

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of July 30, 2001 among Voice in the Wilderness Broadcasting, Inc., a Texas corporation ("Seller"), Clear Channel Broadcasting, Inc., a Nevada corporation ("CCB") and Clear Channel Broadcasting Licenses, Inc., a Nevada corporation ("CCBL") (CCB and CCBL, collectively, "Buyer").

### WITNESSETH

WHEREAS, Seller owns and operates the following radio broadcast station (the "Station") pursuant to certain licenses, authorizations and approvals (the "FCC Authorizations") issued by the Federal Communications Commission (the "FCC"):

KTFA(FM), Groves, Texas

WHEREAS, subject to the terms and conditions set forth herein, (i) Seller desires to assign to CCBL, and CCBL desires to acquire from Seller, the FCC Authorizations and (ii) Seller desires to convey to CCB, and CCB desires to acquire from Seller, other tangible and intangible assets and properties used or held for use in the operation of the Station.

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 I

#### SALE AND PURCHASE

Section 1.1 Station Assets. Subject to and in reliance upon the representations, warranties and agreements herein set forth, and subject to the terms and conditions herein contained, Seller shall grant, convey, sell, assign, transfer and deliver to Buyer on the Closing Date (as hereinafter defined) interests of Seller in all properties, assets, privileges, rights, interests and claims, real and personal, tangible and intangible, of every type and description, wherever located, including its business and goodwill (except for Excluded Assets as defined in Section 1.2) used or held for use in the business and operations of the Station (collectively, the "Station Assets"). The Station Assets shall include the following:

(a) Licenses and Authorizations. All of the FCC Authorizations issued with respect to the Station (except the two RPU authorizations) including, without limitation, and all of those FCC Authorizations listed and described on Schedule 1.1(a) attached hereto, and all applications therefor, together with any renewals or extensions thereof and additions thereto.

(b) Tangible Personal Property. The Station's tower, transmitter and STL equipment, and any other interests of Seller located at the Station's tower site as of the date of this Agreement in all equipment, electrical devices, antennas, cables, fixtures, towers, office

materials and supplies, hardware, tools, spare parts, and other tangible personal property of every kind and description, used or held for use in connection with the business and operations of the Station, those listed and described on Schedule 1.1(b) attached hereto, and any additions and improvements thereto between the date of this Agreement and the Closing Date, except any Excluded Assets (collectively, the "Tangible Personal Property").

(c) Real Property. Seller's tower site lease (the "Tower Site Lease") and any other interests of Seller related or connected to the Station's tower site as of the date of this Agreement in all land, leaseholds, licenses, rights-of-way and other interests of every kind and description in and to all of the real property and buildings thereon, used or held for use in the business and operations of the Station, those listed and described on Schedule 1.1(c) attached hereto, and any additions and improvements thereto between the date of this Agreement and the Closing Date, except any Excluded Assets (collectively, the "Real Property").

(d) Time Sales Agreements. All orders and agreements entered into in the ordinary course of business for the sale of advertising time on the Station for cash that are cancelable without penalty that exist on the date the term of the Local Programming and Marketing Agreement of even date herewith between CCB and Seller (the "LMA") shall commence commences (or, if such LMA term does not commence, then the Closing Date).

(e) Contracts. Those commercially reasonable Station operating contracts and agreements entered into in the ordinary course of business that do not conflict in any material respect with Buyer's contracts and agreements that are listed and described on Schedule 1.1(e) attached hereto, which shall not include any trade or barter or similar agreement (such contracts and agreements, together with the Tower Site Lease, the "Station Contracts").

(f) Files and Records. All FCC logs and other records that relate to the operation of the Station, and all files and other records of Seller relating to the business and operations of the Station (other than duplicate copies of such files ("Duplicate Records")), including without limitation all schematics, blueprints, engineering data, reports, specifications, projections, statistics, and all other technical and financial information concerning the Station and the Station Assets.

(g) Claims. Any and all claims and rights against third parties if and to the extent that they relate to the Station Assets, including, without limitation, all rights under manufacturers' and vendors' warranties.

(h) Prepaid Items. All deposits, reserves and prepaid expenses relating to the Station and prepaid taxes relating to the Station or the Station Assets.

(i) Goodwill. All of Seller's goodwill in, and going concern value of, the Station.

~~Section 1.2~~ Excluded Assets. There shall be excluded from the Station Assets and retained by Seller, to the extent in existence on the Closing Date, all cash, cash equivalents, accounts receivable, publicly traded securities, insurance policies, pension, profit sharing and all other employee benefit plans, any Duplicate Records of the Seller, the Station's studio building (the "Studio Site") and studio equipment (except the Station's STL equipment) and Seller's AM station transmitter site equipment, and the other assets set forth on Schedule 1.2 attached hereto (collectively, the "Excluded Assets").

Section 1.3 Liabilities.

(a) As of the date of this Agreement, the Station Assets are subject to the liens described on the Disclosure Schedule attached hereto. Seller shall pay off and obtain releases of such liens at or before the First Closing (defined below). At Closing, the Station Assets shall be sold and conveyed to Buyer free and clear of all mortgages, liens, deeds of trust, security interests, pledges, restrictions, prior assignments, charges, claims, defects in title and encumbrances of any kind or type whatsoever (collectively, "Liens") except: (i) liens for real estate taxes not yet due and payable for which Buyer receives a Purchase Price adjustment under Section 1.5; and (ii) the post-Closing obligations of Seller which CCB will assume under the Station Contracts ("Permitted Encumbrances").

(b) Except as otherwise specifically provided herein, Buyer shall not assume or be liable for, and does not undertake to attempt to, assume or discharge: (i) any liability or obligation of Seller arising out of or relating to any contract, lease agreement, or instrument; (ii) any liability or obligation of Seller arising out of or relating to any employee benefit plan otherwise relating to employment; (iii) any liability or obligation of Seller arising out of or relating to any litigation, proceeding or claim (whether or not such litigation, proceeding or claim is pending, threatened or asserted before, on or after the Closing Date); (iv) any other liabilities, obligations, debts or commitments of Seller whatsoever, whether accrued now or hereafter, whether fixed or contingent, whether known or unknown; or (v) any claims asserted against the Station or any of the Station Assets relating to any event (whether act or omission) prior to the Closing Date including, without limitation, the payment of all taxes.

(c) Buyer shall in no event assume any liability or obligation arising (i) from the assignment to Buyer of any Station Contract in violation of its terms or (ii) from any other breach or default by Seller upon or prior to Closing under any Station Contract.

(d) Seller retains and shall hereafter pay, satisfy, discharge, perform and fulfill all obligations and liabilities not expressly assumed by Buyer hereunder as they become due, without any charge or cost to Buyer, and Seller agrees to indemnify and hold Buyer and its successors and assigns harmless from and against any and all such liabilities in accordance with the terms of Article IX.

~~Section 1.4~~ Purchase Price.

(a) Purchase Price. The purchase price to be paid for the Station Assets will be an amount equal to the sum of Four Million Five Hundred Thousand Dollars (\$4,500,000) plus or minus (ii) the Closing Date Adjustments pursuant to Section 1.5 (the "Purchase Price").

(b) Method of Payment. The Purchase Price shall be paid by Buyer as provided by Section 1.6 in immediately available funds pursuant to written instructions of the Seller to be delivered by Seller to Buyer.

(c) Allocation of Purchase Price. Buyer and Seller will allocate the Purchase Price in accordance with the respective fair market values of the Station Assets and the goodwill being purchased and sold in accordance with the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended (the "Code"). The allocation shall be determined by mutual agreement of the parties. Buyer and Seller each further agrees to file its federal income tax returns and its other tax returns reflecting such allocation.

Section 1.5 Adjustments. On the appropriate adjustment date taking into account the terms of the LMA (the "Adjustment Date"), Station income and expense shall be allocated, charged and prorated such that expenses for goods or services received both before and after the Adjustment Date, power and utilities charges, frequency discounts, prepaid time sales agreements, and rents and similar prepaid and deferred items shall be prorated between Seller and Buyer as of the Adjustment Date in accordance with generally accepted accounting principles. All special assessments and similar charges or liens imposed against the Real Property and Tangible Personal Property in respect of any period of time through the Adjustment Date, whether payable in installments or otherwise, shall be the responsibility of Seller, and amounts payable with respect to such special assessments, charges or liens in respect of any period of time after the Adjustment Date shall be the responsibility of Buyer, and such charges shall be adjusted as required hereunder. To the extent that any of the foregoing prorations and adjustments cannot be determined as of the Closing Date, Buyer and Seller shall conduct a final accounting and make any further payments, as required on a date mutually agreed upon, within ninety (90) days after the Closing.

Section 1.6 Closing.

(a) The consummation of the sale and purchase of the Station Assets provided for in this Agreement shall take place in two partial closings (each a "Closing" and collectively, the "Closings"), the first on a date designated by Seller upon three (3) business days notice to Buyer, but not later than thirty (30) days after the date hereof (the "First Closing") and the second on a date designated by Buyer not later than ten (10) business days after the date of the FCC Consent (as defined in Section 10.12) pursuant to the FCC's initial order (the "Second Closing"), in any case subject to the satisfaction or waiver of the last of the conditions required to be satisfied or waived pursuant to Articles VI and VII (other than those requiring a delivery of a certificate or other document, or the taking of other action, at the Closing), except that FCC Consent is not a condition to the First Closing. Alternatively, the Closing may take place at such

other place, time or date as the parties may mutually agree upon in writing. The date on which any Closing is to occur is referred to herein as the "Closing Date." The terms Closing and Closing Date as used in this Agreement shall mean, and refer separately to, the First Closing or the Second Closing (and the respective Station Assets conveyed each such Closing), as the context requires.

(b) At the First Closing, (i) Buyer shall pay Seller an amount equal to 80% of the Purchase Price, being Three Million Six Hundred Thousand Dollars (\$3,600,000), and (ii) Seller shall (and hereby does) convey to Buyer the First Closing Station Assets described on Schedule 1.6 attached hereto, free and clear of Liens except Permitted Encumbrances, such conveyance being effective as of the time of such payment on such date automatically and without need for further action by any party (but Seller shall execute and deliver such further instruments of conveyance as Buyer may request to further evidence such conveyance). At the Second Closing, (i) Buyer shall pay Seller the unpaid balance of the Purchase Price, (ii) Seller shall (and hereby does) convey to Buyer the Second Closing Station Assets described on Schedule 1.6 attached hereto, free and clear of Liens except Permitted Encumbrances, such conveyance being effective as of the time of such payment on such date automatically and without need for further action by any party (but Seller shall execute and deliver such further instruments of conveyance as Buyer may request to further evidence such conveyance) and (iii) the LMA shall terminate.

(c) After the First Closing the parties shall diligently and expeditiously prosecute the FCC Application until the FCC Consent is granted by Final order. This Agreement is terminable as provided by Section 10.1 prior to the First Closing but not after the First Closing, except as provided in Section 1.6(d). Notwithstanding anything herein to the contrary, if the applicable Closing conditions are satisfied, but a party fails to timely consummate the First Closing within five calendar days of the scheduled Closing Date, then (without limiting Buyer's rights under Section 10.2) the other party may terminate this Agreement immediately by written notice to the breaching party, and no further cure period shall apply. In the event of any such termination, no party shall have any further obligation hereunder, except that (i) the terms of Section 10.4 shall apply, if applicable, and (ii) no such termination shall relieve a party of liability it would otherwise have for any breach of this Agreement prior thereto.

(d) In effectuating the transactions contemplated in this Section 1.6, Seller and Buyer shall comply with applicable FCC rules and regulations, and, if necessary to comply with such rules and regulations, shall modify such transactions in a manner that both complies therewith and preserves in all material respects the parties' respective benefits hereunder. After consummation of the First Closing and before the Second Closing, Buyer may terminate this Agreement if the LMA (or any replacement JSA) is terminated (other than upon non-renewal at any time after the initial ten year term thereof, or a termination by Buyer that is not permitted by the terms thereof) or Seller is in breach in any material respect of its representations, warranties or covenants under this Agreement that relate to the Second Closing Station Assets or Seller's ability to consummate the Second Closing, and such breach is not cured within fifteen (15) calendar days after Buyer delivers to Seller written notice

thereof; provided, however, that, if any such breach cannot be cured within such time, then such cure period may be extended for a reasonable time up to sixty (60) calendar days after such notice, if such breach is susceptible of cure within such time and Seller makes diligent efforts to cure and there is no material adverse affect upon Buyer. In the event of any such termination, the parties shall rescind the First Closing in the manner contemplated by Section 10.11.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer that, except as set forth on the Disclosure Schedule attached hereto:

Section 2.1 Status. Seller is a corporation, duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization (as first set forth above). Seller is duly qualified to do business and is in good standing in such states in which the failure to so qualify would have a material adverse effect on the business of the Station. Seller has the requisite power to carry on the business of the Station as it is now being conducted and to own and operate the Station, and Seller has the requisite power to enter into and complete the transactions contemplated by this Agreement (the "Subject Transactions").

Section 2.2 Authority. All corporate actions necessary to be taken by or on the part of Seller in connection with the Subject Transactions have been duly and validly taken, and this Agreement has been duly and validly authorized, executed, and delivered by Seller and constitutes the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms.

Section 2.3 No Conflict. The execution, delivery and performance of this Agreement and the consummation of the Subject Transactions will not (a) conflict with or violate the certificate of incorporation or bylaws of Seller; (b) conflict with or violate or result in any breach of or any default under, result in any termination or modification of, or cause any acceleration of any obligation under, any contract to which Seller is a party or by which it is bound, or by which the Station or any of the Station Assets may be affected, or result in the creation of any Lien upon any of the Station Assets; or (c) violate any judgment, decree, order, statute, law, rule or regulation applicable to Seller, the Station or any of the Station Assets.

Section 2.4 No Breach. Seller is not in violation or breach of any of the terms, conditions or provisions of any court order, judgment, arbitration award, or decree relating to or affecting the Station or the Station Assets to which Seller is a party or by which it is bound, nor, to its knowledge, of any contract.

Section 2.5 Commitments. The Station Contracts are in full force and effect and Seller has complied with the terms thereof.

~~Section 2.6~~ [Deleted]

Section 2.7 [Deleted].

Section 2.8 Taxes. To its knowledge, Seller has filed all applicable federal, state, local and foreign tax returns required to be filed, in accordance with provisions of law pertaining thereto, and has paid all taxes, interest, penalties and assessments (including, without limitation, income, withholding, excise, unemployment, Social Security, occupation, transfer, franchise, property, sales and use taxes, import duties or charges, and all penalties and interest in respect thereof) required to have been paid with respect to or involving the Station or the Station Assets. Seller has not been advised that any of its returns, federal, state, local or foreign, have been or are being audited.

Section 2.9 Licenses. Seller is the holder of the FCC Authorizations listed and described on Schedule 1.1(a). Such FCC Authorizations constitute all of the licenses, authorizations and approvals required under the Communications Act of 1934, as amended (the "Communications Act"), or the rules, regulations and policies of the FCC for, and used in the operation of, the Station. The FCC Authorizations 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 threatened, any action by or before the FCC to revoke, suspend, cancel, rescind or modify any of the FCC Authorizations (other than proceedings to amend FCC rules of general applicability), and there is not now issued or outstanding or pending or threatened, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint against Seller or the Station. The Station operates in compliance in all material respects with the Communications Act and FCC and FAA rules and regulations.

Section 2.10 Additional FCC Matters.

(a) All material reports and filings required to be filed with the FCC by Seller with respect to the Station have been timely filed or, if not timely filed, such untimeliness will not have a material adverse effect on the business of the Station. All such reports and filings are materially accurate and complete. Seller maintains public files for the Station as required by FCC rules.

(b) Seller is aware of no facts indicating that Seller is not in compliance with all requirements of the FCC, the Communications Act, or any other applicable federal, state and local statutes, regulations and ordinances. Seller is aware of no facts and Seller has received no notice or communication, formal or informal, indicating that the FCC is considering revoking, suspending, canceling, rescinding or terminating any FCC Authorization.

Section 2.11 Approvals and Consents. Except for consent to assign certain Station Contracts as described in Schedule 1.1(e) hereto, the execution, delivery and performance by Seller of this Agreement and the consummation by it of the Subject Transactions will not require any consent, permit, license or approval of, or filing with or notice to, any person, entity or governmental or regulatory authority under any provision of law applicable to Seller or any

contract to which Seller is a party, except as contemplated by Section 10.12 (Application for FCC Consent).

Section 2.12 Station Assets. Schedule 1.1(b) contains a description of all items of Tangible Personal Property having an original cost in excess of \$1,000. Seller has good, valid and marketable title to all of the Station Assets, free and clear of Liens (other than Permitted Encumbrances). All items of Tangible Personal Property, including without limitation equipment and electrical devices, are in good operating condition and repair, are free from material defect and damage, are functioning in the manner and for the purposes for which it was intended, have been maintained in accordance with industry standards, and do not require any repairs other than normal routine maintenance.

Section 2.13 Real Property.

(a) Seller owns no real property that is used or held for use in the operation of the Station, other than the Studio Site, which is a part of the Excluded Assets.

(b) The Tower Site Lease is the only Real Property lease to which Seller is a party (either as lessor or lessee) and which is used or held for use in the conduct of the business of the Station. Seller has delivered to Buyer true and complete copies of such lease. All buildings, structures, improvements, fixtures, and appurtenances are in good maintenance, operating condition, and repair; are adequate and suitable for the purposes for which they are presently being used; and conform to all applicable laws, ordinances, and regulations.

(c) With respect to the leases of Real Property included in the Station Assets, Seller has good title to its interest in such Real Property, free and clear of all Liens (other than Permitted Encumbrances). With respect to each such lease, (i) each such lease is in full force and effect, and is valid, binding and enforceable in accordance with its terms, (ii) all accrued and currently payable rents and other payments required thereunder have been paid, (iii) each such lease was entered into in the ordinary course of business and has provided for peaceable possession since the beginning of the original term thereof, (iv) each party thereto has complied with all respective covenants and provisions of thereof, (v) no party is in default in any respect thereunder, (vi) no party has asserted any defense, set off or counterclaim thereunder, (vii) no waiver, indulgence, or postponement of any obligations thereunder has been granted by any party, (viii) no notice of default or termination has been given or received, no event of default has occurred, and no condition exists and no event has occurred that, with the giving of notice, the lapse of time, or the happening of any further event would become a default or permit early termination thereunder, (ix) neither Seller nor any other party has violated any term or condition thereunder, and (x) the validity or enforceability thereof will in no way be affected by the sale of the Station Assets as contemplated herein. Each such lease provides sufficient access to the Station's facilities without need to obtain any other access rights. Except for consent to assign certain Station Contracts as set forth in Schedule 1.1(e) hereto, no third-party consent or approval is required for the assignment of any such lease to Buyer, or for the consummation of the transactions contemplated herein.

Section 2.14 Environmental Matters.

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

(b) Seller represents and warrants that: (i) to Seller's knowledge, the Station has complied with Environmental Laws, and Seller has no knowledge of the release or presence of any Hazardous Material on, in, from or onto the Real Estate; (ii) Seller has not generated, manufactured, refined, transported, stored, handled, disposed of or released any Hazardous Material on the Real Estate, nor has Seller or, to Seller's knowledge, the Station, permitted the foregoing; (iii) Seller has not received any notice of any violation of any Environmental Laws, and, to Seller's knowledge, no action has been commenced or threatened regarding the presence of any Hazardous Material on or about the Real Estate or Seller's compliance with any Environmental Laws; and (iv) to Seller's knowledge, no tanks used for the storage of any Hazardous Material above or below ground are present or were at any time present on or about the Real Estate, no polychlorinated biphenyls or substances containing polychlorinated biphenyls are present on the Real Estate, and no friable asbestos is present in the operations of the Station and/or on the Real Estate.

Section 2.15 Compliance with Law. The Station, the Station Assets and Seller with respect to the Station and the Station Assets are, in all material respects, in compliance with all requirements of law, federal, state and local, and all requirements of all governmental bodies or agencies having jurisdiction over any of them, the operation of the Station, the use of its properties and assets (including the Station Assets), and the Real Property. Without limiting the foregoing, Seller has paid all monies and obtained all governmental licenses, permits, certificates and authorizations needed or required for the operation of the Station and the use of the Real Property. Seller has properly filed all reports and other documents required to be filed with any federal, state, local or foreign government or subdivision or agency thereof. Seller has not received any notice, not heretofore complied with, from any federal, state or municipal authority or any insurance or inspection body that any of its properties, facilities, equipment or business procedures or practices fails to comply with any applicable law, ordinance, regulation, building or zoning law, or requirement of any public authority or body.

Section 2.16 Insurance. Seller maintains adequate and customary insurance policies relating to the Station. Seller has delivered to Buyer a list of all such policies and their

coverage. Such policies are in full force and effect and Seller is not in default of any material provision thereof. Seller has not received notice from any issuer of any such policies of its intention to cancel, terminate or refuse to renew any policy issued by it.

Section 2.17 Employment Matters. Buyer shall have no liability or obligation in respect of any former, current or future employees of Seller other than as may result from any former employees of Seller becoming employees of Buyer. Buyer shall have no obligation or liability due to or because of any past service liability, vested benefits, retirement plan insolvencies or other retirement plan or past employment obligation (except as provided herein) under local, state or federal law (including the Employee Retirement Income Security Act of 1974, as amended), resulting from the purchase of the Station or from former employees of Seller becoming employees of Buyer.

Section 2.18 Litigation. There are no suits, arbitrations, administrative charges or other legal proceedings, claims or governmental investigations pending against, or threatened against, the Station or Seller relating to or affecting the Station or the Station Assets nor, to the knowledge of Seller, is there any basis for any such suit, arbitration, administrative charge or other legal proceeding, claim or governmental investigation. Seller has not been operating under or subject to, or in default with respect to, any judgment, order, writ, injunction or decree of any court or federal, state, municipal or other governmental department, commission, board, agency or instrumentality, foreign or domestic.

Section 2.19 Brokers. There is no broker or finder or other person entitled to a commission or brokerage fee or payment in connection with this Agreement or the Subject Transactions as a result of any agreement of, or action taken by, Seller, except Jody McCoy, whose fee shall be paid by Seller.

Section 2.20 Disclosure. No provision of this Agreement relating to Seller, the Station or the Station Assets or any other document, Schedule, Exhibit or other information furnished by Seller to Buyer in connection with the execution, delivery and performance of this Agreement, or the consummation of the Subject Transactions, contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact required to be stated in order to make the statement, in light of the circumstances in which it is made, not misleading. Seller will disclose to Buyer any fact known to Seller which Seller knows or believes would affect Buyer's decision to proceed with the execution of this Agreement. Except for facts affecting the radio industry generally, there is no material adverse fact now known to Seller relating to the Station or the Station Assets which has not been disclosed to Buyer.

## ARTICLE III

### REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller:

Section 3.1 Status. Each of CCB and CCBL is a Nevada corporation which is duly organized, validly existing and in good standing under the laws of the State of Nevada. Buyer has the requisite power to enter into and complete the Subject Transactions.

Section 3.2 No Conflicts. Neither the execution, delivery and performance by Buyer of this Agreement nor the consummation by Buyer of the Subject Transactions will: (a) conflict with or violate the certificate of incorporation or bylaws of Buyer; or (b) violate any judgment, decree, order, statute, rule or regulation applicable to Buyer.

Section 3.3 Corporate Action. All corporate actions necessary to be taken by or on the part of Buyer in connection with the Subject Transactions have been duly and validly taken, and this Agreement has been duly and validly authorized, executed and delivered by Buyer and constitutes the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with and subject to its terms.

Section 3.4 Qualification. To Buyer's knowledge, CCBL is qualified under the Communications Act and the existing rules, regulations and policies of the FCC to hold the FCC Authorizations.

## ARTICLE IV

### COVENANTS OF SELLER

Seller covenants and agrees that from the date hereof until the completion of the Closing:

Section 4.1 Operation of the Business. Subject to the LMA:

(a) Seller shall continue to carry on the business of the Station and keep its books and accounts, records and files in the usual and ordinary manner in which the business has been conducted in the past. Seller shall operate the Station in accordance with the terms of the FCC Authorizations and in compliance in all material respects with all applicable laws, rules and regulations and all applicable FCC rules and regulations. Seller shall maintain the FCC Authorizations in full force and effect and shall timely file and prosecute any necessary applications for renewal of the FCC Authorizations.

(b) Nothing contained in this Agreement shall give Buyer any right to control the programming, operations or any other matter relating to the Station prior to the Closing Date, and Seller shall have complete control of the programming, operations and all other matters relating to the Station up to the Closing Date.

(c) Seller shall keep all Tangible Personal Property and Real Property in good operating condition (ordinary wear and tear excepted) and repair and maintain adequate and usual supplies of inventory, office supplies, spare parts and other materials as have been customarily maintained in the past. Seller shall preserve intact the Station Assets and maintain in effect its current casualty and liability insurance on the Station Assets.

(d) Seller shall not, by any act or omission, cause any of the representations and warranties set forth in Article 2 to become untrue or incorrect, and shall cause the conditions to Closing set forth in Article 7 below to be satisfied, and ensure that the transactions contemplated hereby shall be consummated as set forth herein.

(e) Prior to the Closing Date, Seller shall not, without the prior written consent of Buyer:

(i) sell, lease, transfer, or agree to sell, lease or transfer, any Station Assets except for non-material sales or leases, in the ordinary course of business of items which are being replaced by assets of comparable or superior kind, condition and value;

(ii) renew, renegotiate, modify, amend or terminate any existing time sales contracts with respect to the Station, except in the ordinary course of business;

(iii) enter into, renew or amend any other Station Contract with respect to the Station, except in the ordinary course of business;

(iv) apply to the FCC for any construction permit that would restrict the present operations of the Station, or make any change in any of the buildings, leasehold improvements or fixtures of the Station, except in the ordinary course of business; or

(v) enter into any barter or trade contracts that are prepaid, or any contract with an Affiliate of Seller.

Section 4.2 Access to Facilities, Files and Records. At the request of Buyer, Seller shall from time to time give or cause to be given to the officers, employees, accountants, counsel, agents, consultants and representatives of Buyer: (a) full access during normal business hours to all facilities, properties, deeds, title papers, insurance policies, licenses, contracts, equipment, machinery, fixtures, furniture, vehicles, notes and accounts payable and receivable of Seller with respect to the Station; and (b) all such other information concerning the affairs of the Station as Buyer may reasonably request. All such information, when provided by Seller, shall be deemed to have been represented and warranted by Seller to be correct, complete and fully responsive to Buyer's request therefor. Any investigation or examination by Buyer shall not in any way diminish or obviate any representations or warranties of Seller made in this Agreement or in connection herewith.

~~Section 4.3~~ Consents. Seller shall use its best efforts to obtain all of the consents noted on Schedule 1.1(e) hereto. If Seller does not obtain a consent required to assign a contract or lease hereunder, Buyer shall not be required to assume such contract or lease. Marked with an asterisk on Schedule 1.1(e) are those consents the receipt of which is a condition precedent to Buyer's obligation to close under this Agreement (the "Required Consents"). Seller shall obtain the Required Consents prior to the Second Closing.

Section 4.4 Notice of Proceedings. Seller will promptly notify Buyer in writing upon: (a) becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the Subject Transactions; or (b) receiving any notice from any governmental department, court, agency or commission of its intention (i) to institute an investigation into, or institute a suit or proceeding to restrain or enjoin, the consummation of this Agreement or the Subject Transactions, or (ii) to nullify or render ineffective this Agreement or the Subject Transactions if consummated.

Section 4.5 Confidentiality. Any and all information, disclosures, knowledge or facts regarding Buyer or its business or properties to which Seller is exposed as a result of the negotiation, preparation or performance of this Agreement shall be confidential and shall not be divulged, disclosed or communicated to any other person, firm, corporation or entity, except for Seller's employees, attorneys, accountants, investment bankers, investors and lenders, and their respective attorneys, on a need-to-know basis for the purpose of consummating the Subject Transactions.

## ARTICLE V

### COVENANTS OF BUYER

Buyer covenants and agrees that from the date hereof until the completion of the Closing, except as otherwise contemplated in the LMA:

Section 5.1 Application for FCC Consent. Buyer will diligently take, or cooperate in the taking of, all steps that are necessary, proper or desirable to expedite the prosecution of the Application to a favorable conclusion. Buyer will promptly provide Seller with copies of any pleading, order or other document served on it relating to the Application. In the event that Closing occurs prior to a Final FCC Consent, then Buyer's obligations under this Section 5.2 shall survive the Closing.

Section 5.2 Confidentiality. Any and all information, disclosures, knowledge or facts regarding Seller, the Station and their operation and properties derived from or resulting from Buyer's acts or conduct (including, without limitation, acts or conduct of Buyer's officers, employees, accountants, counsel, agents, consultants or representatives, or any of them) under the provisions of Section 4.2 shall be confidential and shall not be divulged, disclosed or communicated to any other person, firm, corporation or entity, except for Buyer's attorneys, accountants, investment bankers, investors and lenders, and their respective attorneys for the purpose of consummating the Subject Transactions.

## ARTICLE VI

### CONDITIONS TO THE OBLIGATIONS OF SELLER

The obligations of Seller under this Agreement are, at its option, subject to the fulfillment of the following conditions prior to or on the Closing Date:

Section 6.1 Representations, Warranties and Covenants. At the First Closing, (i) each of the representations and warranties of Buyer contained in this Agreement shall have been true and correct in all material respects as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall then be true and correct in all material respects, except to the extent changes are permitted or contemplated pursuant to this Agreement; (ii) Buyer shall have performed and complied with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date; and (iii) Buyer shall have furnished Seller with a certificate, dated the Closing Date and duly executed by a Vice President of Buyer authorized on behalf of Buyer to give such a certificate, to the effect that the conditions set forth in Sections 6.1(a) and (b) have been satisfied.

Section 6.2 Proceedings.

(a) Neither Seller nor Buyer shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the Subject Transactions.

(b) In the event such a restraining order or injunction is in effect, this Agreement may not be abandoned by Seller pursuant to this Section 6.2 prior to the date this Agreement is otherwise terminable in accordance with its terms, but any Closing shall be delayed during such period. This Agreement may be abandoned after such date if such restraining order or injunction remains in effect. Seller shall take all reasonable steps to have any such order dissolved or terminated in order to effectuate such Closing.

Section 6.3 FCC Authorization. Prior to the Second Closing, the assignment of all of the FCC Authorizations to CCBL shall have been initially approved by the FCC.

Section 6.4 Deliveries. At the First Closing and the Second Closing, Buyer shall have complied with its applicable obligations set forth in Section 8.2.

## ARTICLE VII

### CONDITIONS TO THE OBLIGATIONS OF BUYER

The obligations of Buyer under this Agreement are, at its option, subject to the fulfillment of the following conditions prior to or on the Closing Date:

~~Section 7.1~~ Section 7.1 Representations, Warranties and Covenants. At the First Closing (and at the Second Closing as to the Second Closing Station Assets and Seller's ability to consummate the Second Closing), (i) each of the representations and warranties of Seller contained in this Agreement shall have been true and correct in all material respects as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall then be true and correct in all material respects, except to the extent changes are permitted or contemplated pursuant to this Agreement; (ii) Seller shall have performed and complied with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date; and (iii) Seller shall have furnished Buyer with a certificate, dated the Closing Date and duly executed by the President or Vice President of Seller authorized on behalf of Seller to give such a certificate, to the effect that the conditions set forth in Sections 7.1(a) and (b) have been satisfied.

Section 7.2 Proceedings.

(a) Neither Seller nor Buyer shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the Subject Transactions.

(b) In the event such a restraining order or injunction is in effect, this Agreement may not be abandoned by Buyer pursuant to this Section 7.2 prior to the date this Agreement is otherwise terminable in accordance with its terms, but any Closing shall be delayed during such period. This Agreement may be abandoned after such date if such restraining order or injunction remains in effect. Buyer shall take all reasonable steps to have any such order dissolved or terminated in order to effectuate such Closing.

Section 7.3 FCC Authorization. Prior to the Second Closing, the assignment of all of the FCC Authorizations to CCBL shall have been initially approved by the FCC (and, at Buyer's option, such FCC Consent shall have become Final), without any conditions materially adverse to Buyer.

Section 7.4 [Deleted].

Section 7.5 Deliveries. At the First Closing and the Second Closing, Seller shall have complied with its applicable obligations set forth in Section 8.1.

Section 7.6 Required Consents. Prior to the Second Closing, Seller shall have obtained all of the Required Consents.

## ARTICLE VIII

### ITEMS TO BE DELIVERED AT THE CLOSING

Section 8.1 Deliveries by Seller. At the Closing, Seller shall deliver to Buyer duly executed by Seller or such other signatory as may be required by the nature of the document:

(a) at the First Closing and the Second Closing, as appropriate, such bills of sale, certificate of title, assignments, and other good and sufficient instruments of sale, conveyance, transfer and assignment, in form and substance satisfactory to Buyer, as are sufficient to sell, convey, transfer and assign the Station Assets being conveyed at such Closing, free and clear of any Liens (other than Permitted Encumbrances) and to quiet Buyer's title thereto; and

(b) at the First Closing, certified copies of resolutions, duly adopted by the board of directors or shareholders of Seller, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Seller of this Agreement, and the consummation of the Subject Transactions.

Section 8.2 Deliveries by Buyer. At the Closing, Buyer shall deliver to Seller:

(a) at the First Closing and the Second Closing, the portion of the Purchase Price, to be paid at such Closing, as provided by Section 1.6, each such payment to be made in the manner specified in Section 1.4;

(b) at the First Closing, certified copies of resolutions, duly adopted by the board of directors of Buyer, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Buyer of this Agreement, and the consummation of the Subject Transactions; and

(c) at the First Closing or the Second Closing, as appropriate, an assumption of the Station Contracts.

## ARTICLE IX

### SURVIVAL; INDEMNIFICATION

Section 9.1 Survival. All representations, warranties, covenants and agreements contained in this Agreement, or in any certificate, agreement, or other document or instrument, delivered pursuant hereto, shall survive (and not be affected in any respect by) the Closing, any investigation conducted by any party hereto and any information which any party may receive, except that all representations and warranties shall expire and be no further force or effect on the date one year after Closing (but any claims made prior to such expiration shall survive until resolved).

~~Section 9.2~~ Section 9.2 Indemnification.

(a) From and after Closing, Seller (an “Indemnifying Party”) hereby agrees to indemnify and hold harmless Buyer, the directors, officers and employees of Buyer and all affiliates of Buyer, and their respective successors and assigns (collectively, the “Buyer Indemnitees”) from, against and in respect of, and to reimburse the Buyer Indemnitees for, the amount of any and all Deficiencies (as defined in Section 9.3(a)).

(b) From and after Closing, Buyer (an “Indemnifying Party”) hereby agrees to indemnify and hold harmless Seller, the directors, officers and employees of Seller and all affiliates of Seller, and their respective successors and assigns (collectively, the “Seller Indemnitees”) from, against and in respect of, and to reimburse the Seller Indemnitees for, the amount of any and all Deficiencies (as defined in Section 9.3(b)).

Section 9.3 Definition of “Deficiencies.”

(a) As used in this Article IX, the term “Deficiencies” when asserted by Buyer Indemnitees or arising out of a third party claim against Buyer Indemnitees shall mean any and all losses, damages, liabilities and claims sustained by the Buyer Indemnitees and arising out of, based upon or resulting from:

(i) any misrepresentation, breach of warranty, or any non-fulfillment of any representation, warranty, covenant, obligation or agreement on the part of Seller contained in or made pursuant to this Agreement;

(ii) any error contained in any statement, report, certificate or other document or instrument delivered by Seller pursuant to this Agreement;

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

(iv) any litigation, proceeding or claim by any third party relating to the business or operations of the Station or the Station Assets prior to the First Closing, or relating to the business or operations of the Station or the Station Assets by Seller between the First Closing and the Second Closing (other than resulting from the acts of Buyer inconsistent with the LMA), no matter when brought or made;

(v) any severance pay or other payment required to be paid with respect to any employee of Seller; and

(vi) any and all acts, suits, proceedings, demands, assessments and judgments, and all fees, costs and expenses of any kind, related or incident to any of the foregoing (including, without limitation, any and all Legal Expenses (as defined in Section 9.6 below)).

(b) As used in this Article IX, the term "Deficiencies" when asserted by Seller Indemnitees or arising out of a third party claim against Seller Indemnitees shall mean any and all losses, damages, liabilities and claims sustained by the Seller Indemnitees and arising out of, based upon or resulting from:

(i) any misrepresentation, breach of warranty, or any non-fulfillment of any representation, warranty, covenant, obligation or agreement on the part of Buyer contained in or made pursuant to this Agreement;

(ii) any error contained in any statement, report, certificate or other document or instrument delivered by Buyer pursuant to this Agreement;

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

(iv) any litigation, proceeding or claim by any third party to the extent relating to the business or operations of the Station by Buyer after the First Closing or relating to the business or operations of the Station after the Second Closing; and

(v) any and all acts, suits, proceedings, demands, assessments and judgments, and all fees, costs and expenses of any kind, related or incident to any of the foregoing (including, without limitation, any and all Legal Expenses).

#### Section 9.4 Procedures.

(a) In the event that any claim shall be asserted by any third party against the Buyer Indemnitees or Seller Indemnitees (Buyer Indemnitees or Seller Indemnitees, as the case may be, hereinafter, the "Indemnitees"), which, if sustained, would result in a Deficiency, then the Indemnitees, as promptly as practicable after learning of such claim, shall notify the Indemnifying Party of such claim, and shall extend to the Indemnifying Party a reasonable opportunity to defend against such claim, at the Indemnifying Party's sole expense and through legal counsel acceptable to the Indemnitees, provided that the Indemnifying Party proceeds in good faith, expeditiously and diligently. The Indemnitees shall, at their option and expense, have the right to participate in any defense undertaken by the Indemnifying Party with legal counsel of their own selection. No settlement or compromise of any claim which may result in a Deficiency may be made by the Indemnifying Party without the prior written consent of the Indemnitees unless: (A) prior to such settlement or compromise the Indemnifying Party acknowledges in writing its obligation to pay in full the amount of the settlement or compromise and all associated expenses; and (B) the Indemnitees are furnished with a full release.

(b) In the event that the Indemnitees assert the existence of any Deficiency against the Indemnifying Party, they shall give written notice to the Indemnifying Party of the nature and amount of the Deficiency asserted. If the Indemnifying Party within a period of thirty

(30) calendar days after the giving of the Indemnitees' notice, shall not give written notice to the Indemnitees announcing its intent to contest such assertion of the Indemnitees (such notice by the Indemnifying Party being hereinafter referred to as the "Contest Notice"), such assertion of the Indemnitees shall be deemed accepted and the amount of the Deficiency shall be deemed established. In the event, however, that a Contest Notice is given to the Indemnitees within said 30-day period, then the contested assertion of a Deficiency shall be settled by arbitration to be held in Beaumont, Texas in accordance with the Commercial Rules of the American Arbitration Association then existing. The determination of the arbitrator shall be delivered in writing to the Indemnifying Party and the Indemnitees and shall be final, binding and conclusive upon all of the parties hereto, and the amount of the Deficiency, if any, determined to exist, shall be deemed established.

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

Section 9.5 Payment of Deficiencies. The Indemnifying Party hereby agrees to pay the amount of established Deficiencies within fifteen (15) calendar days after the establishment thereof. The amount of established Deficiencies shall be paid in cash. At the option of the Indemnitees, the Indemnitees may offset any Deficiency or any portion thereof that has not been paid by the Indemnifying Party to the Indemnitees against any obligation the Indemnitees, or any of them, may have to the Indemnifying Party.

Section 9.6 Legal Expenses. As used in this Article IX, the term "Legal Expenses" shall mean any and all fees (whether of attorneys, accountants or other professionals), costs and expenses of any kind reasonably incurred by any person identified herein and its counsel in investigating, preparing for, defending against, or providing evidence, producing documents or taking other action with respect to any threatened or asserted claim.

Section 9.7 Limitations.

(a) The indemnification obligations of Seller under Section 9.2(a) shall not be effective until the aggregate amount of all Deficiencies (as defined in Section 9.3(a)) exceeds \$25,000, upon which all Deficiencies (as defined in Section 9.3(a)) shall be subject to indemnification thereunder.

(b) The indemnification obligations of Buyer under Section 9.2(b) shall not be effective until the aggregate amount of all Deficiencies (as defined in Section 9.3(b)) exceeds \$25,000, upon which all Deficiencies (as defined in Section 9.3(a)) shall be subject to indemnification thereunder.

## ARTICLE X

### MISCELLANEOUS

~~Section 10.1~~ Termination. Subject to Section 1.6, this Agreement may be terminated at any time prior to any Closing; (a) by the mutual consent of Seller and Buyer; (b) by Buyer or Seller if the FCC has denied the approvals contemplated by this Agreement in an order which has become Final; (c) by Buyer as provided in Section 10.9 (Risk of Loss); (d) by Buyer or Seller if the First Closing has not taken place by the date one year after the date of this Agreement; (e) by Buyer, if on the Closing Date Seller has failed to satisfy the conditions set forth in Section 7.1, 7.5 or 7.6 within five calendar days of the scheduled Closing Date; (f) by Buyer if Seller has failed to cure a material breach of any of its representations, warranties or covenants under this Agreement within fifteen (15) calendar days after it receives notice from Buyer of such breach; (g) by Seller, if on the Closing Date Buyer has failed to satisfy the conditions set forth in Section 6.1 or 6.4 within five calendar days of the scheduled Closing Date; or (h) by Seller if Buyer has failed to cure a material breach of any of its representations, warranties or covenants under this Agreement within fifteen (15) calendar days after it receives notice from Seller of such breach. A termination pursuant to this Section 10.1 shall not relieve any party of any liability it would otherwise have for a breach of this Agreement prior thereto.

Section 10.2 Specific Performance. The parties acknowledge that the Station is of a special, unique and extraordinary character, and that damages alone are an inadequate remedy for a breach of this Agreement. In the event of a breach or threatened breach by Seller of any representation, warranty, covenant or agreement under this Agreement, at Buyer's election, in addition to any other remedy available to it, Buyer shall be entitled to an injunction restraining any such breach or threatened breach and, subject to obtaining any requisite approval of the FCC, to enforcement of this Agreement by a decree of specific performance requiring Seller to fulfill its obligations under this Agreement, in each case without the necessity of showing economic loss or other actual damage and without any bond or other security being required. Such right of specific performance or injunctive relief shall be in addition to, and not in lieu of, Seller's and Buyer's right to recover damages and to pursue any other remedies available for breach. In any action by Seller or Buyer to specifically enforce the breaching party's obligation to close the transactions contemplated by this Agreement, the breaching party shall waive the defense that there is an adequate remedy at law or in equity and agrees that the other party shall be entitled to obtain specific performance of the breaching party's obligation to close without being required to prove actual damages. As a condition to seeking specific performance, Buyer shall not be required to tender the Purchase Price as contemplated by Section 1.4 but shall be required to demonstrate that Buyer is ready, willing and able to tender the Purchase Price (or applicable portion thereof) as contemplated by this Agreement.

Section 10.3 Expenses. Each party hereto shall bear all of its expenses incurred in connection with the Subject Transactions including, without limitation, accounting and legal fees incurred in connection herewith; provided, however, that: (i) Seller and Buyer shall each pay one-half of the FCC filing fees required to be paid in connection with the Application; (ii) Buyer shall pay, and Seller shall not have any liability or responsibility for, any sales or transfer taxes (including, without limitation, any real estate transfer taxes), arising from the transfer of the Station Assets to Buyer; (iii) Buyer shall pay any Hart-Scott-Rodino filing fees, if applicable; and

(iv) Buyer shall ~~pay~~ all expenses incurred by Seller related to the Section 1031 Exchange referenced in Section 10.14.

Section 10.4 Liquidated Damages. If Seller terminates this Agreement due to Buyer's material breach pursuant to Section 1.6(c) or 10.1(h) or (i), then Buyer shall pay Seller as liquidated damages the sum of \$250,000. It is understood and agreed that such liquidated damages amount represents Buyer's and Seller's reasonable estimate of actual damages and does not constitute a penalty, and the payment by Buyer of such amount constitutes Seller's sole remedy in the event of such a termination, all other liability of Buyer being hereby waived.

Section 10.5 Remedies Cumulative. Except as provided in Section 10.4, the remedies provided in this Agreement shall be cumulative and shall not preclude the assertion by any party hereto of any other rights or the seeking of any other remedies against the other party hereto.

Section 10.6 Further Assurances. From time to time prior to, on and after any Closing, each party hereto will execute all such instruments and take all such actions as any other party shall reasonably request, without payment of further consideration, in connection with carrying out and effectuating the intent and purpose hereof and all Subject Transactions including, without limitation, the execution and delivery of any and all confirmatory and other instruments in addition to those to be delivered at any Closing, and any and all actions which may reasonably be necessary to complete the Subject Transactions. The parties shall cooperate fully with each other and with their respective counsel and accountants in connection with any steps required to be taken as part of their respective obligations under this Agreement.

Section 10.7 Public Announcements.

(a) Prior to the Closing Date, no party shall, without the approval of the other party hereto, make any press release or other public announcement concerning the Subject Transactions, except (i) to announce it has been entered into, and (ii) as and to the extent that such party shall be so obligated by law, in which case such party shall give advance notice to the other party and the parties shall use their best efforts to cause a mutually agreeable release or announcement to be issued.

(b) Notwithstanding the foregoing, the parties acknowledge that the rules and regulations of the FCC require that public notice of the Subject Transactions be made after the Application has been filed with the FCC. The form and substance of such public notice, to the extent not dictated by the Communications Act or the rules and regulations of the FCC, shall be mutually agreed upon by Seller and Buyer.

Section 10.8 Broadcast Transmission Interruption. If before the First Closing the regular broadcast transmission of the Station in the normal and usual manner is interrupted for a period of twenty-four consecutive hours or more, Seller shall give the prompt written notice thereof to Buyer. Buyer shall then have the right, by giving written notice to Seller, to postpone (and if necessary re-postpone) the First Closing to a date that is fifteen (15) days after the end of any such interruption.

Section 10.9 Risk of Loss. The risk of loss, damage or destruction to any of the Station Assets shall be borne by Seller at all times up to 12:01 a.m. local time on the date of the First Closing (as to the First Closing Station Assets) and the Closing Date (as to the Second Closing Station Assets), and it shall be the responsibility of Seller to repair or cause to be repaired and to restore the property to its condition prior to any such loss, damage, or destruction. In the event of any such loss, damage, or destruction, the proceeds of any claim for any loss, payable under any insurance policy with respect thereto, shall be used to repair, replace, or restore any such property to its former condition, subject to the conditions stated below. In the event of any loss or damage to any of the Station Assets, Seller shall notify Buyer thereof in writing immediately. Such notice shall specify with particularity the loss or damage incurred, the cause thereof (if known or reasonably ascertainable), and the insurance coverage. In the event that the subject property is not completely repaired, replaced or restored on or before a scheduled Closing, Buyer, at its option, may: (a) elect to postpone such Closing until such time as the property has been completely repaired, replaced or restored (and, if necessary, Seller shall join Buyer in requesting from the FCC any extensions of time in which to consummate such Closing that may be required in order to complete such repairs); or (b) elect to consummate such Closing and accept the subject property in its then-current condition, in which event Seller shall pay to Buyer all proceeds of insurance and assign to Buyer the right to any unpaid proceeds; or (c) terminate this Agreement.

Section 10.10 Arbitration. In case any disagreement shall arise on or before the Second Closing between the parties hereto in relation to this Agreement, whether as to the construction or operation hereof or the respective rights and liabilities hereunder, such disagreement shall be decided by binding arbitration in accordance with the then-current Commercial Rules of the American Arbitration Association, to the extent that such rules do not conflict with the terms of this Section 10.10. All arbitration shall be conducted in Beaumont, Texas. Arbitration shall be initiated by either party giving written notice to arbitrate to the other party, stating the question to be arbitrated and the name of the arbitrator selected by that party. Within five (5) calendar days of the date of said notice to arbitrate, the other party shall select and give written notice of its arbitrator to the initiating party. The two arbitrators so selected shall select a third arbitrator and give written notice within five (5) calendar days after the third arbitrator is chosen. The arbitration shall be conducted solely by the third arbitrator, who shall hear evidence and make an award within twenty (20) calendar days after the notice of selection of the third arbitrator is given to the parties, which award, when signed by the third arbitrator, shall be final. If either party shall refuse or neglect to appoint an arbitrator within five (5) calendar days after the other shall have appointed an arbitrator and given written notice to arbitrate to the other, requiring such party to appoint an arbitrator, then the arbitrator so appointed by the first party shall have power to proceed to arbitrate and determine the matters of disagreement as if he were an arbitrator appointed by both the parties hereto for that purpose, and his award in writing signed by him shall be final and binding upon Buyer and Seller; provided that such award shall be made within fifteen (15) calendar days after such refusal or neglect of the other party to appoint an arbitrator. The party against which such award is made shall pay all costs and expenses of the arbitration. Nothing herein shall prevent Buyer or Seller from obtaining an injunction, decree of specific performance or other equitable relief from any court.

Section 10.11 Rescission of Agreement. If Second Closing occurs prior to a Final FCC Consent, and prior to becoming Final 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 Authorizations to Seller, then Seller and Buyer agree that the purchase and sale of the Station Assets shall be rescinded. In such event, Buyer shall reconvey to Seller the Station Assets, and Seller shall repay to Buyer the Purchase Price and reassume the Seller Contracts assigned and assumed by Buyer at any Closing. Any such rescission shall be consummated on a mutually agreeable date within thirty (30) calendar 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 Seller Contracts assigned and assumed at any Closing) and make such payments (including repayment by Seller to Buyer of the Purchase Price) as are necessary to give effect to such rescission. Seller's and Buyer's obligations under this Section 10.11 shall survive the Closings.

Section 10.12 Application for FCC Consent. As soon as possible (but in no event later than seven (7) calendar days after the date of this Agreement), Seller shall file an application with the FCC (the "Application") requesting the FCC's written consent to the assignment of the Station' FCC Authorizations to CCBL and for the consummation of the Subject Transactions. Seller shall diligently take all steps that are necessary, proper or desirable to expedite the prosecution of the Application to a favorable conclusion. Seller shall promptly provide Buyer with a copy of any pleading, order or other document served on Seller relating to the Application. Seller shall furnish all information required by the FCC and shall be represented at all meetings or hearings scheduled to consider the Application. The FCC's written consent to the Application is referred to herein as the "FCC Consent." In the event that Closing occurs hereunder prior to the receipt of a Final FCC Consent, then Seller's obligations under this Section 10.12 shall survive the Closing. For purposes of this Agreement, the term "Final" shall mean that action shall have been taken by the FCC (including action duly taken by the FCC's staff, pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or sua sponte action of the FCC with comparable effect shall be pending; and as to which the time for filing any such request, petition, appeal, certiorari or for the taking of any such sua sponte action by the FCC shall have expired or otherwise terminated. Upon written request of Buyer, Seller agrees to take, at Buyer's expense, all steps necessary, proper or desirable to obtain extension(s) of the Final FCC Consent.

Section 10.13 Non-Assignable Contracts. Nothing contained in this Agreement shall be construed as an assignment or an attempted assignment of any Station Contract which is by law non-assignable without the consent of the other party or parties thereto, unless such consent shall be given.

Section 10.14 Section 1031 Exchange. The transfer of all or part of the Station Assets contemplated by this Agreement may be part of an exchange of assets that will qualify, pursuant to Section 1031 of the Code, and regulations thereunder, as a deferred like-kind

exchange by Buyer. In keeping with that intention, it is expressly acknowledged that Buyer, its assignee or transferee, may, at or prior to Closing, assign, subject to Section 11.1, its rights (in whole or in part) under this Agreement to a qualified intermediary as defined in Treasury regulation section 1.1031(k)-1(g)(4), or a similar entity or arrangement ("Qualified Intermediary"), subject to all of Buyer's rights and obligations herein and shall promptly provide written notice of such assignment to Seller. Seller shall cooperate with the reasonable requests of Buyer's Qualified Intermediary in arranging and effecting this exchange under Section 1031 of the Code. Without limiting the generality of the foregoing, if Buyer has given notice of its intention to effect an exchange using a Qualified Intermediary, Seller shall promptly provide Buyer with written acknowledgment of such notice, and the Qualified Intermediary shall pay the purchase price for any Station Assets identified by Buyer to be included in a like-kind exchange to Seller, and such payment shall satisfy the obligations of Buyer to make payment for those Station Assets. Notwithstanding the foregoing, Buyer's assignment to a Qualified Intermediary will not relieve Buyer of any of its duties or obligations herein. Except for the obligations of Seller set forth in this Section 10.14, Seller shall not have any liability or obligation to Buyer for the failure of the contemplated exchange to qualify as a like-kind exchange under Section 1031 of the Code unless such failure is the result of the material breach by Seller of its representations, warranties, covenants and obligations herein. Any expenses incurred by Seller to accommodate Buyer pursuant to this Section 10.14 shall be reimbursed by Buyer.

## ARTICLE XI

### GENERAL PROVISIONS

Section 11.1 Successors and Assigns. Except as otherwise expressly provided herein, this Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective representatives, successors and assigns. Seller may not assign any of its rights or delegate any of its duties hereunder without the prior written consent of Buyer, which shall not be unreasonably denied, and any such attempted assignment or delegation without such consent shall be void. Buyer may assign its rights hereunder in whole or in part without Seller's consent, but any such assignment shall not relieve Buyer of any obligations or liability hereunder.

Section 11.2 Amendments; Waivers. The terms, covenants, representations, warranties and conditions of this Agreement may be changed, amended, modified, waived, or terminated only by a written instrument executed by the party waiving compliance. The failure of any party at any time or times to require performance of any provision of this Agreement shall in no manner affect the right of such party at a later date to enforce the same. No waiver by any party of any condition or the breach of any provision, term, covenant, representation or warranty contained in this Agreement, whether by conduct or otherwise, in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of any other provision, term, covenant, representation or warranty of this Agreement.

Section 11.3 Notices. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing (which shall include notice by



used without further attribution shall refer to the particular article or section of this Agreement.

Section 11.5 Governing Law. This Agreement and all questions relating to its validity, interpretation, performance and enforcement shall be governed by and construed in accordance with the laws of the State of Texas, without giving effect to principles of conflicts of laws.

Section 11.6 Entire Agreement. This Agreement, together with all Exhibits and Schedules attached hereto, constitutes the full and entire understanding and agreement between the parties with regard to the subject matter hereof, and supersedes all prior agreements, understandings, inducements or conditions, express or implied, oral or written, relating to the subject matter hereof. The express terms hereof control and supersede any course of performance and/or usage of trade inconsistent with any of the terms hereof. This Agreement has been prepared by all of the parties hereto, and no inference of ambiguity against the drafter of a document therefore applies against any party hereto.

Section 11.7 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories.

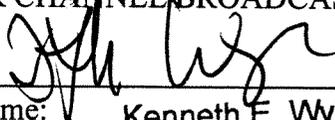
[SIGNATURE PAGE FOLLOWS]

1023818

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

BUYER: CLEAR CHANNEL BROADCASTING, INC.  
CLEAR CHANNEL BROADCASTING LICENSES, INC.

By:   
Name: Kenneth E. Wyker  
Title: Senior Vice President  
General Counsel

SELLER: VOICE IN THE WILDERNESS BROADCASTING, INC.

By: \_\_\_\_\_  
Name:  
Title:

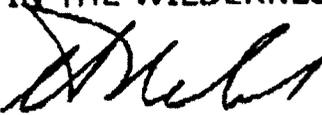
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BUYER: CLEAR CHANNEL BROADCASTING, INC.  
CLEAR CHANNEL BROADCASTING LICENSES,  
INC.

By:  
Name:  
Title:

SELLER: VOICE IN THE WILDERNESS BROADCASTING, INC.

By:   
Name: Ralph H. McBride  
Title: President, VITWB, Inc.

Schedule 1.1(a) to KTFA(FM) Asset Purchase Agreement

FCC Authorizations

<u>Call Sign</u>	<u>Type</u>	<u>Expiration Date</u>
KTFA(FM)	Main Station	August 1, 2005
WPJB975	Aural STL	August 1, 2005