

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "*Agreement*") is made as of August 14, 2003, among Concord Media Group, Inc., a Florida 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*").

Recitals

A. Seller owns and operates the following radio broadcast station (the "*Station*") pursuant to certain authorizations issued by the Federal Communications Commission (the "*FCC*"):

WYCL(FM), Pensacola, Florida (FCC Facility ID No. 63931)

B. 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 Licenses (defined below), and (ii) Seller desires to convey to CCB, and CCB desires to acquire from Seller, the other tangible and intangible assets and properties used or held for use in the operation of the Station.

Agreement

NOW, THEREFORE, taking the foregoing recitals into account, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confirmed, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1: SALE AND PURCHASE

1.1 Station Assets. On the terms and subject to the conditions hereof, on the Closing Date (defined below), Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all of the right, title and interest of Seller in and to all of the assets, properties, interests and rights of Seller of whatsoever kind and nature, real and personal, tangible and intangible, which are used in the operation of the Station (the "*Station Assets*"), but excluding the Excluded Assets (defined below). The Station Assets include, without limitation, the following:

(a) all licenses, permits and other authorizations which are issued to Seller by the FCC with respect to the Station (the "*FCC Licenses*"), including those described on *Schedule 1.1(a)* attached hereto, and including any renewals or modifications thereof between the date hereof and Closing;

(b) all equipment, electrical devices, antennas, cables, tools, hardware, furniture, fixtures, towers, office materials and supplies, inventory, motor vehicles, spare parts and other tangible personal property of every kind and description which are used in the operation of the Station, including those items listed on *Schedule 1.1(b)* attached hereto (the "*Tangible Personal Property*");

(c) all real property and interests in real property used in the operation of the Station and all Seller's appurtenant easements and improvements located thereon, including the owned and leased real property described on *Schedule 1.1(c)* attached hereto (the "*Real Property*");

(d) those contracts, leases, and agreements that are used in the ordinary course of operation of the Station, including those listed on *Schedule 1.1(d)* attached hereto (the "*Station Contracts*");

(e) all of Seller's rights in and to the Station's call letters and Seller's rights in and to the trademarks, trade names, service marks, franchises, copyrights, computer software, programs and programming material, jingles, slogans, logos, and other intangible property which are used in the operation of the Station, including those listed on *Schedule 1.1(e)* attached hereto (the "*Intangible Property*");

(f) all interests of Seller in all programs and programming materials and elements of whatever form or nature used or held for use in the operation of the Station, whether recorded on tape or any other substance or intended for live performance, and whether completed or in production, and all related common-law and statutory copyrights used or held for used in the operation of the Station;

(g) Seller's rights in and to all the files, documents, records, and books of account (or copies thereof) relating to the operation of the Station, including the Station's local public files, programming information and studies, blueprints, technical information and engineering data, advertising studies, marketing and demographic data, sales correspondence, lists of advertisers, credit and sales reports, and logs; and

(h) all claims (including warranty claims) deposits, prepaid expenses, and Seller's goodwill in, and the going concern value of, the Station.

1.2 Excluded Assets. Notwithstanding anything to the contrary contained herein, the Station Assets shall not include Seller's cash, cash equivalents, insurance policies, corporate records, original tax returns, or employee benefit plans (the "*Excluded Assets*").

1.3 Assumed Obligations. The Station Assets shall be transferred to Buyer free and clear of liens, claims and encumbrances ("*Liens*") except for the following (collectively, "*Permitted Liens*") (i) the obligations of Seller arising after Closing under the Station Contracts (collectively, the "*Assumed Obligations*"), and (ii) liens for taxes not yet due and payable. Except for the Assumed Obligations, Buyer does not assume and will not be deemed by execution and delivery of this Agreement or any agreement, instrument or document delivered pursuant to or in connection with this Agreement or otherwise by reason of the consummation of the transactions contemplated hereby, to have assumed, any liabilities, obligations or commitments of Seller of any kind, whether or not disclosed to Buyer (the "*Retained Obligations*").

1.4 Purchase Price. The aggregate purchase price (the "*Purchase Price*") to be paid for the Station Assets shall be \$2,200,000. The Purchase Price shall be paid by Buyer at Closing in immediately available funds pursuant to written instructions of Seller to be delivered by Seller

to Buyer at least four business days prior to Closing. At Closing, Seller shall pay-off and obtain a release of its secured creditors lien(s) on the Station Assets (the “*Senior Liens*”).

1.5 Prorations and Adjustments. Except as otherwise provided in any JSA between the parties with respect to the Station, all prepaid and deferred income and expenses relating to the Station Assets or the Assumed Obligations and arising from the conduct of the business and operations of the Station shall be prorated between Buyer and Seller in accordance with generally accepted accounting principles as of 11:59 p.m. on the date immediately preceding the Closing Date. Any prorations otherwise not agreed to as of Closing Date will be agreed on and adjusted by the parties within sixty (60) days after the Closing Date.

1.6 Allocation. The Purchase Price shall be allocated among the Station Assets in a manner as mutually agreed between the parties. Seller and Buyer agree to use the allocations determined pursuant to this Section for all tax purposes, including without limitation, those matters subject to Section 1060 of the Internal Revenue Code of 1986, as amended.

1.7 Closing. The consummation of the sale and purchase of the Station Assets (the “*Closing*”) shall occur on a date (the “*Closing Date*”) mutually agreeable to Buyer and Seller within ten business days after the date of either (at Buyer’s option) the initial FCC Consent (defined below) or the date the FCC Consent becomes final (*i.e.* no longer subject to review or reconsideration), in any case subject to satisfaction or waiver of the conditions to Closing contained herein (other than those to be satisfied at Closing).

1.8 Governmental Consents.

(a) On a date designated by Buyer within ninety (90) days of the date of this Agreement, Buyer and Seller shall file an application with the FCC (the “*FCC Application*”) requesting FCC consent to the assignment to CCBL of the FCC Licenses (“*FCC Consent*”). Buyer and Seller shall diligently prosecute the FCC Application and otherwise use their best efforts to obtain the FCC Consent as soon as possible.

(b) If applicable and if not previously filed, then within ninety (90) days of the date of this Agreement, Buyer and Seller, at Buyer’s expense, shall make any required filings with the Federal Trade Commission and the United States Department of Justice as are required to comply with applicable laws and decrees, including without limitation the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the “*HSR Act*”) with respect to the transactions contemplated hereby (including a request for early termination of the waiting period thereunder), and shall thereafter promptly respond to all requests received from such agencies for additional information or documentation. Expiration or termination of any applicable waiting period under the HSR Act or under any other filings with such agencies is referred to herein as “*HSR Clearance*.”

(c) Buyer and Seller shall notify each other of all documents filed with or received from any governmental agency with respect to this Agreement or the transactions contemplated hereby. Buyer and Seller shall furnish each other with such information and assistance as such the other may reasonably request in connection with their preparation of any government-

tal filing hereunder. The FCC Consent and (if applicable) HSR Clearance are referred to herein collectively as the “*Governmental Consents*.”

ARTICLE 2: REPRESENTATIONS AND WARRANTIES OF SELLER

Seller makes the following representations and warranties to Buyer:

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

2.2 Authorization. The execution, delivery and performance of this Agreement and the Seller Ancillary Agreements by Seller have been duly authorized and approved by all necessary action of Seller and do not require any further authorization or consent of Seller. This Agreement is, and each Seller Ancillary Agreement when executed and delivered by Seller and the other parties thereto will be, a legal, valid and binding agreement of Seller enforceable in accordance with its respective 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. Neither the execution and delivery by Seller of this Agreement and the Seller Ancillary Agreements or the consummation by Seller of any of the transactions contemplated hereby or thereby nor compliance by Seller with or fulfillment by Seller of the terms, conditions and provisions hereof or thereof will: (i) conflict with any organizational documents of Seller or any law, judgment, order, or decree to which Seller is subject; or (ii) require the approval, consent, authorization or act of, or the making by Seller of any declaration, filing or registration with, any third party or any foreign, federal, state or local court, governmental or regulatory authority or body, except the Governmental Consents, and except for counter-party consent to assign those Station Contracts designated on *Schedule 1.1(d)*.

2.4 FCC Licenses. Seller holds the FCC Licenses described on *Schedule 1.1(a)*. 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 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), and there is not now issued or outstanding, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture against Seller with respect to the Station. The Station is operating in compliance in all material respects with the FCC Licenses, the Communications Act, and the rules, regulations and policies of the FCC.

2.5 Taxes. Seller has, in respect of the Station's 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 has paid all taxes which have become due pursuant to such returns or pursuant to any assessments which have become payable.

2.6 Personal Property. *Schedule 1.1(b)* contains a list of all material items of Tangible Personal Property included in the Station Assets. Seller has title to the Tangible Personal Property free and clear of Liens other than Permitted Liens (and other than the Senior Liens).

2.7 Real Property. *Schedule 1.1(c)* contains a list of all licenses or leases respecting Real Property (collectively "*Real Property Leases*") pertaining to the Station. Except as described in *Schedule 1.1(c)*, Seller has good and marketable fee simple title to the fee estate included in the Real Property, free and clear of all Liens, except for Permitted Liens. The Real Property includes sufficient access to the Station's transmission facilities to conduct the operations of the Station in the manner in which they are currently operated without the need to obtain other access rights, except where the failure to have such access would not be material. Seller has delivered to Buyer a true and complete copy of any and all title insurance policies, surveys, plans and maps relating to the Real Property in the custody, possession or control of Seller. Except as set forth on *Schedule 1.1(c)*, none of the Real Property is subject to any lease, sublease, license or other agreement pursuant to which Seller grants to any other person any right to the use, occupancy or enjoyment of the Real Property or any part thereof. There is no pending or, to the knowledge of Seller, threatened condemnation or similar proceeding affecting any Real Property. All buildings, towers and other improvements included within the Real Property are in working order and repair. The use of the Real Property to operate the Station is in compliance in all material respects with applicable zoning and land-use laws. As of the date hereof, Seller has received no actual written notice of any increase in property taxes affecting any item of Real Property to an amount in excess of 110% of the current taxes on such Real Property or of any other imposition which is not materially consistent with existing impositions, the effect of which is, if required, reflected on Seller's financial statements; provided that the foregoing shall not relate to increases resulting from improvements to the property made by Seller.

2.8 Contracts. *Schedule 1.1(d)* contains a list of all Station Contracts. Each of the Station Contracts (including without limitation each Real Property lease) is in effect and is binding upon Seller and, to Seller's knowledge, the other parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally). Seller has performed its obligations under each of the Station Contracts in all material respects, and is not in material default thereunder, and to Seller's knowledge, no other party to any of the Station Contracts is in default thereunder in any material respect.

2.9 Environmental. To Seller's knowledge, no hazardous or toxic substance or waste regulated under any applicable environmental, health or safety law has been generated, stored, transported or released on, in, from or to the Real Property included in the Station Assets. To Seller's knowledge, Seller has complied in all material respects with all environmental, health and safety laws applicable to the Station.

2.10 Intangible Property. *Schedule 1.1(e)* contains a description of the material Intangible Property included in the Station Assets. Seller has received no notice of any claim that its use of the Intangible Property infringes upon any third party rights. Seller owns or has the right to use the Intangible Property free and clear of Liens other than Permitted Liens (and other than the Senior Liens).

2.11 Compliance with Law. Seller has complied in all material respects with all laws, regulations, rules, writs, injunctions, ordinances, franchises, decrees or orders of any court or of any foreign, federal, state, municipal or other governmental authority which are applicable to the operation of the Station. There is no action, suit or proceeding pending or threatened against Seller in respect of the Station that will subject Buyer to liability or which questions the legality or propriety of the transactions contemplated by this Agreement. To Seller's knowledge, there are no governmental claims or investigations pending or threatened against Seller in respect of the Station (except those affecting the industry generally).

2.12 No Finder. No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Seller or any party acting on Seller's behalf.

ARTICLE 3: REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby makes the following representations and warranties to Seller:

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

3.2 Authorization. The execution, delivery and performance of this Agreement and the Buyer Ancillary Agreements by Buyer have been duly authorized and approved by all necessary action of Buyer and do not require any further authorization or consent of Buyer. This Agreement is, and each Buyer Ancillary Agreement when executed and delivered by Buyer and the other parties thereto will be, a legal, valid and binding agreement of Buyer enforceable in accordance with its respective 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. Neither the execution and delivery by Buyer of this Agreement and the Buyer Ancillary Agreements or the consummation by Buyer of any of the transactions contemplated hereby or thereby nor compliance by Buyer with or fulfillment by Buyer of the terms, conditions and provisions hereof or thereof will: (i) conflict with any organizational documents

of Buyer or any law, judgment, order or decree to which Buyer is subject; or (ii) require the approval, consent, authorization or act of, or the making by Buyer of any declaration, filing or registration with, any third party or any foreign, federal, state or local court, governmental or regulatory authority or body, except the Governmental Consents.

3.4 Qualification. To the best of Buyer's knowledge, CCBL is qualified to hold the FCC Licenses under the Communications Act of 1934, as amended (the "*Communications Act*") and the rules, regulations and policies of the FCC.

3.5 No Finder. No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Buyer or any party acting on Buyer's behalf.

ARTICLE 4: COVENANTS

4.1 Covenants. Seller covenants and agrees with respect to the Station that, between the date hereof and Closing, except as permitted by this Agreement or with the prior written consent of Buyer, which shall not be unreasonably withheld, subject to any Joint Sales Agreement ("*JSA*") or similar agreement between the parties, Seller shall: (i) operate the Station in the ordinary course of business consistent with past practice and in all material respects in accordance with FCC rules and regulations and with all other applicable laws, regulations, rules and orders; (ii) not sell, lease or dispose of or agree to sell, lease or dispose of any of the Station Assets, or create, assume or permit to exist any Liens upon the Station Assets, except for Permitted Liens (and except for the Senior Liens); and, (iii) furnish Buyer with such information relating to the Station Assets as Buyer may reasonably request. Nothing contained in this Agreement shall give Buyer the right to control the Station prior to Closing, such control being the right and obligation of Seller prior to Closing.

4.2 Consents to Assignment. The parties shall 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). To the extent that any Station Contract may not be assigned without the consent of any third party, and such consent is not obtained prior to Closing, this Agreement and any assignment executed pursuant hereto shall not constitute an assignment thereof, but to the extent permitted by law shall constitute an equitable assignment by Seller and assumption by Buyer of Seller's rights and obligations under the applicable Station Contract, with Seller making available to Buyer the benefits thereof and Buyer performing the obligations thereunder on Seller's behalf.

4.3 1031 Exchange. To facilitate the transfer of the Station Assets as part of a like-kind exchange under Section 1031 of the Internal Revenue Code, Buyer may assign its rights under this Agreement (in whole or in part) to a "qualified intermediary" under section 1.1031(k)-1(g)(4) of the treasury regulations (but such assignment shall not relieve Buyer of its obligations under this Agreement) and any such qualified intermediary may re-assign to Buyer. If Buyer gives notice of such assignment, Seller shall provide Buyer with a written acknowledgment of such notice prior to Closing and convey the Station Assets (or such portion thereof as is desig-