

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this “Agreement”) is made as of June 4, 2008 by and among Red Zebra Broadcasting, LLC, a Delaware limited liability company (the “Buyer”), and Capstar Radio Operating Company, a Delaware corporation (“Capstar”), AMFM Operating, Inc., a Delaware corporation (“AMFM1”), and AMFM Radio Licenses, LLC, a Delaware limited liability company (“AMFM2”) (Capstar, AMFM1 and AMFM2 are each individually referred to herein as a “Seller” and are collectively referred to herein as the “Sellers”).

Recitals

A. Sellers own and operate the following radio broadcast stations (each a “Station” and collectively the “Stations”) pursuant to certain authorizations issued by the Federal Communications Commission (the “FCC”):

WTNT(AM), Bethesda, MD
WTEM(AM), Washington, DC
WWRC(AM), Washington, DC

B. Pursuant to the terms and subject to the conditions set forth in this Agreement, Sellers desire to sell to Buyer, and Buyer desires to purchase from Sellers, 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 Section 1.2, Sellers shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Sellers, all right, title and interest of each Seller in and to all assets and properties of Sellers, 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 any Seller by the FCC with respect to the Stations (the “FCC Licenses”), in each case including those described on *Schedule 1.1(a)*, together with any renewals or modifications thereof between the date hereof and Closing;

(b) all of each Seller’s equipment, transmitters, antennas, cables, towers, vehicles, furniture, fixtures, spare parts and other tangible personal property used or held for use in the operation of the Stations, including those listed on *Schedule 1.1(b)*,

except for any retirements or dispositions thereof permitted under Section 4.1(c) (the “Tangible Personal Property”);

(c) all of each Seller’s real property listed on *Schedule 1.1(c)*, including any appurtenant easements and improvements located thereon (the “Real Property”);

(d) (i) all agreements for the sale of advertising time on the Stations entered into in the ordinary course of business and (ii) all other contracts, agreements and leases relating to the Stations that are either listed on *Schedule 1.1(d)* or are not listed but are within the limits set forth in Section 4.1(g), together with all contracts, agreements and leases made between the date hereof and Closing in accordance with this Agreement (collectively, the “Station Contracts”);

(e) all of each Seller’s rights in and to the Stations’ call letters and all of each Seller’s rights in and to all trademarks, trade names, service marks, internet domain names, logos, copyrights, and other intangible property used or held for use in the operation of the Stations and all goodwill associated therewith or applications therefor, including the intangible property listed on *Schedule 1.1(e)* (the “Intangible Property”);

(f) each 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 relating to Excluded Assets (defined below);

(g) all claims, causes of action and other rights of any Seller against others relating to any of the assets to be acquired pursuant to this Section 1.1, to the extent attributable to any period after the Effective Time (defined below);

(h) all prepaid items and deposits, if any, that relate to the Station Contracts, which Seller shall receive a credit for under Section 1.6; and

(i) all goodwill related to the Stations.

The Station Assets shall be transferred to Buyer free and clear of liens, security interests, mortgages, claims and encumbrances (“Liens”) except for Assumed Obligations (defined in Section 1.3), 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 only, 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 Real Property subject thereto or impair the use thereof in the ordinary course of the business of the Stations (collectively, “Permitted Liens”); for avoidance of doubt, after Closing, Permitted Liens shall not include liens that will be released at or prior to Closing.

With respect to clause (ii) of Section 1.1(d) above, any contract existing on the date hereof and not listed on *Schedule 1.1(d)* that exceeds the limitations set forth

in Section 4.1(g) (with post-Closing payments considered in the aggregate together with any other post-Closing payment to be considered in accordance with Section 4.1(g) and *Schedule 1.1(d)*) is an Excluded Asset.

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 each 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 each Seller retired or disposed of between the date of this Agreement and Closing in compliance with Article 4;

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

(d) each 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 each 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 Sellers;

(g) the Stations’ accounts receivable and any other rights to payment of cash consideration for goods or services sold or provided by any Seller prior to the Effective Time or commencement of the LMA (defined below), as applicable or otherwise attributable to any period prior to the Effective Time or commencement of the LMA, as applicable (the “A/R”);

(h) all claims, causes of action and other rights of any Seller against others relating to any of the assets to be acquired pursuant to Section 1.1, to the extent attributable to any period prior to the Effective Time;

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

(j) all deposits and prepaid expenses (and rights arising therefrom or related thereto), except to the extent Sellers receive a credit therefor under Section 1.6;

(k) computers and other similar assets located in the ordinary course of business anywhere other than at the Stations' studios and transmitter sites, and any other operating systems and related assets that are used in the operation of multiple stations or other business units (other than computers and other similar assets located in the ordinary course of business at the Stations' studios and transmitter sites), except for any such items that are specifically set forth on *Schedule 1.1(b)*;

(l) all owned real property, all towers, all tangible personal property, all tower site ground leases and all income-producing leases used or held for use in the operation of any other station owned or operated by Seller or any affiliate of Seller, except for any such items that are specifically set forth as included in the Station Assets on *Schedule 1.1(b)*, *Schedule 1.1 (c)* or *Schedule 1.1(d)* (the owned real property described on *Schedule 1.1(c)* referred to herein as the "Included Real Property");

(m) any shares of stock in Broadcast Music, Inc. held by any Seller and any Seller's equity ownership interest in any subsidiary or Affiliate;

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

(o) all contracts or agreements other than the Station Contracts and any contracts or portions thereof to the extent identified as excluded on *Schedule 1.1(c)* or *Schedule 1.1(d)*; and

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

Sellers and Buyer also expressly acknowledge and agree as follows: (i) the real estate and towers that are owned or used in the operation of WWRC(AM) shall be excluded from the sale hereunder, and shall thus be deemed to form part of the Excluded Assets, and (ii) on the Closing Date, Sellers and Buyer shall enter into a lease of tower space substantially in the form of *Exhibit A* (the "WWRC Lease") for Buyer's use thereof.

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 Sellers 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 such 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 such Seller's rights. At the Closing the parties shall enter into a separate license agreement that provides such rights in accordance with this Agreement.

1.3 Assumption of Obligations. On the Closing Date (defined below), Buyer shall enter into any new contracts required by *Schedule 1.1(d) or Schedule 1.1(e)* or otherwise required by this Agreement and shall assume the obligations of Sellers to the extent 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 Sellers to the extent Buyer receives a credit therefor under Section 1.6 (collectively, the "Assumed Obligations"). Except for the Assumed Obligations and except as provided in the LMA, Buyer does not assume, 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 otherwise become responsible for, and Sellers shall remain responsible for, all other debts, liabilities, obligations and commitments of any Seller whatsoever (the "Retained Obligations"). Sellers agree to pay, perform, and discharge, as and when due, or otherwise be responsible for all such Retained Obligations.

1.4 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 Twenty Four Million Five Hundred Thousand Dollars (\$24,500,000), subject to adjustment pursuant to Section 1.6 (the "Purchase Price"). At Closing, the Deposit shall be credited against the Purchase Price as further described in Section 1.5 below.

1.5 Deposit. On the date of this Agreement, Buyer or one of its Affiliates shall make a cash deposit in immediately available funds in an amount equal to ten percent (10 %) of the Purchase Price (the "Deposit") with Bank of America (the "Deposit Escrow Agent") pursuant to the Deposit Escrow Agreement (the "Deposit Escrow Agreement") of even date herewith among Buyer, Sellers and the Deposit Escrow Agent. At Closing, the Deposit shall be disbursed to Sellers and applied to the Purchase Price and any interest accrued on the Deposit shall be disbursed to Buyer. If this Agreement is terminated by Sellers pursuant to Section 10.1(c), the Deposit and any interest accrued thereon shall be disbursed to Sellers. If this Agreement is otherwise terminated pursuant to its terms, the Deposit and any interest accrued thereon shall be disbursed to Buyer. The parties shall each instruct the Deposit 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 unless contested by a party in good faith in writing within five (5) business days of a disbursement request, in which event the Deposit shall remain with the Escrow Agent until the parties' dispute is resolved. 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 Sellers to immediately terminate this Agreement. As more specifically described in Section 10.5, the right of Sellers to receive the payments described in the preceding sentence shall be the sole and exclusive remedy of Sellers and their respective Affiliates with respect to any breach by the Buyer of this Agreement. As used in this Agreement, "Affiliate" shall mean, as to any person or entity, any other person or entity that, directly or indirectly, is in control of, is controlled by, or is under common control with, such person or entity. For purposes of this definition, "control" of an entity means the power, directly or indirectly, to direct or cause the

direction of the management and policies of such entity, whether by contract or otherwise.

1.6 Prorations and Adjustments. Except as may otherwise be 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 Sellers in accordance with generally accepted accounting principles (“GAAP”) as of 12:01 a.m. on the day of Closing (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, annual FCC regulatory fees, utility expenses, rent and other amounts under Station Contracts and similar prepaid and deferred items. Sellers shall receive a credit for all of the Stations’ deposits and prepaid expenses actually paid by any Seller. For any Station Contract or other fees and expenses subject to proration hereunder, the prorations shall be determined by multiplying such payment by a fraction, the numerator of which is the number of days in such period through and including the Effective Time and the denominator of which is the total number of days in such period. Sales commissions related to the sale of advertisements broadcast on the Stations prior to Closing or commencement of the LMA, as applicable, shall be the responsibility of Sellers, and sales commissions related to the sale of advertisements broadcast on the Stations after Closing or commencement of the LMA, as applicable, shall be the responsibility of Buyer. In the event that any of the adjustments provided for in this Section 1.6 cannot be calculated as of the Closing Date, prorations and adjustments, together with the appropriate payment by the Buyer or the Sellers, as the case may be, shall be made no later than ninety (90) calendar days after Closing (or such later date as either party becomes aware of any such item to be prorated). There shall be no proration or adjustment for any imbalance in the value of rights and obligations under trade, barter or similar agreements for the sale of time for goods or services. 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.

1.7 Allocation. Each of Buyer and Sellers shall file a tax return in accordance with and when required under Section 1060 of the Internal Revenue Code of 1986, as amended (the “Code”).

1.8 Closing; LMA.

(a) 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 (10th) business day after the date of the FCC Consent pursuant to the FCC’s initial order, 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.” All transactions at the Closing shall be deemed to take place simultaneously, and no transaction shall be deemed to have been completed and no documents or certificates shall be deemed to have been delivered until all other transactions are completed and all other documents and certificates are delivered pursuant to this Agreement.

(b) Sellers and Buyer are concurrently entering into a Local Programming and Marketing Agreement for the Stations, pursuant to which, among other things, and subject to the terms and conditions of the LMA, Buyer will provide programming for the Stations upon the commencement of said agreement (the “LMA”). The term of any such LMA commences as set forth therein and continues until the earlier of (a) the Closing and (b) the termination of this Agreement in accordance with Section 10.1 as provided in the LMA. Buyer shall pay Sellers as provided in the LMA.

1.9 Governmental Consents.

(a) Within five (5) business days of the date of this Agreement, Buyer and Sellers 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 Sellers shall diligently prosecute the FCC Application and otherwise use their commercially reasonable efforts to obtain the FCC Consent as soon as possible. The Buyer, on the one hand, and the Sellers, on the other hand, shall each pay one-half of the filing fee in connection with the FCC Application for approval to assign the FCC Licenses.

(b) Buyer and Sellers 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 Sellers 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 is referred to herein as the “Governmental Consent”.

(c) In connection with any merger agreement or other strategic transaction, notwithstanding anything to the contrary set forth in this Agreement, if Sellers notify Buyer at any time prior to Closing, whether before or after the Governmental Consent is obtained, that it is necessary to specify a new transferor or otherwise change the FCC Application, the parties shall amend, withdraw and re-file, or otherwise modify the FCC Application, when requested by Sellers to make such change, whether minor or major. Any additional FCC filing fees occasioned by such modification or re-filing shall be borne by the Sellers.

(d) 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, Sellers 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.

ARTICLE 2: SELLER REPRESENTATIONS AND WARRANTIES

Sellers make the following representations and warranties to Buyer:

2.1 Organization. Each 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 and in good standing in each jurisdiction in which the Station Assets are located. Each Seller has the requisite power and authority to execute, deliver and perform this Agreement and all of the instruments of conveyance to be made by such Seller pursuant hereto (collectively, the “Seller Ancillary Agreements”) and the WWRC Lease (which is not a Seller Ancillary Agreement), to consummate the transactions contemplated hereby and to carry on the businesses in which it is engaged (including the operation of the Stations) and to own and use the properties owned and used by it. No Seller is now insolvent and no Seller will be rendered insolvent by consummation of the transactions contemplated by this Agreement as determined according to generally accepted accounting principles.

2.2 Authorization. The execution, delivery and performance of this Agreement and the Seller Ancillary Agreements by each Seller have been duly authorized and approved by all necessary action of such Seller and do not require any further authorization or consent of such Seller. This Agreement has been duly and validly executed and delivered by such Seller and is, and each Seller Ancillary Agreement when made by such Seller and the other parties thereto will be, a legal, valid and binding agreement of such 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 Consent and consents to assign certain of the Station Contracts as identified on *Schedule 1.1(c)* and *Schedule 1.1(d)*, the execution, delivery and performance by each Seller of this Agreement and the Seller Ancillary Agreements and the consummation by each Seller of any of the transactions contemplated hereby does not (a) conflict with or violate any organizational documents of any Seller or Clear Channel Communications, Inc. (“Parent”), (b) conflict with, violate, create in any party the right to terminate or cancel, or require any notice, consent or waiver under any contract or agreement to which any Seller or Parent is a party or by which it is bound, (c) conflict with or violate any law, judgment, order, or decree to which any Seller or Parent is subject, (d) require the consent or approval of, a filing by any Seller or Parent with, or notice to any governmental or regulatory authority or any third party, or (e) result in the imposition of any Lien upon any of the Station Assets.

2.4 FCC Licenses. Except as set forth on *Schedule 1.1(a)* or *Schedule 5.17*:

(a) AMFM2 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 or the ownership of the Station Assets. 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 Sellers' 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 any 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. To Seller's knowledge, there are no facts relating to the FCC qualifications of Sellers that, under the Communications Act, could reasonably be expected to prevent or delay the FCC from granting the FCC Application.

(b) All material reports and filings (including applications for renewal of authority required by applicable statutes, regulations and other laws) required to be filed with the FCC by Sellers with respect to the Stations have been timely filed. Sellers maintain appropriate public inspection files at the Stations as required by FCC rules in all material respects. Each Seller has paid all annual FCC regulatory fees that have become due with respect to the Stations.

2.5 Taxes.

(a) Each Seller has, in respect of the Stations' business, filed all foreign, federal, state, county and local income, excise, property, sales, use, franchise and other Tax Returns and reports which are required to have been filed by it under applicable law, and each Seller has paid all Taxes which have become due by it, whether pursuant to such returns or otherwise, or pursuant to any assessments which have become payable. As used in this Agreement, (i) "Taxes" means all taxes, charges, fees, levies or other similar assessments or liabilities, including without limitation income, gross receipts, ad valorem, premium, value-added, excise, real property, personal property, sales, use, transfer (except for any transfer taxes or other taxes arising out of the transactions contemplated by this Agreement), withholding, employment, unemployment, insurance, social security, business license, business organization, environmental, workers compensation, payroll, profits, license, lease, service, service use, severance, stamp, occupation, windfall profits, customs, duties, franchise and other taxes imposed by the United States of America or any state, local or foreign government, or any agency thereof, or other political subdivision of the United States or any such government, and any interest, fines, penalties, assessments or additions to tax resulting from, attributable to or incurred in connection with any tax or any contest or dispute thereof and (ii) "Tax Returns" means all reports, returns, declarations, statements or other information required to be supplied to a taxing authority in connection with Taxes.

(b) All Taxes that either Seller is or was required by law to have withheld or collected have been duly withheld or collected and, to the extent required, have been paid to the proper governmental entity, including, but not limited to, Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee or independent contractor, and all material Forms W-2 and 1099 required with respect thereto have been properly completed in all material respects and filed.

(c) There are no Liens upon any of the assets or properties of any Seller relating or attributable to Taxes other than Permitted Liens. At Closing, all of the Station Assets will be transferred free of any successor or transferee liabilities with respect to any Taxes other than Permitted Liens. No deficiencies for any Taxes have been asserted in writing or assessed against any Seller which, if unpaid, might result in a Lien on any of the Station Assets other than Permitted Liens.

2.6 Tangible Personal Property.

(a) Except as set forth on *Schedule 1.1(b)*, each Seller has good and marketable title to the Tangible Personal Property purported to be owned by such Seller free and clear of Liens other than Permitted Liens. Except as set forth on *Schedule 1.1(b)*, all items of Tangible Personal Property are in good operating condition, ordinary wear and tear excepted.

(b) The Station Assets include all assets that are owned or leased by Sellers and used or held for use in the operation of the Stations in all material respects as presently operated by the Sellers, except for any Excluded Assets. *Schedule 1.1(b)* lists individually all material items of Tangible Personal Property included in the Station Assets (other than inventories).

2.7 Real Property.

(a) Sellers have good and marketable fee simple title to the owned Real Property described on *Schedule 1.1(c)* as Included Real Property (if any), free and clear of Liens other than Permitted Liens. To Sellers' knowledge, the Real Property is not subject to any suit for condemnation or other taking by any public authority. Except as set forth on *Schedule 1.1(c)*, with respect to the Included Real Property:

(i) Capstar and AMFM1 have good and marketable title to such Included Real Property free and clear of any Lien other than Permitted Liens;

(ii) to Sellers' knowledge, there are no (a) pending or threatened condemnation proceedings relating to such Included Real Property, or (b) pending or threatened litigation or administrative actions relating to such Included Real Property that will subject Buyer to liability or will affect any Seller's ability to perform its obligations under this Agreement;

(iii) such Included Real Property includes sufficient access to the Stations' facilities;

(iv) there are no leases, subleases, licenses or agreements, written or oral, granting to any party or parties the right of use or occupancy of any portion of such Included Real Property, except for any Station Contracts;

(v) there are no outstanding options or rights of first refusal to purchase such Included Real Property, or any portion thereof; and

(vi) no Seller has received written notice from any governmental authority of any pending proceeding to change or redefine the zoning classification of all or any portion of such Included Real Property, nor, to Sellers' knowledge, is any such proceeding threatened.

(b) There are no real property leases included in the Station Assets.

2.8 Contracts. *Schedule 1.1(d)* contains a list of all contracts that are used or held for use in the operation of the Stations other than contracts that do not exceed the limitations set forth in Section 4.1(g) and agreements for the sale of advertising time entered into in the ordinary course of business. Each of the Station Contracts is in effect and is binding upon the applicable Seller and, to Sellers' knowledge, the other parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally). The Station Contracts requiring the consent of a third party to assignment are identified with an asterisk on *Schedule 1.1(d)*. Each Seller has performed its obligations under each of the Station Contracts in all material respects, and is not in material default thereunder, and to Sellers' knowledge, no other party to any of the Station Contracts is in default thereunder in any material respect.

2.9 Environmental.

(a) Except as set forth on *Schedule 1.1(c)* or in any environmental report delivered by Sellers to Buyer prior to the date of this Agreement or as set forth in any environmental report obtained by Buyer, no Materials of Environmental Concern (as defined below) regulated under any applicable Environmental Law (defined below) has been generated, stored, transported or released on, in, from or to the Real Property by Sellers, or to Sellers' knowledge, by any other party, except in compliance in all material respects with applicable law. Except as set forth on *Schedule 1.1(c)* or in any environmental report delivered by Sellers to Buyer prior to the date of this Agreement or as set forth in any environmental report obtained by Buyer, each Seller, the Stations and the Station Assets have complied, and are currently in compliance, in all material respects with all Environmental Laws applicable to the Stations or the Sellers with respect to the Stations.

(b) Except as set forth on *Schedule 1.1(c)*, Seller has received no written notice from any governmental authority of any civil or criminal litigation, written notice of violation, formal administrative proceeding or written information request by any governmental entity relating to any Environmental Laws involving any Seller with respect to the Station Assets, and, to Sellers' knowledge, there is no such investigation

pending or any such proceeding threatened. Except as set forth on *Schedule 1.1(c)*, no Seller is a party to or bound by any court order, administrative order, consent order or other agreement with any governmental entity entered into in connection with any legal obligation or liability arising under any Environmental Laws in connection the Station Assets.

“Environmental Law” shall mean any statute, law, common law, rule, regulation, ordinance, order, judgment, decree of any governmental authority dealing with or relating to Materials of Environmental Concern, the pollution or protection of natural resources or the indoor or ambient environment or the protection of public health and safety or worker health and safety as they may be affected by the environment or Materials of Environmental Concern.

“Materials of Environmental Concern” shall mean any pollutants, contaminants or hazardous substances (as such terms are defined under the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (“CERCLA”)), pesticides (as such term is defined under the Federal Insecticide, Fungicide and Rodenticide Act), solid wastes and hazardous wastes (as such terms are defined under the Resource Conservation and Recovery Act), chemicals, asbestos, other hazardous, radioactive or toxic materials, oil, petroleum and petroleum products (and fractions thereof), or any other material (or article containing such material) listed or subject to regulation under any law, statute, rule, regulation, order, permit, or directive due to its potential, directly or indirectly, to harm the environment or the health of humans or other living beings.

2.10 Intangible Property. Except as set forth on *Schedule 1.1(e)*, (i) to Sellers’ knowledge, neither Seller’s use of the Intangible Property nor the operation of the Stations infringes upon any third party rights in any material respect, (ii) no material Intangible Property is the subject of any pending, or, to Sellers’ knowledge, threatened legal proceedings claiming infringement or unauthorized use, and (iii) no Seller has 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 Sellers’ knowledge, Sellers own or have the right to use the Intangible Property free and clear of Liens other than Permitted Liens. All material Intangible Property which is used in the operation of the Stations is listed on *Schedule 1.1(e)*.

2.11 Employees.

(a) Except as set forth on *Schedule 2.11*, (i) each 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, overtime, employee classification, workers’ compensation, family and medical leave, the Immigration Reform and Control Act, and occupational safety and health requirements, (ii) there is no unfair labor practice charge or complaint against such Seller in respect of the Stations’ business pending or, to Sellers’ knowledge, threatened before the National Labor Relations Board, any state or local 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) no Seller is a party to any collective bargaining, union or similar agreement with respect to the employees of Sellers at the Stations, and to Sellers' knowledge, no union represents or claims to represent or is attempting to organize such employees.

(b) On May 29, 2008, Sellers provided Buyer with a list showing employee position and basic compensation of all employees employed by Sellers in connection with the operation of the Stations and to whom Buyer may, but is not obligated to, offer post-Closing (or post-LMA commencement, as applicable) employment.

(c) All Employee Benefit Plans and Employee Benefit Arrangements other than any agreements specifically set forth on *Schedule 1.1(d)* are Excluded Assets and all obligations thereunder are Retained Obligations, except as provided in this Agreement.

(i) "Employee Benefit Arrangement" means any Benefit Arrangement any Seller sponsors or maintains or with respect to which any Seller has or may have any current or future liability (whether actual, contingent, with respect to any of its assets or otherwise), in each case with respect to any present or former employees of any Seller. "Benefit Arrangement" means any benefit arrangement, obligation, or practice, whether or not legally enforceable, to provide benefits (other than merely as salary or under a Benefit Plan), as compensation for services rendered, to present or former directors, employees, agents, or independent contractors, including, but not limited to, employment or consulting agreements, severance agreements or pay policies, stay or retention bonuses or compensation, executive or incentive compensation programs or arrangements, sick leave, vacation pay, plant closing benefits, salary continuation for disability, workers' compensation, retirement, deferred compensation, bonus, stock option or purchase plans or programs, patent award, tuition reimbursement or scholarship programs, employee discount programs, meals, travel, or vehicle allowances, any plans subject to Code Section 125, and any plans providing benefits or payments in the event of a change of control, change in ownership or effective control or sale of a substantial portion (including all or substantially all) of the assets of any business or portion thereof, in each case with respect to any present or former employees, directors, or agents. "Employee Benefit Plan" means any Benefit Plan that any Seller has maintained or to which any Seller has been obligated to make payments or has or may have any liability. "Benefit Plan" has the meaning given in ERISA Section 3(3), together with plans or arrangements that would be so defined if they were not (i) otherwise exempt from ERISA by that or another section, (ii) maintained outside the United States, or (iii) individually negotiated or applicable only to one person. "ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and all regulations and rules issued thereunder, or any successor law.

2.12 Insurance. Sellers maintain insurance policies or other arrangements with respect to the Stations and the Station Assets consistent with their practices for other

stations, and will maintain such policies or arrangements until the Effective Time. Such insurance is in full force and effect with all related premiums paid when due.

2.13 Compliance with Law. Except as set forth on *Schedule 1.1(c)* or *Schedule 2.13*, (i) each Seller is currently operating in compliance with, and 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, and all decrees and orders of any court or governmental authority which are applicable to the operation of the Stations, and (ii) to the knowledge of Sellers, there are no governmental claims or investigations pending or threatened against any 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 Sellers' knowledge, threatened against any Seller in respect of the Stations, the Station Assets or the Assumed Obligations that will subject Buyer to liability or which will affect any Seller's ability to perform its obligations under this Agreement. No Seller is operating under or subject to any order, writ, injunction or decree relating to the Stations or the Station Assets of any court or governmental authority which would have a material adverse effect on the condition of the Stations or any of the Station Assets or on the ability of any Seller to enter into this Agreement or consummate the transactions contemplated hereby, other than those of general applicability.

2.15 Financial Statements. Sellers have provided to Buyer copies of its statements of operations for the Stations for the year ended December 31, 2007 and the year to date through April 30, 2008. Such year-end statements are the statements included in the audited consolidated financial statements of Sellers and their 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 Sellers. 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 Sellers for the respective periods covered thereby. Between April 30, 2008 and the date of this Agreement, the Stations have been operated in all material respects in the ordinary course of business (for avoidance of doubt, any expense reductions previously made consistent with Sellers' practices for similarly situated stations shall be deemed in the ordinary course of business for purposes of this section).

2.16 No Undisclosed Liabilities. There are no liabilities or obligations of Sellers 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 1.6.

2.17 No Barter. All trade, barter or similar agreements for the sale of time for goods or services on the Stations, except for any that may be included in the agreements

set forth on *Schedule 1.1(d)*, will expire or be terminated at or prior to Closing, and Sellers shall not enter into any new such trade, barter or similar agreements that will be binding on Buyer after Closing.

2.18 Brokers' Fees. No Seller has any liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement.

ARTICLE 3: BUYER REPRESENTATIONS AND WARRANTIES

Buyer hereby makes the following representations and warranties to Sellers:

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 the jurisdictions set forth on *Schedule 3.1*. Buyer has the requisite power and authority to execute, deliver and perform this Agreement and all of the instruments of assumption to be executed and delivered by Buyer pursuant hereto (collectively, the "Buyer Ancillary Agreements") and the WWRC Lease (which is not a Buyer Ancillary Agreement), and to consummate the transactions contemplated hereby. Buyer is not insolvent and Buyer will not be rendered insolvent by consummation of the transactions contemplated by this Agreement as determined according to generally accepted accounting principles. Buyer has the ability to pay the Purchase Price at Closing.

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 has been duly and validly executed and delivered by Buyer and 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 Consent, 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 does not (a) conflict with or violate any organizational documents of Buyer, (b) conflict with, violate, create in any party the right to terminate or cancel, or require any notice, consent or waiver under any contract or agreement to which Buyer is a party or by which it is bound, (c) conflict with or violate any law, judgment, order or decree to which Buyer is subject, or (d) require the consent or approval of, a filing by Buyer with, or notice to 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. To Buyer's knowledge, there are no facts that would, under existing law and the existing rules, regulations, policies and procedures 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 which might reasonably be expected to result in the FCC's denial or delay of approval of the FCC Application.

3.6 Brokers' Fees. Buyer has no liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement.

ARTICLE 4: SELLER COVENANTS

4.1 Sellers' Covenants. Subject to the terms of any LMA entered into between Seller and Buyer with respect to the Stations, or except as permitted by this Agreement or with the prior written consent of Buyer, which shall not be unreasonably withheld, delayed or conditioned, between the date hereof and Closing Sellers shall:

(a) operate the Stations in the ordinary course of business (for avoidance of doubt, any expense reductions made hereafter consistent with Sellers' past practices for the Stations shall be deemed in the ordinary course of business), and in all material respects in accordance with FCC rules and regulations and with all other applicable laws, regulations, rules and orders, and perform their obligations under all contracts, agreements and commitments in all material respects;

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

(c) not other than in the ordinary course of business, and then only if replaced with similar items of substantially equal or greater value and utility, sell, lease, transfer, dispose of or move from the real property used or held for use to operate the Stations or agree to sell, lease, transfer, dispose of or move from such real property any of the Station Assets with a book value in excess of \$1,000, 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;

(d) maintain the Tangible Personal Property in the ordinary course of business and keep the Station Assets in good working condition (ordinary wear and tear excepted), subject to Sections 5.4 and 5.5 of this Agreement;

(e) upon reasonable notice, give Buyer and its representatives reasonable access during normal business hours to the Station Assets, and 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 interferes with the operation of the Stations;

(f) 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 Sellers in connection with the consummation of the transactions contemplated by this Agreement (if any); and

(g) 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 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 consent, and (C) other Station Contracts that (when combined with any that exist on the date of this Agreement but are not listed on *Schedule 1.1(d)*) do not require post-Closing payments (which post-Closing payments shall be considered in the aggregate together with any other post-Closing payment to be considered in accordance with the terms of *Schedule 1.1(d)* and the last paragraph of Section 1.1) by Buyer of more than \$40,000 per Station (in the aggregate for all such new contracts), and in each case, subject to the proration provisions of Section 1.6.

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.

ARTICLE 5: JOINT COVENANTS

Buyer and Sellers hereby covenant and agree as follows:

5.1 Confidentiality.

(a) Sellers or an Affiliate of Sellers and Buyer or an Affiliate of Buyer are parties to a nondisclosure agreement (the "NDA") with respect to Sellers and its stations. To the extent not already a direct party thereto, Buyer and Sellers 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 Sellers 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.

(b) From and after the Closing, the Sellers shall not disclose (other than to its Affiliates and Sellers' and its Affiliates' officers, directors, employees and advisors) and shall treat as confidential and shall use their best efforts to cause all of their Affiliates not to disclose (other than to its officers, directors, employees and advisors) and to treat as confidential any knowledge, information or documents of a confidential nature or not generally known to the public and is in Buyer's possession with respect to the Station Assets, the Stations, or the Buyer or its business, except to the extent that such knowledge, information or documents shall have become public knowledge other than through improper disclosure by any Seller or any Affiliate thereof or except to the extent such disclosure is required by applicable law or compulsory legal process; provided, however that Sellers and their Affiliates may disclose any such knowledge, information or documents to the extent Sellers or their Affiliates is legally compelled to disclose any of such knowledge, information or documents (but in such circumstance Sellers 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 5.1(b)).

5.2 Announcements. Prior to Closing, no party nor any of its representatives 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, and except as necessary to enforce rights under or in connection with this Agreement. Notwithstanding the foregoing, the parties acknowledge that this Agreement and the terms hereof will be filed with the FCC Application and thereby become public.

5.3 Control. Subject to the terms and conditions of 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 AMFM2 as the holder of the FCC Licenses.

5.4 Risk of Loss.

(a) Sellers 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, subject the representations and warranties of Sellers set forth in Article 2 and the indemnification provisions set forth in Article 9, if applicable.

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

(i) Each 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 each Seller's representations and warranties deemed modified to take into account any such condition) and each Seller shall promptly repair or replace such item in all material respects after Closing (and Buyer will provide such Seller access and any other reasonable assistance requested by such Seller 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 to a level consistent with past practice in all material respects, subject to Section 10.1.

(c) Except as described on *Schedule 5.17*, 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 each 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 twenty four (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 to a level consistent with past practice in all material respects, subject to Section 10.1.

5.5 Environmental. Buyer has conducted Phase I environmental assessments of the Included Real Property (each a "Phase I"). Buyer has also conducted the further review recommended in the Phase I's. With respect to the Phase I's, Seller shall take the actions described on *Schedule 1.1(c)*.

5.6 Consents.

(a) Sellers shall request and thereafter the parties shall cooperate and use commercially reasonable efforts to obtain any third party consents necessary for the assignment of any Station Contract (which shall not require any payment to any such third party), but no such consents are conditions to Closing. Neither party shall be required to pay any fees or other consideration to obtain any such consent, except that Seller shall pay any *de minimis* administrative or processing fees imposed pursuant to the terms of the relevant Station Contract.

(b) To the extent that (i) any Station Contract or other assets or rights constituting Station Assets may not be assigned without the consent of any third party, (ii) such consent is not, after the use of commercially reasonable efforts by Sellers and Buyer, obtained prior to Closing, and (iii) Closing occurs nevertheless, then (A) this Agreement and any assignment executed pursuant to this Agreement shall not constitute an assignment of such Station Contract and/or other asset or rights at the Closing, (B) Sellers and Buyer shall continue to use their commercially reasonable efforts to obtain the necessary consent as soon as practicable after the Closing, and (C) upon the obtaining of such consent or approval, the Buyer and the Sellers shall execute such further

instruments of conveyance as may be necessary to assign and transfer such Station Contract and/or other assets or rights to the Buyer; provided, however, with respect to each such Station Contract, Sellers 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 Sellers' obligations arising under the Station Contract from and after Closing in accordance with its terms.

5.7 Employees.

(a) Sellers have provided Buyer a list showing employee positions and basic compensation for employees of the Stations who are available for hire by Buyer. 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 any employee of the Stations not hired by Buyer post-Closing (or post-LMA commencement, as applicable), Sellers shall retain sole responsibility for compensation and benefits (including separation benefits if any), if any, that may be payable to such employee. With respect to each such employee, within the first to occur of (i) forty-five (45) 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 Sellers 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 Sellers written notice identifying (i) all Transferred Employees (defined below) and (ii) all individuals who were employed by Sellers 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 any Seller.

(b) For a period beginning on the date of this Agreement and ending on the date one (1) year after the Closing Date, Buyer shall not hire or solicit for hire any of Sellers' employees in the Washington D.C. market except those on the list of employees available for hire provided by Sellers to Buyer pursuant to this Agreement; 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 any hiring that does not result from a breach of this Section.

(c) If applicable, Sellers 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 Sellers 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”), Sellers shall be responsible for all compensation and benefits arising prior to the Effective Time or commencement of the LMA, as applicable (in accordance with Sellers’ 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 Sellers, and Buyer shall assume and discharge Sellers’ 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 commencement of the LMA, as applicable, occurs, then Buyer shall receive an appropriate adjustment as provided by Section 1.6.

(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 Sellers 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 Sellers.

(f) Buyer shall also permit each Transferred Employee who participates in Sellers’ 401(k) plan to elect to make direct rollovers of their account balances into Buyer’s 401(k) plan as soon as administratively feasible after Closing or commencement of the LMA, as applicable, subject to compliance with applicable law and subject to the reasonable requirements of Buyer’s 401(k) plan.

(g) For avoidance of doubt, any violations of local, state or federal law including, but not limited to, the Worker Adjustment and Retraining Notification Act, 29 U.S.C. 2101 et seq., attributable to the period prior to the Closing Date are Retained Obligations and not Assumed Obligations.

5.8 [Intentionally omitted]

5.9 [Intentionally omitted]

5.10 Actions. After Closing, each party shall cooperate with the other party in the investigation, defense or prosecution of any action which is pending or threatened against either party or its Affiliates with respect to the Stations (other than litigation between the parties and/or their Affiliates arising out the transactions contemplated by this Agreement), 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, each party shall make available its employees to give depositions or testimony and shall furnish all documentary or other evidence that the other party may reasonably request. The party requesting such cooperation shall pay the reasonable out-of-pocket expenses incurred in providing such cooperation (including legal fees and disbursements) by the party providing such cooperation and by its officers, directors, employees and agents, but shall not be responsible for reimbursing such party or its officers, directors, employees and agents, for their time spent in such cooperation.

5.11 Closing Efforts. Each of the parties shall use its reasonable best efforts to take all actions and to do all things, and shall cause others to take all actions and to do all things, necessary, proper or advisable to consummate the transactions contemplated by this Agreement, subject to the terms and conditions of this Agreement.

5.12 Bulk Transfers Law. The parties do not believe that any bulk sales or fraudulent conveyance statute applies to the transactions contemplated by this Agreement. The Buyer therefore waives compliance by Sellers with the bulk transfer provisions of the Uniform Commercial Code (or any similar law) in connection with the transactions contemplated by this Agreement and the documents referred to herein. Sellers agrees that their indemnification under Section 9.2(a) includes any Damages (defined below) arising from any claim made against Buyer by any creditor of Sellers as a result of a failure to comply with any such statute.

5.13 Access to Data.

(a) Between the date of this Agreement and the Closing, in addition to the rights granted under the LMA, upon reasonable notice, the Sellers shall permit representatives of the Buyer to have reasonable access (at all reasonable times, and in a manner so as not to interfere with the normal business operations of the Sellers) to all facilities, books, records, assets, contracts, and other records and documents of Sellers which pertain solely to the Station Assets for the purpose of performing such reasonable and customary inspections and tests as are reasonably necessary for Buyer to conduct its due diligence hereunder.

(b) Each party shall have the right for a period of twelve (12) months following the Closing Date to have reasonable access to those books, records and accounts, including tax records, correspondence, employment records and other records that in the possession of the other party which relate solely to the Stations if such access is reasonably necessary in order to assure such party's compliance with its obligations under applicable tax, environmental, employment or other laws and regulations, all subject to any confidentiality restrictions and applicable law.

5.14 Surveys. With respect to the Included Real Property, the Buyer shall procure, prior to the Closing, and at its sole cost and expense, a current survey of the real property certified to Buyer, prepared by a licensed surveyor and conforming, at Buyer's option, to current ALTA Minimum Detail Requirements for Land Title Surveys, disclosing the location of all improvements, easements, party walls, sidewalks, roadways, utility lines, and other matters shown customarily on such surveys, and showing access

affirmatively to public streets and roads. Completion of such surveys is a not condition to Closing hereunder.

5.15 Title Insurance.

(a) Buyer shall, at its own cost and expense, procure, prior to the Closing, with respect to the Included Real Property, an ALTA Owner's policy of Title Insurance Form B-1987 (or equivalent policy reasonably acceptable to Buyer if the real property is located in a state in which an ALTA Owner's policy of Title Insurance Form B-1987 is not available) issued by a title insurer reasonably satisfactory to Buyer (and, if requested by Buyer, reinsured in whole or in part by one or more insurance companies and pursuant to a direct access agreement reasonably acceptable to Buyer), in an amount which reflects the value of the Included Real Property, including its value to the business of the Stations as a going concern (with any appropriate going-concern endorsements being issued therefor), insuring title to such real property to be in Buyer as of the Closing. The title insurance policy obtained under this Section 5.15 shall contain an "extended coverage endorsement" insuring over the general exceptions contained customarily in such policies. With respect to such title commitments and policies, the Sellers shall deliver the affidavits described in Section 8.1(vii) and if required thereunder, take the actions required pursuant to Section 5.16. Completion of such title commitments and policies is not a condition to Closing hereunder.

(b) Each title insurance policy obtained under Section 5.15(a) shall: (i) insure title to the real property and all recorded easements benefiting such real property, (ii) contain an "extended coverage endorsement" insuring over the general exceptions contained customarily in such policies, (iii) contain an ALTA Zoning Endorsement 3.1 (or the equivalent thereof), (iv) contain an endorsement insuring that the real property described in the title insurance policy is the same real estate as shown on the survey delivered pursuant to Section 5.14 with respect to such property, (v) contain an endorsement insuring that each street adjacent to the real property is a public street and that there is direct and unencumbered pedestrian and vehicular access to such street from the real property, and (vi) if the real property consists of more than one record parcel, contain a "contiguity" endorsement insuring that all of the record parcels are contiguous to one another. All such endorsements and title policy requirements shall be the responsibility of Buyer and no such endorsement or title policy requirement is a condition to Closing hereunder.

5.16 Real Property. If any title commitment or survey obtained by Buyer with respect to the Included Real Property discloses an encumbrance thereon that is not a Permitted Lien or discloses any Station Assets encroaching upon adjacent real property in any material respect, then:

(i) except as set forth below, Sellers shall remediate such encumbrance or encroachment in accordance with applicable law in all material respects; and

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

5.17 WWRC Actions. Sellers shall complete the actions described on *Schedule 5.17* with respect to the transmission facilities used by WWRC(AM) (the "WWRC Restoration") as and when described on such Schedule, but completion of the WWRC Restoration is not a condition to Closing hereunder.

5.18 Notice of Breaches. From the date of this Agreement until the Closing, each party shall promptly deliver to the other party supplemental information concerning events or circumstances occurring subsequent to the date hereof which would render any representation, warranty or statement in this Agreement or the Schedules inaccurate in any material respect at any time after the date of this Agreement until the Closing. No such supplemental information shall be deemed to avoid or cure any misrepresentation or breach of warranty or constitute an amendment of any representation, warranty or statement in this Agreement or the Schedules.

5.19 Updates. Sellers shall use commercially reasonable efforts to provide Buyer with copies of all Station Contracts (other than agreements for the sale of time) made between the date of this Agreement and Closing and a list of any material changes to the Tangible Personal Property, but a failure to provide any such copies or list shall not affect the parties' respective obligations to assign and assume the Station Contracts at Closing in accordance with the terms of this Agreement.

5.20 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.

ARTICLE 6: SELLER CLOSING CONDITIONS

The obligation of Sellers 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 Sellers):

6.1 Representations and Covenants.

(a) The representations and warranties of the Buyer made in this Agreement shall be true and correct in all material respects (without duplication of any materiality qualification therein) 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) Sellers 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 shall have been obtained.

6.4 Deliveries. Buyer 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 the Sellers made in this Agreement shall be true and correct in all material respects (without duplication of any materiality qualification therein) as of the Closing Date, except for changes permitted or contemplated by the terms of this Agreement, and except to the extent such representations and warranties are specifically made as of a particular date (in which case such representations and warranties shall be true and correct as of such date).

(b) The covenants and agreements to be complied with and performed by Sellers 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 each Seller executed by an authorized officer of such 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 been obtained.

7.4 Deliveries. Each Seller shall have complied with its obligations set forth in Section 8.1.

ARTICLE 8: CLOSING DELIVERIES

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

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

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

(iii) certificates of good standing of each Seller in their jurisdiction of organization;

(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 such Seller to Buyer;

(vi) a copy of the WWRC Lease executed by Sellers;

(vii) special warranty deeds conveying the Included Real Property (if any) from such Seller to Buyer, together with customary owner affidavits reasonably requested of Sellers by any title company retained by Buyer dated as of the LMA commencement date or Closing, as applicable;

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

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

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

(xii) customary documents evidencing the release or termination of all Liens on the Station Assets other than Permitted Liens;

(xiii) an affidavit of non-foreign status of such 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 Sellers 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 Sellers:

(i) the Purchase Price in accordance with Section 1.4 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) a copy of the WWRC Lease executed by Buyer;

(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 reasonably 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, except (i) those under Section 2.1 (Organization), Section 2.2 (Authorization), Section 2.5 (Taxes), Section 2.9

(Environmental), those under Sections 2.6, 2.7 and 2.10 solely with respect to title and absence of Liens, Section 3.1 (Organization), and Section 3.2 (Authorization) all of which (collectively, the “Surviving Representations”) shall survive until the expiration of any applicable statute of limitations, and (ii) that if prior to the expiration of such representation or warranty (whether within such eighteen (18) month period or, for the Surviving Representations, up to the expiration of any applicable statute of limitations) 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 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, the Sellers shall, jointly and severally, defend, indemnify and hold harmless Buyer from and against any and all losses, costs (including costs of investigation and defense), damages, fines, liabilities and expenses, including reasonable attorneys’ fees and expenses (“Damages”) incurred by Buyer or any Affiliate thereof arising out of or resulting from:

(i) any breach, as of the date of this Agreement or as of the Closing Date, by any Seller of its representations and warranties made under this Agreement or any of the Seller Ancillary Agreements; or

(ii) any default or failure to perform by any Seller of any covenant or agreement made under this Agreement or any of the Seller Ancillary Agreements; or

(iii) the Retained Obligations, whether or not disclosed; or

(iv) the business or operation of the Stations, or the ownership of the Station Assets, before the Effective Time, except for the Assumed Obligations.

(b) Notwithstanding the foregoing or anything else herein to the contrary, after Closing, (i) Sellers shall have no liability to Buyer under clause (i) of Section 9.2(a) until Buyer’s aggregate Damages exceed \$200,000, after which such threshold amount shall be included in, not excluded from, any calculation of Damages, and (ii) the maximum aggregate liability of Sellers under clause (i) of Section 9.2(a) shall be an amount equal to 20% of the Purchase Price. For purposes solely of this Article 9, all representations and warranties of the Sellers in Article 2 shall be construed as if the term “material” were omitted from such representations and warranties.

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

(i) any breach, as of the date of this Agreement or as of the Closing Date, by Buyer of its representations and warranties made under this Agreement or any of the Buyer Ancillary Agreements; or

(ii) any default or failure to perform by Buyer of any covenant or agreement made under this Agreement or any of the Buyer Ancillary Agreements; or

(iii) the Assumed Obligations; or

(iv) the business or operation of the Stations by the Buyer, or the ownership of the Station Assets, after the Effective Time, except for the Retained Obligations.

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 materially prejudiced and provided that such notice is given within the time period 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; *provided* that (i) the indemnifying party may only assume control of such defense if (A) it acknowledges in writing to the indemnified party that any Damages that may be assessed against the indemnified party in connection with such Claim constitute Damages for which the indemnified party shall be indemnified pursuant to this Article 9 and (B) the *ad damnum* is less than or equal to the amount of Damages for which the indemnifying party is liable under this Article 9 and (ii) the indemnifying party may not assume control of the defense of a Claim involving criminal liability or in which equitable relief is sought, in whole or in part, against the indemnified party. In the event that the indemnifying party does not, or is not permitted to, 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 (which shall not be unreasonably withheld, conditioned or delayed), settle or compromise any Claim or consent to entry of any judgment in respect of such Claim;

(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, consequential, punitive or exemplary damages or lost profits or similar damages of any kind, whether or not foreseeable.

(d) In order to seek indemnification under this Article 9, an indemnified party shall deliver a written notification to the indemnifying party which contains a description of the Damages incurred or reasonably expected to be incurred by the indemnified party (the “Claimed Amount”), to the extent then known, and a statement that the indemnified party is entitled to indemnification under this Article 9 and a reasonable explanation of the basis therefor. Within thirty (30) days after delivery of such notice, the indemnifying party shall deliver to the indemnified party a response, in which the indemnifying party shall: (i) agree that the indemnified party is entitled to receive all of the Claimed Amount (in which case the response shall be accompanied by a payment by the indemnifying party to the indemnified party of the Claimed Amount, by check or by wire transfer), (ii) agree that the indemnified party is entitled to receive part, but not all, of the Claimed Amount (the “Agreed Amount”) (in which case the response shall be accompanied by a payment by the indemnifying party to the indemnified party of the Agreed Amount, by check or by wire transfer) or (iii) dispute that the indemnified party is entitled to receive any of the Claimed Amount.

(e) Notwithstanding the other provisions of this Section 9.3, if a third party asserts (other than by means of a lawsuit) that an indemnified party is liable to such third party for a monetary or other obligation which may constitute or result in Damages for which such indemnified party may be entitled to indemnification pursuant to this Article 9, and such indemnified party reasonably determines that it has a valid business reason to fulfill such obligation, then (i) such indemnified party shall be entitled to satisfy such obligation, without prior notice to or consent from the indemnifying party, (ii) such indemnified party may subsequently make a claim for indemnification in accordance with the provisions of this Article 9, and (iii) such indemnified party shall be reimbursed, in accordance with the provisions of this Article 9, for any such Damages for which it is entitled to indemnification pursuant to this Article 9 (subject to the right of the indemnifying party to dispute the indemnified party’s entitlement to indemnification, or the amount for which it is entitled to indemnification, under the terms of this Article 9).

(f) Whenever any notice to, or consent from, the Sellers is required under this Article 9, any such notice given to, or any such consent received from, any individual Seller shall constitute notice to, or consent from, all Sellers for purposes of this Article 9.

9.4 Treatment of Indemnity Payments. Any payments made to an indemnified party pursuant to this Article 9 shall be treated as an adjustment to the Purchase Price for Tax purposes.

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 Sellers;
- (b) by written notice of Buyer to Sellers if any 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 Sellers 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; or
- (d) by written notice of Sellers to Buyer or Buyer to Sellers if Closing does not occur by the date nine (9) months after the date of this Agreement; provided, however, that neither party may terminate this Agreement under this subsection (d) if the failure to close results primarily from a breach by such party of any representation, warranty or covenant contained in this Agreement.

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 any 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 1.8; 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 1.8, 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 1.8.

10.3 Survival. If either party terminates this Agreement pursuant to Section 10.1, all obligations of the parties hereunder shall terminate without any liability of either party to the other party; provided, however, that 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 1.5 (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 either (i) the condition described in Section 10.1(c) exists or (ii) the Buyer has not closed the transaction in spite of the satisfaction of each of the conditions set forth in Article 7, then Sellers' sole remedy for Buyer's breach of this Agreement 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 1.9, 5.1, 5.2 or 5.3, as to which Sellers shall be entitled to all available rights and remedies, including without limitation specific performance.

10.5 Liquidated Damages. If Sellers terminate this Agreement pursuant to Section 10.1(c) or if the Buyer has not closed the transaction in spite of the satisfaction of each of the conditions set forth in Article 7, then Buyer and Sellers shall instruct the Deposit Escrow Agent to pay Sellers on demand the Deposit plus any interest accrued thereon by wire transfer of immediately available funds, and payment of such Deposit shall constitute liquidated damages and the sole remedy of Sellers for a breach by Buyer of this Agreement. The parties acknowledge and agree that payment of such amount shall constitute payment of liquidated damages and is not a penalty and that the 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. Upon disbursement to Sellers of the Deposit in accordance with this Section 10.5, Buyer shall have no further liability to Sellers for a breach by Buyer of this Agreement for the Damages suffered as a result of the failure of the transactions contemplated by this Agreement to be consummated.

ARTICLE 11: MISCELLANEOUS

11.1 Expenses. Except as set forth in Section 1.6, Section 1.9(a), Article 9, the Deposit Escrow Agreement and the LMA, 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 Consent 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 shall be responsible for all governmental Taxes, fees and charges applicable to 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. Neither party may assign this Agreement without the prior written consent of the other party hereto, provided, however, that Buyer may assign all or any portion of its rights hereunder to an Affiliate of Buyer upon written notice to, but without consent of, Sellers, provided that (i) any such assignment does not materially delay processing of the FCC Application, grant of the FCC Consent or Closing, (ii) any such assignee delivers to Sellers 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.

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 Sellers: Capstar Radio Operating Company
c/o Clear Channel Broadcasting, Inc.
200 E. Basse Road
San Antonio, TX 78209
Attention: Dirk Eller
Facsimile: (210) 822-2299

with a copy (which shall not constitute notice) to: Clear Channel Broadcasting, Inc.
200 E. Basse Road
San Antonio, TX 78209
Attention: Legal Department
Facsimile: (210) 832-3428

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

if to Buyer: Red Zebra Broadcasting, LLC
8121 Georgia Avenue, Suite 1050
Silver Spring, MD 20910
Attention: Bruce Gilbert, CEO
Facsimile: (301) 562-5851

with a copy (which shall not constitute notice) to: WilmerHale
1875 Pennsylvania Ave., NW
Washington, D.C. 20006
Attention: Jack Goodman

Notices given to any individual Seller in accordance with this Section 11.4 shall constitute notice to all Sellers for all purposes under this Agreement.

11.5 Amendments and Waivers. 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. No waiver by either party with respect to any default, misrepresentation, or breach of warranty or covenant hereunder shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

11.6 Entire Agreement. This Agreement (including the Schedules and Exhibits hereto) and the Seller Ancillary Agreements and the Buyer Ancillary Agreements constitute 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, including without limitation the letter of intent with respect to the Stations made by the parties or their affiliates, except that the Buyer and the Sellers acknowledge and agree that the obligations of confidentiality and non-disclosure contained in any confidentiality agreement between the parties with respect to the Stations 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. Without limiting the generality of the foregoing, Sellers make 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, except as expressly provided in Section 9.2.

11.9 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. The prevailing party in a lawsuit brought to enforce the performance or compliance of any provision of this Agreement may recover reasonable attorneys' fees and costs from the non-prevailing party.

11.10 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.

11.11 Construction.

(a) The language used in this Agreement shall be deemed to be the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against either party.

(b) Any reference to any federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise.

(c) Any reference herein to “including” shall be interpreted as “including without limitation”.

(d) Any reference to any Article, Section or paragraph shall be deemed to refer to an Article, Section or paragraph of this Agreement, unless the context clearly indicates otherwise.

(e) The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

12856797

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

BUYER:

RED ZEBRA BROADCASTING, LLC

By: 
Name: Bruce Gilbert Voss
Title: CEO

SELLERS:

CAPSTAR RADIO OPERATING COMPANY

By: _____
Name:
Title:

AMFM RADIO LICENSES, LLC

By: Capstar Radio Operating Company,
its managing member

By: _____
Name:
Title:

AMFM OPERATING, INC.

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: RED ZEBRA BROADCASTING, LLC

By: _____
Name:
Title:

SELLERS: CAPSTAR RADIO OPERATING COMPANY

By: John Tippit
Name: **John Tippit**
Title: **Senior Vice President**

AMFM RADIO LICENSES, LLC

By: Capstar Radio Operating Company,
its managing member

By: John Tippit
Name: **John Tippit**
Title: **Senior Vice President**

AMFM OPERATING, INC.

By: John Tippit
Name: **John Tippit**
Title: **Senior Vice President**