

ORIGINAL

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (the "Agreement") is entered into as of this 29th day of June, 1995, by and between GATEWAY COMMUNICATIONS, INC., a Delaware corporation ("Seller"), and CLEAR CHANNEL TELEVISION, INC., a Nevada corporation ("Buyer").

RECITALS:

A. Seller is the licensee of television station WLYH-TV, Lancaster/Lebanon, Pennsylvania (the "Station"), and owns and operates the Station's related broadcast facilities;

B. Seller desires to sell certain of its assets and rights as described herein (as more fully defined herein, the "Station Assets") to Buyer and to assign to Buyer certain of its obligations as described herein (collectively the "Obligations");

C. Buyer desires to buy the Station Assets and assume the Obligations;

D. Seller owns other assets relating to the Station (as more fully described herein, the "Option Assets") other than the Station Assets, which include certain licenses, authorizations and permits issued by the Federal Communications Commission (the "FCC"). Seller shall, at the Closing (defined below), grant Buyer an option to purchase or assign (the "Option") the Option Assets as more fully described herein.

NOW, THEREFORE, in consideration of the foregoing and of other good and valuable consideration, the receipt and sufficiency of which are acknowledged, and intending to be legally bound, the parties agree:

7/6/95

1. Sale and Terms of Payment

a. Sale and Purchase Price. Seller will sell, transfer and assign to Buyer, and Buyer will purchase the Station Assets as described in Section 2 of this Agreement, and Buyer and Seller shall enter into the Option Agreement described in Section 17, the form of which is attached as Exhibit A, for an aggregate purchase price (the "Purchase Price") of Nine Million Dollars (\$9,000,000) plus the assumption of Obligations as described below. The closing of the sale of the Station Assets and the grant of the Option (the "Closing") will occur in the manner and at the place, time, and date specified in Section 11 (the "Closing Date").

b. Terms of Payment. On satisfaction of the conditions to Closing, the Purchase Price will be paid by Buyer to Seller in immediately available funds at the Closing.

c. Allocation. \$100,000 of the Purchase Price is the purchase price of the Option. Buyer and Seller will allocate the balance of the Purchase Price for federal income tax purposes among the Station Assets in accordance with the fair market value of the Station Assets on the Closing Date. Such value shall be determined by mutual agreement of Buyer and Seller within ninety (90) days after Closing. Pursuant to Section 1060 of the Internal Revenue Code of 1986, and any related Treasury Regulations issued thereunder, Buyer and Seller shall file IRS form 8594, and any necessary supplemental forms when due, consistent with such value.

2. Station Assets to be Sold. At Closing, Seller will transfer and assign to Buyer all of its right, title and interest in the following assets owned or leased by Seller, free and clear of all liens and encumbrances, except as described in this Agreement, as follows (the "Station Assets");

a. Real Property. All real property, estates and leasehold interests together with all improvements, owned or leased by Seller and used in connection with the operations of the Station identified on Schedule 2(a) included in a separate schedule volume (the "Real Property Assets");

b. Tangible Personal Property. All tangible personal property, broadcasting equipment, office furniture, fixtures, tapes, office materials, supplies and other tangible property of every kind and description, owned or leased by Seller and used in connection with the operation of the Station, including, without limitation, the assets identified on Schedule 2(b) included in a separate schedule volume (the "Personal Property");

c. Contracts. All right, title, and interest of Seller under (i) all contracts, agreements, tradeout airtime agreements, advertising agreements and leases described on Schedule 2(c)(1), included in a separate schedule volume (the "Station Contracts"), together with all program license agreements including barter program license agreements described on Schedule 2(c)(2), included in a separate schedule volume (the "Program License Agreements"), and (ii) all contracts, agreements, tradeout airtime agreements, advertising contracts and program license agreements entered into or made after the date of this Agreement and prior to the Closing Date in the usual and ordinary course of the operation of the Station; provided Seller will consult with Buyer prior to entering into any Station Contracts or Program License Agreements after the date of this Agreement and will obtain Buyer's approval prior to entering into any Station Contracts or Program License Agreements with a term of more than one year or requiring the payment of consideration in excess of \$25,000. Schedule 2(c)(2) describes, as of a recent date for each Program License Agreement, the name of the film distributor, the program or package licensed, the

original contract amount, the number of unused runs of the program or package and the remaining payment liability; and

d. Additions and Improvements. All additions and improvements to and replacements of any of the Station Assets occurring between the date of this Agreement and the Closing Date.

3. Assets Excluded from Sale. The Station Assets do not include any of the following assets:

a. Option Assets. The following assets, which are subject to the Option Agreement, shall be retained by the Seller (the "Option Assets"):

(i) FCC Licenses. All licenses, permits, approvals and other authorizations of Seller relating to the Station issued by the FCC and all applications to the FCC as described on Schedule 3(a)(i), included in a separate schedule volume (the "FCC Licenses");

(ii) FCC Records. All of Station's logs, reports, applications, and other records maintained, or required by the FCC to be maintained, including public files;

(iii) Intangible Rights. All registered and unregistered trademarks, registered service marks, registered trade names, copyrights and applications, if any, of the Seller including the current letterhead containing only the Station name and any rights in the WLYH-TV logo, as described on Schedule 3(a)(iii), included in a separate schedule volume (the "Intangible Rights");

(iv) Call Letters. The call letters WLYH-TV and any rights therein;
and

(v) Lease. The Equipment and Studio Lease Agreement executed on the Closing Date.

b. TBA Assets. Such other Assets of Seller as are required to perform its obligation as the licensee of WLYH-TV.

c. Excluded Assets. The following assets shall be retained by the Seller (the Excluded Assets"):

(i) All of Seller's cash and cash equivalents on hand in banks, certificates of deposit, money market funds and securities;

(ii) Any and all claims of Seller with respect to periods ending before the Closing Date;

(iii) All contracts of insurance;

(iv) The corporate name of Seller and its minute books, stock book, tax records, personnel records and other records pertaining to Seller's internal affairs;

(v) All other property of Seller relating to the operation of other stations; and

(vi) Those specific assets relating to the Station described on Schedule 3(c)(vi).

4. Liabilities. At Closing, Buyer will assume the following obligations (the "Obligations"):

a. Liabilities described on Schedules 2(a), 2(c)(1) and 2(c)(2), included in a separate schedule volume; and

b. Any other liability of Seller relating to the Station entered into between the date of this Agreement and the Closing Date specifically permitted by this Agreement.

5. Accounts Payable Prorations.

a. Seller shall remain liable for and pay all accounts payable and other liabilities of the Station through the Closing Date.

b. (i) The operation of the Station and the income and normal operating expenses attributable thereto through 12:01 a.m. on the Closing Date (the "Adjustment Date") shall be for the account of Seller and thereafter for the account of Buyer, and, if any income or expense is properly allocable or credited, then it shall be allocated, charged or prorated accordingly. Expenses for goods or services received both before and after the Adjustment Date, prepaid cash time sales agreements, program license agreements, commissions, and rents and similar prepaid and deferred items shall be prorated between Seller and Buyer as of the Adjustment Date. All special assessments and similar charges or liens imposed against the Station Assets in respect of any period of time through the Adjustment Date, whether payable in installments or otherwise, shall be the responsibility of Buyer, and such charges shall be adjusted as required hereunder.

(ii) Seller will prepare and deliver within sixty (60) days after Closing a report computing the net payment owing by Buyer or Seller, as the case may be, and the details of the determination in accordance with the provisions of this Section 5. Within twenty (20) days after receiving the report, the Buyer will provide Seller with any objections to the computations. If Buyer has no objections, the party obligated to make payment under the report will do so within five (5) days after the expiration of the 20-day

period. Any disagreement which cannot be resolved by the parties will be resolved by Seller and Buyer each selecting a certified public accountant knowledgeable in the broadcast industry to resolve the dispute. If these two accountants cannot resolve the dispute within thirty (30) days after submission to them, then the two accountants shall select a third certified public accountant knowledgeable in the broadcast industry and the agreement of two of the three accountants shall be binding on the parties and subject to judicial enforcement. Each party shall bear the costs of its own accountant and one-half (1/2) of the cost of the third accountant.

c. It is anticipated that Seller may terminate some of its employees, in connection with the transaction. Buyer may hire some of the employees terminated by Seller, in which event Buyer agrees to give any employees hired by Buyer credit for service with the Station for purposes of accruing vacation after employment by Buyer. Except with respect to such service credit, employees hired by Buyer shall be subject to terms and conditions of employment that apply to all other newly hired employees of Buyer. Buyer shall not assume any liabilities of Seller to such employees hired by Buyer, including without limitation, any accrued vacation, sick leave, severance or other benefits. Buyer will not by virtue of this Agreement assume any obligation to hire any of the employees of Seller.

6. Representations and Warranties of Seller. Seller represents and warrants to Buyer as of the date of this Agreement and will represent and warrant as of the Closing Date as follows:

a. Organization. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and is duly qualified to transact business in the Commonwealth of Pennsylvania.

b. Necessary Action. Seller has taken all necessary action to execute and deliver and shall take all necessary action to perform and consummate this Agreement and no further corporate action is required.

c. Binding Agreement. This Agreement constitutes the legal, valid and binding agreement and obligation of Seller, enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights.

d. Real Property. All Real Property Assets, together with all improvements, used in connection with the operation of the Station are owned by the Seller and identified on Schedule 2 (a).

e. Personal Property. All Personal Property owned or leased by the Seller and used in connection with the operation of the Station is identified on Schedule 2 (b), other than the Option Assets and Excluded Assets.

f. Contracts and Agreements. A true copy of each and every Station Contract is attached or described on Schedule 2 (c) (1) and all information required in Section 2 (c) with respect to the Program License Agreements is included in Schedule 2 (c) (2).

g. Assets. Except as provided on Schedule 6 (g), all Station Assets used or held for use in connection with the operation of Seller are owned, leased or licensed by Seller. Except as provided on Schedule 6 (g), all Station Contracts and Program License Agreements are in full force and effect and enforceable in all material respects, without material default or breach by the Seller or to Seller's knowledge by any other party, nor has

Seller or to Seller's knowledge, has any other party been threatened with any default or breach.

h. No Contravention. Except as provided on Schedule 6(h) included in a separate schedule volume, the execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement do not violate any document or instrument binding on Seller and will not result in the breach, acceleration or permit the acceleration of the performance required by the terms of any Station Contracts, Program License Agreements or other agreements to which Seller is subject, and will not result in the creation of any lien, charge or encumbrance on any of the Station Assets or result in the termination of any Station Contract or Program License Agreement.

i. Condition of Assets. Except as set forth on Schedule 6 (i), all Personal Property is in good operating condition and repair, ordinary wear and tear excepted, and conforms in all material respects with all applicable building, zoning and other laws, ordinances, orders and regulations. None of the Station Assets are subject to any liens, encumbrances, easements, restrictions or reservations, other than as set forth on Schedule 6 (i).

j. Status of Contracts.

(i) Excluding any contract for advertising with a term that ends within one year from the date of this Agreement and immaterial contracts that provide for a payment obligation of less than \$1,000 each or if for all contracts having a payment obligation of less than \$1,000 each, the aggregate payment obligation is less than \$2,500, the Station Contracts and the Program License Agreements are all those that, as of the date of this Agreement, pertain to the business and operation of the Seller; and

(ii) All such contracts, leases and agreements are assignable without exception (other than those which are non-assignable without consent of a third party) and are in full force and effect binding on the Seller and to Seller's knowledge on all other parties thereto.

k. Financial Statements. The financial statements of the Seller consisting of balance sheets, income statements and related information for the periods ended December 31, 1994 and April 22, 1995 are included in a separate schedule volume as Schedule 6 (k) (the "Financial Statements"). The Financial Statements were prepared in accordance with Seller's historic accounting practices, consistently applied, and present fairly as of their dates, the financial condition of Seller for the period covered; provided, however, the Financial Statements do not contain any notes and are subject to certain year-end adjustments. Since April 22, 1995, Seller has made no change in its accounting methods nor in any depreciation or amortization policies or rates previously adopted. Other than as described on Schedule 6 (k), the Seller has no obligation, liability or commitment relating to the Station which is not reflected on the Financial Statements.

l. Taxes. Except as described on Schedule 6 (l) included in a separate schedule volume, all federal, state and local tax returns required to be filed by Seller have so been filed, and all taxes of the Seller that have become due before the date of this Agreement have been paid. There are no pending audits, examinations, assessments, proposed assessments, disputes with or inquiries with any taxing authority with respect to the Seller. Seller will pay all taxes, including interest and penalties, if any due or accrued before the Closing Date.

m. Licenses and Rights. Except as described on Schedule 6 (m) included in a separate schedule volume;

(i) There is not now any pending or threatened action by or before the FCC to revoke, cancel, rescind, modify or refuse to grant or renew any of the FCC Licenses and the Seller knows of no reason why any FCC License will not be granted or renewed.

(ii) There is not now pending, issued or outstanding by or before the FCC or threatened any investigation, Order to Show Cause, Notice of Violation, Notice of Apparent Liability or forfeiture against the Station. Seller has operated the Station in material compliance with all requirements of the Communications Act of 1934, as amended (the "Act"), and the rules, regulations, and policies of the FCC. All regulatory fees due to be paid to the FCC by or on behalf of the Station with respect to the FCC licenses have been paid in a timely manner.

n. Claims. Except as described on Schedule 6 (n) included in a separate schedule volume, there are no actions, suits, proceedings, investigations or claims pending or, to the best of Seller's knowledge, threatened against or affecting Seller which could materially and adversely affect the Station or the consummation of the transaction described in this Agreement.

o. Environmental Matters.

(a) Definitions.

(i) Definition of "Environmental Laws"

The term "Environmental Laws" shall mean any and all state, federal, and local statutes, regulations and ordinances relating to the protection of human health and the environment.

(ii) Definition of "Hazardous Material"

The term "Hazardous Material" shall mean any hazardous or toxic substance, material, or waste, including, but not limited to those substances, materials, pollutants, contaminants and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 C.F.R. §172.101) or by the United States Environmental Protection Agency as hazardous substances (40 C.F.R. Part 302 and amendments thereto), petroleum products (as defined in Title I to the Resource Conservation and Recovery Act, 42 U.S.C. §6991-6991(i)) and their derivatives, and such other substances, materials, pollutants, contaminants and wastes as are regulated or subject to cleanup authority under any Environmental Laws.

(b) Compliance with Environmental Laws. Except as listed and described on Schedule 6 (o) to this Agreement, Seller represents and warrants that:

(i) To Seller's knowledge, all activities of the Station or of Seller with respect to the Station and the Real Property have been and are being conducted in compliance with all Environmental Laws.

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

or investigation under Environmental Laws or that may form the basis for any present or future claim, demand or action by any person;

(iii) Seller has not manufactured, refined, disposed of or released any Hazardous Material on the Real Property, nor to Seller's knowledge has Seller or the Station permitted the foregoing;

(iv) To Seller's knowledge, Seller has obtained all approvals and caused all notifications to be made as required by Environmental Laws. Schedule 6 (o) includes a correct and complete list of all of Seller's and the Station's registrations with, licenses from, or permits issued by governmental agencies or authorities pursuant to environmental, health and safety laws. All such registrations, licenses or permits are in full force and effect;

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

(vi) To Seller's knowledge, no action has been commenced or threatened regarding Seller's compliance with any Environmental Laws;

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

(viii) To Seller's knowledge, no action has been commenced or threatened regarding the presence of any Hazardous Material on or about the Real Property.

(c) Other Hazardous or Toxic Materials. To Seller's knowledge, Seller has not placed or released on the Real Property any of the following described substances except as listed and described on Schedule 6 (o):

(i) Polychlorinated biphenyls or substances containing polychlorinated biphenyls ; and

(ii) Friable asbestos.

(d) Environmental Investigation.

(i) Seller has commissioned on Buyer's behalf and at Buyer's cost, a phase I investigation of the Station and the Real Property (the "Phase I Investigation") by Environmental Resources Management, Inc. (the "Consultant") to determine the presence on the Real Property or in the Station of Hazardous Materials, underground storage tanks, asbestos, polychlorinated biphenyls or other environmental condition that may have an adverse effect on the Station or the Real Property and to determine past and present compliance with Environmental Laws at the Station and the Real Property.

(ii) Seller shall commission, at Buyer's request and at Buyer's cost, a Phase II investigation of the Station or the Real Property (the "Phase II Investigation") if the Consultant concludes, based upon the Phase I Investigation, that further investigation is needed to determine whether Hazardous Materials may have an adverse effect on the Station or the Real Property, or if otherwise recommended by the Consultant. Such investigation may include soil and groundwater sampling, including the installation of groundwater monitoring wells.

(iii) Buyer shall release, hold harmless, defend and indemnify Seller for any and all claims which arise from the Investigation, including any and all claims arising

from the contract governing the retention of the Consultant, including the indemnification provisions thereunder. This release and indemnity shall survive the Closing and any earlier termination of this Agreement.

(e) **Transfer of Permits.** Buyer, at its sole cost, shall do all things necessary to arrange for the transfer or reissuance of environmental permits presently held by Seller and necessary or convenient to Buyer for the operation of its intended business at the Real Property and to obtain any new permits necessary or convenient for such purpose. Seller shall cooperate with Buyer in obtaining such new permits or the transfer or reissuance of existing permits. Seller further agrees to assign to Buyer all permits that are applicable to the ownership or operation of the Real Property or the Station or to compliance with any Environmental Law, and that may be lawfully transferred. Nothing contained in this Section 6(o)(e) shall be deemed to require Buyer to obtain any permit or to imply that Buyer's obligations under this Agreement are in any way contingent upon Buyer obtaining any permit.

p. **Accounts Receivable.** Schedule 6 (p) included in a separate schedule volume shows all Accounts Receivable of the Seller, including amount, as of May 20, 1995, an accounts receivable aging schedule and the reserve, if any, for bad or uncollectible debts.

q. **Full Disclosure.** To the best of the Seller's knowledge, no covenant, representation or warranty by the Seller and no written statement, certificate or schedule furnished or to be furnished by the Seller pursuant to this Agreement in connection with the transaction contemplated herein contains or will contain any untrue statement of a material fact.

r. Employee Matters. As of the date of this Agreement, Seller has not carried on discussions regarding organization with any labor union and there has not been any strike, work stoppage, labor dispute or other labor trouble relating to employees of Seller, and there are no significant threats of a work stoppage or labor trouble by employees of Seller. Seller has no profit sharing, bonus, retirement, stock purchase, deferred compensation, group health, major medical or other plan of any kind for any of its employees which will result in the imposition of any obligation on Buyer with respect to any employees of Seller that Buyer may determine to hire.

7. Representations and Warranties of Buyer. Buyer represents and warrants to Seller as of the date of this Agreement and will represent and warrant as of the Closing Date as follows:

a. Organization. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of Nevada;

b. Good Standing and Qualification. Buyer will be duly qualified to do business and will be in good standing in the Commonwealth of Pennsylvania by the Closing Date;

c. Corporate Action. Buyer has taken all necessary corporate action to authorize and approve the execution, delivery and performance of this Agreement and the consummation of the transaction, and no further corporate action will be required;

d. No Violation. The execution, delivery and performance by Buyer of this Agreement and the transaction contemplated hereby do not violate any document, instrument, agreement or contract binding on Buyer;

e. Enforceability. This Agreement constitutes the valid and binding agreement of Buyer enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditor's rights; and

f. Application; Qualification. Buyer has no knowledge of any facts that would, under present law (including the Act) and present rules, regulations and policies of the FCC, disqualify Buyer from consummating the transaction contemplated by this Agreement.

8. Covenants of Buyer. Buyer covenants that, before Closing:

a. Fulfillment of Agreement. Buyer will use its best efforts to cause the transaction contemplated by this Agreement to be consummated. Buyer will remain through Closing in material compliance with all requirements of the FCC and promptly will make all filings with and give all notices to governmental agencies necessary or reasonably required to effect this transaction and will supply all documents required for Closing;

b. Assignments. Buyer will use its best efforts to cooperate with Seller in obtaining necessary consents for the assignment to Buyer of each of the Station Contracts and Program License Agreements;

c. Notice to Seller. Buyer shall give written notice to Seller promptly on learning of any breach of any of Buyer's representations, warranties, or covenants contained herein or on learning of any matter that would result in failure by Buyer to consummate the transactions contemplated by this Agreement.

d. Confidentiality. Buyer shall keep this Agreement, as well as any other agreement with Seller, confidential until after the Closing Date. Seller shall not make any

statements whatsoever that may lead a third party to understand that these agreements may be concluded, other than such employees, lawyers, accountants, and advisors who reasonably need to know in order to consummate the transaction (the "Authorized Representatives").

e. WHP Agreement. Buyer shall use its best efforts to consummate the assignment of all FCC licenses for Station WHP-TV of Harrisburg, Pennsylvania to Buyer and shall keep Seller advised of progress of the application for such assignment at the FCC.

9. Covenants of Seller. Seller covenants that, between the date of this Agreement and Closing:

a. Maintaining Business and Condition of Assets. Seller shall conduct the business and operation of the Station in the ordinary course of business, consistent with past practice, with the intent to preserve the value of the Station Assets and will use its best efforts to preserve the Station's goodwill and relations with customers, suppliers, employees and agencies.

b. Changes. Except as expressly permitted in this Agreement, Seller will not, without Buyer's prior written consent (which shall not unreasonably be withheld), (i) sell, lease or otherwise dispose of or encumber any of the Station Assets, except in the ordinary course of business and with replacement with an equivalent asset of equivalent kind and value ; (ii) enter into, amend or terminate any Program License Agreement (including barter program license agreements) or Station Contracts ; or (iii) enter into, amend or terminate any such Contracts except in the ordinary course of business.

c. Fulfillment of Agreement. Seller will use its best efforts to cause the transaction contemplated by this Agreement to be consummated. Seller , through Closing, will maintain and preserve the FCC License and will promptly make all filings with and

give all notices to governmental agencies necessary or reasonably required to effect this transaction and supply all documents required for Closing.

d. Books and Records. Except for changes required by official pronouncements of the Financial Accounting Standards Board, Seller will maintain its books, accounts and records in accordance with its usual manner on a basis consistent with the year ended 1994.

e. Access. Seller will furnish to Buyer all such documents and information with respect to the Seller's affairs as Buyer may from time to time reasonably request.

f. Supplemental Lists. Seller, at Closing, will provide Buyer with supplemental schedules reflecting additions and deletions to the original schedules included in a separate schedule volume and specifically permitted by this Agreement.

g. Payments. Seller shall make all payments and provide all services or other consideration due under the contracts, agreements and leases to be assigned to Buyer consistent with Seller's current practices including, without limitation, the Station Contracts and Program License Agreements, so that all payments required thereunder and hereunder to be made prior to 12:01 a.m. on the Closing Date will have been paid.

h. Taxes. Seller shall pay or cause to be paid all taxes and other fees of or relating to the Station, its assets and employees, required to be paid to any governmental unit or agency for periods prior to the Closing Date.

i. Station Facilities. Seller will not make, seek to make or request authority from the FCC to make any changes to the Station's facilities as licensed by the FCC or the Station call letters, without prior notice to Buyer, except if required to repair

or replace any damaged or malfunctioning equipment, or as necessary to continue day-to-day broadcast operations of the Station.

j. Other Contracts. Seller will not take any action, or fail to take any action that will cause a material breach of, or material default under, or terminate any Station Contract or Program License Agreement to be assigned to Buyer pursuant to Section 2.

k. FCC Licenses. Seller will retain responsibility for and employ such personnel as are necessary to assure compliance with all FCC regulations, including all technical regulations governing the operation of the Station and all programming content requirements, including maintenance of a main studio and providing a meaningful managerial and staff presence at that main studio, ascertainment of and programming in response to community needs and concerns and the needs and concerns of children, political programming laws and regulations, sponsorship identification rules, lottery and contest regulations, maintenance of the Station's public and political files, compiling appropriate quarterly programs/issues lists, children's programming lists, employment records and all other similar FCC requirements and duties.

l. Other Obligations. Seller will not take any actions inconsistent with its obligations under this Agreement which would result in a material breach or default under this Agreement.

m. Notice to Buyer. Seller shall give Buyer prompt written notice upon learning of any breach of any of Seller's representations, warranties or covenants contained herein or upon learning of any matter that would result in failure by Seller to consummate the transaction contemplated by this Agreement.

n. Confidentiality. Seller shall keep this Agreement, as well as any other agreement with Buyer, confidential until after the Closing Date. Should any party approach Seller to investigate any arrangement concerning the Station Assets or programming broadcast time, Seller shall respond only that it is not interested. Seller shall not make any statements whatsoever that may lead a third party to understand that these agreements may be concluded with any party, other than Authorized Representatives.

o. Environmental Remediation.

(i) Seller at its cost and expense shall remediate those items described for remediation in the reports of the Consultant of the results of the Investigations described in Schedule 9(o).

(ii) Seller will proceed diligently to remediate in compliance with all Environmental Laws, all items described for remediation in the Consultants' reports and the results of the Investigations. Seller shall retain a consultant (selected by Seller and approved by Buyer, which approval shall not be unreasonably withheld or delayed) to develop a remediation plan. Buyer shall have the right of approval of all remediation plans, such approval not to be unreasonably withheld.

(iii) Buyer shall be permitted to have a representative present during all remediation activities and to take split samples and have complete access to all samples taken, test results, reports and records. Buyer shall also be provided prior notice of and be permitted to participate in any discussions or negotiations with regulatory agencies concerning the remediation.

(iv) Seller's remediation obligations shall be deemed satisfied when Consultants certifies to Buyer and Seller that all remediation activities have been

satisfactorily completed consistent with all Environmental Laws and that Hazardous Materials or environmental conditions described in Schedule 9(o) do not present a material adverse affect on the Real Property or the Station.

(v) Upon completion of the remediation, Seller shall restore the Real Property and the Station to a condition reasonably similar to that existing prior to the inception of remediation activities, including but not limited to replacing contaminated soil with clean fill, provided, however, that this requirement shall not be deemed to preclude remedial alternatives that do not adversely affect the operation of the Station.

(vi) Buyer grants to seller a right of access upon the Real Property and to the Station to permit Seller to undertake remediation activities. Buyer agrees to cooperate with Seller as necessary to facilitate completion of remediation activities. Seller will also cooperate with Buyer to ensure that to the extent practicable, Seller's remediation activities will not unreasonably interfere with the use of the Property by Buyer.

10. Conditions Precedent to the Closing.

a. The performance of the obligations of Buyer is subject to the following conditions precedent:

(i) Each of the representations and warranties of Seller shall be true and correct as of the date made and as of the Closing Date, other than changes contemplated by this Agreement or that occur as the result of the passage of time;

(ii) Seller will have complied with all covenants and agreements required by it under this Agreement;

(iii) The Option Agreement shall have been executed and delivered by all parties thereto;

(iv) All deliveries required by Section 13 shall have been made;

(v) The parties shall execute and deliver the Time Brokerage Agreement in the form attached as Exhibit B and the Equipment and Studio Lease Agreement in the form attached as Exhibit C;

(vi) The FCC's approval for the assignment to Buyer of all FCC licenses for Station WHP-TV, Harrisburg, Pennsylvania shall have become a "final order" under the FCC's rules and regulations; and

(vii) The business of the Station shall not have been materially and adversely affected as of the Closing Date. No change shall be considered "materially adverse" if it arises out of or is related to the terms hereof or the transaction contemplated hereby, including without limitation, Buyer's inspection rights, rights of consultation with respect to Program License Agreements or the assignment of the FCC licenses for Station WHP-TV.

b. The performance of the obligations of Seller are subject to the following conditions precedent:

(i) Each of the representations and warranties of Buyer shall be true and correct as of the date made and as of the Closing Date, other than changes contemplated by this Agreement or that occur as the result of the passage of time;

(ii) Buyer will have complied with all covenants and agreements required by it under this Agreement;

(iii) The Option Agreement shall have been executed and delivered by all parties thereto;

(iv) All deliveries required by Section 12 shall have been made;

(v) The parties shall have executed and delivered the Time Brokerage Agreement and the Equipment and Studio Lease Agreement at Closing.

11. Closing.

a. Closing will take place on the Closing Date, which will be at the offices of Schwartz, Woods & Miller at such time as the parties may mutually agree but, in any event, no later than the earlier of (i) fifteen days after the closing on WHP-TV; or (ii) March 31, 1996.

b. Buyer shall not directly or indirectly control, supervise or direct, or attempt to control, supervise or direct, the operation of the Station, but such operation, including complete control and supervision of all programs, employees and station policy shall at all times be the sole responsibility of Seller.

12. Closing Documents of Buyer. At Closing, Buyer will deliver the following documents to Seller, unless Seller waives in writing the delivery and then only to the extent of such waiver:

a. Certified Resolutions. A certified copy of the resolutions of the Board of Directors of Buyer, authorizing the execution, delivery and performance of this Agreement and all documents to be executed by Buyer and to be delivered to Seller at Closing;

b. Payment. Payment to Seller in the amount of the Purchase Price due at Closing, in cash or immediately available funds, and the assumption of the Obligations;

c. Time Brokerage Agreement. The duly executed Time Brokerage Agreement;

d. Equipment and Studio Lease Agreement. The duly executed Equipment and Studio Lease Agreement; and

e. Additional Documents. The duly executed Option and any other document reasonably requested by Seller to effectuate these transactions.

13. Closing Documents of Seller. At Closing, Seller will deliver the following documents to Buyer, unless Buyer waives in writing the delivery and then only to the extent of its waiver;

a. Certified Resolutions. A certified copy of the resolutions of the Board of Directors of Seller authorizing the execution, delivery and performance of this Agreement and all documents to be executed by Seller and to be delivered to Buyer at Closing;

b. Bill of Sale. A bill of sale and other instruments of transfer and conveyance, in form reasonably satisfactory to Buyer, transferring to Buyer title to the Station Assets, as is, where is, without any warranty of merchantability or fitness of purpose other than as expressly provided in this Agreement, and including, where so permitted, assignments of warranties of third party contractors originally received by or assigned to Seller with respect to the assets to be transferred;

c. Motor Vehicle Titles. Title certificates to all owned motor vehicles included among the Station Assets, endorsed for transfer to Buyer;

d. Accounts Receivable/Accounts Payable Schedule. A schedule identifying each Account Receivable and each Account Payable of the Seller as of the day before the Closing Date, certified by the Seller as being true, correct and representing monies due from clients of the Seller arising from sales or services rendered (in the case of

Accounts Receivable) and amounts due to creditors in the course of business before the Closing Date (in the case of Accounts Payable). Buyer shall collect accounts receivable for its own benefit after Closing. Seller shall have no responsibility after Closing for the collection of said accounts receivable but will cooperate with all reasonable requests from Seller for assistance;

e. Contracts. All Station Contracts, Program License Agreements, and any other contracts or agreements to be assigned to or assumed by Buyer;

f. Time Brokerage Agreement. The duly executed Time Brokerage Agreement;

g. Equipment and Studio Lease Agreement. The duly executed Equipment and Studio Lease Agreement; and

h. Additional Documents. The duly executed Option Agreement and any other document reasonably requested by Buyer to effectuate these transactions.

14. Assignments.

a. Seller and Buyer will use their best efforts to obtain necessary consents for the assignment to Buyer, of the Station Contracts and the Program License Agreements. In the event, however, that a consent to an assignment to Buyer of a Program License Agreement or a Station Contract cannot be obtained by the Closing Date, Seller and Buyer shall exercise their best efforts to obtain the necessary consents to the assignment of the Station Contracts and Program License Agreements to Buyer. After the Closing, but until such consent is obtained:

(i) Seller will exercise its best efforts to make such program rights available to Buyer; and

(ii) If the program rights are available to Buyer, Buyer will make all payments (or, if Seller makes any payments, will reimburse Seller) under such Program License Agreements or Station Contracts.

b. Nothing in this Agreement will be construed as an attempt to assign any contract or other agreement that is in law not assignable or non-assignable without the consent of the other party or parties unless such consent has been given.

15. Broker's and Finder's Fee. Other than the brokerage fee due to Kalil & Co. (for which Buyer shall pay 100% of all amounts due and owing), Buyer and Seller will hold each other harmless from and against any claim or loss incurred for a broker's or finder's fee or commission payable by reason of the consummation of this transaction if such claim or loss is attributable to an obligation incurred by the other party.

16.

(a) Survival of Representations and Warranties. The representations and warranties of the parties contained in this Agreement will survive as provided in Section 16(b).

(b) Indemnification.

(1) All representations and warranties contained in this Agreement, or in any Schedule delivered pursuant hereto, shall survive (and not be affected in any respect by) the Closing, any investigation conducted by any party hereto and any information which any party may receive, until eighteen months after the Closing Date, except in the case of the representations and warranties in Section 6(l) which shall survive for the applicable limitations period and the representations and warranties in Section 6(o) which shall survive until the fifth anniversary of the Closing Date, whereupon all such

representations and warranties shall expire and terminate and shall be of no further force or effect, and the parties hereby release one another from any and all claims arising from any such matter (including those related to Hazardous Materials) addressed in such representations and warranties, and except for representations or warranties relating to any Deficiency (as defined in Section 16(b)(2)) which is reported within the applicable indemnification period, which shall survive until the existence of such Deficiency has been finally established and the Deficiency is resolved as provided below.

In addition to the indemnification obligations in this section, Seller agrees to indemnify Buyer from and against all claims, judgments, damages, penalties, fines, costs (excluding economic losses) and liabilities arising from or resulting out of (a) the performance of any remediation of the Real Property or Station for which the Seller is obligated under this Agreement, (b) the presence or suspected presence of Hazardous Material in the soil, groundwater or elsewhere on, in or under the Real Property or Station to the extent that investigation or remediation is required by Environmental Laws applicable on the Closing Date, and (c) the violation of any Environmental Law and, with respect to (b) and (c), that existed prior to the Closing Date and provided further that Buyer shall bear the burden of showing that any Hazardous Material on the Property or violation of Environmental Law existed prior to the Closing Date. This indemnity shall survive until the fifth anniversary of the Closing Date and shall be subject to the \$3 million limit applicable to all Deficiencies set forth in Section 16(d)(6), and the parties hereby release one another from all claims addressed by this indemnity upon expiration of the survival period or the \$3 million limitation, whichever is reached first.

Seller (an "Indemnifying Party") hereby indemnifies and holds harmless Buyer, the directors, officers and employees of Buyer and all persons which directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with Buyer, and their respective successors and assigns (collectively, the "Buyer Indemnities") from, against and in respect of, and to reimburse the Buyer Indemnities for, the amount of any and all Deficiencies (as defined in Section 16 (b)(2)).

Buyer (an "Indemnifying Party") hereby indemnifies and holds harmless Seller, the directors, officers and employees of Seller and all persons which directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with Seller, and their respective successors and assigns (collectively, the "Seller Indemnities") from, against and in respect of, and to reimburse the Seller Indemnities for, the amount of any and all Deficiencies (as defined in Section 16(b)(2)).

(2) Definition of "Deficiencies".

(A) As used in this Section 16, the term "Deficiencies" when asserted by Buyer Indemnities or arising out of a third party claim against Buyer Indemnities shall mean any and all losses, damages, liabilities and claims sustained by the Buyer Indemnities and arising out of, based upon or resulting from:

(i) Any misrepresentation or breach of warranty on the part of Seller contained in or made pursuant to this Agreement or contained in any Schedule hereto;

(ii) Any breach of a covenant on the part of Seller contained in this Agreement including without limitation failure to perform the environmental remediation pursuant to Section 9(o);

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

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

(v) Any severance pay or other payment required to be paid with respect to any employee of the Station, except as set forth in Section 16(b)(2)(B)(v); and

(vi) Any and all suits, proceedings, demands, assessments and judgments, and all fees, costs and expenses of any kind, arising out of, based upon or resulting from any of the foregoing (including, without limitation, any and all Legal Expenses (as defined in Section 16(b)(5) below)).

B. As used in this Section 16, the term "Deficiencies" when asserted by Seller Indemnities or arising out of a third party claim against Seller Indemnities shall mean any and all losses, damages, liabilities and claims sustained by the Seller Indemnities and arising out of, based upon or resulting from:

(i) Any misrepresentation or breach of warranty on the part of Buyer contained in or made pursuant to this Agreement or contained in any Schedule hereto;

(ii) Any breach of a covenant on the part of Buyer contained in this Agreement;

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

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

(v) Any severance pay or other payment required to be paid with respect to any employee of the Station who is retained by Buyer after the Closing Date;

(vi) assignment or termination of the Affiliation Agreement with CBS Affiliate Relations, a Division of CBS, Inc.;

(vii) any investigations, inquiries or actions by or before the FCC with respect to the Station related to the transactions described in this Agreement which arise on or after the execution of this Agreement; and

(viii) any and all suits, proceedings, demands, assessments and judgments, and all costs and expenses of any kind, arising out of, based upon or resulting from any of the foregoing (including without limitation any and all Legal Expenses).

(3) Procedures for Establishment of Deficiencies.

(a) In the event that any claim shall be asserted by any third party against the Buyer Indemnitees or Seller Indemnitees (Buyer Indemnitees or Seller Indemnitees, as the case may be, hereinafter, the "Indemnitees"), which, if sustained, would result in a Deficiency, then the Indemnitees, as promptly as practicable after learning of such claim, shall notify the Indemnifying Party of such claim, and shall extend to the Indemnifying Party a reasonable opportunity to defend against such claim, at the Indemnifying Party's sole expense and through legal counsel acceptable to the Indemnitees, provided that the Indemnifying Party proceeds in good faith, expeditiously and diligently. The Indemnitees shall, at their option and expense, have the right to participate in any defense undertaken

by the Indemnifying Party with legal counsel of their own selection. No settlement or compromise of any claim which may result in a Deficiency may be made by the Indemnifying Party without the prior written consent of the Indemnitees unless: (A) prior to such settlement or compromise the Indemnifying Party acknowledges in writing its obligation to pay in full the amount of the settlement or compromise and all associated expenses; and (B) the Indemnitees are furnished with security reasonably satisfactory to the Indemnitees that the Indemnifying Party will in fact pay such amount and expenses.

(b) In the event that the Indemnitees assert the existence of any Deficiency against the Indemnifying Party, they shall give written notice to the Indemnifying Party of the nature and amount of the Deficiency asserted. If the Indemnifying Party within a period of thirty (30) days after the giving of the Indemnitees' notice, shall not give written notice to the Indemnitees announcing its intent to contest such assertion of the Indemnitees (such notice by the Indemnifying Party being hereinafter referred to as the "Contest Notice"), such assertion of the Indemnitees shall be deemed accepted and the amount of the Deficiency shall be deemed established.

(c) Notice of a claim for breach of any representation or warranty contained in this Agreement must be given by the party asserting such claim within three (3) months after such party has notice or knowledge of the occurrence of the event giving rise to such claim.

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

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

(5) Legal Expenses. As used in this Section 16, the term "Legal Expenses" shall mean any and all fees (whether of attorneys, accountants or other professionals), costs and expenses of any kind reasonably incurred by any person identified herein and its counsel in investigating, preparing for, defending against, or providing evidence, producing documents or taking other action with respect to any threatened or asserted claim.

(6) Limitation on Indemnification. Notwithstanding anything in this Agreement to the contrary, the liability of either party to the other for indemnification under this Section 16 shall not apply unless or until all Deficiencies asserted by an Indemnitee against an Indemnifying Party exceed in the aggregate the sum of Twenty-five thousand dollars (\$25,000) (the "Threshold Amount"), after which such Indemnitee shall be entitled to make a claim for and recover all Deficiencies it has incurred and subsequently incurs including, without limitation, the Threshold Amount, up to a maximum of Three Million Dollars (\$3,000,000).

Once Deficiencies have been established in an amount equal to Three Million Dollars (\$3,000,000) and collected against a party, no further claims for Deficiencies may be claimed against such party.

17. Termination. This Agreement may be terminated by Seller or Buyer after March 31, 1996 on written notice to the other if Closing has not occurred by March 31, 1996, and may be terminated by Seller upon release of the Escrowed Funds to Seller pursuant to Section 2.2 of the Escrow Agreement dated of even date herewith by and among Seller, Purchaser and PNC Bank, National Association, as escrow agent. If this Agreement is terminated, each party will pay all its costs and expenses incurred (except as provided in Section 6(o)) and neither will have any further liability or obligation of any nature to the other under this Agreement.

18. Expenses. Whether or not the transactions provided for in this Agreement are consummated, all expenses incurred by or on behalf of the parties in connection with the authorization, preparation and consummation of this Agreement, including, without limitation, all fees and expenses of agents, representatives, counsel and accountants employed by the parties in connection with these transactions, will be borne solely by the party incurring them, subject to the assumption of the Obligations by Buyer as provided herein (except as provided in Section 6(o)).

19. Notices. All notices and other communications by either party must be in writing to the other party and will be deemed duly given when delivered by hand, overnight courier, or sent by facsimile transmission on or the day after mailing, if mailed by express mail or its equivalent, postage prepaid, return receipt requested, if available, as follows:

a. if to Seller:

Gateway Communications, Inc.
12 Gateway Plaza
Columbus Drive

P.O. Box 12
Johnson City, NY 13790-0012
Attention: Lamont T. Pinker, President

with a copy to:

Robert E. McQuiston
Ballard Spahr Andrews & Ingersoll
1735 Market Street
51st Floor
Philadelphia, PA 19103

b. if to Buyer:

J. Daniel Sullivan
Clear Channel Television, Inc.
4431 Dyke Bennett Road
Franklin, TN 37064

with a copy to:

Kenneth E. Wyker
Vice President for Legal Affairs
Clear Channel Television, Inc.
200 Concord Plaza, Suite 600
San Antonio, TX 78216-6940

20. Assignment. Seller shall not assign this Agreement or any part without the written consent of Buyer. Buyer may assign its rights under this Agreement to any affiliated or unaffiliated party qualified under the rules of the FCC without the consent of Seller, provided Buyer shall remain liable hereunder. Except as otherwise provided, this Agreement will bind and inure to the benefit of the parties and their respective successors and assigns.

21. Supersession. This agreement supersedes any and all prior understandings and agreements between the parties and represents the entire understanding and agreement between the parties and can be amended only in writing signed by both parties.

22. Post-Closing Matters

a. The parties will fully cooperate after Closing in matters relating to Closing including the execution of reasonably necessary additional Closing documents and reasonable access to records and personnel for use in such matters as audits, litigation and claims retained by Seller.

b. If a consent cannot be obtained with respect to a Station Contract and Program License Agreement, then the Seller, at and after Closing, will cooperate with Buyer in any reasonable arrangement designed to provide for Buyer the benefits under any such contract or agreement, including enforcement at the cost and for the account of Buyer of any and all rights of Seller against the other party or parties arising out of its breach or cancellation by such other party or parties or otherwise.

23. Counterparts. This Agreement may be executed in counterparts, and any number of counterparts signed in the aggregate by the parties will constitute a single, original instrument.

24. CHOICE OF LAW. THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, EXCLUDING THE PRINCIPLES OF CONFLICTS OF LAW.

25. Interpretation. Where appropriate in the context the singular will be deemed to include the plural, the plural to include the singular and the past, present and future tenses to include the others.

26. No Party Deemed Drafter. No party or parties will be deemed the drafter of this Agreement and if this Agreement is construed by a court, such court will not construe this Agreement or any provision against any party as its drafter.

27. Headings. The descriptive headings of the sections and paragraphs of this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

28. No Waiver. The failure of any party to insist on strict performance of any obligation will not constitute a waiver of such party's right to demand strict compliance in the future.

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

GATEWAY COMMUNICATIONS, INC.

By: Malcolm A. Borg
Its: Chairman

CLEAR CHANNEL TELEVISION, INC.

By: _____
Its: _____

Guaranteed by:

CLEAR CHANNEL COMMUNICATIONS, INC.

By: _____
Its: _____

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

GATEWAY COMMUNICATIONS, INC.

By: _____

Its: _____

CLEAR CHANNEL TELEVISION, INC.

By: Mark P. Mays

Its: SVP

LIST OF EXHIBITS AND SCHEDULES TO ASSET PURCHASE AGREEMENT

Exhibit A

Option Agreement

Exhibit B

Time Brokerage Agreement

Exhibit C

Equipment and Studio Lease

Schedule 2 (a)

Real Property Assets

Schedule 2 (b)

Personal Property

Schedule 2 (c) (1)

Station Contracts

Schedule 2 (c) (2)

Program License Agreements

Schedule 3 (a) (i)

FCC License

Schedule 3 (a) (iii)

Intangible Rights

Schedule 3(c)(vi)

Excluded Assets

Schedule 6 (g)

Assets Owned by Parties Other Than Seller

Schedule 6 (h)

No Contravention

Schedule 6 (i)

Condition of Assets

Schedule 6 (k)

Financial Statements

Schedule 6 (l)

Taxes

Schedule 6 (m)

Licenses and Rights

Schedule 6 (n)

Claims

Schedule 6 (o)

Environmental Matters

Schedule 6 (p)

Accounts Receivable

Schedule 9 (o)

Environmental Remediation