement and as of the Closing Date; and (iii) neither FTS nor Fox has any application or petition relating to the Fox Stations pending before the FCC. There is not pending or, to the Knowledge of the Fox Entities, threatened any Action by or before the FCC to revoke, restrict, cancel, rescind, modify or deny renewal of any of the Fox FCC Licenses, and there is not issued, outstanding, pending or, to the Knowledge of the Fox Entities, threatened by or before the FCC any order to show cause, notice of violation, notice of apparent liability, notice of forfeiture or complaint relating to the Fox Stations. Fox and FTS are operating the Fox Stations in material compliance with the terms of the Fox FCC Licenses and the Communications Act. Complete and correct copies of the Fox FCC Licenses have been made available for inspection by the Clear Channel Entities.

(b) The Fox Stations are being operated in all material respects: (A) in accordance with the specifications of the Fox FCC Licenses; and (B) in compliance with all requirements of the Communications Act.

(c) Each report filed by Fox with the FCC relating to the Fox Stations was, unless subsequently amended prior to the date of this Agreement, at the time of filing true, correct and complete.

3.16 *Brokers.* There is no broker, finder, trader, investment banker or other intermediary that has been retained by or is authorized to act on behalf of any Fox Entity that

might be entitled to any fee or commission in connection with the transactions contemplated by this Agreement.

3.17 *Employees.* Prior to the date of this Agreement, the Fox Entities have provided the Clear Channel Entities with a true and complete list, dated as of a date no more than two (2) days prior to the date of this Agreement, of all individuals employed by the Fox Stations, including the names, date of hire, current rate of compensation, employment status (i.e., active, disabled, on authorized leave and reason therefor), department, title, whether full time or part time.

3.18 *Fox Entities Employee Benefit Plans.*

(a) Schedule 3.18(a) sets forth a true, correct and complete list of all of the following, each only to the extent related to the Fox Stations: (i) the employee benefit plans, arrangements or policies subject to ERISA, including, without limitation, any retirement, pension, deferred compensation, profit sharing, savings, health, dental, hearing, vision, drug, life insurance, cafeteria, flexible spending, dependent care, disability plan, policy or arrangement; (ii) any stock option or equity-based compensation plan; and (iii) any employment or severance agreement, in each case maintained or contributed to by the Fox Entities or any of their Affiliates for any Fox Employee or Former Fox Employee (collectively, the “Fox Plans”).

(b) The Fox Entities have made available to the Clear Channel Entities a complete and current copy, if applicable, of each Fox Plan document, any employee handbook applicable to Fox Employees and the most recent summary plan description for each Fox Plan.

(c) No event has occurred and no condition exists with respect to any Fox Plan that is reasonably likely to subject the Fox Entities or any subsidiary of a Fox Entity to any material tax, fine, penalty or other liability for a “prohibited transaction” under Section 4975 of the Code and Section 406 of ERISA.

(d) With respect to any Fox Plan that is subject to Title IV of ERISA: (i) no liability to the PBGC has been incurred (other than for premiums not yet due); (ii) no notice of intent to terminate any such plan in a “distress termination” under Section 4041 of ERISA has been filed with the PBGC or distributed to participants; (iii) no proceedings to terminate any such Fox Plan have been instituted by the PBGC; (iv) no “accumulated funding deficiency”, within the meaning of Section 412 of the Code or Section 302 of ERISA, whether or not waived, exists; and (v) no Lien has arisen or is expected to arise under Section 412 of the Code or Section 302 of ERISA on the assets of any Fox Entity or any subsidiary of any Fox Entity.

(e) With respect to the Fox Stations, no Fox Plan is a “multi-employer plan” within the meaning of Section 3(37)(A) of ERISA, and the Fox Entities will have no outstanding liability with respect to any such Fox Plan (contingent or otherwise).

3.19 *Cable Matters.*

(a) Schedule 3.19(a) sets forth for the Fox Stations as of the date of this Agreement a list of all retransmission consent agreements with Market Cable Systems or satellite carriers.

(b) Except as set forth on Schedule 3.19(b), there are no:

(i) Market Cable Systems that do not carry the Fox Stations;

(ii) Market Cable Systems that are carrying the Fox Stations' signals and that have given written notice of such Market Cable System's intention to delete the Fox Stations from carriage or to change the Fox Stations' channel position on such cable system;

(iii) written notices received by any Fox Entity from any Market Cable System alleging that the Fox Stations does not deliver an adequate signal level, as defined in 47 C.F.R. § 76.55(c)(3), to such Market Cable System's principal headend (other than any such notice as to which such failure has been remedied or been determined not to exist);

(iv) pending petitions filed by any Fox Entity for special relief to include any additional community or area as part of the Fox Stations' television market, as defined in 47 C.F.R. § 76.55(e); and

(v) pending petitions served on any Fox Entity for special relief requesting the deletion of any community or area from the Fox Stations' television market.

3.20 *FCC Qualification.* Except as set forth in Schedule 3.20, FTS and/or Fox, as applicable, is legally, technically, financially and otherwise qualified under the Communications Act to acquire the Clear Channel FCC Licenses and own and operate the Clear Channel Station as contemplated by the Clear Channel Station Operating Agreement and the Clear Channel Station License Assignment Agreement. Except for proceedings of general applicability to the television industry, there are no proceedings pending or, to the Knowledge of the Fox Entities, threatened in writing, or facts that could reasonably be expected to disqualify Fox under the Communications Act or otherwise from acquiring the Clear Channel FCC Licenses or owning and operating the Clear Channel Station or would cause the FCC not to approve the assignment of the Clear Channel FCC Licenses to Fox and, immediately thereafter, to FTS. Except as set forth in Schedule 3.20, no waiver of any FCC rule or regulation is necessary to be obtained by the Fox Entities and/or their Affiliates for the grant of the FCC Applications for assignment of the Fox FCC Licenses or the Clear Channel FCC Licenses as provided for in this Agreement, nor will processing pursuant to any exception to a rule of general applicability be requested or required in connection with the consummation by the Fox Entities of the transactions contemplated hereby.

3.21 *Taxes.* All federal, state, local and foreign Tax returns and reports required to be filed by any of the Fox Entities or any Affiliate of any of the Fox Entities, where the failure to file such returns and reports on a timely basis could result in a material Lien on the Fox Exchanged Assets or the imposition on any of the Clear Channel Entities or any Affiliate of any

of the Clear Channel Entities of any material liability for Taxes, have been duly and timely filed in the proper form with the appropriate Governmental Authority. All Taxes, fees and assessments due or payable by any of the Fox Entities pursuant to said Tax returns or otherwise have been paid, except for Taxes that are being contested in good faith and for which adequate reserves have been established in accordance with GAAP and except where the failure to pay or contest such amounts would not result in a material Lien on the Fox Exchanged Assets or the imposition on any of the Clear Channel Entities or any Affiliate of any of the Clear Channel Entities of any material liability for Taxes. Except as set forth in Schedule 3.21, there are no Tax audits pending and no outstanding agreements or waivers by any of the Fox Entities extending the statutory period of limitations applicable to any federal, state, local or foreign income Tax return for any period, the result of which could result in a material Lien on the Fox Exchanged Assets or the imposition on any of the Clear Channel Entities or any Affiliate of any of the Clear Channel Entities of any material liability for any Taxes.

3.22 *Delivery of Final Judgment and Hold Separate Order.* Fox has delivered to Clear Channel Parent complete copies of the Final Judgment and the Hold Separate Order.

3.23 *Exclusivity of Representations.* THE REPRESENTATIONS AND WARRANTIES MADE BY THE FOX ENTITIES IN THIS AGREEMENT ARE IN LIEU OF AND ARE EXCLUSIVE OF ALL OTHER REPRESENTATIONS AND WARRANTIES, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES. THE FOX ENTITIES HEREBY DISCLAIM ANY SUCH OTHER OR IMPLIED REPRESENTATIONS OR WARRANTIES, NOTWITHSTANDING THE DELIVERY OR DISCLOSURE TO THE CLEAR CHANNEL ENTITIES OR THEIR OFFICERS, DIRECTORS, EMPLOYEES, AGENTS OR REPRESENTATIVES OF ANY DOCUMENTATION OR OTHER INFORMATION.

ARTICLE IV. REPRESENTATIONS AND WARRANTIES OF CLEAR CHANNEL ENTITIES

The Clear Channel Entities jointly and severally represent and warrant to the Fox Entities as follows:

4.1 *Incorporation.*

(a) CCB is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Nevada with all requisite power and authority to operate the Clear Channel Station together with CCBL and carry on its business as now conducted.

(b) CCBL is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Nevada with all requisite power and authority to operate the Clear Channel Station together with CCB and carry on its business as now conducted.

(c) Clear Channel Parent is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Texas with all requisite power and authority to carry on its business as now conducted.

- (d) The Clear Channel Exchanged Assets do not include any Persons.

4.2 *Authorization; Enforceability.* The execution, delivery and performance of this Agreement by each Clear Channel Entity and all of the documents and instruments required hereby to which each Clear Channel Entity is a party, and the consummation by each Clear Channel Entity of the transactions contemplated hereby and thereby, are within the corporate power of such Clear Channel Entity and have been duly authorized by all necessary corporate action on the part of each Clear Channel Entity and its stockholders. This Agreement has been duly executed and delivered by each Clear Channel Entity, and at the Closing, such other documents and other instruments required hereby to be executed and delivered by each such Clear Channel Entity will be duly executed and delivered by the applicable Clear Channel Entity or Entities. This Agreement is a valid and binding obligation of each Clear Channel Entity, enforceable against it in accordance with its terms. Each other document and instrument required hereby to which such Clear Channel Entity is a party will be, when executed and delivered by such Clear Channel Entity, the valid and binding obligation of such Clear Channel Entity, enforceable against such Clear Channel Entity in accordance with its terms.

4.3 *Governmental Authorizations.* The execution, delivery and performance by each Clear Channel Entity of this Agreement and the other documents or instruments contemplated hereby to which such Clear Channel Entity is a party and the consummation by such Clear Channel Entity of the transactions contemplated hereby and thereby require no action by or in respect of, or filing with, any Governmental Authority other than: (i) the FCC; (ii) compliance with any applicable requirements of the HSR Act; and (iii) any such action or filing as to which the failure to make or obtain would not reasonably be likely to have, individually or in the aggregate, a Clear Channel Material Adverse Effect.

4.4 *No Conflicts.* Neither the execution, delivery or performance of this Agreement by any Clear Channel Entity or the other documents or instruments contemplated hereby to which any Clear Channel Entity is a party does or will, after the giving of notice, or the lapse of time or both, or otherwise:

(a) conflict with, result in a breach of, or constitute a default under, the constituent documents of any Clear Channel Entity;

(b) assuming compliance with the matters referred to in Section 4.3 above, violate any Law applicable to any Clear Channel Entity, or any court or administrative order or process that relates to the ownership or operation of the Clear Channel Station or any of the Clear Channel Exchanged Assets, except for any such violations that would not, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect;

(c) result in the creation or imposition of any Lien upon any of the Clear Channel Exchanged Assets that would remain on the Clear Channel Exchanged Assets after Closing, other than Clear Channel Permitted Liens, except, as would not, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect; or

(d) except as set forth on Schedule 4.4(d), require any consent or other action by or notice to any Person under, or constitute a default under, or give rise to any right of termination, cancellation or acceleration of any right or obligation of any Clear Channel Entity or to a loss of any benefit to which any Clear Channel Entity is entitled under, any provision of any agreement or other instrument binding upon such Clear Channel Entity or by which any of the Clear Channel Exchanged Assets is or may be bound, except for any such consents, actions, defaults, rights or losses that would not, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect.

4.5 *Clear Channel Material Contracts.*

(a) As of the date of this Agreement, the Clear Channel Contracts listed on Schedule 4.5(a) constitute all of the Clear Channel Contracts with third parties:

(i) for the sale of broadcast time for advertising or other purposes for cash that was not made in the ordinary course of the Clear Channel Business consistent with past practice;

(ii) with a term of more than six (6) months from the date of this Agreement or that involve payments or receipts over such remaining term of more than \$50,000 with respect to any single agreement and \$200,000 in the aggregate for all such non-disclosed contracts with respect to the Clear Channel Station, other than those Clear Channel Contracts that constitute advertising sales contracts made in the ordinary course of the Clear Channel Business consistent with past practice;

(iii) involving the purchase, sale or lease of real property;

(iv) involving the lease, sublease or similar agreement under which any Clear Channel Entity is a lessor or sublessor of, or makes available for use to any third party: (x) any portion of the Clear Channel Real Property; or (y) any portion of the premises otherwise occupied by such Clear Channel Entity;

(v) involving construction, architecture, engineering or other agreements relating to uncompleted construction projects;

(vi) under which Clear Channel has borrowed any money from, or issued any note, bond, debenture or other evidence of indebtedness to, any third party (including Affiliates) or involving any Financing Leases;

(vii) under which Clear Channel has, directly or indirectly made any loan, extension of credit (other than in the ordinary course of the Clear Channel Business) or capital contribution to, or investment in, any third party (including to Affiliates), other than to officers and employees of Clear Channel for travel or business expenses in the ordinary course of the Clear Channel Business;

(viii) constituting a mortgage, pledge or security agreement, deed of trust or other instrument granting a material Lien upon any property of any Clear Channel Station;

(ix) containing a guarantee or indemnification (other than indemnification obligations made in the ordinary course of the Clear Channel Business consistent with past practices) by any Clear Channel Entity;

(x) containing confidentiality (other than confidentiality obligations made in the ordinary course of the Clear Channel Business consistent with past practices) or noncompetition restrictions binding on: (A) the Clear Channel Station or its employees or consultants and relating to the Clear Channel Station; or (B) any of the Affiliates of the Clear Channel Station that may bind any of the Fox Entities or their Affiliates as a result of the consummation of the transactions contemplated by this Agreement;

(xi) involving a joint venture or similar agreement with another party with respect to all or any part of the operations of the Clear Channel Station;

(xii) involving any contract, agreement or commitment with any Affiliate of the Clear Channel Entity or any officer, director or employee of the Clear Channel Entities or their Affiliates;

(xiii) involving employment by the Clear Channel Station of any employee or consultant; and

(xiv) involving any labor agreement or collective bargaining agreement of the Clear Channel Station.

(b) No default (with the lapse of time or giving of a notice or both) on the part of any Clear Channel Entity and, to the Knowledge of the Clear Channel Entities, any other party thereto exists under any of the Clear Channel Contracts other than such defaults that would not, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect.

(c) None of the Clear Channel Entities have received written notice of any default under any material Clear Channel Contract.

(d) Each Clear Channel Contract is in full force and effect and constitutes the legal and binding obligation of, and is legally enforceable against, the applicable Clear Channel Entity in accordance with its terms and, to the Knowledge of the Clear Channel Entities, is legally enforceable against the other parties thereto, subject, in each case, to the effect of any applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to the effect of general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law) except as would not, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect.

(e) The Clear Channel Entities have made available to the Fox Entities prior to the date of this Agreement true and complete copies of all Clear Channel Contracts listed on Schedule 4.5(a), including all amendments, modifications and supplements thereto, and any assignments thereof, and Schedule 4.5(e) contains summaries of the provisions of all material oral Clear Channel Contracts.

(f) Schedule 4.5(f) includes an accurate and complete list of all Clear Channel Tradeout Agreements and sets forth for each Clear Channel Tradeout Agreement the parties thereto, the value of broadcast time required to be provided on the Clear Channel Station from and after June 30, 2001 and the value of goods and services to be provided to the Clear Channel Station from and after such date.

(g) There are no leasing commissions or similar payments due, arising out of, resulting from or with respect to any Clear Channel Lease that are owed by the Clear Channel Entities or any Affiliate thereof.

(h) Schedule 4.5(h) is a list, as of June 30, 2001, of all Clear Channel Contracts relating to Clear Channel Program Rights, true and complete copies of which have been made available to Fox prior to the date of this Agreement.

(i) As of the date of this Agreement: (x) no party to any Clear Channel Contract has made or asserted in writing, any defense, setoff or counterclaim under such Clear Channel Contract and; (y) no party has exercised any option granted to it to cancel or terminate any Clear Channel Contract or to shorten the term thereof, except, in each case, as would not, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect.

4.6 *Intangible Property.* Except as set forth in Schedule 4.6:

(a) There are no claims, demands or proceedings instituted, pending or, to the Knowledge of the Clear Channel Entities, threatened by any third party pertaining to or challenging the Clear Channel Entities' right to use any of the Clear Channel Intangible Property, except for any such claims, demands or proceedings as would not, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect.

(b) To the Knowledge of the Clear Channel Entities, there is no trademark, trade name, patent or copyright owned by a third party that a Clear Channel Entity is using in any of the Clear Channel Business without license to do so except for such failures to hold licenses as would not, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect.

(c) Except for the Clear Channel Retained Assets, the Clear Channel Intangible Property constitutes all Clear Channel Copyrights, Clear Channel Trademarks and rights in and to call letters necessary for or used in the operation of the Clear Channel Station (other than copyrights and trademarks with respect to television programming licensed to the Clear Channel Station).

(d) All material Clear Channel Intangible Property has been duly applied for or registered in, filed in or issued by, or registration has been applied for as applicable, the appropriate Governmental Authority where such registration, filing or issuance is necessary for the Clear Channel Business as conducted on the date of this Agreement, and all such filings, registrations and issuances are valid and in good standing.

(e) Except for the Clear Channel Retained Assets, all material Clear Channel Copyrights and Clear Channel Trademarks that are registered or filed are described, listed or set forth on Schedule 4.6(e)(1) and 4.6(e)(2), respectively, all of which are transferable to Fox without the consent of any third party.

4.7 *Title to Clear Channel Exchanged Assets; Liens.* Clear Channel has good title to or valid leasehold interests in all of the Clear Channel Exchanged Assets (other than the Clear Channel Real Property, as to which the provisions of Section 4.8 apply), free and clear of any and all Liens (other than Clear Channel Permitted Liens). At the Closing all of the Clear Channel Exchanged Assets shall be transferred to Fox free and clear of any and all Liens (other than Clear Channel Permitted Liens and Liens created by the Fox Entities).

4.8 *Real Property.*

(a) Clear Channel has good, marketable and insurable fee simple absolute title or valid leasehold interests, as applicable, in the Clear Channel Real Property, free and clear of any and all Liens (other than Clear Channel Permitted Liens). Clear Channel does not own, lease, sublease, license or use any real property in the operation of the Clear Channel Station other than the Clear Channel Real Property. Upon the consummation of the Closing, all right, title and interest of Clear Channel in, to and under the Clear Channel Leases and the Clear Channel Real Property will be transferred to Fox free and clear of any and all Liens (other than Clear Channel Permitted Liens and Liens created by the Fox Entities).

(b) None of the Clear Channel Entities has received written notice of, or otherwise has Knowledge of, any pending condemnation or similar proceeding affecting the Clear Channel Real Property or any portion thereof, and, to the Knowledge of the Clear Channel Entities, no such condemnation or similar proceeding is presently contemplated or threatened that would, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect.

(c) Except as disclosed on Schedule 4.8(c), there are no parties in possession of any portion of the Clear Channel Real Property other than Clear Channel, whether as lessees or tenants at will.

(d) The current use of the Clear Channel Real Property does not, and all parts thereof as aforesaid do not, violate any restrictive covenants affecting the Clear Channel Real Property or otherwise violate any Law, except for violations that would not, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect. To the Knowledge of the Clear Channel Entities, there are no

facts that would prevent any portion of the Clear Channel Real Property from being occupied after the Closing in substantially the same manner as currently occupied.

(e) To the Knowledge of the Clear Channel Entities, there is no Law now in existence the operation of which would require any Clear Channel Entity to make any material expenditure to modify or improve any of the Clear Channel Real Property to bring such Clear Channel Real Property into substantial compliance therewith.

(f) The Clear Channel Real Property has reasonably adequate access to and from completed, dedicated and accepted public roads, and there is no pending or, to the Knowledge of the Clear Channel Entities, threatened Action that would materially impair or curtail such access. All towers, guy anchors, buildings and other improvements included in the Clear Channel Exchanged Assets are wholly within the lot limits of the applicable Clear Channel Real Property and do not encroach on any adjoining premises, and there are no encroachments on any portion of the Clear Channel Real Property by any improvements located on any adjoining premises, except for such encroachments as would not, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect.

(g) There are no structural, electrical, mechanical, plumbing, air conditioning, heating or other defects in the buildings located on the Clear Channel Real Property, and the roofs of the buildings located on the Clear Channel Real Property are free from leaks and in good condition, except for such defects or leaks as would not, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect.

(h) All amounts owing to any architect, contractor, subcontractor or materialman for labor or materials performed, rendered or supplied to or in connection with the Clear Channel Real Property have been or shall have been paid prior to Closing.

4.9 *Condition of Clear Channel Equipment.* Except as set forth in Schedule 4.9, each material item of Clear Channel Equipment is in good condition and repair for its current use, ordinary wear and tear excepted, and is not in need of imminent repair or replacement, and those material items of Clear Channel Equipment constituting transmitting and studio equipment are operating in accordance with standards of good engineering practice in the television broadcasting industry. Except as set forth on Schedule 4.9, all material operating systems and computer software included in the Clear Channel Exchanged Assets are: (x) operating satisfactorily for the task to which they are being applied, and in accordance with all vendor warranties and vendor-supplied user documentation; (y) reasonably capable of handling existing and currently contemplated work volumes; and (z) not in imminent need of upgrade, enhancement or replacement.

4.10 *Clear Channel Exchanged Assets.* Except for: (x) the Clear Channel Retained Assets; and (y) assets, properties and rights that are disposed of or consumed in the ordinary course of the Clear Channel Business since the date of this Agreement in a manner permitted by this Agreement, the Clear Channel Exchanged Assets include all of the assets, properties and rights of every type and description, real, personal and mixed, tangible and intangible, that are

necessary to the continued conduct of the applicable Clear Channel Business by Fox in all material respects in the same manner as such Clear Channel Business is conducted as of the date of this Agreement.

4.11 *Financial Statements.* Attached as Schedule 4.11(a)(1) are true and complete copies of the unaudited balance sheets as at December 31, 2000 and as at June 30, 2001 of the Clear Channel Station (collectively, the “Clear Channel Base Balance Sheets”), and the related statements of income for the twelve month periods ended December 31, 2000 and the six month period ended June 30, 2001, respectively (collectively, the “Clear Channel Financial Statements”). The Clear Channel Financial Statements for the Clear Channel Station: (A) are in accordance with the books and records of the Clear Channel Station; (B) have been prepared in accordance with GAAP except: (i) as set forth on Schedule 4.11(a)(2); and (ii) that such financial statements do not contain all of the footnote disclosures required by GAAP; and (C) present fairly in all material respects the financial condition of the Clear Channel Station as at the dates indicated.

4.12 *No Changes.* Except as disclosed in Schedule 4.12, since June 30, 2001:

(a) there has not been any event, occurrence or development that, individually or in the aggregate, has had or would reasonably be likely to have a Clear Channel Material Adverse Effect;

(b) each Clear Channel Business has been operated in the ordinary course of such Clear Channel Business and consistent with past practice except as described in Schedule 4.20;

(c) there has not been any change in any method of accounting or accounting practice with respect to the Clear Channel Business, except for any such change required by reason of a concurrent change in GAAP;

(d) there has not been any increase or change to the rate or nature of the compensation (including wages, salaries and bonuses) that is paid or payable to any Person employed by either of the Clear Channel Station, except in the ordinary course of the applicable Clear Channel Business and consistent with past practices or pursuant to existing compensation and fringe benefit plans, practices and arrangements that have been disclosed to the Fox Entities prior to the date of this Agreement;

(e) as of the date of this Agreement, there has not been any damage, destruction or loss, whether or not covered by insurance, with respect to the property and assets of the Clear Channel Station having a replacement cost of more than \$50,000 for any single loss or \$200,000 for all such losses;

(f) as of the date of this Agreement, Clear Channel has not instituted or settled any material legal proceeding with respect to the Clear Channel Business; and

(g) Clear Channel has not agreed or committed to do anything set forth in this Section 4.12 (other than Sections 4.12(a) and 4.12(e)).

4.13 *No Litigation; Labor Disputes; Compliance with Laws.*

(a) Except as set forth in Schedule 4.13(a)(1), there is no Action pending or, to the Knowledge of the Clear Channel Entities, threatened, against any of the Clear Channel Business or which any of the Clear Channel Exchanged Assets are subject that would, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect. Except as set forth in Schedule 4.13(a)(2), none of the Clear Channel Business or the Clear Channel Exchanged Assets are under or subject to any order, award, stipulation, judgment, writ, decree, determination or injunction of any Governmental Authority that would, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect.

(b) The Clear Channel Business is not subject to or bound by any labor agreement or collective bargaining agreement, and there is no labor organization recognized or certified as the exclusive bargaining representative for a unit of employees of the Clear Channel Business. There is no labor dispute, grievance, controversy, strike or request for union representation pending or, to the Knowledge of the Clear Channel Entities, threatened against the Clear Channel Business that would, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect.

(c) Except as set forth in Schedule 4.13(c), none of the Clear Channel Entities is in violation of any Law applicable to the Clear Channel Exchanged Assets or the conduct of the Clear Channel Business, except for violations that would not, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect. This Section 4.13(c) does not apply to: (i) real estate matters, which are covered by Section 4.8; (ii) environmental matters, which are covered by Section 4.14; (iii) matters relating to the FCC, which are covered by Section 4.15; and (iv) matters relating to employee benefit plans, which are covered by Section 4.18.

4.14 *Environmental Matters.* Except as set forth in Schedule 4.14:

(a) The Clear Channel Station is in compliance with all Environmental Laws except for such failures to so comply as would not, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect, and Clear Channel has not received any communication (written or oral) from any Person that alleges that either Clear Channel Station is in such non-compliance, except for such failures to comply as would not, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect.

(b) Except as would not, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect: (i) the Clear Channel Station has obtained or applied for all Environmental Permits necessary for such Clear Channel Station to hold in connection with the conduct by Clear Channel of the applicable Clear Channel Business; (ii) each Clear Channel Station is in compliance with all terms and conditions of the Environmental Permits held by such Clear Channel Entity; and (iii) Clear Channel has not been advised by any Governmental Authority of any potential

material change in the terms and conditions of any Environmental Permit, either prior to or upon its removal.

(c) To the Knowledge of the Clear Channel Entities, there have been no Releases or threatened Releases of any Hazardous Materials that would reasonably be likely to form the basis of any Environmental Claim: (x) relating to the Clear Channel Station; or (y) against any Person whose liability for any such Environmental Claim Clear Channel has or may have retained or assumed either contractually, by operation of law or otherwise, in each case the result of which would, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect.

(d) (i) There are no underground storage tanks located on any Clear Channel Real Property; (ii) there is no asbestos contained in or forming part of any building, building component, structure or office space located on any Clear Channel Real Property; (iii) no PCBs are used or stored on or at any Clear Channel Real Property; and (iv) none of the electrical equipment located at any Clear Channel Real Property contains any PCBs, except in clauses (i) through (iv) above, in amounts that, individually or in the aggregate, would not reasonably be expected to have a Clear Channel Material Adverse Effect.

(e) There are no on-site or off-site locations where any Clear Channel Entity has stored, disposed of or arranged for the disposal of Hazardous Materials that relate in any way to either Clear Channel Station or the Clear Channel Exchanged Assets.

4.15 *FCC Matters; Operation and Condition of the Clear Channel Station.*

(a) The Clear Channel FCC Licenses are identified in Schedule 1.1(l) and are held by the specified Clear Channel Entities. Schedule 1.1(l) also sets forth the expiration date of each Clear Channel FCC License. The Clear Channel FCC Licenses are validly issued and in full force and effect. Except as disclosed on Schedule 1.1(l): (i) no licenses, permits or authorizations of any Governmental Authority other than the FCC are required for the operation of the Clear Channel Station in the manner as conducted as of the date of this Agreement and as of the Closing Date; (ii) such Clear Channel FCC Licenses constitute all of the licenses and authorizations required under the Communications Act for, and/or used in the conduct of, the Clear Channel Business as operated as of the date of this Agreement and as of the Closing Date; and (iii) the Clear Channel Entities have no application or petition relating to the Clear Channel Station pending before the FCC. There is not pending or, to the Knowledge of the Clear Channel Entities, threatened any Action by or before the FCC to revoke, restrict, cancel, rescind, modify or deny renewal of any of the Clear Channel FCC Licenses, and there is not issued, outstanding, pending or, to the Knowledge of the Clear Channel Entities, threatened by or before the FCC any order to show cause, notice of violation, notice of apparent liability, notice of forfeiture or complaint relating to the Clear Channel Station. Clear Channel is operating the Clear Channel Station in material compliance with the terms of the Clear Channel FCC Licenses and the Communications Act. Complete and correct copies of the Clear Channel FCC Licenses have been made available for inspection by the Fox Entities.

(b) The Clear Channel Station is being operated in all material respects: (A) in accordance with the specifications of the applicable Clear Channel FCC License; and (B) in compliance with all requirements of the Communications Act.

(c) Each report filed by Clear Channel with the FCC relating to the Clear Channel Station was, unless subsequently amended prior to the date of this Agreement, at the time of filing true, correct and complete.

4.16 *Brokers.* There is no broker, finder, trader, investment banker or other intermediary that has been retained by or is authorized to act on behalf of any Clear Channel Entity that might be entitled to any fee or commission in connection with the transactions contemplated by this Agreement.

4.17 *Employees.* Prior to the date of this Agreement, the Clear Channel Entities have provided the Fox Entities with a true and complete list, dated as of a date no more than two (2) days prior to the date of this Agreement, of all individuals employed by each Clear Channel Station, including the names, date of hire, current rate of compensation, employment status (i.e., active, disabled, on authorized leave and reason therefor), department, title, and whether full time or part time.

4.18 *Clear Channel Entities Employee Benefit Plans.*

(a) Schedule 4.18(a) sets forth a true, correct and complete list of all of the following, each only to the extent related to the Clear Channel Station: (i) the employee benefit plans, arrangements or policies subject to ERISA, including, without limitation, any retirement, pension, deferred compensation, profit sharing, savings, health, dental, hearing, vision, drug, life insurance, cafeteria, flexible spending, dependent care, disability plan, policy or arrangement; (ii) any stock option or equity-based compensation plan; and (iii) any employment or severance agreement, in each case maintained or contributed to by the Clear Channel Entities or any of their Affiliates for any Clear Channel Employee or Former Clear Channel Employee (collectively, the “Clear Channel Plans”).

(b) The Clear Channel Entities have made available to the Fox Entities a complete and current copy, if applicable, of each Clear Channel Plan document, any employee handbook applicable to Clear Channel Employees and the most recent summary plan description for each Clear Channel Plan.

(c) No event has occurred and no condition exists with respect to any Clear Channel Plan that is reasonably likely to subject the Clear Channel Entities or any subsidiary of a Clear Channel Entity to any material tax, fine, penalty or other liability for a “prohibited transaction” under Section 4975 of the Code and Section 406 of ERISA.

(d) With respect to any Clear Channel Plan that is subject to Title IV of ERISA: (i) no liability to the PBGC has been incurred (other than for premiums not yet due); (ii) no notice of intent to terminate any such plan in a “distress termination” under Section 4041 of ERISA has been filed with the PBGC or distributed to participants; (iii) no proceedings to terminate any such Clear Channel Plan have been instituted by the

PBGC; (iv) no “accumulated funding deficiency”, within the meaning of Section 412 of the Code or Section 302 of ERISA, whether or not waived, exists; and (v) no Lien has arisen or is expected to arise under Section 412 of the Code or Section 302 of ERISA on the assets of any Clear Channel Entity or any subsidiary of any Clear Channel Entity.

(e) With respect to the Clear Channel Station, no Clear Channel Plan is a “multiemployer plan” within the meaning of Section 3(37)(A) of ERISA, and the Clear Channel Entities will have no outstanding liability with respect to any such Clear Channel Plan (contingent or otherwise).

4.19 *Cable Matters.*

(a) Schedule 4.19(a) sets forth for the Clear Channel Station as of the date of this Agreement a list of all retransmission consent agreements with Market Cable Systems or satellite carriers.

(b) Except as set forth on Schedule 4.19(b), there are no:

(i) Market Cable Systems that do not carry the Clear Channel Station;

(ii) Market Cable Systems that are carrying a Clear Channel Station’s signal and that have given written notice of such Market Cable System’s intention to delete such Clear Channel Station from carriage or to change such Clear Channel Station’s channel position on such cable system;

(iii) written notices received by any Clear Channel Entity from any Market Cable System alleging that a Clear Channel Station does not deliver an adequate signal level, as defined in 47 C.F.R. § 76.55(c)(3), to such Market Cable System’s principal headend (other than any such notice as to which such failure has been remedied or been determined not to exist);

(iv) pending petitions filed by any Clear Channel Entity for special relief to include any additional community or area as part of any Clear Channel Station’s television market, as defined in 47 C.F.R. § 76.55(e); and

(v) pending petitions served on any Clear Channel Entity for special relief requesting the deletion of any community or area from any Clear Channel Station’s television market.

4.20 *FCC Qualification.* Except as set forth in Schedule 4.20, Clear Channel is legally, technically, financially and otherwise qualified under the Communications Act to acquire the Fox FCC Licenses and own and operate the Fox Stations. Except for proceedings of general applicability to the television industry, there are no proceedings pending or, to the knowledge of the Clear Channel Entities, threatened in writing, or facts that could reasonably be expected to disqualify Clear Channel under the Communications Act or otherwise from acquiring the Fox FCC Licenses or owning and operating the Fox Stations or would cause the FCC not to approve the assignment of the Fox FCC Licenses to Clear Channel. Except as set forth in Schedule 4.20, no waiver of any FCC rule or regulation is necessary to be obtained by

the Clear Channel Entities and/or their Affiliates for the grant of the FCC Applications for assignment of the Clear Channel FCC Licenses or the Fox FCC Licenses as provided for in this Agreement, nor will processing pursuant to any exception to a rule of general applicability be requested or required in connection with the consummation by the Clear Channel Entities of the transactions contemplated hereby.

4.21 *Taxes.* All federal, state, local and foreign Tax returns and reports required to be filed by any of the Clear Channel Entities or any Affiliate of any of the Clear Channel Entities, where the failure to file such returns and reports on a timely basis could result in a material Lien on the Clear Channel Exchanged Assets or the imposition on any of the Fox Entities or any Affiliate of any of the Fox Entities of any material liability for Taxes, have been duly and timely filed in the proper form with the appropriate Governmental Authority. All Taxes, fees and assessments due or payable by any of the Clear Channel Entities pursuant to said Tax returns or otherwise have been paid, except for Taxes that are being contested in good faith and for which adequate reserves have been established in accordance with GAAP and except where the failure to pay or contest such amounts would not result in a material Lien on the Clear Channel Exchanged Assets or the imposition on any of the Fox Entities or any Affiliate of any of the Fox Entities of any material liability for Taxes. Except as set forth in Schedule 4.21, there are no Tax audits pending and no outstanding agreements or waivers by any of the Clear Channel Entities extending the statutory period of limitations applicable to any federal, state, local or foreign income Tax return for any period, the result of which could result in a material Lien on the Clear Channel Exchanged Assets or the imposition on any of the Fox Entities or any Affiliate of any of the Fox Entities of any material liability for any Taxes.

4.22 *Receipt by Clear Channel of Final Judgment and Hold Separate Order.* Clear Channel Parent acknowledges receipt from Fox of complete copies of the Final Judgment and the Hold Separate Order.

4.23 *Exclusivity of Representations.* THE REPRESENTATIONS AND WARRANTIES MADE BY THE CLEAR CHANNEL ENTITIES IN THIS AGREEMENT ARE IN LIEU OF AND ARE EXCLUSIVE OF ALL OTHER REPRESENTATIONS AND WARRANTIES, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES. THE CLEAR CHANNEL ENTITIES HEREBY DISCLAIM ANY SUCH OTHER OR IMPLIED REPRESENTATIONS OR WARRANTIES, NOTWITHSTANDING THE DELIVERY OR DISCLOSURE TO THE FOX ENTITIES OR THEIR OFFICERS, DIRECTORS, EMPLOYEES, AGENTS OR REPRESENTATIVES OF ANY DOCUMENTATION OR OTHER INFORMATION.

ARTICLE V. COVENANTS OF THE FOX ENTITIES

The Fox Entities agree that:

5.1 *Operations Pending Closing.* Except as otherwise set forth herein and subject to: (i) the provisions of Section 7.3 regarding control of the Fox Stations after the date of this Agreement and prior to the Closing; and (ii) Fox's obligations under the Final Judgment and Hold Separate Order; the Fox Entities shall:

(a) operate the Fox Stations in the ordinary course of the Fox Businesses and consistent with past practices and use commercially reasonable efforts to preserve substantially intact the relationships of the Fox Stations with its customers, employees, suppliers, licensors, licensees, distributors and others with whom the Fox Stations deals; provided, that in the case of the Fox Stations' employees, the Fox Entities shall not be obligated to pay any retention bonus, incentive or other compensation to any employee, other than compensation in the ordinary course of business;

(b) operate the Fox Stations in substantial compliance with the Communications Act;

(c) not make any change in any method of accounting or accounting practice utilized in the preparation of the Fox Financial Statements, except for (i) any such change required after the consummation of the Chris-Craft Closing to make the Fox Stations' method of accounting or accounting practice consistent with TNCLs' method of accounting or accounting practice and (ii) any such change required by reason of a concurrent change in GAAP.

(d) maintain the Fox Equipment in good operating condition for its current use, wear and tear and ordinary usage excepted, and replace with a substantially equivalent asset of substantially equivalent quality or utility any of the Fox Equipment that shall be worn out, lost, stolen or destroyed, which Fox Equipment would have been replaced in the ordinary course of the Fox Businesses and consistent with past practices;

(e) (i) not hire any Person or increase or otherwise change the rate or nature of the compensation (including wages, salaries and bonuses) that is paid or payable to any Person employed by the Fox Stations, except in the ordinary course of the Fox Businesses and consistent with past practices or pursuant to existing compensation and fringe benefit plans, practices and arrangements that have been disclosed to the Clear Channel Entities prior to the date of this Agreement, and except as set forth on Schedule 5.1(e), not enter into or renew any employment or consulting agreement or other contract or arrangement with respect to the performance of personal services for the Fox Stations; or (ii) agree or commit to do any of the foregoing;

(f) except with the Clear Channel Entities' prior written consent, such consent not to be unreasonably withheld or delayed: (A) not enter into, or become obligated under, any agreement or commitment on behalf of the Fox Stations except for: (x) any individual Fox Program Rights agreement with a term of six (6) months or less or that involve payments or receipts of \$200,000 or less; provided, however, that in no event may the Fox Entities enter into Fox Program Rights agreements that in the aggregate involve payments or receipts of \$1,000,000 or more without the Clear Channel Entities' prior written consent; and (y) any other agreement or commitment (other than advertising sales contracts for cash only) with a term of six (6) months or less or that involve payments or receipts of \$50,000 or less, unless permitted elsewhere in this Section 5.1 and except for the agreements set forth on Schedule 5.1(f), ; provided, however, that in no event may the Fox Entities enter into such other agreements or commitments that in the aggregate involve payments or receipts of \$250,000 or more without the Clear

Channel Entities' prior written consent; or (B) not change, amend, terminate or otherwise modify or agree or commit to change, amend, terminate or modify any Fox Contract (other than advertising sales contracts for cash only) in any material respect except for those Fox Contracts that terminate or expire prior to the Effective Time by their own terms; provided, however: (i) that except as set forth on Schedule 5.1(f), the Fox Entities will not enter into or agree or commit to enter into any agreements or transactions on behalf of the Fox Stations with Affiliates of the Fox Entities or the other Fox Entities or other divisions of the Fox Entities without the Clear Channel Entities' prior written consent, such consent not to be unreasonably withheld or delayed; and (ii) the Fox Stations will not change, amend, terminate or otherwise modify or agree or commit to change, amend, terminate or modify its network affiliation agreement in any respect without the Clear Channel Entities' prior written consent; and, provided further, however, that the Fox Entities shall continue to make such expenditures and commitments as are consistent with past practices;

(g) not enter into or agree or commit to enter into any agreement to sell, purchase or encumber any parcel of Fox Real Property;

(h) without limiting the restrictions contained in Section 5.1(f), keep the Clear Channel Entities apprised of material developments in negotiations for existing and proposed Fox Program Rights agreements and promptly provide the Clear Channel Entities with copies of all Fox Program Rights agreements affecting the Fox Stations;

(i) use their commercially reasonable efforts to air the advertising contemplated under any Fox Tradeout Agreement relating to the Fox Stations to the fullest extent practicable prior to the Closing;

(j) not enter into or agree or commit to enter into any new Fox Tradeout Agreement relating to the Fox Stations prior to Closing without the prior written consent of the Clear Channel Entities, which consent shall not be unreasonably withheld or delayed;

(k) utilize the Fox Program Rights only in the ordinary course of the Fox Businesses and consistent with past practice and not sell or otherwise dispose of any such Fox Program Rights; and make payments on Fox Program Rights and agreements on a basis consistent with past practice and otherwise in accordance with this Agreement;

(l) use their commercially reasonable efforts to take all appropriate, reasonable action to protect the present service areas of the Fox Stations from increased electrical interference from other stations, existing or proposed, and to exercise commercially reasonable efforts to maintain carriage, if any, of the Fox Stations' signals on the Fox Stations' Market Cable System;

(m) not adopt or agree or commit to adopt any Fox Plan or other pension, profit sharing, deferred compensation or similar plan, program or trust on behalf of personnel of the Fox Stations, or modify or agree or commit to modify the existing Fox Plans insofar as they relate to personnel of the Fox Stations, other than any adoptions

or modifications or agreements or commitments to make any adoptions or modifications that apply to similarly situated employees of the Fox Entities;

(n) promptly notify the Clear Channel Entities of any attempted or actual collective bargaining organizing activity with respect to any employees of the Fox Stations; and shall, to the extent permitted by applicable Law, refrain from entering into any new collective bargaining agreement applicable to any employees of the Fox Stations that provides such agreement shall be binding upon any “successor” employer of such employees;

(o) follow the Fox Station’s usual and customary policy with respect to: (A) extending credit for sales of broadcast time on the Fox Stations; and (B) collecting accounts receivable relating to the Fox Stations arising from such extension of credit;

(p) (A) make commercially reasonable efforts to: (x) promote and advertise the Fox Stations; and (y) promote and advertise, including on-air promotion and advertising, any program that is currently airing on the Fox Stations, in each case consistent with past practices; and (B) make expenditures consistent with past practices, but in no event shall the Fox Stations reduce their level of such expenditures for promotion and advertising in any month below the levels of expenditures made in accordance with past practices;

(q) not make or agree or commit to make any capital expenditure greater than \$5,000 in connection with any particular project or greater than \$50,000 in total, without the prior written consent of the Clear Channel Entities, which consent shall not be unreasonably withheld or delayed;

(r) not cause or permit, or agree or commit to cause or permit, by act or failure to act, any of the Fox FCC Licenses to expire or to be revoked, suspended or adversely modified, or take or fail to take, any action that would reasonably be likely to cause the FCC or any other Governmental Authority to institute proceedings for the suspension, revocation or adverse modification of any of the Fox FCC Licenses;

(s) promptly provide the Clear Channel Entities with copies of all material correspondence with cable systems and satellite carriers concerning must carry status, retransmission consent and other material matters arising under the Cable Television Consumer Protection and Competition Act of 1992, as amended (the “Cable Act”) and the Satellite Home Viewer Improvement Act of 1999 relating to the Fox Stations, and keep the Clear Channel Entities advised of the status of material developments in all negotiations with cable systems and satellite carriers concerning such matters; and

(t) not make, or agree or commit to make, any step that could reasonably be likely to make the consummation of the transactions contemplated by this Agreement result in a “Qualifying Termination” under the Terms of the United Special Severance Plan.

5.2 *Access.*

(a) From and after the date hereof, until the earlier of the termination of this Agreement in accordance with the terms of this Agreement and the Closing Date, upon reasonable prior notice to the Fox Entities, the Fox Entities shall give the Clear Channel Entities and their authorized agents, officers and representatives reasonable access to the Fox Stations and the Fox Exchanged Assets to conduct such examination and investigation of the Fox Stations and the Fox Exchanged Assets as the Clear Channel Entities reasonably request, provided, however, that such examinations shall be during normal business hours, shall be on reasonable advance notice, shall not unreasonably interfere with the Fox Stations' operations and activities and shall not be in violation of Section 7.3 hereof concerning "control." Notwithstanding the foregoing, the Clear Channel Entities shall not have access to personnel records of the Fox Entities relating to individual performance or evaluation records, medical histories or other information that in the Fox Entities' good faith opinion is sensitive or the disclosure of which could subject the Fox Entities to risk of liability.

(b) From the Closing Date and for a period of three (3) years thereafter, the Fox Entities will afford, upon reasonable prior notice, the Clear Channel Entities and their authorized agents, officers and representatives reasonable access to its properties, books, records, employees and auditors relating to the Clear Channel Station to the extent reasonably necessary to permit the Clear Channel Entities to determine any matter relating to their rights and obligations hereunder or with respect to any matter relating to any time prior to the consummation of the Closing; provided, however, that such examinations shall be during normal business hours, shall be on reasonable advance notice and shall not unreasonably interfere with the Clear Channel Station's operations and activities. For a period of three (3) years after the Closing Date, if Fox shall desire to dispose of any books and records relating to the Clear Channel Station attributable to any period prior to the Closing Date, Fox shall, prior to such disposition, give Clear Channel a reasonable opportunity, at Clear Channel's expense, to segregate and remove such books and records as Clear Channel may select. Clear Channel will hold, and will cause its authorized agents, officers and representatives to hold, in confidence, unless compelled to disclose by judicial or administrative process or by other requirements of Law, all confidential documents and information concerning the Fox Entities or the Clear Channel Business provided to it or them pursuant to this Section 5.2(b).

5.3 *Title Insurance and Surveys.* From and after the date hereof until the earlier of the termination of this Agreement in accordance with the terms of this Agreement and the Closing Date, the Fox Entities shall cooperate with Clear Channel (provided that the Fox Entities shall not be required to pay any consideration to Clear Channel or any third party) so that Clear Channel can promptly obtain the following (it being understood that the failure to obtain such title insurance or surveys shall not constitute a failure to satisfy the conditions to the Clear Channel Entities' obligations to consummate the transactions contemplated hereby):

(a) With respect to the Fox Real Property, preliminary reports on title covering a date subsequent to the date of this Agreement, issued by the Clear Channel Title Company, which preliminary reports shall contain commitments (the "Fox Title

Commitments”) of the Clear Channel Title Company to issue an ALTA title insurance policy or policies (the “Fox Title Policy”) insuring interests of Clear Channel in each parcel of the Fox Real Property. The Fox Title Commitments shall be subject only to Fox Permitted Liens. The Fox Entities shall cooperate in endeavoring to delete all standard exceptions from the Fox Title Policy.

(b) Surveys of the Fox Real Property as of a date subsequent to the date of this Agreement that shall reflect: (A) no material encroachments upon each such parcel or adjoining parcels by buildings, structures or improvements that could reasonably prevent the use of each such parcel of Fox Real Property for the purpose for which it is currently used; and (B) access to each such parcel from a public street or indirect access to a public street over recorded easements.

(c) The expenses incurred in connection with the fulfillment of the obligations referred to in Sections 5.3(a) and 5.3(b) shall be paid by the Clear Channel Entities.

5.4 *Financial and FCC Reports.* Within thirty (30) days after the end of each month following the date of this Agreement until the earlier of the termination of this Agreement in accordance with its terms and the Closing Date, Fox will cause to be furnished Clear Channel with a copy of the monthly unaudited financial reports for the Fox Stations (including balance sheet and income and cash flow statements) for each such month and the fiscal year to the end of such month) and will furnish to Clear Channel within ten (10) days after filing all reports filed with the FCC with respect to the Fox Stations that are filed between the date of this Agreement and the Closing Date. All of the foregoing financial statements shall comply with the requirements concerning financial statements set forth in Section 3.11.

5.5 *Public Notice of Fox FCC Licenses Assignments.* The Fox Entities shall publish and broadcast a public notice concerning the filing of the application for assignment of the Fox FCC Licenses in accordance with the requirements of Section 73.3580 of the FCC’s Rules.

5.6 *Employees.* Fox will deliver to Clear Channel an updated list, dated as of a date no more than five (5) days prior to the Closing Date, of all individuals employed by the Fox Stations, including the names, date of hire, current rate of compensation, employment status (i.e., active, disabled, on leave and reason therefor), department, title, and whether full-time or part-time.

ARTICLE VI. COVENANTS OF THE CLEAR CHANNEL ENTITIES

The Clear Channel Entities agree that:

6.1 *Operations Pending Closing.* Except as otherwise set forth herein and subject to the provisions of Section 7.3 regarding control of the Clear Channel Station after the date of this Agreement and prior to the Closing, the Clear Channel Entities shall:

(a) operate the Clear Channel Station in the ordinary course of the Clear Channel Business and consistent with past practices and use commercially reasonable efforts to preserve substantially intact the relationships of the Clear Channel Station with their customers, employees, suppliers, licensors, licensees, distributors and others with whom the Clear Channel Station deals; provided, that in the case of the Clear Channel Station employees, the Clear Channel Entities shall not be obligated to pay any retention bonus, incentive or other compensation to any employee, other than compensation in the ordinary course of business;

(b) operate the Clear Channel Station in substantial compliance with the Communications Act;

(c) not make any change in any method of accounting or accounting practice utilized in the preparation of the Clear Channel Financial Statements, except for any such change required by reason of a concurrent change in GAAP;

(d) maintain the Clear Channel Equipment in good operating condition for its current use, wear and tear and ordinary usage excepted, and replace with a substantially equivalent asset of substantially equivalent quality or utility any of the Clear Channel Equipment that shall be worn out, lost, stolen or destroyed, which Clear Channel Equipment would have been replaced in the ordinary course of the Clear Channel Business and consistent with past practices;

(e) (i) not hire any Person or increase or otherwise change the rate or nature of the compensation (including wages, salaries and bonuses) that is paid or payable to any Person employed by the Clear Channel Station, except in the ordinary course of the Clear Channel Business and consistent with past practices or pursuant to existing compensation and fringe benefit plans, practices and arrangements that have been disclosed to the Fox Entities prior to the date of this Agreement, and except as set forth on Schedule 6.1(e), not enter into or renew any employment or consulting agreement or other contract or arrangement with respect to the performance of personal services for the Clear Channel Station; or (ii) agree or commit to do any of the foregoing;

(f) except as set forth on Schedule 6.1(f) and except with the Fox Entities' prior written consent, such consent not to be unreasonably withheld or delayed: (A) not enter into, or become obligated under, any agreement or commitment on behalf of the Clear Channel Station except for: (x) any individual Clear Channel Program Rights agreements with a term of six (6) months or less or that involve payments or receipts of \$200,000 or less, unless permitted elsewhere in this Section 6.1 and except for the Agreements set forth on Schedule 6.1(f); provided, however, that in no event may the Clear Channel Entities enter into Clear Channel Program Rights agreements that in the aggregate involve payments or receipts of \$1,000,000 or more without the Fox Entities' prior written consent; and (y) any other agreement or commitment (other than advertising sales contracts for cash only) with a term of six (6) months or less or that involve payments or receipts of \$50,000 or less; provided, however, that in no event may the Clear Channel Entities enter into such other agreements or commitments that in the aggregate involve payments or receipts of \$250,000 or more without the Fox Entities'

prior written consent; or (B) not change, amend, terminate or otherwise modify or agree or commit to change, amend, terminate or otherwise modify any Clear Channel Contract (other than advertising sales contracts for cash only) in any material respect except for those Clear Channel Contracts that terminate or expire prior to the Effective Time by their own terms; provided, however: (i) that except as set forth on Schedule 6.1(f), the Clear Channel Entities will not enter into or agree or commit to enter into any agreements or transactions on behalf of either of the Clear Channel Station with Affiliates of the Clear Channel Entities or the other Clear Channel Entities or other divisions of the Clear Channel Entities without the Fox Entities' prior written consent, such consent not to be unreasonably withheld or delayed; and (ii) the Clear Channel Station will not change, amend, terminate or otherwise modify or agree or commit to change, amend, terminate or otherwise modify its network affiliation agreement in any respect without the Fox Entities' prior written consent; and, provided further, however, that the Clear Channel Entities shall continue to make such expenditures and commitments as are consistent with past practices;

(g) not enter into or agree or commit to enter into any agreement to sell, purchase or encumber any parcel of Clear Channel Real Property;

(h) without limiting the restrictions contained in Section 6.1(f), keep the Fox Entities apprised of material developments in negotiations for existing and proposed Clear Channel Program Rights agreements and promptly provide the Fox Entities with copies of all Clear Channel Program Rights agreements affecting the Clear Channel Station;

(i) use their commercially reasonable efforts to air the advertising contemplated under any Clear Channel Tradeout Agreement to the fullest extent practicable prior to the Closing;

(j) not enter into or agree or commit to enter into any new Clear Channel Tradeout Agreement prior to Closing without the prior written consent of the Fox Entities, which consent shall not be unreasonably withheld or delayed;

(k) utilize the Clear Channel Program Rights only in the ordinary course of the Clear Channel Business and consistent with past practice and not sell or otherwise dispose of any such Clear Channel Program Rights and make payments on Clear Channel Program Rights and agreements on a basis consistent with past practice and otherwise in accordance with this Agreement;

(l) use their commercially reasonable efforts to take all appropriate, reasonable action to protect the present service areas of the Clear Channel Station from increased electrical interference from other stations, existing or proposed, and to exercise commercially reasonable efforts to maintain carriage, if any, of the Clear Channel Station's signals on Clear Channel's Market Cable System;

(m) not adopt, or agree or commit to adopt, any Clear Channel Plan or other pension, profit sharing, deferred compensation or similar plan, program or trust on

behalf of personnel of the Clear Channel Station, or modify or agree or commit to modify the existing Clear Channel Plans insofar as they relate to personnel of the Clear Channel Station, other than adoptions or modifications or agreements or commitments to make any adoptions or modifications that apply to similarly situated employees of the Clear Channel Entities;

(n) promptly notify the Fox Entities of any attempted or actual collective bargaining organizing activity with respect to any employees of the Clear Channel Station; and shall, to the extent permitted by applicable Law, refrain from entering into any collective bargaining agreement applicable to any employees of the Clear Channel Station that provides that such agreement shall be binding upon any “successor” employer of such employees;

(o) follow the Clear Channel Station’s usual and customary policy with respect to: (A) extending credit for sales of broadcast time of the Clear Channel Station; and (B) collecting accounts receivable relating to the Clear Channel Station arising from such extension of credit;

(p) (A) make commercially reasonable efforts to: (x) promote and advertise the Clear Channel Station; and (y) promote and advertise, including on-air promotion and advertising, any program that is currently airing on the Clear Channel Station, in each case consistent with past practices; and (B) make expenditures consistent with past practices, but in no event shall the Clear Channel Station reduce its respective level of such expenditures for promotion and advertising in any month below the levels of expenditures made in accordance with past practices;

(q) not make or agree or commit to make any Clear Channel Station capital expenditure greater than \$5,000 in connection with any particular project or greater than \$50,000 in total without the prior written consent of the Fox Entities, which consent shall not be unreasonably withheld or delayed;

(r) not cause or permit, or agree or commit to cause or permit, by act or failure to act, any of the Clear Channel FCC Licenses to expire or to be revoked, suspended or adversely modified, or take or fail to take, any action that would reasonably be likely to cause the FCC or any other Governmental Authority to institute proceedings for the suspension, revocation or adverse modification of any of the Clear Channel FCC Licenses; and

(s) promptly provide the Fox Entities with copies of all material correspondence with cable systems and satellite carriers concerning must carry status, retransmission consent and other material matters arising under the Cable Act and the Satellite Home Viewer Improvement Act of 1999 relating to the Clear Channel Station, and keep the Fox Entities advised of the status of material developments in all negotiations with cable systems and satellite carriers concerning such matters.

6.2 Access.

(a) From and after the date hereof, until the earlier of the termination of this Agreement in accordance with the terms of this Agreement and the Closing Date, upon reasonable prior notice to the Clear Channel Entities, the Clear Channel Entities shall give the Fox Entities and their authorized agents, officers and representatives reasonable access to the Clear Channel Station and the Clear Channel Exchanged Assets to conduct such examination and investigation, of the Clear Channel Station and the Clear Channel Exchanged Assets as the Fox Entities reasonably request, provided, however, that such examinations shall be during normal business hours, shall be on reasonable advance notice, shall not unreasonably interfere with the Clear Channel Station's operations and activities and shall not be in violation of Section 7.3 hereof concerning "control." Notwithstanding the foregoing, the Fox Entities shall not have access to personnel records of the Clear Channel Entities relating to individual performance or evaluation records, medical histories or other information that in the Clear Channel Entities' good faith opinion is sensitive or the disclosure of which could subject the Clear Channel Entities to risk of liability.

(b) From the Closing Date and for a period of three (3) years thereafter, the Clear Channel Entities will afford, upon reasonable prior notice, the Fox Entities and their authorized agents, officers and representatives reasonable access to its properties, books, records, employees and auditors relating to the Fox Stations to the extent reasonably necessary to permit the Fox Entities to determine any matter relating to their rights and obligations hereunder or with respect to any matter relating to any time prior to the consummation of the Closing; provided that such examinations shall be during normal business hours, shall be on reasonable advance notice and shall not unreasonably interfere with the Fox Stations' operations and activities. For a period of three (3) years after the Closing Date, if Clear Channel shall desire to dispose of any books and records relating to the Fox Stations attributable to any period prior to the Closing Date, Clear Channel shall, prior to such disposition, give Fox a reasonable opportunity, at Fox's expense, to segregate and remove such books and records as Fox may select. Fox will hold, and will cause its authorized agents, officers and representatives to hold, in confidence, unless compelled to disclose by judicial or administrative process or by other requirements of Law, all confidential documents and information concerning the Clear Channel Entities or the Fox Businesses provided to it or them pursuant to this Section 6.2(b).

6.3 *Title Insurance and Surveys.* From and after the date hereof, until the earlier of the termination of this Agreement in accordance with the terms of this Agreement and the Closing Date, the Clear Channel Entities shall cooperate with Fox (provided that the Clear Channel Entities shall not be required to pay any consideration to Fox or any third party) so that Fox can promptly obtain the following (it being understood that the failure to obtain such title insurance or surveys shall not constitute a failure to satisfy the conditions to the Fox Entities' obligations to consummate the transactions contemplated hereby):

(a) With respect to the Clear Channel Real Property, preliminary reports on title covering a date subsequent to the date of this Agreement, issued by the Fox Title Company, which preliminary reports shall contain commitments (the "Clear Channel Title Commitments") of the Fox Title Company to issue an ALTA title

insurance policy or policies (the “Clear Channel Title Policy”) insuring the interests of Fox in each parcel of the Clear Channel Real Property. The Clear Channel Title Commitments shall be subject only to Fox Permitted Liens. The Clear Channel Entities shall cooperate in endeavoring to delete all standard exceptions from the Clear Channel Title Policy.

(b) Surveys of the Clear Channel Real Property as of a date subsequent to the date of this Agreement that shall reflect: (A) no material encroachments upon each such parcel or adjoining parcels by buildings, structures or improvements that could reasonably prevent the use of each such parcel of Clear Channel Real Property for the purpose for which it is currently used; and (B) access to each such parcel from a public street or indirect access to a public street over recorded easements.

(c) The expenses incurred in connection with the fulfillment of the obligations referred to in Sections 6.3(a) and 6.3(b) shall be paid by the Fox Entities.

6.4 *Financial and FCC Reports.* Within thirty (30) days after the end of each month following the date of this Agreement until the earlier of the termination of this Agreement in accordance with its terms and the Closing Date, the Clear Channel Entities will furnish Fox with a copy of the monthly unaudited financial reports for the Clear Channel Station (including balance sheet and income and cash flow statements) for each such month and the fiscal year to the end of such month) and will furnish to Fox within ten (10) days after filing all reports filed with the FCC with respect to either of the Clear Channel Station that are filed between the date of this Agreement and the Closing Date. All of the foregoing financial statements shall comply with the requirements concerning financial statements set forth in Section 4.11.

6.5 *Public Notice of Clear Channel FCC Licenses Assignments.* The Clear Channel Entities shall publish and broadcast a public notice concerning the filing of the application for assignment of the Clear Channel FCC Licenses in accordance with the requirements of Section 73.3580 of the FCC’s Rules.

6.6 *Employees.* Clear Channel will deliver to Fox an updated list, dated as of a date no more than five (5) days prior to the Closing Date, of all individuals employed by the Clear Channel Station, including the names, date of hire, current rate of compensation, employment status (*i.e.*, active, disabled, on leave and reason therefor), department, title, and whether full time or part time.

ARTICLE VII. COVENANTS OF THE FOX ENTITIES AND THE CLEAR CHANNEL ENTITIES

7.1 *Efforts.*

(a) Without limiting the specific obligations of any party hereto under any agreement or covenant hereunder, each party hereto shall use its commercially reasonable efforts to promptly take, or cause to be taken, all action and do, or cause to be done, all things necessary or desirable in order to consummate the transactions contemplated by this Agreement, including, without limitation, satisfaction, but not waiver, of the closing conditions set forth in Article VIII. In furtherance and not in

limitation of the foregoing, the Fox Entities and the Clear Channel Entities each agree to make appropriate filings pursuant to applicable Antitrust Laws, including a Notification and Report Form pursuant to the HSR Act with respect to the transactions contemplated hereby within fifteen (15) Business Days after the date of this Agreement, and to supply as promptly as practicable any additional information and documentary material that may be requested pursuant to the HSR Act and to take all other commercially reasonable actions necessary to cause the expiration or termination of the applicable waiting periods under the HSR Act as soon as practicable; provided, that notwithstanding anything to the contrary contained in this Agreement, except as set forth on Schedule 7.1(a) and in the Final Judgment and Hold Separate Order, a party's commercially reasonable efforts hereunder shall not require such party to, and the Clear Channel Entities, the Fox Entities or any of their respective Affiliates shall not be required to, sell or otherwise dispose of, hold separate (through the establishment of a trust or otherwise), divest itself of, or limit the ownership or operations of all or any portion of their respective businesses, assets or operations; provided further, however, that Clear Channel shall exercise its commercially reasonable efforts to divest itself of the assets set forth on Schedule 7.1(a) as promptly as practicable after the date of this Agreement. The parties hereto will not take any intentional action that would reasonably be expected to have the effect of delaying, impairing or impeding the receipt of any required approval. Clear Channel and Fox shall each pay one-half (1/2) of all HSR Act filing fees relating to the transactions contemplated hereby, irrespective of whether the transactions contemplated by this Agreement are consummated.

(b) In connection with the efforts referenced in Section 7.1(a) to obtain all requisite approvals and authorizations for the transactions contemplated by this Agreement under the HSR Act or any other Antitrust Law, each of the Fox Entities and the Clear Channel Entities shall use all commercially reasonable efforts to: (A) cooperate in all respects with each other in connection with any filing or submission and in connection with any investigation or other inquiry, including any proceeding initiated by a private party; (B) keep the other party informed in all material respects of any material communication received by such party from, or given by such party to, the Federal Trade Commission (the "FTC"), the Antitrust Division of the DOJ or any other Governmental Authority and of any material communication received or given in connection with any proceeding by a private party; and (C) except as otherwise prohibited by law, permit the other party to review any material communication given by it to, and consult with each other in advance of and be permitted to attend any meeting or conference with, the FTC, the DOJ or any such other Governmental Authority or, in connection with any proceeding by a private party, with any other Person, in each case regarding any of the transactions contemplated by this Agreement.

(c) The parties shall use their commercially reasonable efforts to cooperate and do all things necessary or reasonably appropriate in a timely manner to facilitate receipt of the approval of the DOJ under the Final Judgment for the sale of KTVX by Fox to Clear Channel pursuant to this Agreement; provided, that notwithstanding anything to the contrary contained in this Agreement, except as set forth on Schedule 7.1(a) and in the Final Judgment and Hold Separate Order, none of the Clear Channel Entities, the Fox Entities nor any of their respective Affiliates shall be required

to sell or otherwise dispose of, hold separate (through the establishment of a trust or otherwise), divest itself of, or limit the ownership or operations of all or any portion of their respective businesses, assets or operations (except as set forth in the final proviso to Section 7.1(a)).

7.2 FCC Consent; Waiver Regarding KFTC.

(a) The Clear Channel Entities and the Fox Entities shall prepare and file with the FCC as soon as practicable but in no event later than five (5) Business Days after the execution of this Agreement, the requisite applications (the “FCC Applications”) and other necessary instruments or documents requesting the FCC Consent. After such applications and documents have been filed with the FCC, the Clear Channel Entities and the Fox Entities shall prosecute such applications with all reasonable diligence to obtain the requisite FCC Consent; provided, however, except as provided in the following sentence, none of the Clear Channel Entities nor the Fox Entities shall be required to pay consideration to any third party to obtain the FCC Consent. Clear Channel and FTS shall each pay one-half of the FCC filing fees relating to the transactions contemplated hereby. Each party shall notify the other parties hereto in the event it becomes aware of any other facts, actions, communications, or occurrences that might directly or indirectly prevent or delay prompt FCC approval of the transactions contemplated by this Agreement. The Clear Channel Entities and Fox Entities each shall oppose any petitions to deny or other objections filed with respect to the FCC Applications.

(b) In connection with the efforts referenced in Section 7.2(a) to obtain all requisite approvals and authorizations for the transactions contemplated by this Agreement with respect to the FCC Consent, each of the Fox Entities and the Clear Channel Entities shall use its commercially reasonable efforts to: (A) cooperate in all respects with each other in connection with any filing or submission and in connection with any investigation or other inquiry, including any proceeding initiated by a private party; (B) keep the other party informed in all material respects of any material communication received by such party from, or given by such party to, the FCC or any other Governmental Authority and of any material communication received or given in connection with any proceeding by a private party; and (C) except as otherwise prohibited by law, permit the other party to review any material communication given by it to, and consult with each other in advance of and be permitted to attend any meeting or conference with, the FCC or any such other Governmental Authority or, in connection with any proceeding by a private party, with any other Person, in each case regarding any of the transactions contemplated by this Agreement.

(c) If the waiver of Section 73.1125 of the FCC's rules authorizing KFTC to co-locate its main studio with the main studio of WFTC in Minneapolis, Minnesota (which waiver was granted by letter dated June 3, 1999) will expire or terminate prior to the Closing or within thirty (30) days thereafter, then, prior to the Closing, Clear Channel shall (subject to Section 6.1) establish KFTC's main studio in Bemidji, Minnesota in compliance with Section 73.1125 of the FCC rules.

7.3 *Control Prior to and Post-Closing.* Between the date of this Agreement and the Closing Date, the Clear Channel Entities shall not directly or indirectly control, supervise or direct, or attempt to control, supervise or direct the operation of the Fox Stations, and the Fox Entities shall not directly or indirectly control, supervise or direct, or attempt to control, supervise or direct the operation of the Clear Channel Station. Such operation, including complete control and supervision of all programs, employees and policies of the Fox Stations and the Clear Channel Station, shall be the sole responsibility of the Fox Entities and the Clear Channel Entities, respectively. Neither title nor right to possession of the Fox Stations or the Clear Channel Station shall pass to Clear Channel or Fox, as the case may be, until the consummation of the Closing. From and after the Closing: (i) the Fox Entities shall not have any right to control the Fox Stations and the Clear Channel Entities shall not have any right to control the Clear Channel Station; and (ii) the Fox Entities shall not have any reversionary rights in the Fox Stations and the Clear Channel Entities shall not have any reversionary rights in the Clear Channel Station. The parties acknowledge and agree that this Agreement and, without limitation, the covenants of Articles V and VI, are not intended to and shall not be construed to transfer control by the covenanting party to the parties intended to benefit from such covenants.

7.4 *Certain Filings; Further Actions.* The Clear Channel Entities and the Fox Entities shall cooperate with one another: (A) in determining whether any action by or in respect of, or filing with, any Governmental Authority is required or any actions, consents, approvals or waivers are required to be obtained from parties to any material contracts, in each case in connection with the consummation of the transactions contemplated by this Agreement; and (B) in taking such actions or making any such filings, furnishing information required in connection therewith and seeking timely to obtain any such actions, consents, approvals or waivers.

7.5 *Public Announcement.* The parties hereto will jointly prepare the first announcement relating to this Agreement and the transactions contemplated hereby. Following such first public announcement, the parties agree to consult with each other before issuing any subsequent press release or making any subsequent public announcement with respect to this Agreement or the transactions contemplated hereby, other than any press releases or public statements the making of which may be required by applicable Law, including any applicable stock exchange rules.

7.6 *Insurance.*

(a) Effective 2:01 A.M. New York City time on the Closing Date, the Clear Channel Exchanged Assets shall cease to be insured by Clear Channel or its Affiliates' insurance policies. With respect to insurance coverage that relates to any of the Clear Channel Exchanged Assets written on an "occurrence basis," the Clear Channel Entities and their Affiliates will have no liability for occurrences that take place on and after 2:01 A.M. New York City time on the Closing Date. With respect to insurance coverage that relates to any of the Clear Channel Exchanged Assets written on a "claims made basis," the Clear Channel Entities and their Affiliates will have no liability for claims made after 2:01 A.M. New York City time on the Closing Date.

(b) Effective 2:01 A.M. New York City time on the Closing Date, the Fox Exchanged Assets shall cease to be insured by Fox or its Affiliates' insurance

policies. With respect to insurance coverage that relates to any of the Fox Exchanged Assets written on an “occurrence basis,” the Fox Entities and their Affiliates will have no liability for occurrences that take place on and after 2:01 A.M. New York City time on the Closing Date. With respect to insurance coverage that relates to any of the Fox Exchanged Assets written on a “claims made basis,” the Fox Entities and their Affiliates will have no liability for claims made after 2:01 A.M. New York City time on the Closing Date.

7.7 Notice of Adverse Changes. The Fox Entities, on the one hand, and the Clear Channel Entities, on the other, each shall, without limiting its rights to rely on the representations and warranties made to it in this Agreement or any certificate delivered pursuant to this Agreement, and without limiting its rights and remedies hereunder, promptly notify the other of:

(a) any notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement;

(b) in the case of the Fox Entities, any Action commenced or, to the Fox Entities’ Knowledge, threatened against the Fox Businesses, including any Action that involves any of the Fox FCC Licenses, that if pending on the date of this Agreement, would have been required to have been disclosed pursuant to Section 3.13(a) or that relate to the consummation of the transactions contemplated by this Agreement;

(c) in the case of the Fox Entities, any material labor grievance, controversy, organizing attempts, strike, or dispute affecting the Fox Businesses;

(d) in the case of the Fox Entities, any damage to or malfunction of any Fox Equipment that results in the disruption of broadcasting by the Fox Stations in any portion of its DMA for any period of time.

(e) in the case of the Fox Entities, any other material adverse development with respect to the Fox Businesses that would, individually or in the aggregate, reasonably be likely to have a Fox Material Adverse Effect;

(f) in the case of the Clear Channel Entities, any Action commenced or, to the Clear Channel Entities’ Knowledge, threatened against the Clear Channel Business, including any Action that involves any of the Clear Channel FCC Licenses, that if pending on the date of this Agreement, would have been required to have been disclosed pursuant to Section 4.13(a) or that relate to the consummation of the transactions contemplated by this Agreement;

(g) in the case of the Clear Channel Entities, any material labor grievance, controversy, organizing attempts, strike, or dispute affecting the Clear Channel Business;

(h) in the case of the Clear Channel Entities, any damage to or malfunction of any Clear Channel Equipment that results in the disruption of broadcasting by any Clear Channel Station in any portion of its DMA for any period of time; or

(i) in the case of the Clear Channel Entities, any other material adverse developments with respect to the Clear Channel Business that would, individually or in the aggregate, reasonably be likely to have a Clear Channel Material Adverse Effect.

7.8 *Capital Expenditures.* Notwithstanding anything in this Agreement to the contrary, (i) Fox shall pay and be responsible for making capital expenditures in the aggregate amount of \$1,072,746 during the third and fourth fiscal quarters of 2001 for KMOL as contemplated by the DTV Project budget for KMOL dated 7/02/01 that was heretofore made available to Clear Channel, less any of those capital expenditures previously paid (and such obligations shall constitute Fox Retained Liabilities and shall be excluded from the net working capital statements of Fox under Section 2.5) and (ii) Clear Channel shall pay and be responsible for making its budgeted capital expenditures in the aggregate amount of \$580,920 in the third and fourth fiscal quarters of 2001 for the Clear Channel Station, less any of those capital expenditures previously paid (and such obligations shall constitute Clear Channel Retained Liabilities and shall be excluded from the net working capital statements of Clear Channel under Section 2.5).

ARTICLE VIII. CONDITIONS TO CLOSING

8.1 *Conditions to Obligations of the Fox Entities and the Clear Channel Entities.* The obligations of the Fox Entities and the Clear Channel Entities to consummate the Closing are subject to the satisfaction or waiver of the following conditions:

(a) Any applicable waiting period, including any extensions thereof, clearance, approval or filing under the HSR Act or under any other Antitrust Law or regulation relating to the transactions contemplated hereby shall have expired or been terminated or shall have been obtained or made.

(b) No provision of any applicable Law and no judgment, injunction or decree of any Governmental Authority shall be in effect that restrains or materially and adversely affects the transactions contemplated by this Agreement or shall be likely to prohibit the consummation of the Closing.

(c) There shall not be instituted and pending any Action challenging or seeking to restrain, prohibit or otherwise materially interfere with the consummation of the transactions contemplated hereby.

(d) The Fox Entities shall have received approval of the DOJ under the Final Judgment for the sale of KTVX to Clear Channel as contemplated by this Agreement and Clear Channel shall have consummated the sale of the AM radio station set forth on Schedule 7.1(a) (unless the consummation of such sale is not required for Clear Channel to obtain the FCC Consents that are necessary for Clear Channel to consummate the Closing under this Agreement).

8.2 *Conditions to Obligations of the Clear Channel Entities.* The obligation of the Clear Channel Entities to consummate the Closing is subject to the satisfaction or waiver of the following conditions:

(a) Representations and Warranties.

(i) The representations and warranties made by the Fox Entities in this Agreement shall be true and correct in all material respects at and as of the Closing Date (except for changes permitted or contemplated by this Agreement) provided, however, that representations and warranties that by their terms speak as of the date of this Agreement or some other date need be true and correct in all material respects only as of such specified date; further provided, however, if any such representation or warranty is already qualified by materiality or Fox Material Adverse Effect, for purposes of determining whether this condition has been satisfied, such representation or warranty as so qualified must be true and correct in all respects.

(ii) The Fox Entities shall have performed and complied in all material respects all of their respective obligations under this Agreement required to be performed or complied with by them on or prior to the Closing Date.

(iii) The Fox Entities shall have delivered to the Clear Channel Entities a certificate dated as of the Closing Date and signed by a senior executive officer of each of the Fox Entities to the effect set forth in Sections 8.2(a)(i) and 8.2(a)(ii).

(b) The consents to the assignment of the agreements set forth on Schedule 8.2(b) shall have been obtained.

(c) The Fox Entities shall deliver to Clear Channel at the Closing such other documents as shall be reasonably necessary to transfer to Clear Channel the Fox Exchanged Assets and to assume the Clear Channel Assumed Liabilities as contemplated by this Agreement.

(d) The Clear Channel Entities shall have received certified copies of all the respective actions taken by the Fox Entities authorizing and approving the execution and delivery of this Agreement, all other documents and instruments required hereby and the consummation of the transactions contemplated hereunder and thereunder.

(e) Each FCC Consent shall have been issued, and shall contain no provision materially adverse to any Clear Channel Entity or the Fox Stations; provided, that the parties understand and agree that the obligation of the Clear Channel Entities to consummate the transactions contemplated by this Agreement is not subject to the condition that each FCC Consent shall have become a Final Order.

8.3 *Conditions to Obligations of the Fox Entities.* The obligation of the Fox Entities to consummate the Closing are subject to the satisfaction or waiver of the following conditions:

(a) Representations and Warranties.

(i) The representations and warranties made by the Clear Channel Entities in this Agreement shall be true and correct in all material respects at and as of the Closing Date (except for changes permitted or contemplated by this Agreement) provided, however, that representations and warranties that by their terms speak as of the date of this Agreement or some other date need be true and correct in all material respects only as of such specified date; further provided, however, if any such representation or warranty is already qualified by materiality or Clear Channel Material Adverse Effect, for purposes of determining whether this condition has been satisfied, such representation or warranty as so qualified must be true and correct in all respects.

(ii) The Clear Channel Entities shall have performed and complied in all material respects all of their respective obligations under this Agreement required to be performed or complied with by them on or prior to the Closing Date.

(iii) The Clear Channel Entities shall have delivered to the Fox Entities a certificate dated as of the Closing Date and signed by a senior executive officer of each of such Clear Channel Entities to the effect set forth in Sections 8.3(a)(i) and 8.3(a)(ii).

(b) The consents to the assignment of the agreements set forth on Schedule 8.3(b) shall have been obtained.

(c) The Clear Channel Entities shall deliver to Fox at the Closing such other documents as shall be reasonably necessary to transfer to Fox the Clear Channel Exchanged Assets and to assume the Fox Assumed Liabilities as contemplated by this Agreement.

(d) The Fox Entities shall have received certified copies of all the respective actions taken by the Clear Channel Entities authorizing and approving the execution and delivery of this Agreement, all other documents and instruments required hereby and the consummation of the transactions contemplated hereunder and thereunder.

(e) Each FCC Consent shall have been issued, and shall contain no provision materially adverse to any Fox Entity or the Clear Channel Station; provided that the parties understand and agree that the obligation of the Fox Entities to consummate the transactions contemplated by this Agreement is not subject to the condition that each FCC Consent shall have become a Final Order.

ARTICLE IX.
INDEMNIFICATION

9.1 *Indemnification by the Fox Entities.*

(a) After Closing and subject to Section 11.4 hereof and the other applicable provisions of this Agreement, the Fox Entities hereby agree to jointly and severally indemnify and hold the Clear Channel Entities and their Affiliates and their respective employees, officers and directors (collectively, the “Clear Channel Indemnified Parties”) harmless from and against, and agree promptly to defend any Clear Channel Indemnified Party from and reimburse any Clear Channel Indemnified Party for, any and all losses, damages, costs, expenses, liabilities, obligations and claims of any kind (including, without limitation, any Action or other proceeding brought by any Person and including reasonable attorneys’ fees and other legal costs and expenses reasonably incurred) (collectively “Losses”) that any Clear Channel Indemnified Party may at any time suffer or incur, or become subject to, as a result of or in connection with:

(i) any breach or inaccuracy as of the Closing Date of any of the representations or warranties made by the Fox Entities in or pursuant to this Agreement, or in any certificate delivered by any Fox Entity at the Closing in accordance herewith (any such breach or inaccuracy to be determined without regard to any materiality or Fox Material Adverse Effect qualification in any such representation or warranty); provided, however, that the Fox Entities shall not be required to indemnify and hold harmless any Clear Channel Indemnified Party for a breach or inaccuracy of the representations and warranties as set forth in the succeeding list unless the Fox Entities had Knowledge of any fact or circumstance that would make such representation or warranty not true and correct as of the Closing Date (each such breach or inaccuracy of a representation or warranty referred to in this Section 9.1(a)(i), a “Fox Warranty Breach”):

(1) Section 3.4(d); (2) Section 3.5(a), except, with respect to Section 3.5(a)(ii), regarding any Fox Contract that involves payments or receipts of \$500,000 or more; (3) Sections 3.5(b) through 3.5(i); (4) Section 3.6; (5) Sections 3.12(d) through (g), in each case only insofar as it relates to matters arising up to but not including the date of the Chris-Craft Closing; (6) Section 3.13(c) insofar as it relates to matters arising up to but not including the date of the Chris-Craft Closing; (7) Section 3.14(c), insofar as it relates to matters arising up to but not including the date of the Chris-Craft Closing; (8) Section 3.18, except as it relates to the United Special Severance Plan; and (9) Section 3.19;

(ii) any failure by any Fox Entity to carry out, perform, satisfy and discharge any of its respective covenants, agreements, undertakings, liabilities or obligations under this Agreement or under any of the documents and/or other instruments delivered by any Fox Entity pursuant to this Agreement;

- (iii) the Fox Retained Liabilities;
- (iv) the Clear Channel Assumed Liabilities; or

(v) the failure by the Fox Entities to comply with any provision of applicable bulk sales or similar Laws in connection with the exchange of the Fox Exchanged Assets contemplated hereby.

(b) Notwithstanding any other provision to the contrary, the Fox Entities shall not be required to indemnify and hold harmless any Clear Channel Indemnified Party pursuant to Section 9.1(a)(i) and, insofar as such indemnity relates to a breach by the Fox Entities of the Fox Interim Covenants, Section 9.1(a)(ii) and Section 9.1(a)(v): (i) unless with respect to any of the foregoing the Clear Channel Entities have asserted a claim with respect to such matters within the applicable survival period set forth in Section 11.4 hereof; and (ii) until the aggregate amount of the Clear Channel Indemnified Parties' Losses that are indemnified hereunder exceed \$500,000 and then all such Losses (and not only to the extent of such Losses in excess of such amount); provided, however, that the cumulative indemnification obligation of the Fox Entities under this Article IX shall in no event exceed \$45,000,000. Notwithstanding anything herein to the contrary, the limitations of this Section 9.1(b) shall not apply to any breach or inaccuracy as of the Closing Date of any of the representations or warranties made by the Fox Entities in or pursuant to Sections 3.7, 3.16 or 3.21 or in any instrument or certificate delivered by a Fox Entity hereunder concerning such representations and warranties.

9.2 *Indemnification by the Clear Channel Entities.*

(a) After Closing and subject to Section 11.4 hereof and the other applicable provisions of this Agreement, the Clear Channel Entities hereby agree to jointly and severally indemnify and hold the Fox Entities and their Affiliates and their respective employees, officers and directors (collectively, the "Fox Indemnified Parties") harmless from and against, and agree promptly to defend any Fox Indemnified Party from and reimburse any Fox Indemnified Party for, any and all Losses that any Fox Indemnified Party may at any time suffer or incur, or become subject to, as a result of or in connection with:

(i) any breach or inaccuracy as of the Closing Date of any of the representations or warranties made by the Clear Channel Entities in or pursuant to this Agreement, or in any instrument or certificate delivered by any Clear Channel Entity at the Closing in accordance herewith (any such breach or inaccuracy to be determined without regard to any materiality or Clear Channel Material Adverse Effect qualification in any such representation or warranty); provided, however, that the Clear Channel Entities shall not be required to indemnify and hold harmless any Fox Indemnified Party for a breach or inaccuracy of the representations and warranties as set forth in the succeeding list unless the Clear Channel Entities had Knowledge of any fact or circumstance that would make such representation or warranty not true and correct as of the Closing Date (each

such breach or inaccuracy of a representation or warranty referred to in this Section 9.2(a)(i), a “Clear Channel Warranty Breach”):

(1) Section 4.4(d); (2) Section 4.5(a), except, with respect to Section 4.5(a)(ii), regarding any Clear Channel Contract that involves payments or receipts of \$500,000 or more; (3) Sections 4.5(b) through 4.5(i); (4) Section 4.6; (5) Sections 4.12(b) and Sections 4.12(d) through (g), in each case only insofar as it relates to matters arising up to but not including the date of the Chris-Craft Closing; (6) Section 4.13(c), insofar as it relates to matters arising up to but not including the date of the Chris-Craft Closing; (7) Section 4.14(c), insofar as it relates to matters arising up to but not including the date of the Chris-Craft Closing; (8) Section 4.18 ; and (9) Section 4.19;

(ii) any failure by any Clear Channel Entity to carry out, perform, satisfy and discharge any of its respective covenants, agreements, undertakings, liabilities or obligations under this Agreement or under any of the documents and/or other instruments delivered by any Clear Channel Entity pursuant to this Agreement;

(iii) the Clear Channel Retained Liabilities;

(iv) the Fox Assumed Liabilities; or

(v) the failure by the Clear Channel Entities to comply with any provision of applicable bulk sales or similar Laws in connection with the exchange of the Clear Channel Exchanged Assets contemplated hereby.

(b) Notwithstanding any other provision to the contrary, the Clear Channel Entities shall not be required to indemnify and hold harmless any Fox Indemnified Party pursuant to Section 9.2(a)(i) and, insofar as such indemnity relates to a breach by the Clear Channel Entities of the Clear Channel Interim Covenants, Section 9.2(a)(ii) and Section 9.2(a)(v): (i) unless with respect to any of the foregoing the Fox Entities have asserted a claim with respect to such matters within the applicable survival period set forth in Section 11.4 hereof; and (ii) until the aggregate amount of the Fox Indemnified Parties’ Losses that are indemnified hereunder exceed \$500,000 and then all such Losses (and not only to the extent of such Losses in excess of such amount); provided, however, that the cumulative indemnification obligation of the Clear Channel Entities under this Article IX shall in no event exceed \$45,000,000. Notwithstanding anything herein to the contrary, the limitations of this Section 9.2(b) shall not apply to any breach or inaccuracy as of the Closing Date of any of the representations or warranties made by the Clear Channel Entities in or pursuant to Sections 4.7, 4.16 or 4.21 or in any instrument or certificate delivered by a Clear Channel Entity hereunder concerning such representations and warranties.

9.3 *Notification of Claims*

(a) Any party entitled to be indemnified pursuant to Section 9.1 or 9.2 (the “Indemnified Party”) shall promptly notify the parties liable for such indemnification (the “Indemnifying Party”) in writing of any claim or demand that the Indemnified Party has determined has given or could give rise to a right of indemnification under this Agreement; provided, however, no delay or failure in giving notice of any claim or demand shall relieve the Indemnifying Party of any liability or obligation hereunder except to the extent of any Losses caused by or arising out of such delay or failure. Subject to the Indemnifying Party’s right to defend in good faith third party claims as hereinafter provided, the Indemnifying Party shall satisfy its obligations under this Article IX within thirty (30) days after the receipt of written notice thereof from the Indemnified Party.

(b) If the Indemnified Party shall notify the Indemnifying Party of any claim or demand pursuant to Section 9.3(a), and if such claim or demand relates to a claim or demand asserted by a third party against the Indemnified Party that the Indemnifying Party acknowledges is a claim or demand for which it must indemnify or hold harmless the Indemnified Party under Section 9.1 or 9.2, the Indemnifying Party shall have the right to employ counsel reasonably acceptable to the Indemnified Party to defend any such claim or demand asserted against the Indemnified Party. The Indemnified Party shall have the right to participate in the defense of any such claim or demand at its own expense. The Indemnifying Party shall notify the Indemnified Party in writing, as promptly as possible (but in any case before the due date for the answer or response to a claim) after the date of the notice of claim given by the Indemnified Party to the Indemnifying Party under Section 9.3(a) of its election to defend in good faith any such third party claim or demand. The Indemnified Party shall not settle or compromise any such claim or demand asserted by a third party against the Indemnified Party unless the Indemnifying Party is not defending in good faith any such claim or demand. The Indemnifying Party shall keep the Indemnified Party advised of all material events with respect to any such third party claim. The Indemnifying Party shall obtain the prior written approval of the Indemnified Party before ceasing to defend against such third party claim or entering into any settlement, adjustment or compromise of such third party claim involving injunctive or similar equitable relief being asserted against any Indemnified Party or any of its Affiliates. Whether or not the Indemnifying Party elects to defend any such claim or demand, the Indemnified Party shall have no obligations to do so. The Indemnifying Party shall not settle or compromise any such claim or demand, unless the Indemnified Party is given a full and complete release of any and all liability by all relevant parties relating thereto. In connection with any defense of any third party claim (whether by the Indemnifying Parties or the Indemnified Parties), all of the parties shall, and shall cause their Affiliates to, cooperate in the defense or prosecution thereof and to in good faith retain and furnish such records, materials, information and testimony, and attend such conferences, discovery proceedings, hearings, trials and appeals, as may be reasonably requested by a party in connection therewith.

9.4 *No Consequential Damages.* Notwithstanding any other provision in the Agreement, as to any claims between the Clear Channel Indemnified Parties, on the one hand, and the Fox Indemnified Parties, on the other hand, with respect to breaches by a party of this Agreement or the transactions contemplated hereby, Losses of a party shall not include, and no

party shall be entitled to be indemnified or to make any claim for breaches by a party of this Agreement for, any indirect or consequential damages.

9.5 *Exclusive Remedies.* The Fox Entities and the Clear Channel Entities acknowledge and agree that after Closing the indemnification provisions of Sections 9.1 and 9.2 shall be the sole and exclusive remedies of the Fox Entities and the Clear Channel Entities for any breach of the representations or warranties of the Fox Entities or the Clear Channel Entities contained in this Agreement or any other agreement or instrument delivered pursuant hereto, except for the remedies provided in Sections 10.5, 10.6 and 11.17.

9.6 *Commercially Reasonable Efforts.* Each party shall use its commercially reasonable efforts to mitigate any and all Losses suffered, incurred or sustained by such party arising out of, attributable to or resulting from any breach or inaccuracy as of the Closing Date of any representations and warranties made in or pursuant to this Agreement, or in any instrument or covenant or agreement of the other party hereto, upon such party's discovery of such inaccuracy or breach by the other party.

ARTICLE X. FURTHER AGREEMENTS

10.1 *Taxes.* All federal, state, local and other transfer, sales and use Taxes applicable to, imposed upon or arising out of the transfer to Clear Channel of the Fox Exchanged Assets or to Fox of the Clear Channel Exchanged Assets as contemplated by this Agreement shall be shared equally by Clear Channel and Fox; provided, however, if the exchange contemplated hereby is consummated, all state, tangible, personal, real property and similar taxes relating to the calendar year in which the Closing occurs shall be pro rated between the parties hereto through the Effective Time, with the transferring party responsible for all such taxes on the property such party is transferring until the Effective Time and the receiving party being responsible for all such taxes after the Effective Time.

10.2 *Clear Channel Employee Benefit Matters.*

(a) This Section 10.2 contains the covenants and agreements of the parties with respect to: (i) the status of employment of the employees of the Clear Channel Entities employed in the Clear Channel Business upon the consummation of the Closing and contained on the list delivered by Clear Channel to Fox pursuant to Section 6.6 ("Clear Channel Employees"); and (ii) the employee benefits and employee benefit plans provided or covering such Clear Channel Employees and former employees of the Clear Channel Entities who terminated employment with the Clear Channel Entities while employed in the Clear Channel Business or who retired from the Clear Channel Business ("Former Clear Channel Employees"). Nothing herein expressed or implied confers upon any Clear Channel Employee or Former Clear Channel Employee of the Clear Channel Entities any rights or remedies of any nature or kind whatsoever under or by reason of this Section 10.2. This Section 10.2 applies only to Clear Channel Employees and Former Clear Channel Employees employed or previously employed by the Clear Channel Station.

(b) Employment.

(i) Fox shall offer employment effective as of the Effective Time to all Clear Channel Employees who are: (x) actively at work for Clear Channel as of the Effective Time or who are not actively at work due solely to vacation (“Active Clear Channel Employees”); or (y) not actively at work as of the Effective Time due solely to an authorized leave of absence, sick leave, short or long-term disability leave, military leave or layoff with recall rights and who returns to active employment immediately following such absence and within 180 days of the Closing Date or such later date as required under applicable law (“Inactive Clear Channel Employees”). The period of such employment shall, in the case of Active Clear Channel Employees, begin as of the Effective Time and, in the case of Inactive Clear Channel Employees who accept Fox’s offer of employment, on the date that they first commence active employment with Fox. For purposes of this Agreement, Active Clear Channel Employees and Inactive Clear Channel Employees who accept Fox’s offer of employment and who become employees of Fox shall be referred to herein collectively as the “Clear Channel Transferred Employees”. The employment offered to Clear Channel Transferred Employees under this paragraph shall, for a given employee, be for a position with similar job requirements and responsibilities, the same salary or wages, and benefits that in the aggregate are of a comparable value to the benefits provided to similarly situated non-union employees of the Fox Entities, subject to any enrollment periods, exclusions or limitations as are generally applied by the Fox Entities and/or the pertinent employee benefit plan, subject to the right of Fox to terminate the employment of such employees within such six month period pursuant to Subsection 10.2(b)(ii).

(ii) Fox shall provide severance benefits to any Clear Channel Transferred Employees terminated by Fox for any reason, other than cause, within one year of the Closing Date in an amount equal to two weeks of their salary on the date of termination per year employed for Clear Channel Transferred Employees with five years or less of continuous employment and in an amount equal to one month of their salary on the date of termination per year employed for Clear Channel Transferred Employees with more than five years of continuous employment (up to a severance benefit equal to twelve months salary), which shall constitute a Clear Channel Assumed Liability. Prior service of the Clear Channel Transferred Employees with both the Clear Channel Entities and Fox shall be taken into account in computing continuous employment.

(iii) The Clear Channel Entities agree to use commercially reasonable efforts to facilitate the transition of Clear Channel Employees to employment with Fox as of the Effective Time. Such commercially reasonable efforts shall include affording the Fox Entities reasonable opportunities prior to the Effective Time to review employment and personnel records of the Clear Channel Employees, as permitted by law (other than medical records), to discuss with Clear Channel Employees terms and conditions of employment with Fox as of the Effective

Time and to distribute to Clear Channel Employees forms and documents relating to employment with Fox.

(iv) Except to the extent prohibited by Law, after the Closing the Clear Channel Business shall deliver to Fox originals or copies of all personnel files and records (including medical records, if any, but excluding benefit plan records) relating to the Clear Channel Transferred Employees and the Clear Channel Business shall have reasonable continuing access to such files and records thereafter.

(v) The Fox Entities shall be responsible for, and shall indemnify and hold harmless the Clear Channel Entities against, any liability, claim or obligation (including reasonable attorney's fees) relating to or arising out of the employment or termination of employment by the Fox Entities of Clear Channel Transferred Employees, including claims for a Severance Benefit under the severance plan sponsored by the Fox Entities, on and after the Effective Time.

(c) Pension Plans. **[Omitted]**

(d) Savings Plans. The Fox Entities shall cause one or more tax-qualified defined contribution plans established or maintained by the Fox Entities ("Fox Savings Plans") to accept rollover contributions from Clear Channel Transferred Employees of any account balances distributed to them by the Clear Channel Communications, Inc. 401(k) Savings Plan. The distribution and rollover described herein shall comply with applicable Law, and each party shall make all filings and take any actions required of such party by applicable Law in connection therewith. The Fox Savings Plan and the Fox Pension Plan shall credit Clear Channel Transferred Employees with service credit for eligibility and vesting purposes for service recognized for the equivalent purposes under the Clear Channel Savings Plan.

(e) Employee Welfare Plans. The Clear Channel Entities shall be responsible for: (x) claims for medical and dental benefits, disability benefits, life insurance benefits and workers compensation that are incurred prior to the Effective Time by Active Clear Channel Employees and prior to the date of employment with the Fox Entities for the Inactive Clear Channel Employees to the extent so provided under a Clear Channel Plan; and (y) claims relating to "COBRA" coverage attributable to "qualifying events" occurring prior to the Effective Time with respect to any Active Clear Channel Employees and their beneficiaries and dependents and prior to the date of employment with the Fox Entities for the Inactive Clear Channel Employees to the extent required by law. Provided such Clear Channel Transferred Employees have met the applicable waiting periods for eligibility (and service with the Clear Channel Entities shall count as service with Fox for these purposes) the Fox Entities shall be solely responsible for: (i) medical and dental benefits, disability benefits, life insurance benefits and workers compensation benefits for claims incurred from and after the Effective Time by Clear Channel Transferred Employees who were Active Clear Channel Employees and from and after the date of employment with the Fox Entities for Clear Channel Transferred Employees who were Inactive Clear Channel Employees to the extent so provided under

a Fox Plan; and (ii) claims relating to COBRA coverage attributable to “qualifying events” occurring from and after the Effective Time with respect to Active Clear Channel Employees, and their beneficiaries and dependents and after the date of employment with the Fox Entities for the Clear Channel Transferred Employees who were Inactive Clear Channel Employees, and their beneficiaries and dependents to the extent required by law. For purposes of the foregoing, a medical/dental claim shall be considered incurred when the medical services are rendered or medical supplies are provided, and not when the condition arose. Workers compensation claim shall be considered incurred prior to a particular date if the injury or condition giving rise to the claim occurs prior to such date, and a life insurance claim shall be considered incurred prior to a particular date if the death occurs prior to such date. A disability claim shall be deemed to be incurred when the employee is declared disabled under the terms of the applicable disability plan. Clear Channel Entity employees shall be given credit under the Fox welfare plans for deductibles and out-of-pocket expenses incurred while employed by the Clear Channel Entities in the relevant calendar year.

(f) Vacation. Fox shall permit Clear Channel Transferred Employees to use, in accordance with the terms of Clear Channel’s vacation policy, their vacation entitlement accrued as of the Effective Time until the first anniversary of the Closing Date or such later date as Fox may determine, as set forth on Schedule 10.2(f). Service with both Clear Channel and either Fox San Antonio or Fox Salt Lake City, as the case may be, shall be taken into account in determining Clear Channel Transferred Employees’ vacation entitlement under Fox’s vacation policy.

(g) Severance and WARN Act Liability. The Fox Entities agree to pay and be responsible for all liability, cost or expense for severance, termination indemnity payments, salary continuation, special bonuses and like costs under the Fox Entities’ severance pay plans, policies or arrangements that arise from or relate to the transactions described in or contemplated by this Agreement with respect to any of the Clear Channel Transferred Employees entitled to benefits under the Fox Entities’ severance pay plans, policies or arrangements, or that arise from the subsequent termination of employment of a Clear Channel Transferred Employee by the Fox Entities after the Effective Time. The Fox Entities agree to pay and be responsible for all liability, cost, expense and sanctions resulting from any failure to comply with the Worker Adjustment and Retraining Notification Act (the “WARN Act”) and the regulations thereunder, that are attributable to actions taken by the Fox Entities after the Effective Time.

10.3 *Fox Employee Benefit Matters.*

(a) This Section 10.3 contains the covenants and agreements of the parties with respect to: (i) the status of employment of the employees of the Fox Entities employed in the Fox Businesses upon the consummation of the Closing and contained on the list delivered by Fox to Clear Channel pursuant to Section 5.6 (“Fox Employees”); and (ii) the employee benefits and employee benefit plans provided or covering such Fox Employees and former employees of the Fox Entities who terminated employment with the Fox Entities while employed in the Fox Businesses or who retired from the Fox

Businesses (“Former Fox Employees”). Nothing herein expressed or implied confers upon any Fox Employee or Former Fox Employee of the Fox Entities any rights or remedies of any nature or kind whatsoever under or by reason of this Section 10.3. This Section 10.3 applies only to Fox Employees and Former Fox Employees employed or previously employed by the Fox Stations.

(b) Employment.

(i) The Clear Channel Entities shall offer employment effective as of the Effective Time to all Fox Employees who are: (x) actively at work for Fox as of the Effective Time or who are not actively at work due solely to vacation (“Active Fox Employees”); or (y) not actively at work as of the Effective Time due solely to an authorized leave of absence, sick leave, short or long-term disability leave, military leave or layoff with recall rights and who returns to active employment immediately following such absence and within 180 days of the Closing Date or such later date as required under applicable law (“Inactive Fox Employees”). The period of such employment shall, in the case of Active Fox Employees, begin as of the Effective Time and, in the case of Inactive Fox Employees who accept Clear Channel’s offer of employment, on the date that they first commence active employment with the Clear Channel Entities. For purposes of this Agreement, Active Fox Employees and Inactive Fox Employees who accept the Clear Channel Entities’ offer of employment and who become employees of the Clear Channel Entities shall be referred to herein collectively as the “Fox Transferred Employees”. The employment offered to Fox Transferred Employees under this paragraph shall, for a given employee, be for a position with similar job requirements and responsibilities, the same salary or wages, and benefits that in the aggregate are of comparable value to the benefits provided to similarly situated non-union employees of the Clear Channel Entities, subject to any enrollment periods, exclusions or limitations as are generally applied by the Clear Channel Entities and/or the pertinent employee benefit plan, subject to the right of the Clear Channel entities to terminate the employment of such employee within such six month period pursuant to subsection 10.3(b)(ii).

(ii) The Clear Channel Entities shall assume all liabilities and obligations under the United Special Severance Plan with respect to each of the Fox Transferred Employees, which shall constitute a Fox Assumed Liability. The Clear Channel Entities shall provide severance benefits to those Fox Transferred Employees who are not eligible for a benefit from the United Special Severance Plan and whose employment is terminated by the Clear Channel Entities for any reason, other than cause, within one year of the Effective Date in an amount equal to two weeks of their salary on the date of termination.

(iii) The Fox Entities agree to use commercially reasonable efforts to facilitate the transition of Fox Employees to employment with the Clear Channel Entities as of the Effective Time. Such commercially reasonable efforts shall include affording the Clear Channel Entities reasonable opportunities prior to the Effective Time to review employment and personnel records of the Fox

Employees, as permitted by law (other than medical records), to discuss with Fox Employees terms and conditions of employment with the Clear Channel Entities as of the Effective Time and to distribute to Fox Employees forms and documents relating to employment with the Clear Channel Entities.

(iv) Except to the extent prohibited by Law, after the Closing the Fox Businesses shall deliver to the Clear Channel Entities originals or copies of all personnel files and records (including medical records, if any, but excluding benefit plan records) relating to the Fox Transferred Employees and the Fox Businesses shall have reasonable continuing access to such files and records thereafter.

(v) The Clear Channel Entities shall be responsible for, and shall indemnify and hold harmless the Fox Entities against, any liability, claim or obligation (including reasonable attorney's fees) relating to or arising out of the employment or termination of employment by the Clear Channel Entities of Fox Transferred Employees, including claims for a Severance Benefit under the severance plan sponsored by the Clear Channel Entities and under the United Special Severance Plan, on and after the Effective Time.

(c) Pension Plans. The Fox Entities shall retain all assets and liabilities under the United Television, Inc. Employees' Retirement Plan (the "Fox Pension Plan") attributable to service prior to the Effective Time for each Fox Employee and Former Fox Employee who is a participant in the Fox Pension plan immediately prior to the Effective Time.

(d) Savings Plans. The Clear Channel Entities shall cause one or more tax-qualified defined contribution plans established or maintained by the Clear Channel Entities ("CS Plan") to accept rollover contributions from Fox Transferred Employees who are the age of 21 or older, of any account balances distributed to them by the Fox Investment Plan, the United Television, Inc. Profit Sharing Plan and the Chris-Craft/UTV Employees' Stock Purchase Plan. The distribution and rollover described herein shall comply with applicable Law, and each party shall make all filings and take any actions required of such party by applicable Law in connection therewith. The CS Plans shall waive any length of service eligibility requirements and permit enrollment as soon as administratively feasible for any Fox Transferred Employees.

(e) Employee Welfare Plans. The Fox Entities shall be responsible for: (x) claims for medical and dental benefits, disability benefits, life insurance benefits and workers compensation that are incurred prior to the Effective Time by Active Fox Employees and prior to the date of employment with the Clear Channel Entities for the Inactive Fox Employees to the extent so provided under a Fox Plan; and (y) claims relating to "COBRA" coverage attributable to "qualifying events" occurring prior to the Effective Time with respect to any Active Fox Employees and their beneficiaries and dependents and prior to the date of employment with the Clear Channel Entities for the Inactive Fox Employees to the extent required by law. Provided such Fox Transferred Employees have met the applicable waiting periods for eligibility (and service with Fox

shall count as service with the Clear Channel Entities for these purposes), the Clear Channel Entities shall be solely responsible for: (i) medical and dental benefits, disability benefits, life insurance benefits and workers compensation benefits for claims incurred from and after the Effective Time by Fox Transferred Employees who were Active Fox Employees and from and after the date of employment with the Clear Channel Entities for Fox Transferred Employees who were Inactive Fox Employees to the extent so provided under a Clear Channel Plan; and (ii) claims relating to COBRA coverage attributable to “qualifying events” occurring from and after the Effective Time with respect to Active Fox Employees, and their beneficiaries and dependents and after the date of employment with the Clear Channel Entities for the Fox Transferred Employees who were Inactive Fox Employees, and their beneficiaries and dependents to the extent required by law. For purposes of the foregoing, a medical/dental claim shall be considered incurred when the medical services are rendered or medical supplies are provided, and not when the condition arose. A workers compensation claim shall be considered incurred prior to a particular date if the injury or condition giving rise to the claim occurs prior to such date and a life insurance claim shall be considered incurred prior to a particular date if the date occurs prior to such date. A disability claim shall be deemed to be incurred when the employee is declared disabled under the terms of the applicable disability plan. Fox employees shall be given credit under the Clear Channel welfare plans for deductibles and out-of-pocket expenses incurred while employed by the Fox Entities in the relevant calendar year.

(f) Vacation. The Clear Channel Entities shall permit Fox Employees to use, in accordance with the terms of Fox’s vacation policy, their vacation entitlement accrued as of the Effective Time until the first anniversary of the Closing Date or such later date as the Clear Channel Entities may determine, as set forth on Schedule 10.3(f). Service with either Fox San Antonio or Fox Salt Lake City, as the case may be, and the Clear Channel Entities shall be taken into account in determining Fox Employees’ vacation entitlement under the Clear Channel Entities’ vacation policy.

(g) Severance and WARN Act Liability. The Clear Channel Entities agree to pay and be responsible for all liability, cost or expense for severance, termination indemnity payments, salary continuation, special bonuses and like costs under the Clear Channel Entities’ severance pay plans, policies or arrangements that arise from or relate to the transactions described in or contemplated by this Agreement with respect to any of the Fox Transferred Employees entitled to benefits under the Clear Channel Entities’ severance pay plans, policies or arrangements, or that arise from the subsequent termination of employment of a Fox Transferred Employee by the Clear Channel Entities after the Effective Time. The Clear Channel Entities agree to pay and be responsible for all liability, cost, expense and sanctions resulting from any failure to comply with the WARN Act, and the regulations thereunder, that are attributable to actions taken by the Clear Channel Entities after the Effective Time.

10.4 *Bulk Transfer.* The Clear Channel Entities and the Fox Entities hereby waive compliance with the provisions of any applicable bulk sales law and no representations, warranty or covenant contained in this Agreement shall be deemed to have been breached as a result of such noncompliance.

10.5 *Non-Solicitation By the Clear Channel Entities.*

(a) Each Clear Channel Entity covenants and agrees that, if the Closing is consummated, for a period of one (1) year after the Closing Date, it will not, and will cause its subsidiaries not to, directly or indirectly, solicit for employment or employ, either as an employee or a consultant, any management employee of any Fox Entity who is engaged in the Clear Channel Business and was a Clear Channel Employee at the Closing, unless such person has been terminated by Fox; provided that nothing contained in this Section 10.5(a) shall prohibit any Clear Channel Entity from general solicitations of employees over any medium not specifically targeted toward the Clear Channel Business or the Clear Channel Employees, including without limitation, newspaper, television, radio and similar forms of mass media.

(b) The parties acknowledge and agree that the restrictions contained in Section 10.5(a) are a reasonable and necessary protection of the immediate interests of the Fox Entities, and any violation of these restrictions would cause substantial injury to the Fox Entities and that the Fox Entities would not have entered into this Agreement without receiving the additional consideration offered by the Clear Channel Entities in binding themselves to these restrictions. In the event of a breach or a threatened breach by any Clear Channel Entity or any of its subsidiaries of these restrictions, the Fox Entities shall be entitled to apply to any court of competent jurisdiction for an injunction restraining such Person from such breach or threatened breach (without the necessity of proving the inadequacy of money damages as a remedy); provided, however, that the right to apply for injunctive relief shall not be construed as prohibiting the Fox Entities from pursuing any other available remedies for such breach or threatened breach.

10.6 *Non-Solicitation By the Fox Entities.*

(a) Each Fox Entity covenants and agrees that, if the Closing is consummated, for a period of one (1) year after the Closing Date, it will not, and will cause its subsidiaries not to, directly or indirectly, solicit for employment or employ, either as an employee or a consultant, any management employee of any Clear Channel Entity who is engaged in the Fox Businesses and was a Fox Employee at the Closing, unless such person has been terminated by such Clear Channel Entity; provided that nothing contained in this Section 10.6(a) shall prohibit any Fox Entity from general solicitations of employees over any medium not specifically targeted toward the Fox Businesses or the Fox Employees, including without limitation, newspaper, television, radio and similar forms of mass media.

(b) The parties acknowledge and agree that the restrictions contained in Section 10.6(a) are a reasonable and necessary protection of the immediate interests of the Clear Channel Entities, and any violation of these restrictions would cause substantial injury to the Clear Channel Entities and that the Clear Channel Entities would not have entered into this Agreement without receiving the additional consideration offered by the Fox Entities in binding themselves to these restrictions. In the event of a breach or a threatened breach by any Fox Entity or any of its subsidiaries of these restrictions, the Clear Channel Entities shall be entitled to apply to any court of competent jurisdiction for

an injunction restraining such Person from such breach or threatened breach (without the necessity of proving the inadequacy of money damages as a remedy); provided, however, that the right to apply for injunctive relief shall not be construed as prohibiting the Clear Channel Entities from pursuing any other available remedies for such breach or threatened breach.

ARTICLE XI.
TERMINATION; MISCELLANEOUS

11.1 *Termination.*

(a) This Agreement may be terminated and the transactions contemplated hereby may be abandoned at any time prior to the Closing Date, as follows:

(i) by the mutual written agreement of the Fox Entities and the Clear Channel Entities;

(ii) by the Clear Channel Entities or the Fox Entities if the Closing has not occurred on or before the first anniversary date of the Agreement (the “Termination Date”);

(iii) by the Clear Channel Entities if the Closing has not occurred as a result of the Fox Entities’ failure to satisfy the condition to the Clear Channel Entities’ obligation to consummate the Closing set forth in Section 8.2(a), provided, however, that the Termination Date may be extended, at TNCL’s option, by thirty (30) days upon written notice to the Clear Channel Entities; further provided, however, that if the Fox Entities are working in good faith to cure such breach and it is reasonably likely that such breach shall be cured within an additional thirty (30) day period, the Termination Date shall be extended an additional thirty (30) days;

(iv) by the Fox Entities if the Closing has not occurred as a result of the Clear Channel Entities’ failure to satisfy the condition to the Fox Entities’ obligation to consummate the Closing set forth in Section 8.3(a), provided, however, that the Termination Date may be extended, at Clear Channel Parent’s option, by thirty (30) days upon written notice to the Fox Entities; further provided, however, that if the Clear Channel Entities are working in good faith to cure such breach and it is reasonably likely that such breach shall be cured within an additional thirty (30) day period, the Termination Date shall be extended an additional thirty (30) days;

(v) by the Clear Channel Entities or the Fox Entities if any Law shall be promulgated that would restrain or prohibit consummation of the transactions contemplated hereby or if a final, nonappealable order, decree or judgment of any Governmental Authority is issued restraining or otherwise prohibiting consummation of the transactions contemplated hereby;

(vi) by the Clear Channel Entities or the Fox Entities if the FCC has denied the approvals contemplated by this Agreement in an order that has become a Final Order;

(vii) by the Fox Entities or the Clear Channel Entities if the DOJ denies approving Clear Channel as the buyer of KTVX pursuant this Agreement;

(viii) by the Fox Entities or the Clear Channel Entities: (A) on September 8, 2001, if the transactions contemplated by this Agreement are not approved by the DOJ by such date, unless the DOJ has previously granted the first extension of the current date by which the DOJ will have the right to petition for the appointment of a trustee to sell KTVX, as referred to in Section IV.A of the Final Judgment (the “First Extension”); or (B) on the day before the First Extension expires, if the transactions contemplated by this Agreement are not approved by the DOJ by such date, unless the DOJ has previously granted the second extension of the current date by which the DOJ will have the right to petition for the appointment of a trustee to sell KTVX, as referred to in Section IV.A of the Final Judgment (the “Second Extension”); or (C) twenty (20) days before the Second Extension expires, if the transactions contemplated by this Agreement are not approved by the DOJ by such date, unless the DOJ has previously granted another extension of the date by which the DOJ will have the right to petition for the appointment of a trustee to sell KTVX under the Final Judgment; or (D) on the day before the expiration date of any further extensions of the date by which the DOJ will have the right to petition for the appointment of a Trustee to sell KTVX under the Final Judgment, if the transactions contemplated by this Agreement are not approved by the DOJ by such date; provided, however, that the Fox Entities shall timely file petitions for extensions of the time for sale of KTVX, without the intervention of a trustee, under the Final Judgment (so long as the Clear Channel Entities are not in material breach of their obligations under this Agreement).

(ix) by the Fox Entities or the Clear Channel Entities if the Fox Entities or the Clear Channel Entities, in their separate good faith judgment, reasonably believe that the FCC will not grant or will deny the FCC Applications on the basis that the requirements of Section 73.3555(b)(2)(ii) of the FCC’s rules have not been satisfied; provided, however, that nothing in this Section 11.1(a)(ix) shall be construed to limit the obligations of the Fox Entities and the Clear Channel Entities to use their commercially reasonable efforts to obtain the approval of the FCC for the FCC Applications as required by Sections 7.2(a) and (b);

(x) by the Clear Channel Entities if a material breach or default by the Fox Entities under this Agreement is not cured within thirty (30) days of written notice thereof given by Clear Channel to Fox; or

(xi) by the Fox Entities if a material breach or default by the Clear Channel Entities under this Agreement is not cured within thirty (30) days of written notice thereof given by Fox to Clear Channel.

(b) Notwithstanding anything to the contrary in this Section 11.1, the right to terminate this Agreement under this Section 11.1 shall not be available to any party whose failure to fulfill any obligation under this Agreement has been the cause of such termination event, and no cure period shall be available for any failure to comply with an obligation to be performed at Closing.

(c) Except for the obligations contained in Section 11.6, which shall survive any termination of this Agreement, upon the termination of this Agreement pursuant to Section 11.1(a), this Agreement shall forthwith become null and void, and no party hereto or any of their officers, directors, employees, agents, consultants, stockholders or principals shall have any rights, liabilities or obligations hereunder or with respect hereto; provided, however, that nothing contained herein shall relieve any party from liability for any willful material breach or inaccuracy of its representations or warranties contained in this Agreement or any willful breach of its covenants and agreements under this Agreement.

11.2 *Further Assurances.* From time to time after the Closing Date, upon the reasonable request of the Clear Channel Entities or the Fox Entities, the Fox Entities and the Clear Channel Entities shall execute and deliver or cause to be executed and delivered such further instruments of conveyance, assignment and transfer and take such further action as the Clear Channel Entities or the Fox Entities may reasonably request in order more effectively to sell, assign, convey, transfer, reduce to possession and record title to any of the Clear Channel Exchanged Assets or Fox Exchanged Assets in accordance with this Agreement. The Clear Channel Entities and the Fox Entities agree to cooperate with each other in all reasonable respects to assure to Fox and Clear Channel, respectively, the continued title to and possession of the Clear Channel Exchanged Assets and the Fox Exchanged Assets, respectively, in the condition and manner contemplated by this Agreement; provided, however, that none of the Clear Channel Entities or Fox Entities shall be required to spend additional sums of money other than such sums as are commercially reasonable under the circumstances.

11.3 *Schedules.* The Fox Entities and the Clear Channel Entities shall use their reasonable best efforts to disclose all facts on the appropriate Schedule or make references to other Schedules where more specific disclosure is provided. Neither the specification (directly or indirectly by reference to a defined term hereof) of any dollar amount in the representations and warranties set forth in Articles III and IV or the indemnification provisions of Article IX or in any other provision of this Agreement nor the inclusion of any items in the Schedules shall be deemed to constitute an admission by the Clear Channel Entities or the Fox Entities or otherwise imply, that any such amount or such items so included are material for the purposes of this Agreement. The inclusion of, or reference to, any item within any particular section of the Schedules does not constitute an admission by either the Clear Channel Entities or the Fox Entities that such item meets any or all of the criteria set forth in this Agreement for inclusion in such section of the Schedules.

11.4 *Survival.* Unless otherwise set forth herein, all representations and warranties, covenants and agreements of the Fox Entities and the Clear Channel Entities contained in or made pursuant to this Agreement or in any certificate furnished pursuant hereto shall survive and not be affected in any respect by the Closing or by any investigation conducted by any party

hereto and any information that any party may receive, and shall remain in full force and effect as follows: (a) except as otherwise specified below, representations and warranties of the Clear Channel Entities and the Fox Entities shall survive for a period of two (2) years after the Closing Date; (b) the Fox Entities' representations and warranties set forth in Section 3.14 (Environmental Matters) and the Clear Channel Entities' representations and warranties set forth in Section 4.14 (Environmental Matters) shall survive for a period of five (5) years after the Closing Date; (c) the Fox Entities' representations and warranties set forth in Section 3.1 (Incorporation), the first sentence of Section 3.2 (Authorization; Enforceability) and Sections 3.7 (Title to Fox Exchanged Assets; Liens) and 3.16 (Brokers), and the Clear Channel Entities' representations and warranties set forth in Section 4.1 (Incorporation), the first sentence of Section 4.2 (Authorization; Enforceability) and Sections 4.7 (Title to Clear Channel Exchanged Assets; Liens) and 4.16 (Brokers) shall continue in full force and effect in perpetuity; (d) the covenants and agreements of the parties hereto shall continue in full force and effect in perpetuity, except that liability of a party for material breach of the Clear Channel Interim Covenants and the Fox Interim Covenants shall terminate on the first anniversary of the Closing Date; and (e) any representation or warranty or covenant that is the subject of a claim that is asserted in good faith in writing prior to the expiration of the applicable period set forth above shall survive with respect to such claim or dispute until the final resolution thereof.

11.5 *Entire Agreements; Amendments; and Waivers.* This Agreement and any Confidentiality Agreement between the parties and documents referred to herein and to be delivered pursuant hereto, constitute the entire agreement between the parties pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions of the parties, whether oral or written. No amendment, supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any provision or breach of this Agreement, whether or not similar, unless otherwise expressly provided.

11.6 *Expenses.* Except as otherwise specifically provided herein, whether or not the transactions contemplated by this Agreement are consummated, each of the parties hereto shall pay the fees and expenses of its respective counsel, accountants and of incident to the negotiation and preparation of this Agreement and consummation of the transactions contemplated hereby.

11.7 *Benefit; Assignment.* This Agreement shall be binding upon and inure to the benefit of and shall be enforceable by the Clear Channel Entities and the Fox Entities and their respective successors and permitted assigns. This Agreement shall not be assigned by any party without the prior written consent of the other party.

11.8 *No Presumption.* This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting or causing any instrument to be drafted.

11.9 *Notices.* Notices and other communications provided for herein shall be in writing (which shall include notice by facsimile transmission) and shall be delivered or mailed (or if by graphic scanning or other facsimile communications equipment of the sending party hereto, delivered by such equipment), addressed as follows:

If to the Clear Channel Entities:

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

with a copy to:

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

If to the Fox Entities:

c/o Fox Television Stations, Inc.
205 East 67th Street
New York, NY 10021
Attention: Legal Department
Facsimile No.: (212) 879-1121
Telephone No.: (212) 452-5813

and

The News Corporation Limited
c/o News America Incorporated
1211 Avenue of the Americas
New York, New York 10036
Attention: Arthur Siskind, Esq.
Facsimile No.: (212) 768-2026
Telephone No.: (212) 852-7000

with a copy to:

Squadron Ellenoff Plesent & Sheinfeld LLP
551 Fifth Avenue
New York, New York 10176
Attention: Ira Sheinfeld, Esq.
Facsimile No.: (212) 697-6686
Telephone No.: (212) 661-6500

or to such other address as a party may from time to time designate in writing in accordance with this section. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt provided, however, that if such date is not a Business Day, then such receipt shall be deemed to have occurred on the next succeeding Business Day.

11.10 *Counterparts; Headings.* This Agreement may be executed in several counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same Agreement. The Article and Section headings in this Agreement are inserted for convenience of reference only and shall not constitute a part hereof.

11.11 *Severability.* If any provision, clause or part of this Agreement or the application thereof under certain circumstances is held invalid, or unenforceable, the remainder of this Agreement, or the application of such provision, clause or part under other circumstances, shall not be affected thereby, unless such severance deprives a party of the benefits of this Agreement in any material respect.

11.12 *No Reliance.* Except for: (x) any assignees permitted by Section 11.7 of this Agreement; and (y) the Clear Channel Indemnified Parties and the Fox Indemnified Parties to the extent provided in Article IX:

(a) no third party is entitled to rely on any of the representations, warranties or agreements of the Clear Channel Entities, on the one hand, or the Fox Entities, on the other, contained in this Agreement; and

(b) the Clear Channel Entities and the Fox Entities assume no liability to any third party because of any reliance on the representations, warranties or agreements of Clear Channel Entities, on the one hand, and the Fox Entities, on the other, contained in this Agreement.

11.13 *Governing Law.* This Agreement shall be construed and interpreted according to the laws of the State of New York, without regard to the conflict of law principles thereof.

11.14 *Submission to Jurisdiction; Waivers.* Each Clear Channel Entity and the Fox Entities hereby irrevocably and unconditionally agree that:

(a) All actions and proceedings arising out of or relating to this Agreement shall be heard and determined in a state or federal court located in the City of

New York, and the parties hereto hereby irrevocably submit to the exclusive jurisdiction of such courts in any such action or proceeding and irrevocably waive the defense of an inconvenient forum to the maintenance of any such action or proceeding. Each party agrees not to bring any action or proceeding arising out of or relating to this Agreement in any other court.

(b) Service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such party at its address as provided in Section 11.8.

11.15 *Waiver of Jury Trial.* EACH CLEAR CHANNEL ENTITY AND EACH FOX ENTITY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING OUT OF OR RELATING TO THIS AGREEMENT AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.

11.16 *Performance of Obligations.*

(a) TNCL represents that it is the ultimate parent entity of Fox, FTH and FTS, and shall cause them to perform all of their respective obligations under this Agreement.

(b) Clear Channel Parent represents that it is the ultimate parent entity of CCB and CCBL, and shall cause them to perform all of their respective obligations under this Agreement.

11.17 *Specific Performance.* Each of the parties to this Agreement agree that each party to this Agreement shall be entitled to a judicial decree of specific performance as a remedy for a breach of this Agreement by any other party hereto prior to Closing, all the Fox Exchanged Assets and the Clear Channel Exchanged Assets (including the Fox Stations and the Clear Channel Station) being of a special, unique and extraordinary character.

11.18 *Consents.* For all purposes of this Agreement, the consent of TNCL shall be deemed to satisfy any requirement for the consent of the Fox Entities hereunder, and the consent of Clear Channel Parent shall be deemed to satisfy any requirement for the consent of the Clear Channel Entities hereunder.

11.19 *Covenants Limited as to KTVX.* Nothing in this Agreement shall require any of the parties to violate the Final Judgment or the Hold Separate Order or other applicable law. In addition, notwithstanding anything to the contrary contained herein, the Fox Entities shall be excused from the performance of the covenants or agreements contained in Article 5 (other than Section 5.4) and Article 7, and from any indemnification obligation for breach of such covenants, insofar as such covenants and agreements may require the Fox Entities to investigate or obtain any information concerning pricing for advertising sales and for the purchase and distribution of programming relating to KTVX, as and to the extent such investigation or obtaining of information may be restricted under the Final Judgment or the Hold Separate Order.

[Signature Page Follows]

IN WITNESS WHEREOF the parties have executed this Asset Exchange Agreement as of the day and year first above written.

CLEAR CHANNEL BROADCASTING,
INC.

By: _____
Name:
Title:

CLEAR CHANNEL BROADCASTING
LICENSES, INC.

By: _____
Name:
Title:

CLEAR CHANNEL COMMUNICATIONS, INC.

By: _____
Name:
Title:

FOX/UTV HOLDINGS

By: _____
Name:
Title:

UTV OF SAN ANTONIO, INC.

By: _____
Name:
Title:

FOX TELEVISION STATIONS, INC.

By:_____

Name:

Title:

THE NEWS CORPORATION LIMITED

By:_____

Name:

Title: