

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of October 10, 2007 among the company or companies set forth as Seller on the signature page hereto (collectively, "Seller") and the company or companies set forth as Buyer on the signature page hereto (collectively, "Buyer").

Recitals

A. Seller owns and operates the radio broadcast stations listed on *Attachment 1* hereto (each a "Station" and collectively the "Stations") pursuant to certain authorizations issued by the Federal Communications Commission (the "FCC").

B. Pursuant to the terms and subject to the conditions set forth in this Agreement, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Station Assets (defined below).

Agreement

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

ARTICLE 1: PURCHASE OF ASSETS

1.1 Station Assets. On the terms and subject to the conditions hereof, at Closing (defined below), except as set forth in Sections 1.2 and 1.3, Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all right, title and interest of Seller in and to all assets and properties of Seller, real and personal, tangible and intangible, that are used or held for use in the operation of the Stations (the "Station Assets"), including without limitation the following:

(a) all licenses, permits and other authorizations issued to Seller by the FCC with respect to the Stations (the "FCC Licenses"), including those described on *Schedule 1.1(a)*, together with assignable licenses, permits and other authorizations issued to Seller by any other governmental or regulatory authority with respect to the conduct of the business or operations of the Stations, including in each case any renewals or modifications thereof between the date hereof and Closing;

(b) all of Seller's equipment, transmitters, antennas, cables, towers, vehicles, furniture, fixtures, spare parts and other tangible personal property of every kind and description that are used or held for use in the operation of the Stations, including without limitation those listed on *Schedule 1.1(b)*, except for any retirements or dispositions thereof made between the date hereof and Closing in the ordinary course of business, and together with such modifications, replacements, improvements and additional items made or acquired between the date hereof and Closing (the "Tangible Personal Property");

(c) all of Seller's real property used or held for use in the operation of the Stations (including any appurtenant easements and improvements located thereon), including without limitation those listed on *Schedule 1.1(c)* (the "Real Property");

(d) all agreements for the sale of advertising time on the Stations entered into in the ordinary course of business, and all other contracts, agreements and leases entered into in the ordinary course of the Stations' business, including without limitation those listed on *Schedule 1.1(d)*, together with all contracts, agreements and leases made between the date hereof and Closing in accordance with Article 4 (the "Station Contracts");

(e) all of Seller's rights in and to the Stations' call letters and Seller's rights in and to the trademarks, trade names, service marks, internet domain names, copyrights, transferable software, any transferable telephone and fax numbers, programs and programming material, jingles, slogans, logos, and other intangible property which are used or held for use in the operation of the Stations, including without limitation those listed on *Schedule 1.1(e)*, together with the goodwill associated with the foregoing and registrations in any jurisdiction of (and applications in any jurisdiction to register) any of the foregoing, including any extension, modification or renewal of any such registration or application (the "Intangible Property");

(f) Seller's rights in and to all the files, documents, records, and books of account (or copies thereof) relating to the operation of the Stations, including the Stations' local public files, programming information and studies, engineering data, advertising studies, marketing and demographic data, sales correspondence, lists of advertisers, credit and sales reports, and logs, but excluding records to the extent relating to Excluded Assets (defined below);

(g) any and all rights and claims of Seller, whether mature, contingent or otherwise, against third parties with respect to the Stations and the Station Assets, to the extent attributable to any period after the Effective Time, including without limitation all assignable rights under manufacturers' and vendors' warranties; and

(h) all of Seller's goodwill in, and going concern value of, the Stations.

The Station Assets shall be transferred to Buyer free and clear of liens, claims and encumbrances ("Liens") except for Assumed Obligations (defined in Section 1.4), liens for taxes not yet due and payable, liens that will be released at or prior to Closing, and, with respect to the Real Property, such other easements, rights of way, building and use restrictions and other exceptions that do not in any material respect detract from the value of the property subject thereto or impair the use thereof in the ordinary course of the business of the Stations (collectively, "Permitted Liens").

1.2 Excluded Assets. Notwithstanding anything to the contrary contained herein, the Station Assets shall not include the following assets or any rights, title and interest therein (the "Excluded Assets"):

(a) all cash and cash equivalents of Seller, including without limitation certificates of deposit, commercial paper, treasury bills, marketable securities, money market accounts and all such similar accounts or investments;

(b) all tangible and intangible personal property of Seller retired or disposed of between the date of this Agreement and Closing in accordance with Article 4;

(c) all Station Contracts that are terminated or expire prior to Closing in accordance with Article 4;

(d) Seller's corporate and trade names unrelated to the operation of the Stations (including the name "Clear Channel"), charter documents, and books and records relating to the organization, existence or ownership of Seller, duplicate copies of the records of the Stations, and all records not relating to the operation of the Stations;

(e) all contracts of insurance, all coverages and proceeds thereunder and all rights in connection therewith, including without limitation rights arising from any refunds due with respect to insurance premium payments to the extent related to such insurance policies;

(f) all pension, profit sharing plans and trusts and the assets thereof and any other employee benefit plan or arrangement and the assets thereof, if any, maintained by Seller;

(g) any non-transferable shrinkwrapped computer software and any other non-transferable computer licenses that are not material to the operation of the Stations;

(h) all rights and claims of Seller, whether mature, contingent or otherwise, against third parties with respect to the Stations and the Station Assets, to the extent attributable to any period prior to the Effective Time;

(i) all deposits and prepaid expenses (and rights arising therefrom or related thereto), except to the extent Seller receives a credit therefor under Section 1.7;

(j) computers and other similar assets located in the ordinary course of business anywhere other than at the Station studios, and any other operating systems and related assets that are used in the operation of multiple stations or other business units;

(k) all studio, tower and other assets used or held for use in the operation of any other radio or television station owned or operated by Seller or an affiliate of Seller, provided that any of the same that are located in the Stations' markets are not used in the operation of any of the Stations;

(l) any shares of stock in Broadcast Music, Inc. held by Seller;

(m) all intercompany arrangements among Seller and its affiliates that are not listed on *Schedule 1.1(c)* or *Schedule 1.1(d)*;

(n) certain contracts or portions thereof as provided by *Schedule 1.1(c)* or *Schedule 1.1(d)*; and

(o) the assets listed on *Schedule 1.2* (if any).

With respect to any marks or similar Intangible Property used in the operation of the Stations that are used in whole or in part in the operation of any other station, the Station Assets

include only the right to use such items in the manner used by Seller at the applicable Station on a basis exclusive in the market but non-exclusive in that no right is granted to Buyer with respect to other markets (some of which may overlap), and such right (i) is limited to the extent of Seller's transferable rights, (ii) may not be assigned by Buyer except to a transferee of the applicable Station who assumes Buyer's obligations in respect thereof (and any such assignment shall not relieve Buyer of any obligation or liability), (iii) may be used by Buyer only in a manner that does not diminish the quality of such items, and only without violating law or any third party rights (and Buyer shall be solely responsible for such use and the related services), and (iv) shall terminate for noncompliance or non-use, but otherwise shall be coterminous with Seller's rights. If any party requests further documentation of such rights, then upon Closing the parties shall enter into a separate license agreement that provides such rights in accordance with this Agreement.

1.3 Shared Contracts.

(a) Some of the Station Contracts may be used in the operation of multiple stations or other business units (the "Shared Contracts"). Except as provided by *Schedule 1.1(d)*, the rights and obligations under the Shared Contracts shall be equitably allocated among stations and such other business units in a manner reasonably determined by Seller in accordance with the following equitable allocation principles:

- (i) any allocation set forth in the Shared Contract shall control;
- (ii) if none, then any allocation previously made by Seller in the ordinary course of Station operations shall control;
- (iii) if none, then the quantifiable proportionate benefit to be received by the parties after Closing shall control; and
- (iv) if not quantifiable, then reasonable accommodation shall control.

(b) Buyer shall cooperate with Seller (and any third party designated by Seller) in such allocation, and the Station Contracts (and Assumed Obligations (defined below)) will include only Buyer's allocated portion of the rights and obligations under the Shared Contracts (without need for further action and whether such allocation occurs before or after Closing). If designated by Seller, such allocation will occur by termination of the Shared Contract and execution of new contracts. Buyer's allocated portion of the Shared Contracts will not include any group discounts or similar benefits specific to Seller or its affiliates. Completion of documentation of any such allocation is not a condition to Closing.

1.4 Assumption of Obligations. On the Closing Date (defined below), Buyer shall enter into any new contracts required by *Schedule 1.1(c)* or *Schedule 1.1(d)* or otherwise required by this Agreement and shall assume the obligations of Seller arising during, or attributable to, any period of time on or after the Closing Date under the Station Contracts, the obligations described in Section 5.7 and any other liabilities of Seller to the extent Buyer receives a credit therefor under Section 1.7 (collectively, the "Assumed Obligations"). Except for the Assumed Obligations and except as provided in the LMA, Buyer does not assume and shall not be responsible for, and will not be deemed by the execution and delivery of this

Agreement or the consummation of the transactions contemplated hereby to have assumed or become responsible for, any other liabilities or obligations of Seller (the "Retained Obligations"), including, without limitation, any liability or obligation arising out of or relating to (i) any employee benefit plan of Seller, (ii) any employees of Seller not employed by Buyer, (iii) any litigation, proceeding, enforcement action, claim or investigation (including without limitation any matter set forth on *Schedule 1.1(a)*) to the extent relating to the business or operations of the Stations prior to Closing, whether or not pending, threatened or asserted before, on or after the Closing Date, except for any claims related to or arising out of Buyer's operations of the Stations and obligations under the LMA; (iv) any claims asserted against the Stations or any of the Station Assets to the extent relating to any event (whether act or omission) prior to the Closing Date (including without limitation for the payment of any taxes), except for any claims related to or arising out of Buyer's operations of the Stations and obligations under the LMA; or (v) any of the Excluded Assets. Seller retains all Retained Obligations.

1.5 Purchase Price. In consideration for the sale of the Station Assets to Buyer, at Closing Buyer shall pay Seller, by wire transfer of immediately available funds, the sum of Seventy-Four Million Seven Hundred Seventy-Six Thousand Dollars (\$74,776,000), subject to adjustment pursuant to Section 1.7 (the "Purchase Price").

1.6 Deposit. On the date of this Agreement, Buyer shall make a cash deposit in immediately available funds in an amount equal to fifteen percent (15%) of the Purchase Price (the "Deposit") with Bank of America (the "Escrow Agent") pursuant to the Escrow Agreement (the "Escrow Agreement") of even date herewith among Buyer, Seller and the Escrow Agent. At Closing, the Deposit shall be disbursed to Seller and applied to the Purchase Price and all interest accrued thereon shall be disbursed to Buyer. If this Agreement is terminated by Seller pursuant to Section 10.1(c), the Deposit and any interest accrued thereon shall be disbursed to Seller. If this Agreement is terminated for any other reason, the Deposit and any interest accrued thereon shall be disbursed to Buyer. The parties shall each instruct the Escrow Agent to disburse the Deposit and all interest thereon to the party entitled thereto and shall not, by any act or omission, delay or prevent any such disbursement. Any failure by Buyer to make the Deposit on the date hereof constitutes a material default as to which the Cure Period under Section 10.1 does not apply entitling Seller to immediately terminate this Agreement.

1.7 Prorations and Adjustments.

(a) Except as provided in the LMA, all prepaid and deferred income and expenses relating to the Station Assets and arising from the operation of the Stations shall be prorated between Buyer and Seller in accordance with generally accepted accounting principles ("GAAP") as of 11:59 p.m. on the day before the Closing Date (the "Effective Time"). Such prorations shall include without limitation all ad valorem, real estate and other property taxes (except transfer taxes as provided by Section 11.1), music and other license fees, utility expenses, rent and other amounts under Station Contracts and similar prepaid and deferred items. Seller shall receive a credit for all of the Stations' deposits and prepaid expenses. Sales commissions related to the sale of advertisements broadcast on the Stations prior to the earlier of Closing or commencement of the LMA, as applicable, shall be the responsibility of Seller, and sales commissions related to the sale of advertisements broadcast on the Stations after the earlier of Closing or commencement of the LMA, as applicable, shall be the responsibility of Buyer. Prorations and adjustments shall be made no later than ninety (90) calendar days after Closing.

There shall be no proration or adjustment for employee leave accrued in the calendar year in which Closing occurs, but the prorations shall include an adjustment for employee leave (if any) accrued in a prior calendar year.

(b) With respect to trade, barter or similar agreements for the sale of time for goods or services assumed by Buyer, if at the earlier of Closing or commencement of the LMA the Stations have an aggregate negative or positive barter balance (*i.e.*, the amount by which the value of air time to be provided by the Stations after Closing or commencement of the LMA, as applicable, exceeds, or conversely, is less than, the fair market value of corresponding goods and services), there shall be no proration or adjustment, unless the negative or positive barter balance of the Stations as an aggregate exceeds \$100,000, in which event such excess or deficiency, as the case may be, shall be treated either as prepaid time sales or a receivable of Seller, and adjusted for as a proration in Buyer's or Seller's favor, as applicable. In determining barter balances, the value of air time shall be based upon Seller's rates as of Closing or commencement of the LMA, as applicable, and corresponding goods and services shall include those to be received by the Stations after Closing or commencement of the LMA, as applicable, *plus* those received by the Stations before Closing or commencement of the LMA, as applicable, to the extent conveyed by Seller to Buyer as part of the Station Assets.

1.8 Allocation. Within 120 days of Closing, Seller shall allocate the Purchase Price for tax purposes in accordance with the respective fair market values of the Station Assets and the goodwill being purchased and sold in accordance with the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended (the "Code"). Each of Buyer and Seller shall file a tax return reflecting this allocation as and when required under the Code.

1.9 Closing. The consummation of the sale and purchase of the Station Assets provided for in this Agreement (the "Closing") shall take place on or before the tenth business day after the date of the last to occur of the date the FCC Consent becomes a Final Order (defined below), HSR Clearance (defined below), or on such other day after such FCC Consent and HSR Clearance as Buyer and Seller may mutually agree, subject to Section 5.7 and the satisfaction or waiver of the conditions set forth in Articles 6 or 7 below. The date on which the Closing is to occur is referred to herein as the "Closing Date." For purposes of this Agreement, the term "Final Order" shall mean that action shall have been taken by the FCC (including action duly taken by the FCC's staff, pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or *sua sponte* action of the FCC with comparable effect shall be pending; and as to which the time for filing any such request, petition, appeal, certiorari or for the taking of any such *sua sponte* action by the FCC shall have expired or otherwise terminated.

1.10 Governmental Consents.

(a) Within five (5) business days after the consummation of the merger of Seller's parent company, but in no event later than January 31, 2008, Buyer and Seller shall file an application with the FCC (the "FCC Application") requesting FCC consent to the assignment of the FCC Licenses to Buyer. FCC consent to the FCC Application without any material adverse conditions other than those of general applicability is referred to herein as the "FCC

Consent". Buyer and Seller shall diligently prosecute the FCC Application and otherwise use their commercially reasonable efforts to obtain the FCC Consent as soon as possible.

(b) If applicable, within fifteen (15) business days after the date of this Agreement, Buyer and Seller shall make any required filings with the Federal Trade Commission and the United States Department of Justice pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act") with respect to the transactions contemplated hereby (including a request for early termination of the waiting period thereunder), and shall thereafter promptly respond to all requests received from such agencies for additional information or documentation. Expiration or termination of any applicable waiting period under the HSR Act is referred to herein as "HSR Clearance."

(c) Buyer and Seller shall notify each other of all documents filed with or received from any governmental agency with respect to this Agreement or the transactions contemplated hereby. Buyer and Seller shall furnish each other with such information and assistance as the other may reasonably request in connection with their preparation of any governmental filing hereunder. The FCC Consent and HSR Clearance are referred to herein collectively as the "Governmental Consents".

(d) In connection with any merger agreement or other strategic transaction, notwithstanding anything to the contrary set forth in this Agreement, if Seller notifies Buyer at any time prior to Closing, whether before or after the Governmental Consents are obtained, that it is necessary to specify a new transferor or otherwise change the FCC Application or any filing under the HSR Act, the parties shall amend, withdraw and re-file, or otherwise modify the FCC Application and any filing under the HSR Act, when requested by Seller to make such change, whether minor or major.

(e) If any Stations are located in a market in which Seller's ownership of stations is grandfathered under the FCC media ownership rules, then, notwithstanding anything to the contrary set forth in this Agreement, Seller may, but is not obligated to, assign this Agreement and convey all or any part of the Station Assets to a divestiture trust pursuant to which the trustee assumes this Agreement, either in whole or in part, as to such assets.

(f) The main station FCC Licenses expire on the dates set forth on *Schedule 1.1(a)*. If the Stations include any stations for which the FCC has not granted a license renewal application, Seller shall continue to prosecute such renewal application. The parties acknowledge that under current FCC policy, either the FCC will not grant an assignment application while a renewal application is pending, or the FCC will grant an assignment application with a renewal condition. If the FCC Application is granted subject to a renewal condition, then the term "FCC Consent" shall mean FCC consent to the FCC Application and satisfaction of such renewal condition.

1.11 LMA. Simultaneous with the execution of this Agreement, Buyer and Seller are entering into a Local Programming and Marketing Agreement (the "LMA") pursuant to which, among other things, and subject to the terms and conditions of the LMA, after HSR Clearance (if applicable), Buyer will provide programming for, and be entitled to receive the revenues from the sale of advertising time on, the Stations.

ARTICLE 2: SELLER REPRESENTATIONS AND WARRANTIES

Seller makes the following representations and warranties to Buyer:

2.1 Organization. Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and is qualified to do business in each jurisdiction in which the Station Assets are located. Seller has the requisite power and authority to execute, deliver and perform this Agreement and all of the other agreements and instruments to be made by Seller pursuant hereto (collectively, the "Seller Ancillary Agreements") and to consummate the transactions contemplated hereby and thereby.

2.2 Authorization. The execution, delivery and performance of this Agreement and the Seller Ancillary Agreements by Seller have been duly authorized and approved by all necessary action of Seller and do not require any further authorization or consent of Seller. This Agreement is, and each Seller Ancillary Agreement when made by Seller and the other parties thereto will be, a legal, valid and binding agreement of Seller enforceable in accordance with its terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

2.3 No Conflicts. Except as set forth on *Schedule 2.3* and except for the Governmental Consents and consents to assign certain of the Station Contracts as indicated on *Schedule 1.1(c)* and *Schedule 1.1(d)*, the execution, delivery and performance by Seller of this Agreement and the Seller Ancillary Agreements and the consummation by Seller of any of the transactions contemplated hereby or thereby does not (i) conflict with any organizational documents of Seller, (ii) violate any contract or other instrument to which Seller is a party or otherwise bound or by which any property or other assets of Seller is bound, (iii) result in the creation of any encumbrance upon any of the Station Assets except for Permitted Liens, (iv) violate any law (including FCC regulations) or order of any governmental or regulatory authority to which Seller, the Stations or any or all of the Station Assets are subject, or (v) require the

consent or approval of, or a filing by Seller with, any governmental or regulatory authority or any third party.

2.4 FCC Licenses. Except as set forth on *Schedule 1.1(a)*:

Seller is the holder of the FCC Licenses described on *Schedule 1.1(a)*, which are all of the licenses, permits and authorizations required for the present operation of the Stations. The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending, or, to Seller's knowledge, threatened, any action by or before the FCC to revoke, suspend, cancel, rescind or materially adversely modify any of the FCC Licenses (other than proceedings to amend FCC rules of general applicability). There is not issued or outstanding, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or order of forfeiture against the Stations or against Seller with respect to the Stations that could result in any such action. The Stations are operating in compliance in all material respects with the FCC Licenses, the Communications Act of 1934, as amended (the "Communications Act"), and the rules, regulations and policies of the FCC. All material reports and filings, including all payments of annual FCC regulatory fees that have become due, required to be filed with the FCC by Seller with respect to the Stations have been timely filed. All such reports and filings are accurate and complete in all material respects.

2.5 Taxes. Seller has, in respect of the Stations' business and the Station Assets, filed all foreign, federal, state, county and local income, excise, property, sales, use, franchise, payroll and other tax returns, forms and reports which are required to have been filed by it under applicable law, and has paid in full or discharged (or set aside appropriate amounts for) all taxes, assessments, excises, interest, penalties, deficiencies and losses which are required to be paid by it under applicable law.

2.6 Personal Property. *Schedule 1.1(b)* contains a list of material items of Tangible Personal Property included in the Station Assets. Except as set forth on *Schedule 1.1(b)*, Seller has good and marketable title to the Tangible Personal Property free and clear of Liens other than Permitted Liens. Except as set forth on *Schedule 1.1(b)*, all material items of Tangible Personal Property are in good operating condition, ordinary wear and tear excepted.

2.7 Real Property.

(a) *Schedule 1.1(c)* contains a description of the Real Property. Seller has good and marketable fee simple title to the owned Real Property described on *Schedule 1.1(c)* (the "Owned Real Property") (if any), free and clear of Liens other than Permitted Liens. The Owned Real Property includes sufficient access to the Stations' facilities.

(b) *Schedule 1.1(c)* includes a description of each lease of Real Property or similar agreement included in the Station Contracts (the "Real Property Leases").

(c) Seller has valid leasehold interests in the Real Property Leases, free and clear of all Liens (other than Permitted Liens). With respect to each such Real Property Lease, (i) each such lease in full force and effect, and is valid, binding and enforceable in accordance with its terms against Seller and, to Seller's knowledge, the other parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the

enforcement of creditors' rights generally); and (ii) Seller has performed its obligations under each such lease in all material respects, and is not in material breach or default thereunder, and to Seller's knowledge, no other party to any of the Real Property Leases is in breach or default thereunder in any material respect. Seller has the full legal power and authority to assign its rights under the Real Property Leases to Buyer in accordance with this Agreement. To Seller's knowledge, each such Real Property Lease provides sufficient access to the Stations' facilities.

(d) To Seller's knowledge, the Real Property is not subject to any suit for condemnation or other taking by any public authority.

2.8 Contracts. *Schedule 1.1(d)* contains a list of all contracts that are used in the operation of the Stations other than contracts that when combined with any Station Contracts executed after the date of this Agreement do not exceed the limitations set forth in Section 4.1 and agreements for the sale of advertising time entered into in the ordinary course of business. The Station Contracts requiring the consent of a third party to assignment are identified with an asterisk on *Schedule 1.1(c)* and *Schedule 1.1(d)*. Each of the Station Contracts (including without limitation each of the Real Property Leases) is in effect and is binding upon Seller and, to Seller's knowledge, the other parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally). Seller has performed its obligations under each of the Station Contracts in all material respects, and is not in material breach or default thereunder, and to Seller's knowledge, no other party to any of the Station Contracts is in breach or default thereunder in any material respect.

2.9 Environmental. Except as set forth on *Schedule 1.1(c)* or in any environmental report delivered by Seller to Buyer prior to the date of this Agreement, to Seller's knowledge, no hazardous or toxic substance or waste regulated under any applicable environmental, health or safety law has been generated, stored, transported or released on, in, from or to the Real Property included in the Station Assets. Except as set forth on *Schedule 1.1(c)* or in any environmental report delivered by Seller to Buyer prior to the date of this Agreement, to Seller's knowledge, Seller has complied in all material respects and is in compliance in all material respects with all environmental, health and safety laws and regulations applicable to the Stations and with any permits or licenses required pursuant to such laws and regulations.

2.10 Intangible Property. *Schedule 1.1(e)* contains a description of the material Intangible Property included in the Station Assets. Except as set forth on *Schedule 1.1(e)*, (i) to Seller's knowledge, Seller's use of the Intangible Property does not infringe upon any third party rights in any material respect, (ii) no material Intangible Property is the subject of any pending, or, to Seller's knowledge, threatened legal proceedings claiming infringement or unauthorized use, and (iii) Seller has not received any written notice that its use of any material Intangible Property is unauthorized or infringes upon the rights of any other person. Except as set forth on *Schedule 1.1(e)*, to Seller's knowledge, Seller owns or has the right to use the Intangible Property free and clear of Liens other than Permitted Liens.

2.11 Employees. Except as set forth on *Schedule 2.11*, (i) Seller has complied in all material respects with all labor and employment laws, rules and regulations applicable to the Stations' business, including without limitation those which relate to prices, wages, hours, discrimination in employment and collective bargaining, (ii) there is no unfair labor practice charge or complaint against Seller in respect of the Stations' business pending or, to Seller's

knowledge, threatened before the National Labor Relations Board, any state labor relations board or any court or tribunal, and there is no strike, dispute, request for representation, slowdown or stoppage pending or threatened in respect of the Stations' business, and (iii) Seller is not party to any collective bargaining, union or similar agreement with respect to the employees of Seller at the Stations, and to Seller's knowledge, no union represents or claims to represent or is attempting to organize such employees.

2.12 Insurance. Seller maintains insurance policies or other arrangements with respect to the Stations and the Station Assets consistent with its practices for other stations, and will maintain such policies or arrangements until the Effective Time. Seller has not received notice from any issuer of any such policies of its intention to cancel, terminate or refuse to renew any such insurance policy.

2.13 Compliance with Law. Except as set forth on *Schedule 2.13*, (i) Seller has complied in all material respects with all laws, rules and regulations, including without limitation all FCC and Federal Aviation Administration rules and regulations, applicable to the operation of the Stations or to any of the Station Assets, and all decrees and orders of any court or other governmental or regulatory authority which are applicable to the operation of the Stations or to any of the Station Assets, and (ii) to Seller's knowledge, there are no governmental claims or investigations pending or threatened against Seller in respect of the Stations except those affecting the industry generally.

2.14 Litigation. Except as set forth on *Schedule 2.14*, there is no action, suit or proceeding pending or, to Seller's knowledge, threatened against Seller in respect of the Stations that will subject Buyer to Damages (defined below) or which will affect Seller's ability to perform its obligations under this Agreement. Seller is not operating under or subject to any order, writ, injunction or decree relating to the Stations or the Station Assets of any court or other governmental or regulatory authority which would have a material adverse effect on the condition or operations of the Stations or any of the Station Assets or on the ability of Seller to enter into this Agreement or consummate the transactions contemplated hereby, other than those of general applicability.

2.15 Financial Statements. Seller has provided to Buyer copies of its statements of operations for the Stations for the years ended December 31, 2004, December 31, 2005 and December 31, 2006 and for the year to date through September 30, 2007. Such year-end statements are the statements included in the audited consolidated financial statements of Seller and its affiliates (but such statements are not separately audited and the year to date statements are not audited). Shared operating expenses and revenue from combined sales are allocated among the Stations and other stations and business units as determined by Seller. Such statements may reflect the results of intercompany arrangements that are Excluded Assets. Except for the foregoing and except for the absence of footnotes, such statements have been prepared in accordance with GAAP consistently applied and in the aggregate present fairly in all material respects the results of operations of the Stations as operated by Seller for the respective periods covered thereby. Between September 30, 2007 and the date of this Agreement, the Stations have been operated in all material respects in the ordinary course of business.

2.16 No Undisclosed Liabilities. There are no liabilities or obligations of Seller with respect to the Stations that will be binding upon Buyer after the Effective Time other than the Assumed Obligations and other than pursuant to the prorations under Section 1.7.

2.17 Station Assets. The Station Assets include all assets that are owned or leased by Seller and used or held for use in the operation of the Stations in all material respects as currently operated, except for the Excluded Assets.

ARTICLE 3: BUYER REPRESENTATIONS AND WARRANTIES

Buyer hereby makes the following representations and warranties to Seller:

3.1 Organization. Buyer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and is qualified to do business in each jurisdiction in which the Station Assets are located. Buyer has the requisite power and authority to execute, deliver and perform this Agreement and all of the other agreements and instruments to be executed and delivered by Buyer pursuant hereto (collectively, the “Buyer Ancillary Agreements”) and to consummate the transactions contemplated hereby and thereby.

3.2 Authorization. The execution, delivery and performance of this Agreement and the Buyer Ancillary Agreements by Buyer have been duly authorized and approved by all necessary action of Buyer and do not require any further authorization or consent of Buyer. This Agreement is, and each Buyer Ancillary Agreement when made by Buyer and the other parties thereto will be, a legal, valid and binding agreement of Buyer enforceable in accordance with its terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors’ rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

3.3 No Conflicts. Except for the Governmental Consents, the execution, delivery and performance by Buyer of this Agreement and the Buyer Ancillary Agreements and the consummation by Buyer of any of the transactions contemplated hereby or thereby does not (i) conflict with any organizational documents of Buyer, (ii) violate any contract or other instrument to which Buyer is a party or otherwise bound or by which any property or other assets of Buyer is bound, (iii) violate any law (including FCC regulations) or order of any governmental or regulatory authority to which Buyer is subject, or (iv) require the consent or approval of, or a filing by Buyer with, any governmental or regulatory authority or any third party.

3.4 Litigation. There is no action, suit or proceeding pending or, to Buyer’s knowledge, threatened against Buyer which questions the legality or propriety of the transactions contemplated by this Agreement or could materially adversely affect the ability of Buyer to perform its obligations hereunder.

3.5 Qualification. Buyer is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate the Stations under the Communications Act and the rules, regulations and policies of the FCC and to enter into the LMA and assume the role of programmer thereunder. There are no facts that would, under existing law and the existing rules, regulations and policies of the FCC, disqualify Buyer as an assignee of the FCC Licenses or as

the owner and operator of the Stations or as the programmer under the LMA. No waiver of or exemption from any FCC rule or policy is necessary for the FCC Consent to be obtained. To Buyer's knowledge, there are no matters relating to Buyer which would reasonably be expected to result in the FCC's denial or delay of approval of the FCC Application.

ARTICLE 4: SELLER COVENANTS

4.1 Seller's Covenants. Between the date hereof and Closing, except as permitted by this Agreement or with the prior written consent of Buyer, which shall not be unreasonably withheld, delayed or conditioned, Seller shall, subject to the LMA (as applicable):

(a) operate the Stations in the ordinary course of business consistent with past practice and in all material respects in accordance with FCC rules, regulations and policies and with all other applicable laws, regulations, rules and orders;

(b) not materially adversely modify, and in all material respects maintain in full force and effect, the FCC Licenses;

(c) not make any engineering change which materially reduces the power or coverage of any Station or which requires consent or filing with the FCC, except for periods of maintenance or as reasonably necessary due to matters outside Seller's reasonable control;

(d) except as provided by Section 1.10(d), not other than in the ordinary course of business, sell, lease or dispose of or agree to sell, lease or dispose of any of the Station Assets unless replaced with similar items of substantially equal or greater value and utility, or create, assume or permit to exist any Liens upon the Station Assets, except for Permitted Liens, and not dissolve, liquidate, merge or consolidate with any other entity;

(e) maintain the Tangible Personal Property in the ordinary course of business;

(f) maintain the Real Property in the ordinary course of business;

(g) upon reasonable notice, give Buyer and its representatives reasonable access during normal business hours to the Station Assets, furnish Buyer with information relating to the Station Assets that Buyer may reasonably request, provided that such access rights shall not be exercised in a manner that unreasonably interferes with the operation of the Stations, and reasonably cooperate with Buyer in its efforts to enter into employment agreements with on-air talent and other key employees;

(h) except in the ordinary course of business and as otherwise required by law, not (i) enter into any employment, labor, or union agreement or plan (or amendments of any such existing agreements or plan) that will be binding upon Buyer after Closing or (ii) increase the compensation payable to any employee of the Stations, except for bonuses and other compensation payable by Seller in connection with the consummation of the transactions contemplated by this Agreement (if any); and

(i) not enter into new Station Contracts that will be binding upon Buyer after Closing or amend any existing Station Contracts, except for (A) new time sales agreements and

other Station Contracts (other than with Seller or any of its affiliates except as set forth on *Schedule 4.1(i)*) made in the ordinary course of business that are terminable on ninety days notice or less without penalty, (B) other Station Contracts made with Buyer's prior written consent, and (C) other Station Contracts made in the ordinary course of business that do not require post-Closing payments by Buyer of more than \$50,000 per Station (in the aggregate for all such new contracts) (other than Seller or any of its affiliates except as set forth on *Schedule 4.1(i)*); provided, however that such limits shall not apply to renewals of existing Station Contracts (other than any with Seller or any of its affiliates that include new terms that are less favorable to the Stations), all of which Seller may renew in the ordinary course of business without Buyer's consent.

For purposes of calculating the amount of said post-Closing payments by Buyer, if a contract is terminable by giving advance notice, then such amount shall include only the post-Closing amount that would be payable if a termination notice were given at Closing (whether or not such notice is in fact given), but in no event shall such amount be more than the amount payable absent such termination notice.

4.2 Non-Disclosure. Following the Closing, except as required by law or compulsory legal process, Seller shall, and shall cause its affiliates and representatives to, treat and hold as confidential any and all information concerning the businesses and affairs of the Stations (including the Station Assets) that is not already available to the public and is in Buyer's possession (the "Confidential Information") and, except as otherwise expressly permitted by this Agreement, refrain from disclosing any of the Confidential Information to any other person (other than its affiliates and Seller's and its affiliates' officers, directors, employees and advisors); provided that (i) Seller and its affiliates may use and disclose any such Confidential Information once it becomes public information and (ii) Seller and its affiliates may disclose any such Confidential Information to the extent Seller or its affiliates is legally compelled to disclose any of such information; provided, however, in such circumstance Seller shall provide Buyer with prompt written notice of such requirement to disclose so that Buyer may seek a protective order or other remedy or waive compliance with this Section 4.2.

ARTICLE 5: JOINT COVENANTS

Buyer and Seller hereby covenant and agree as follows:

5.1 Confidentiality. Seller or an affiliate of Seller and Buyer or an affiliate of Buyer are parties to a nondisclosure agreement (the "NDA") with respect to Seller and its stations. To the extent not already a direct party thereto, Buyer and Seller hereby assume the NDA and agree to be bound by the provisions thereof. Without limiting the terms of the NDA, subject to the requirements of applicable law, all non-public information regarding the parties and their business and properties that is disclosed in connection with the negotiation, preparation or performance of this Agreement (including without limitation all financial information provided by Seller to Buyer) shall be confidential and shall not be disclosed to any other person or entity, except the parties' representatives and lenders for the purpose of consummating the transaction contemplated by this Agreement.

5.2 Announcements. Prior to Closing, no party shall, without the prior written consent of the other, issue any press release or make any other public announcement concerning

the transactions contemplated by this Agreement, except to the extent that such party is so obligated by law, in which case such party shall give advance notice to the other, and except that the parties shall cooperate to make a mutually agreeable announcement.

5.3 Control. Subject to the LMA, Buyer shall not, directly or indirectly, control, supervise or direct the operation of the Stations prior to Closing. Consistent with the Communications Act and the FCC rules and regulations, control, supervision and direction of the operation of the Stations prior to Closing shall remain the responsibility of Seller as the holder of the FCC Licenses.

5.4 Risk of Loss.

(a) Seller shall bear the risk of any loss of or damage to any of the Station Assets at all times until the Effective Time, and Buyer shall bear the risk of any such loss or damage thereafter.

(b) If prior to the Effective Time any item of Tangible Personal Property is damaged or destroyed or otherwise not in the condition described in Section 2.6 in any material respect, then:

(i) Seller shall use commercially reasonable efforts to repair or replace such item in all material respects in the ordinary course of business; and

(ii) if such repair or replacement is not completed prior to Closing, then the parties shall proceed to Closing (with Seller's representations and warranties deemed modified to take into account any such condition) and Seller shall promptly repair or replace such item in all material respects after Closing (and Buyer will provide Seller reasonable access and any other reasonable assistance requested by Seller (at Seller's expense) with respect to such obligation), except that if such damage or destruction materially disrupts Station operations, then Buyer may postpone Closing until the date five (5) business days after operations are restored in all material respects, subject to Section 10.1.

(c) If prior to Closing a Station is off the air or operating at a power level that results in a material reduction in coverage (a "Broadcast Interruption"), then Seller shall use commercially reasonable efforts to return the Station to the air and restore prior coverage as promptly as possible in the ordinary course of business. Notwithstanding anything herein to the contrary, if prior to Closing there is a Broadcast Interruption in excess of 24 hours, then Buyer may postpone Closing until the date five (5) business days after the Station returns to the air and prior coverage is restored in all material respects, subject to Section 10.1.

5.5 Environmental.

(a) With respect to any Owned Real Property or ground lease included in the Station Assets, Buyer may at its expense conduct a Phase I environmental assessment (each a "Phase I") prior to Closing, provided that such Phase Is are conducted during normal business hours upon reasonable prior notice (and subject to landlord consent if necessary), but completion of such assessments (or the results thereof) is not a condition to Closing.

(b) If any Phase I or any item set forth on *Schedule 1.1(c)* or any environmental report provided by Seller to Buyer prior to the date of this Agreement identifies a condition requiring remediation under, applicable environmental law, then:

(i) except as set forth below, Seller shall use commercially reasonable efforts to remediate such condition in all material respects in the ordinary course of business; and

(ii) if such remediation is not completed prior to Closing, then the parties shall proceed to Closing (with Seller's representations and warranties deemed modified to take into account any such condition) and Seller shall remediate such item in all material respects after Closing (and Buyer will provide Seller reasonable access and any other reasonable assistance requested by Seller (at Seller's expense) with respect to such obligation).

(c) Notwithstanding anything herein to the contrary, if at any time any such condition exists and the reasonably estimated cost to remedy all such conditions in the aggregate exceeds the lower of (i) an aggregate amount equal to \$100,000 multiplied by the number of Stations, (ii) 2.5% of the Purchase Price, or (iii) \$1,000,000, then either party shall have the right to terminate this Agreement upon written notice to the other party.

5.6 Consents.

(a) The parties shall use commercially reasonable efforts to obtain (i) any third party consents necessary for the assignment of any Station Contract (which shall not require any payment to any such third party), and (ii) execution of reasonable estoppel certificates by lessors under any Real Property Leases requiring consent to assignment (if any), but no such consents or estoppel certificates are conditions to Closing except for the Required Consents. Receipt of consent to assign to Buyer the Stations' main tower leases designated with a diamond on *Schedule 1.1(c)* (if any) is a condition precedent to Buyer's obligation to close under this Agreement (the "Required Consents").

(b) To the extent that any Station Contract may not be assigned without the consent of any third party, and such consent is not obtained prior to Closing, this Agreement and any assignment executed pursuant to this Agreement shall not constitute an assignment of such Station Contract; provided, however, with respect to each such Station Contract, Seller and Buyer shall cooperate to the extent feasible in effecting a lawful and commercially reasonable arrangement under which Buyer shall receive the benefits under the Station Contract from and after Closing, and to the extent of the benefits received, Buyer shall pay and perform Seller's obligations arising under the Station Contract from and after Closing in accordance with its terms.

5.7 Employees.

(a) Seller has provided Buyer a list showing employee positions and basic compensation for employees of the Stations. Except as set forth on *Schedule 1.1(d)*, Buyer may, but is not obligated to, offer post-Closing (or post-LMA commencement, as applicable) employment to such employees. With respect to each such employee, within the first to occur of (i) thirty (30) calendar days after the date of this Agreement or (ii) no less than ten (10) business days prior to commencement of the LMA, Buyer shall notify Seller in writing whether or not it will offer Comparable Employment (defined below) to such employee upon Closing or

commencement of the LMA, as applicable. Within thirty (30) calendar days after Closing or commencement of the LMA, as applicable, Buyer shall give Seller written notice identifying (i) all Transferred Employees (defined below) and (ii) all individuals who were employed by Seller prior to the Closing or commencement of the LMA, as applicable, who were offered Comparable Employment with Buyer who did not accept such offers. As used herein, "Comparable Employment" means employment with no reduction in base salary or change in the amount of scheduled hours, and no requirement to commute more than 30 miles further than the employee's commute while employed by Seller.

(b) During the period beginning on the date hereof and ending six (6) months after the Closing Date, Seller shall not, without the prior written consent of Buyer, recruit, solicit for employment or hire any of the Station employees (other than those to whom Buyer does not timely offer Comparable Employment); provided, however, that the foregoing shall not prohibit general solicitations not directed at such employees or the use of employee recruiting or search firms (provided that such employee recruiting or search firms do not direct their activities at such employees), or the hiring of any such employee that does not result from a breach of this Section.

(c) If applicable, Seller shall give any notice to any applicable employees required under the Worker Adjustment and Retraining Notification Act (the "WARN Act") or any similar state or local law, and Buyer shall comply with any applicable requirements thereunder after the Effective Time or commencement of the LMA, as applicable. If the WARN Act or any such other law is applicable, then Seller may by written notice to Buyer extend the Closing Date or LMA commencement date to a date within five (5) business days after expiration of all applicable notice periods.

(d) With respect to employees of the Stations hired by Buyer ("Transferred Employees"), Seller shall be responsible for all compensation and benefits arising prior to the Effective Time or commencement of the LMA, as applicable (in accordance with Seller's employment terms), and Buyer shall be responsible for all compensation and benefits arising after the Effective Time or commencement of the LMA, as applicable (in accordance with Buyer's employment terms). Buyer shall grant credit to each Transferred Employee for all unused vacation and sick leave accrued as of the Effective Time or commencement of the LMA, as applicable, as an employee of Seller, and Buyer shall assume and discharge Seller's obligation to provide such leave to such employees (such obligations being a part of the Assumed Obligations). If any such leave is accrued in a year prior to the calendar year in which Closing or LMA commencement, as applicable, occurs, then Buyer shall receive an appropriate adjustment as provided by Section 1.7.

(e) Buyer shall permit Transferred Employees (and their spouses and dependents) to participate in its "employee welfare benefit plans" (including without limitation health insurance plans) and "employee pension benefit plans" (as defined in ERISA) in which similarly situated employees are generally eligible to participate, with coverage effective immediately upon Closing or commencement of the LMA, as applicable (and without exclusion from coverage on account of any pre-existing condition), with service with Seller deemed service with Buyer for purposes of any length of service requirements, waiting periods, vesting periods and differential benefits based on length of service, and with credit under any welfare benefit plan for any deductibles or co-insurance paid for the current plan year under any plan maintained by Seller.

(f) Buyer shall also permit each Transferred Employee who participates in Seller's 401(k) plan to elect to make direct rollovers of their account balances into Buyer's 401(k) plan (if any) as soon as administratively feasible after Closing or commencement of the LMA, as applicable, including the direct rollover of any outstanding loan balances such that they will continue to make payments under the terms of such loans under Buyer's 401(k) plan (if any), subject to compliance with applicable law and subject to the reasonable requirements of Buyer's 401(k) plan (if any).

5.8 Accounts Receivable. With respect to the Station's accounts receivable, the terms of Schedule 5.8 shall apply.

5.9 1031 Exchange. To facilitate a like-kind exchange under Section 1031 of the Code, Seller may assign its rights under this Agreement (in whole or in part) to a "qualified intermediary" under section 1.1031(k)-1(g)(4) of the treasury regulations (but such assignment shall not relieve Seller of its obligations under this Agreement) and any such qualified intermediary may re-assign to Seller. If Seller gives notice of such assignment, Buyer shall provide Seller with a written acknowledgment of such notice prior to Closing and pay the Purchase Price (or such portion thereof as is designated in writing by the qualified intermediary) to or on behalf of the qualified intermediary at Closing and otherwise reasonably cooperate therewith.

5.10 Actions. After Closing, Buyer shall reasonably cooperate with Seller (at Seller's expense as to out-of-pocket costs reasonably incurred by Buyer) in the investigation, defense or prosecution of any action which is pending or threatened against Seller or its affiliates with respect to the Stations, whether or not any party has notified the other of a claim for indemnification with respect to such matter. Without limiting the generality of the foregoing, Buyer shall make available its employees to give depositions or testimony and shall furnish all documentary or other evidence that Seller may reasonably request.

5.11 FCC Compliance. If after Closing the FCC Consent is reversed or otherwise set aside, and there is a final order of the FCC (or court of competent jurisdiction) requiring the re-assignment of the FCC Licenses to Seller, then the purchase and sale of the Station Assets shall be rescinded. In such event, Buyer shall reconvey to Seller the Station Assets free and clear of Liens other than Permitted Liens, and Seller shall repay to Buyer the Purchase Price and reassume the Station Contracts. Any such rescission shall be consummated on a mutually agreeable date within thirty days of such final order (or, if earlier, within the time required by such order). In connection therewith, Buyer and Seller shall each execute such documents (including execution by Buyer of instruments of conveyance of the Station Assets to Seller and execution by Seller of instruments of assumption of the Station Contracts) and make such payments (including repayment by Seller to Buyer of the Purchase Price) as are necessary to give effect to such rescission.

5.12 Developments. Between the date hereof and Closing, each of Seller and Buyer shall promptly notify the other party of (i) becoming aware of any material variance to, or material breach of, any of such party's representations, warranties or covenants hereunder or any order or decree or any material written complaint which requests an order or decree restraining or enjoining the consummation of this Agreement or the transactions contemplated hereby; or (ii) receiving any written notice from any governmental or regulatory authority of its intention (a) to

institute an investigation into, or institute a suit or proceeding to restrain or enjoin, the consummation of this Agreement or the transactions contemplated hereby or (b) to nullify or render ineffective this Agreement or the transactions contemplated hereby if consummated. In addition, the parties shall comply with the terms of *Schedule 5.12*.

ARTICLE 6: SELLER CLOSING CONDITIONS

The obligation of Seller to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Seller):

6.1 Representations and Covenants.

(a) The representations and warranties of Buyer made in this Agreement, shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement.

(b) The covenants and agreements to be complied with and performed by Buyer at or prior to Closing shall have been complied with or performed in all material respects.

(c) Seller shall have received a certificate dated as of the Closing Date from Buyer executed by an authorized officer of Buyer to the effect that the conditions set forth in Sections 6.1(a) and (b) have been satisfied.

6.2 Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

6.3 FCC Authorization. The FCC Consent pursuant to the FCC's initial order shall have been obtained.

6.4 Hart Scott Rodino. If applicable, the HSR Clearance shall have been obtained.

6.5 Deliveries. Buyer shall have executed and delivered the documents required to be delivered at Closing pursuant to the Schedules hereto, and shall have complied with its obligations set forth in Section 8.2.

ARTICLE 7: BUYER CLOSING CONDITIONS

The obligation of Buyer to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Buyer):

7.1 Representations and Covenants.

(a) The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement.

(b) The covenants and agreements to be complied with and performed by Seller at or prior to Closing shall have been complied with or performed in all material respects.

(c) Buyer shall have received a certificate dated as of the Closing Date from Seller executed by an authorized officer of Seller to the effect that the conditions set forth in Sections 7.1(a) and (b) have been satisfied.

7.2 Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

7.3 FCC Authorization. The FCC Consent shall have become a Final Order.

7.4 Hart Scott Rodino. If applicable, the HSR Clearance shall have been obtained.

7.5 Deliveries. Seller shall have executed and delivered the documents required to be delivered at Closing pursuant to the Schedules hereto and shall have complied with its obligations set forth in Section 8.1.

7.6 Consents. The Required Consents (if any) shall have been obtained.

ARTICLE 8: CLOSING DELIVERIES

8.1 Seller Documents. At Closing, Seller shall deliver or cause to be delivered to Buyer:

(i) good standing certificates issued by the Secretary of State of Seller's jurisdiction of formation;

(ii) a certificate executed by Seller's secretary or assistant secretary evidencing authorization by the Seller's board of directors for the execution, delivery and performance of this Agreement, including the consummation of the transactions contemplated hereby;

(iii) the certificate described in Section 7.1(c);

(iv) an assignment of FCC authorizations assigning the FCC Licenses from Seller to Buyer;

(v) an assignment and assumption of contracts assigning the Station Contracts from Seller to Buyer;

(vi) an assignment and assumption of leases assigning the Real Property Leases (if any) from Seller to Buyer;

(vii) special warranty deeds conveying the Owned Real Property (if any) from Seller to Buyer;

(viii) an assignment of marks assigning the Stations' registered marks listed on *Schedule 1.1(e)* (if any) from Seller to Buyer;

(ix) domain name transfers assigning the Stations' domain names listed on *Schedule 1.1(e)* (if any) from Seller to Buyer following customary procedures of the domain name administrator;

(x) endorsed vehicle titles conveying the vehicles included in the Tangible Personal Property (if any) from Seller to Buyer;

(xi) a bill of sale conveying the other Station Assets from Seller to Buyer;

(xii) any estoppel certificates obtained by Seller;

(xiii) an affidavit of non-foreign status of Seller that complies with Section 1445 of the Code; and

(xiv) any other instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer and assign the Station Assets from Seller to Buyer, free and clear of Liens, except for Permitted Liens.

8.2 Buyer Documents. At Closing, Buyer shall deliver or cause to be delivered to Seller:

(i) the Purchase Price in accordance with Section 1.5 hereof;

(ii) good standing certificates issued by the Secretary of State of Buyer's jurisdiction of formation;

(iii) certified copies of resolutions authorizing the execution, delivery and performance of this Agreement, including the consummation of the transactions contemplated hereby;

(iv) the certificate described in Section 6.1(c);

(v) an assignment and assumption of contracts assuming the Station Contracts;

(vi) an assignment and assumption of leases assuming the Real Property Leases (if any);

(vii) domain name transfers assuming the Stations' domain names listed on *Schedule 1.1(e)* (if any) following customary procedures of the domain name administrator;

(viii) any new agreements required by *Schedule 1.1(d)* or otherwise required by this Agreement; and

(ix) such other documents and instruments of assumption that may be necessary to assume the Assumed Obligations.

ARTICLE 9: SURVIVAL; INDEMNIFICATION

9.1 Survival. The representations and warranties in this Agreement shall survive Closing for a period of eighteen (18) months from the Closing Date, whereupon they shall expire and be of no further force or effect; provided that (i) the representations and warranties in Section 2.5 (Taxes) and Section 2.9 (Environmental) shall survive until the expiration of any applicable statute of limitations, (ii) the representations and warranties in Sections 2.1 and 3.1 (Organization), Sections 2.2 and 3.2 (Authorization) and, solely with respect to title, Sections 2.6, 2.7 and 2.10 shall survive indefinitely, and (iii) if within such periods the indemnified party gives the indemnifying party written notice of a claim for breach thereof describing in reasonable detail the nature and basis of such claim, then such claim shall survive until the resolution of such claim. The covenants and agreements in this Agreement shall survive Closing until performed.

9.2 Indemnification.

(a) Subject to Section 9.2(b), from and after Closing, Seller shall defend, indemnify and hold harmless Buyer from and against any and all losses, costs, damages, liabilities and expenses, including reasonable attorneys' fees and expenses ("Damages") incurred by Buyer arising out of or resulting from:

- (i) any breach by Seller of any of its representations and warranties made under this Agreement; or
- (ii) any default by Seller of any covenant or agreement made under this Agreement; or
- (iii) the Retained Obligations; or
- (iv) the business or operation of the Stations before the Effective Time, except for the Assumed Obligations.

(b) Notwithstanding the foregoing or anything else herein to the contrary, after Closing, (i) Seller shall have no liability to Buyer under clause (i) of Section 9.2(a) until Buyer's aggregate Damages exceed an amount equal to the lower of (A) an aggregate amount equal to \$100,000 multiplied by the number of Stations, (B) 2.5% of the Purchase Price, or (C) \$500,000, after which such threshold amount shall be included, not excluded, from any calculation of Damages, and (ii) the maximum aggregate liability of Seller under Section 9.2(a)(i) shall be an amount equal to 20% of the Purchase Price. Notwithstanding the foregoing or anything else herein to the contrary, the limitations in this Section 9.2(b) shall not apply to any claim for indemnification by Buyer based on fraud.

(c) From and after Closing, Buyer shall defend, indemnify and hold harmless Seller from and against any and all Damages incurred by Seller arising out of or resulting from:

- (i) any breach by Buyer of any of its representations and warranties made under this Agreement; or
- (ii) any default by Buyer of any covenant or agreement made under this Agreement; or

- (iii) the Assumed Obligations; or
- (iv) the business or operation of the Stations after the Effective Time.

9.3 Procedures.

(a) The indemnified party shall give prompt written notice to the indemnifying party of any demand, suit, claim or assertion of liability by third parties that is subject to indemnification hereunder (a "Claim"), but a failure to give such notice or delaying such notice shall not affect the indemnified party's rights or the indemnifying party's obligations except to the extent the indemnifying party's ability to remedy, contest, defend or settle with respect to such Claim is thereby prejudiced and provided that such notice is given within the time periods described in Section 9.1.

(b) The indemnifying party shall have the right to undertake the defense or opposition to such Claim with counsel selected by it. In the event that the indemnifying party does not undertake such defense or opposition in a timely manner, the indemnified party may undertake the defense, opposition, compromise or settlement of such Claim with counsel selected by it at the indemnifying party's cost (subject to the right of the indemnifying party to assume defense of or opposition to such Claim at any time prior to settlement, compromise or final determination thereof).

(c) Anything herein to the contrary notwithstanding:

(i) the indemnified party shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise or settlement of the Claim;

(ii) the indemnifying party shall not, without the indemnified party's written consent, settle or compromise any Claim or consent to entry of any judgment which does not include the giving by the claimant to the indemnified party of a release from all liability in respect of such Claim or which involves any injunctive or other equitable relief against the indemnified party or the Stations or Station Assets;

(iii) in the event that the indemnifying party undertakes defense of or opposition to any Claim, the indemnified party, by counsel or other representative of its own choosing and at its sole cost and expense, shall have the right to consult with the indemnifying party and its counsel concerning such Claim and the indemnifying party and the indemnified party and their respective counsel shall cooperate in good faith with respect to such Claim; and

(iv) neither party shall have any liability to the other under any circumstances for special, indirect or consequential damages or lost profits or similar damages of any kind, whether or not foreseeable, except as provided by *Schedule 9.3*, and neither party shall have any liability to the other under any circumstances for punitive or exemplary damages or similar damages of any kind, whether or not foreseeable.

ARTICLE 10: TERMINATION AND REMEDIES

10.1 Termination. Subject to Section 10.3, this Agreement may be terminated prior to Closing as follows:

(a) by mutual written consent of Buyer and Seller;

(b) by written notice of Buyer to Seller if Seller breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period (defined below);

(c) by written notice of Seller to Buyer if Buyer breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period; provided, however, that the Cure Period shall not apply to Buyer's obligations to make the Deposit on the date hereof and to pay the Purchase Price at Closing;

(d) by written notice of Seller to Buyer or Buyer to Seller if Closing does not occur by the date twelve (12) months after the date of this Agreement; or

(e) as provided by Section 5.5(c).

10.2 Cure Period. Each party shall give the other party prompt written notice upon learning of any breach or default by the other party under this Agreement. The term "Cure Period" as used herein means a period commencing on the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing until the earlier of (i) twenty (20) calendar days thereafter or (ii) the Closing Date determined under Section 1.9; provided, however, that if the breach or default is non-monetary and cannot reasonably be cured within such period but can be cured before the Closing Date determined under Section 1.9, and if diligent efforts to cure promptly commence, then the Cure Period shall continue as long as such diligent efforts to cure continue, but not beyond the Closing Date determined under Section 1.9.

10.3 Survival. Except as provided by Section 10.5, the termination of this Agreement shall not relieve any party of any liability for breach or default under this Agreement prior to the date of termination. Notwithstanding anything contained herein to the contrary, Sections 1.6 (Deposit) (and Section 10.5 with respect to the Deposit), 5.1 (Confidentiality) and 11.1 (Expenses) shall survive any termination of this Agreement.

10.4 Specific Performance. In the event of failure or threatened failure by either party to comply with the terms of this Agreement, the other party shall be entitled to an injunction restraining such failure or threatened failure and, subject to obtaining any necessary FCC consent, to enforcement of this Agreement by a decree of specific performance requiring compliance with this Agreement. Notwithstanding the foregoing, if prior to Closing the condition described in Section 10.1(c) exists, then Seller's sole remedy shall be termination of this Agreement and receipt of the liquidated damages amount pursuant to Section 10.5, except for any failure by Buyer to comply with its obligations related to the Deposit or Sections 1.10, 5.1, 5.2 or 5.3, as to which Seller shall be entitled to all available rights and remedies, including without limitation specific performance.

10.5 Liquidated Damages. If Seller terminates this Agreement pursuant to Section 10.1(c), then Buyer shall pay Seller on demand an amount equal to 15% of the Purchase Price by wire transfer of immediately available funds (which amount shall be satisfied by disbursement of

the Deposit to Seller under Section 1.6), and such payment shall constitute liquidated damages and the sole remedy of Seller under this Agreement. Buyer acknowledges and agrees that Seller's recovery of such amount shall constitute payment of liquidated damages and not a penalty and that Seller's liquidated damages amount is reasonable in light of the substantial but indeterminate harm anticipated to be caused by Buyer's material breach or default under this Agreement, the difficulty of proof of loss and damages, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transactions to be consummated hereunder.

ARTICLE 11: MISCELLANEOUS

11.1 Expenses. Each party shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement. All governmental fees and charges applicable to any requests for Governmental Consents shall be paid by the party upon whom the applicable governmental authority imposes the fee or charge (or shall be shared equally if not imposed upon either party). Buyer and Seller shall each be responsible for one-half of (i) the filing fees applicable to the request for FCC Consent and (ii) any transfer or similar taxes imposed upon the transfer of the Station Assets under this Agreement. Each party is responsible for any commission, brokerage fee, advisory fee or other similar payment that arises as a result of any agreement or action of it or any party acting on its behalf in connection with this Agreement or the transactions contemplated hereby.

11.2 Further Assurances. After Closing, each party shall from time to time, at the request of and without further cost or expense to the other, execute and deliver such other instruments of conveyance and assumption and take such other actions as may reasonably be requested in order to more effectively consummate the transactions contemplated hereby.

11.3 Assignment. Except as provided by Section 5.9 (1031 Exchange) and Section 1.10(d), neither party may assign this Agreement without the prior written consent of the other party hereto, provided, however, that Buyer may assign its rights hereunder to an affiliate of Buyer upon written notice to, but without consent of, Seller, provided that (i) any such assignment does not delay processing of the FCC Application or grant of the FCC Consent for more than five (5) business days or delay Closing for more than five (5) business days, (ii) any such assignee delivers to Seller a written assumption of this Agreement, (iii) Buyer shall remain liable for all of its obligations hereunder, and (iv) Buyer shall be solely responsible for any third party consents necessary in connection therewith (none of which are a condition to Closing). The terms of this Agreement shall bind and inure to the benefit of the parties' respective successors and any permitted assigns, and no assignment shall relieve any party of any obligation or liability under this Agreement. Notwithstanding the foregoing, at Closing, Buyer may collaterally assign any or all of its rights under this Agreement to any of its lenders provided that no actual assignment shall be effective unless and until the assignee assumes this Agreement in a writing delivered to Seller and no collateral or actual assignment shall relieve Buyer of any of its obligations hereunder.

11.4 Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed facsimile transmission or

confirmed delivery by a nationally recognized overnight courier service, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Seller:

Clear Channel Broadcasting, Inc.
200 E. Basse Road
San Antonio, TX 78209
Attention: Jerry Kersting
Facsimile: (210) 822-2299

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

Clear Channel Broadcasting, Inc.
Legal Department
200 E. Basse Road
San Antonio, TX 78209
Attention: Christopher M. Cain, Esq.
Facsimile: (210) 832-3433

and to:

Wiley Rein LLP
1776 K Street, N.W.
Washington, D.C. 20006
Attention: Doc Bodensteiner
Facsimile: (202) 719-7049

if to Buyer:

GAP Broadcasting II, LLC
5617 Boca Raton
Dallas, TX 75230
Attention: George Laughlin
Facsimile: (214) 987-1738

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

Kirkland & Ellis LLP
200 East Randolph Drive
Chicago, IL 60601
Attention: Christopher J. Greeno
Facsimile: (312) 861-2200

11.5 Amendments. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought.

11.6 Entire Agreement. This Agreement (including the Schedules hereto) constitutes the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject matter hereof, except any confidentiality agreement among the parties with respect to the Stations, which shall remain in full force and effect. No party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement; provided that, where used herein, the phrase "ordinary course of business" shall mean the ordinary course of business consistent with past practice. Without limiting the generality of the foregoing, Seller makes no representation or warranty to Buyer

with respect to any projections, budgets or other estimates of the Stations' revenues, expenses or results of operations, or, except as expressly set forth in Article 2, any other financial or other information made available to Buyer with respect to the Stations.

11.7 Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal or unenforceable under any applicable law, then, so long as no party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

11.8 No Beneficiaries. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their successors and permitted assigns.

11.9 Bulk Sales Laws. Seller agrees to indemnify and hold Buyer harmless, in the manner and to the extent provided in Article 9, from all claims made against Buyer by creditors with respect to non-compliance with any bulk sales law in connection with the transactions contemplated hereby.

11.10 Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Texas without giving effect to the choice of law provisions thereof.

11.11 Counterparts. This Agreement may be executed in separate counterparts, each of which will be deemed an original and all of which together will constitute one and the same agreement.

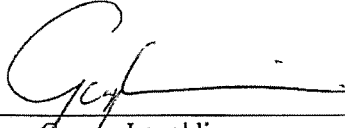
[SIGNATURE PAGE FOLLOWS]

12719912

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

BUYER: GAP BROADCASTING II, LLC

By: 
Name: George Laughlin
Title: Authorized Signatory

SELLER: CLEAR CHANNEL BROADCASTING, INC.
CLEAR CHANNEL BROADCASTING LICENSES, INC.
CC LICENSES, LLC
CITICASTERS CO.
CITICASTERS LICENSES, L.P.
CAPSTAR RADIO OPERATING COMPANY
CAPSTAR TX LIMITED PARTNERSHIP
CLEAR CHANNEL IDENTITY, LP

By: _____
Name:
Title:


SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

BUYER: GAP BROADCASTING II, LLC

By: _____
Name:
Title:

SELLER: CLEAR CHANNEL BROADCASTING, INC.
CLEAR CHANNEL BROADCASTING LICENSES, INC.
CC LICENSES, LLC
CITICASTERS CO.
CITICASTERS LICENSES, L.P.
CAPSTAR RADIO OPERATING COMPANY
CAPSTAR TX LIMITED PARTNERSHIP
CLEAR CHANNEL IDENTITY, LP

By:  _____
Name: BILL HAMERSLY
Title: Senior Vice President

ATTACHMENT 1

Stations:

Laramie, WY:

KOWB(AM), Laramie, WY

KCGY(FM), Laramie, WY

Cheyenne, WY:

KGAB(AM), Orchard Valley, WY
KIGN(FM), Burns, WY

KLEN(FM), Cheyenne, WY

Casper, WY:

KKTL(AM), Casper, WY
KRVK(FM), Midwest, WY
KTWO(AM), Casper, WY

KMGW(FM), Casper, WY
KTRS-FM, Casper, WY
KWYY(FM), Casper, WY

Idaho Falls/Pocatello, ID:

KID(AM), Idaho Falls, ID
KLLP(FM), Chubbuck, ID
KWIK(AM), Pocatello, ID

KID-FM, Idaho Falls, ID
KPKY(FM), Pocatello, ID

Twin Falls, ID:

KEZJ-FM, Twin Falls, ID
KLIX-FM, Twin Falls, ID

KLIX(AM), Twin Falls, ID

Duluth, MN:

KKCB(FM), Duluth, MN
WEBC(AM), Duluth, MN

KLDJ(FM), Duluth, MN
KBMX(FM), Proctor, MN

Burlington, IA:

KBKB(AM), Fort Madison, IA
KBKB-FM, Fort Madison, IA

KBUR(AM), Burlington, IA
KGRS(FM), Burlington, IA

Billings, MT:

KBBB(FM), Billings, MT
KCTR-FM, Billings, MT
KMHK(FM), Hardin, MT

KBUL(AM), Billings, MT
KKBK(FM), Billings, MT

Bozeman, MT:

KZMY(FM), Bozeman, MT
KMMS-FM, Bozeman, MT
KPRK(AM), Livingston, MT

KMMS(AM), Bozeman, MT
KISN(FM), Belgrade, MT
KXLB(FM), Livingston, MT

Missoula, MT:

KYSS-FM, Missoula, MT
KLCY(AM), East Missoula, MT
KBAZ(FM), Hamilton, MT

KGVO(AM), Missoula, MT
KENR(FM), Superior, MT
KLYQ(AM), Hamilton, MT

Shelby, MT:

KSEN(AM), Shelby, MT

KZIN-FM, Shelby, MT

Tri-Cities, WA

KEYW(FM) Pasco, WA
KOLW(FM) Basin City, WA
KXRX(FM) Walla Walla, WA

KFLD(AM) Pasco, WA
KORD-FM Richland, WA

Yakima, WA

KATS(FM) Yakima, WA
KFFM(FM) Yakima, WA
KQSN(FM) Naches, WA

KDBL(FM) Toppenish, WA
KIT(AM) Yakima, WA
KUTI(AM) Yakima, WA