

DEPARTMENT OF JUSTICE

Notice of Lodging of Settlement Agreement Under Comprehensive Environmental Response, Compensation and Liability Act

In accordance with Departmental policy, 28 CFR 50.7, notice is hereby given that a proposed Settlement Agreement in *In re Joy Technologies, Inc.* (d/b/a Joy Mining Machinery), C.A. No. 99-2194 (Bnkr. Ct. Del.), was lodged on February 21, 2001, with the United States Bankruptcy Court for the District of Delaware. The Settlement Agreement resolves the United States' claims against Joy Technologies, Inc. (d/b/a Joy Mining Machinery) ("Joy") with respect to past response costs incurred and future costs to be incurred, pursuant to Section 107 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9607, in connection with the clean-up of the Route 52 Site, Bluefield, Mercer County, West Virginia. The Settlement Agreement also resolves the United States' claims for civil penalties, pursuant to section 106(b) of CERCLA, 42 U.S.C. 9606(b), and punitive damages, pursuant to section 107(c)(3) of CERCLA, 42 U.S.C. 9607(c)(3).

Under the Settlement Agreement, Joy has agreed to give EPA, a general unsecured creditor, an allowed claim in the amount of \$7,000,000.00, plus interest, in reimbursement of response costs incurred in connection with the Site. Joy will pay the allowed claim on the same basis as it pays the allowed claims of all other unsecured creditors. In addition, Joy has agreed to pay the United States \$1,500,000.00 to resolve the United States' claims pursuant to section 106(b) and 107(c)(3) of CERCLA, 42 U.S.C. 9606(b), 9607(c)(3). The latter amount will be paid within 78 months from the date the Bankruptcy Court approves the plan of reorganization for Harnischfeger Industries Incorporated and the other debtors, including Joy, involved in Bankruptcy Case Number 99-2177 (Jointly Administered), pending in the District of Delaware.

The Department of Justice will receive, for a period of 30 days from the date of this publication, comments relating to the proposed Settlement Agreement. Comments should be addressed to the Assistant Attorney General for the Environment and Natural Resources Division, Department of Justice, Washington, DC 20530, and should refer to *In re Joy Technologies, Inc.* (d/b/a Joy Mining Machinery), DOJ Reference No. 90-11-2-207/6.

The proposed Settlement Agreement may be examined at the Office of the

United States Attorney, Chemical Bank Plaza, 1201 Market Street, Suite 1100, Wilmington, Delaware 19899; and the Region III Office of the Environmental Protection Agency, 1650 Arch Street, Philadelphia, Pennsylvania 19103. A copy of the proposed Settlement Agreement may be obtained by mail from the Department of Justice Consent Decree Library, P.O. Box 7611, Washington, DC 20044. In requesting a copy, please refer to the referenced case and enclose a check in the amount of \$3.25 (.25 cents per page production costs), payable to the Consent Decree Library.

Robert D. Brook,

Assistant Section Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 01-4741 Filed 2-26-01; 8:45 am]

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DEPARTMENT OF JUSTICE

Notice of Lodging of Consent Decree Pursuant to the Comprehensive Environmental Response Compensation and Liability Act ("CERCLA")

Consistent with Departmental policy, 28 CFR 50.7, and under section 122(d) of CERCLA, 42 U.S.C. 9622(d), notice is hereby given that a proposed consent decree in *United States v. Livingston, et al.*, Civ. No. 97-4770 (WGB), was lodged on February 13, 2001 with the United States District Court for the District of New Jersey. The Consent Decree concerns hazardous waste contamination at the Brook Industrial Park Superfund Site (the "Site"), located in Bound Brook, Somerset County, New Jersey. The Consent Decree would resolve the liability for reimbursement of response costs incurred and to be incurred by the United States in connection with the Site as to three remaining defendants in this action against whom the United States filed a complaint on behalf of the United States Environmental Protection Agency ("EPA"). Also participating in the proposed consent decree are third-party defendants Fireman's Fund Insurance Co. and New Jersey Property-Liability Insurance Guaranty Association. The Consent Decree requires the settling parties to reimburse the EPA Hazardous Substance Superfund a total of \$1.06 million, plus interest.

The Department of Justice will receive, for a period of thirty (30) days from the date of this publication, comments relating to the proposed consent decree. Comments should be

addressed to the Assistant Attorney General, Environment and Natural Resource Division, P.O. Box 7611, U.S. Department of Justice, Washington, DC 20044-7611, and should refer to *United States v. Livingston, et al.*, DOJ Ref. #90-11-2-1287.

The proposed consent decree may be examined at the office of the United States Attorney for the District of New Jersey, 970 Broad Street, Newark, New Jersey 07102 (contact Assistant United States Attorney Susan C. Cassell); and the Region II Office of the Environmental Protection Agency, 290 Broadway, New York, New York, 10007-1866 (contact Assistant Regional Counsel Muthu S. Sundram). A copy of the proposed consent decree may be obtained by mail from the Consent Decree Library, P.O. Box 7611, Washington, DC 20044-7611. In requesting a copy please refer to the referenced case and enclose a check in the amount of \$5.25 (25 cents per page reproduction costs), payable to the Consent Decree Library.

Ronald G. Gluck,

Assistant Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 01-4700 Filed 2-26-01; 8:45 am]

BILLING CODE 4410-15-M

DEPARTMENT OF JUSTICE

Antitrust Division**Clear Channel Communications, Inc., and AMFM Inc. Merger Settlement**

Proposed Final Judgment and Competitive Impact Statement in *United States v. Clear Channel Communications, Inc., and AMFM Inc.*, Civ. Action No. 1:00CV02063.

Notice is hereby given pursuant to the Antitrust Procedures and Penalties Act, 15 U.S.C. §§ 16(b)-(h), that a proposed Final Judgment, Stipulation and Order, and Competitive Impact Statement have been filed with the United States District Court for the District of Columbia, in *United States versus Clear Channel Communications, Inc., and AMFM Inc.*, Civ. Action No. 1:00CV02063 (Thomas Penfield Jackson, J.).

On August 29, 2000, the United States filed a Complaint alleging that the effect of the merger of Clear Channel Communications, Inc. and AMFM Inc. may be to lessen competition substantially in the sale of radio advertising time and out-of-home advertising in several local markets in the United States in violation of Section

7 of the Clayton Act, as amended, 15 U.S.C. 18.

The proposed Final Judgment, also filed on August 29, 2000, requires Defendants to divest 14 radio stations in five markets: Allentown-Bethlehem, PA; Denver, CO; Harrisburg-Lebanon-Carlisle, PA; Houston-Galveston, TX; and Pensacola, FL, to preserve competition in the sale of radio advertising time in these markets. In addition, the proposed Final Judgment requires the Defendants to divest the approximate 28.6 percent equity interest in Lamar Advertising Company that Clear Channel acquired as a result of the merger in order to maintain effective and viable competition in the sale of out-of-home advertising in various markets in the United States. A Competitive Impact Statement filed by the United States on November 15, 2000, describes the Complaint, the proposed Final Judgment, and the remedies available to private litigants who may have been injured by the alleged violations.

Copies of the Complaint, proposed Final Judgment, Stipulation and Order, and Competitive Impact Statement are available for inspection at the U.S. Department of Justice, Antitrust Division, 325 Seventh Street, NW., Room 325, Washington, DC 20530, and at the Clerk's Office of the United States District Court for the District of Columbia.

Public comment is invited with the statutory 60-day comment period. Such comments and responses thereto will be published in the **Federal Register** and filed with the Court. Comments should be directed to: J. Robert Kramer, II, Chief, Litigation II Section, Antitrust Division, U.S. Department of Justice, 1401 H Street, NW., Suite 3000, Washington, DC 20530 (telephone: (202) 307-0924).

Constance K. Robinson,

Director of Operations & Merger Enforcement.

United States District Court for the District of Columbia

United States of America, Plaintiff, v. Clear Channel Communications, Inc. and AMFM Inc., Defendants

[Civil Action No.: 1:00CV02063]

Judge: Thomas Penfield Jackson.

Filed: August 29, 2000.

Stipulation and Order

It is stipulated by and between the undersigned parties, by their respective attorneys, as follows:

1. The Court has jurisdiction over the subject matter of this action and over each of the parties hereto, and venue of this action is proper in the United States

District Court for the District of Columbia.

2. The parties stipulate that a Final Judgment in the form attached hereto may be filed with and entered by the Court, upon the motion of any party or upon the Court's own motion, at any time after compliance with the requirements of the Antitrust Procedures and Penalties Act (15 U.S.C. 16), and without further notice to any party or other proceedings, provided that the United States has not withdrawn its consent, which it may do at any time before the entry of the proposed Final Judgment by serving notice thereof on defendants and by filing that notice with the Court.

3. The defendants shall abide by and comply with the provisions of the proposed Final Judgment entry of the Final Judgment by the Court, or until expiration of time for all appeals of any Court ruling declining entry of the proposed Final Judgment, and shall, from the date of the signing of this Stipulation and Order by the parties, comply with all the terms and provisions of the proposed Final Judgment as though the same were in full force and effect as an order of the Court.

4. The parties recognize that there could be a delay in obtaining approval by or ruling of a government agency related to the divestitures required by Section IV of the Final Judgment, notwithstanding the good faith efforts of the defendants and any prospective Acquirer, as defined in the Final Judgment. In this circumstance, plaintiff will, in the exercise of its sole discretion, acting in good faith, give special consideration to forbearing from applying for the appointment of a trustee pursuant to Section VII(A) of the Final Judgment, or from pursuing legal remedies available to it as a result of such delay, provided that: (1) Defendants have entered into one or more definitive agreements to divest the relevant Radio Assets, as defined in the Final Judgment, and such agreements and the Acquirer have been approved by the United States; (ii) all papers necessary to secure any governmental approvals and/or rulings to effectuate such divestitures (including but not limited to FCC, SEC and IRS approvals or rulings) have been filed with the appropriate agency; (iii) receipt of such approvals are only closing conditions that have not been satisfied or waived; and (iv) defendants have demonstrated that neither they nor the prospective Acquirer or Acquirers are responsible for such delay.

5. In the event that (I) the United States withdraws its consent, as

provided in paragraph 2 above, or (ii) the proposed Final Judgment is not entered pursuant to Stipulation and Order, the time has expired for all appeals of any Court ruling declining entry of the proposed Final Judgment, and this Court has not otherwise ordered continued compliance with the terms and provisions of the proposed Final Judgment, then the parties are released from all further obligations under the Stipulation and Order, and the making of this Stipulation and Order shall be without evidentiary prejudice to any party in this or any other proceeding.

6. This Stipulation and Order shall apply with equal force and effect to any amended proposed Final Judgment agreed upon in writing by the parties and submitted to the Court.

7. Defendants represent that the divestitures ordered in the proposed Final Judgment can and will be made, and that defendants will later raise no claim of hardship or difficulty as grounds for asking the Court to modify any of the divestiture provisions contained therein.

Dated: August 29, 2000.

For Plaintiff United States:

John C. Filippini (165159)

Allen P. Grunes, Rex Fujichaku, Litigation II Section, Antitrust Division, U.S.

Department of Justice, 1401 H Street, NW., Suite 3000, Washington, DC 20005, (202) 307-5782.

For Defendant Clear Channel Communications, Inc.:

Charles E. Biggio,

Akin, Gump, Strauss, Hauer & Feld, 590 Madison Avenue—20th Floor, New York, NY 10022, (212) 872-1010.

Phillip A. Proger,

Jones, Day, Reavis & Pogue, 51 Louisiana Avenue, NW., Washington, DC 20001-2113, (202) 879-4668.

For Defendant AMFM Inc.:

Neil W. Imus,

Vinson & Elkins, The Willard Office Building, 1455 Pennsylvania Avenue, NW., Washington, DC 20004-1008, (202) 639-6675.

Order

It Is So Ordered by this Court, this _____ Day of August, 2000.

United States District Judge

Final Judgment

Whereas, plaintiff, United States of America, filed its Complaint on August 29, 2000, plaintiff and defendants, Clear Channel Communications, Inc. ("Clear Channel") and AMFM Inc. ("AMFM"), by their respective attorneys, have consented to the entry of this Final Judgment without trial or adjudication of any issue of fact or law, and without

this Final Judgment constituting any evidence against or admission by any party regarding any issue of fact or law; *And Whereas*, defendants agree to be bound by the provisions of this Final Judgment pending its approval by the Court;

And Whereas, the essence of this Final Judgment is the prompt and certain divestiture of certain rights or assets by the defendants to assure that competition is not substantially lessened;

And Whereas, plaintiff requires defendants to make certain divestitures for the purpose of remedying the loss of competition alleged in the Complaint;

And Whereas, defendants have represented to the United States that the divestitures required below can and will be made and that defendants will later raise no claim of hardship or difficulty as grounds for asking the Court to modify any of the divestiture provisions contained below;

Now, Therefore, before any testimony is taken, without trial or adjudication of any issue of fact or law, and upon consent of the parties, it is *Ordered, Adjudged, and Decreed*:

I. Jurisdiction

This Court has jurisdiction over the subject matter of and each of the parties to this action. The Complaint states a claim upon which relief may be granted against defendants under section 7 of the Clayton Act, as amended (15 U.S.C. 18).

II. Definitions

As used in this Final Judgment:

A. "Clear Channel" means defendant Clear Channel Communications, Inc., a Texas corporation with its headquarters in San Antonio, Texas, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and their directors, officers, managers, agents, and employees.

B. "AMFM" means defendants AMFM Inc., a Delaware corporation with its headquarters in Austin, Texas, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and their directors, officers, managers, agents, and employees.

C. "Lamar" means Lamar Advertising Company, a Delaware corporation with its principal place of business in Baton Rouge, Louisiana, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and their directors, officers, managers, agents, and employees.

D. "Divestiture Assets" means Radio Assets and Lamar Holdings.

E. "Radio Assets" means all of the assets, tangible or intangible, used in the operation of each of the radio stations listed in Schedule A attached hereto, including all real property (owned or leased) used in the operation of the station, all broadcast equipment, office equipment, office furniture, fixtures, materials, supplies, and other tangible property used in the operation of the station; all licenses, permits, authorities, and applications therefor issued by the Federal Communications Commission ("FCC") and other government agencies related to the station; all contracts (including programming contracts and rights), agreements, leases and commitments of Clear Channel or AMFM relating to its operation; all trademarks, service marks, trade names, copyrights, patents, slogans, programming materials, and promotional materials relating to the station; and all logs and other records maintained by Clear Channel or AMFM or that station in connection with its business.

F. "Lamar Holdings" means the 26,227,273 shares of Lamar Advertising Company's Class A stock owned by AMFM when the Complaint in this matter was filed to be acquired by Clear Channel in its merger with AMFM.

G. "Divestiture Cities" means the Metropolitan Survey Areas defined as "Arbitron Markets" in the *BIA Investing In Radio Market Report 2000 (2d edition)* set forth in Schedule B attached hereto.

H. "Acquirer" means the entity or entities to whom defendants divest any Divestiture Assets.

III. Applicability

A. This Final Judgment applies to Clear Channel and AMFM, as defined above, and all other persons in active concert or participation with either of them who receive actual notice of this Final Judgment by personal service or otherwise.

B. Defendants shall require, as a condition of the sale or other disposition of all or substantially all of their assets or of lesser business units that include any of the Divestiture Assets, that the acquiring party or parties agree to be bound by the provisions of this Final Judgment.

IV. Divestiture of Radio Assets

A. Defendants are ordered and directed, within one hundred and fifty (150) days after the filing of the Complaint in this matter, or five (5) days after notice of the entry of this Final Judgment by the Court, whichever is later, to divest the Radio Assets in a manner consistent with this Final

Judgment to an Acquirer or Acquirers acceptable to the United States in its sole discretion. The United States, in its sole discretion, may agree to an extension of this time period of up to two thirty (30) day time periods, not to exceed sixty (60) calendar days in total, and shall notify the Court in such circumstances. Defendants agree to use their best efforts to divest the Radio Assets, and to obtain all regulatory approvals necessary for such divestitures, as expeditiously as possible.

B. In accomplishing the divestitures of the Radio Assets ordered by the Final Judgment, defendants promptly shall make known, by usual and customary means, the availability of the Radio Assets. Defendants shall inform any person making an inquiry regarding a possible purchase of the Radio Assets that the sale is being made pursuant to this Final Judgment and provide each person with a copy of this Final Judgment. Defendants shall offer to furnish to all prospective Acquirers, subject to customary confidentiality assurances, all information and documents regarding the Radio Assets customarily provided in a due diligence process, except such information or documents subject to the attorney-client or work product privileges. Defendants shall make available such information to the United States at the same time that such information is made available to any other person.

C. Defendants shall provide the Acquirer(s) and the United States information relating to the personnel involved in the operation of the Radio Assets to enable the Acquirer(s) to make offers of employment. Defendants will not interfere with any negotiations by the Acquirer(s) to employ any defendant employee whose primary responsibility relates to the operation of the Radio Assets.

D. Defendants shall permit prospective Acquirers of the Radio Assets to have reasonable access to personnel and to make inspections of the physical facilities of the radio stations to be divested; access to any and all environmental, zoning, and other permit documents and information; and access to any and all financial, operational, or other documents and information customarily provided as part of a due diligence process.

E. Defendants shall warrant to any and all Acquirers of the Radio Assets that each asset will be operational on the date of sale.

F. Defendants shall not take any action that will impede in any way the

permitting, operation, or divestiture of the Radio Assets.

G. Defendants shall warrant to the Acquirer(s) of the Radio Assets that there are no material defects in the environmental, zoning or other permits pertaining to the operation of each asset, and that following the sale of the Radio Assets, defendants will not undertake, directly or indirectly, any challenges to the environmental, zoning or other permits relating to the operation of the Radio Assets.

H. Unless the United States otherwise consents in writing, the divestitures pursuant to Section IV, or by trustee appointed pursuant to Section VIII(A) and IX, of this Final Judgment, shall include the entire Radio Assets, and shall be accomplished in such a way to satisfy the United States, in its sole discretion, that the Radio Assets can and will be used by the Acquirer(s) as part of a viable, ongoing commercial radio broadcasting business. Divestiture of the Radio Assets may be made to one or more Acquirers, provided that in each instance it is demonstrated to the sole satisfaction of the United States that the divestiture assets will remain viable and the divestiture of such assets will remedy the competitive harm alleged in the Complaint. The divestitures, whether pursuant to Section IV or IX of this Final Judgment.

(i) Shall be made to an Acquirer (or Acquirers) that, in the United State's sole judgment, has the intent and capability (including the necessary managerial, operational, and financial capability) of competing effectively in the commercial radio broadcasting business in the Divestiture Cities; and

(ii) shall be accomplished so as to satisfy the United States, in its sole discretion, that none of the terms of any agreement between an Acquirer or Acquirers and Clear Channel or AMFM give Clear Channel or AMFM the ability unreasonably to raise the Acquirer's costs, to lower the Acquirer's efficiency, or otherwise to interfere in the ability of the Acquirer to compete effectively.

V. Preservation of Radio Assets/Hold Separate

Until the divestiture of all the Radio Assets required by this Final Judgment have been accomplished:

A. Defendants shall preserve, hold and continue to operate the Radio Assets as separate, independent, ongoing, economically viable and active competitors to the other stations in the Divestiture Cities, with their assets, management and operations separate, distinct and apart from defendants' other radio stations. Except as necessary to comply with Sections V(B) and (D) of this Final Judgment, the management of said stations, including the performance

of decision-making functions regarding marketing and pricing, will be kept separate and apart from, and not influenced by, defendant Clear Channel in the case of AMFM stations, and defendant AMFM in the case of Clear Channel stations. The books, records, and competitively sensitive sales, marketing and pricing information associated with the divestiture assets shall be kept separate and apart from defendants' other business.

B. Defendants shall use all reasonable efforts to maintain and increase sales of advertising time by the Radio Assets and shall maintain at 1999 or previously approved levels for 2000, whichever are higher, promotional, advertising, sales, marketing and merchandising support for such Radio Assets.

C. Defendants shall provide sufficient working capital to maintain the Radio Assets as economically viable and competitive ongoing businesses.

D. Defendants shall take all steps necessary to ensure that the Radio Assets are fully maintained in operable condition and shall maintain and adhere to normal repair and maintenance schedules for the Radio Assets.

E. Defendants shall not, except as part of a divestiture approved by the United States in accordance with the terms of this Final Judgment, remove, sell, lease, assign, transfer, license, pledge for collateral or otherwise dispose of any of the Radio Assets.

F. Defendants shall maintain, in accordance with sound accounting principles, separate, accurate and complete financial ledgers, books and records that report on a periodic basis (such as the last business day of every month), consistent with past practices, the assets, liabilities, expenses, revenues and income of the Radio Assets.

G. Defendants' employees with primary responsibility for sales, marketing and programming of the Radio Assets to be divested pursuant to this Final Judgment shall not be transferred or reassigned to any other station, except for transfer bids initiated by employees pursuant to each defendant's regular, established job posting policies. Defendants shall provide the United States with ten (10) days' notice of such transfer.

H. Defendants shall appoint a person or persons to oversee the Radio Assets who will be responsible for defendants' compliance with this section. Such person shall have complete managerial responsibility for the Radio Assets, subject to the provisions of this Final Judgment. In the event that individual is unable to perform his or her duties, defendants shall appoint, subject to the

approval of the United States, a replacement within ten (10) working days. Should defendants fail to appoint a replacement acceptable to the United States within this time period, the United States shall appoint a replacement.

VI. Divestiture of the Lamar Holdings

A. Defendants are ordered and directed to divest completely the Lamar Holdings on or before December 31, 2002, in a manner consistent with this Final Judgment. A divestiture is not considered complete until the Acquirer(s) takes ownership and possession of all rights and interests held by Clean Channel in the relevant portion of the Lamar Holdings and Clear Channel has irrevocably relinquished to the Acquirer ownership and possession of, and all rights and interests in, the relevant portion of the Lamar Holdings.

B. The divestitures required by this Section may be made by public offering, private sale, or a combination thereof. Such divestitures, whether pursuant to Sections VI or IX shall not be made: (i) To any person who provides outdoor advertising services unless the United States shall otherwise agree in writing; or (ii) in a manner that, in the sole judgment of the United States, could significantly impair Lamar as an effective competitor in the sale of outdoor advertising.

C. In accomplishing the divestitures ordered by this Final Judgment, defendants shall make known the availability of the Lamar Holdings by usual and customary means, consistent with state and federal securities laws and in sufficient time so as to allow the divestitures to be completed within the time periods specified in Section VI(A) above. Defendants shall inform any person making an inquiry regarding the purchase of the Lamar Holdings that they are being divested pursuant to this Final Judgment. Defendants shall permit prospective Acquirer(s) in a private sale access to any and all financial, operational, or other documents and information customarily provided as part of a due diligence process, except such information or documents subject to the attorney-client or work product privileges. Defendants shall make available such information to the United States at the same time that such information is made available to any other person.

VII. Lamar Governance and Economic Interest

A. Defendants shall abide by the First Amendment to Stockholders Agreement between Lamar, AMFM, and the controlling shareholders of Lamar

("First Amendment to Stockholders Agreement") and the Amended And Restated Registration Rights Agreement between Lamar, AMFM, and Clear Channel ("Amended And Restated Registration Rights Agreement"), attached hereto as Schedules C and D, respectively. No amendment or revision of the Amendment to Stockholders Agreement or Amended And Restated Registration Rights Agreement shall become effective unless approved in writing by a representative of the United States.

B. Until the divestiture of the Lamar Holdings required by the Final Judgment has been completed, defendants shall treat the Lamar Holdings as a passive investment, and shall hold the Lamar Holdings separate and apart from the activities and interests of Clear Channel. Neither the defendants nor their designees may exercise any rights relating to the governance of Lamar, including but not limited to: (i) Exercising any voting rights associated with the Lamar holdings in a manner inconsistent with the First Amendment to Stockholders Agreement; (ii) electing, nominating, appointing or otherwise designating or participating as officers or directors; (iii) participating, as a member of the Board of Directors or otherwise, in any meetings of the Board of Directors; (iv) participating in any committees; (v) exercising any veto rights with respect to the business of Lamar, including veto power over changes in control of Lamar, over significant asset purchases or sales, over change in majority of board membership, or over changes in majority ownership of Lamar; or (vi) obtaining any financial or business information with respect to Lamar that is not otherwise publicly available. In no event shall defendants influence or attempt to influence the decision-making, management, or policies of Lamar.

C. Within two (2) business days after Clear Channel acquires AMFM, Thomas O. Hicks and R. Steven Hicks shall resign from the Board of Directors of Lamar and from any committees of the Board of Directors.

D. Except as necessary to carry out the provisions of this Final Judgment, the trustee shall not exercise any voting rights associated with the Lamar Holdings for so long as they are held in trust in a manner inconsistent with the First Amendment to Stockholders Agreement.

E. Defendants shall not acquire, directly or indirectly, additional shares of Lamar Advertising Company stock, except pursuant to a stock split, stock dividend, rights offering,

recapitalization, reclassification, or merger, consolidation, corporate reorganization, or other similar transaction that does not increase defendants' proportion of the outstanding equity of Lamar. Any additional equity of Lamar that defendants acquire by such means shall be treated as part of the Lamar Holdings and be subject to the divestiture obligations of Section VI(A) of this Final Judgment. Notwithstanding anything to the contrary contained in this Final Judgment, nothing in this Final Judgment shall prohibit a transaction in which Clear Channel would acquire a majority of the voting securities of Lamar, provided that such transaction is subject to the reporting and waiting period requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, 15 U.S.C. 18a.

F. Defendants shall appoint a person or persons to oversee the Lamar Holdings who will be responsible for defendants' compliance with this section. In the event that individual is unable to perform his or her duties, defendants shall appoint, subject to the approval of the United States, a replacement within ten (10) working days. Should defendants fail to appoint a replacement acceptable to the United States within this time period, the United States shall appoint a replacement.

G. Defendants shall not take any action that will impede in any way the divestiture of the Lamar Holdings.

VIII. Appointment of Trustees

A. *Appointment of a Trustee to Divest Radio Assets:* If defendants have not divested the Radio Assets within the time period specified in Section IV(A) of this Final Judgment, defendants shall notify the United States of that fact in writing. Upon application of the United States, the Court shall appoint a trustee selected by the United States ("Radio Trustee") to effect the divestiture of the Radio Assets.

B. *Appointment of a Trustee to Divest Lamar Holdings:* Clear Channel shall notify the United States, no less than sixty (60) calendar days prior to the expiration of the time period for divestiture specified in Section VI(A) of this Final Judgment, whether it has arranged to complete the divestiture of the Lamar Holdings in a timely fashion. In the event that Clear Channel has not made an arrangement which, in the sole discretion of the United States, will result in completion of the divestiture within the time limit specified in Section VI(A), or in the event that Clear Channel has not completed the divestiture within the appropriate time

limit, the Court shall appoint, upon application of the United States, a trustee selected by the United States to effect the divestiture of the Lamar Holdings ("Lamar Stock Trustee"). The United States may request, and the Court may appoint, a trustee before the time period for divestiture specified in Section VI(A) expires.

IX. General Powers and Duties of the Trustees

The following provisions apply to the Radio Trustee and the Lamar Stock Trustee:

A. After the appointment of a trustee becomes effective, only that trustee shall have the right to sell the Divestiture Assets. The trustee(s) shall have the power and authority to accomplish the divestitures to an Acquirer(s) acceptable to the United States at such price and on such terms as are then obtainable upon the best reasonable effort by the trustee(s), subject to the provisions of Sections IV, VI, IX, and X of this Final Judgment, and shall have such other powers as the Court shall deem appropriate. Subject to Section IX(C) of this Final Judgment, the trustee(s) may hire at the cost and expense of defendants any investment bankers, attorneys, or other agents, who shall be solely accountable to the trustee, reasonably necessary in the trustee's judgment to assist in the divestitures.

B. Defendants shall not object to a sale by the trustee(s) on any grounds other than the trustee's malfeasance. Any such objections by defendants must be conveyed in writing to the United States and the trustee within ten (10) calendar days after the trustee has provided the notice required under Section X.

C. The trustee(s) shall serve at the cost and expense of defendants, on such terms and conditions as the United States approves, and shall account for all monies derived from the sale of the assets sold by the trustee(s) and all costs and expenses so incurred. After approval by the Court of the trustee's accounting, including fees for its services and those of any professionals and agents retained by the trustee(s), all remaining money shall be paid to defendants and the trust shall then be terminated. The compensation of the trustee(s) and any professionals and agents retained by the trustee(s) shall be reasonable in light of the value of the Divestiture Assets and based on a fee arrangement providing the trustee(s) with incentives based on the price and terms of the divestitures and the speed with which they are accomplished, but timeliness is paramount.

D. Defendants shall use their best efforts to assist the trustee(s) in

accomplishing the required divestitures. The trustee(s) and any consultants, accountants, attorneys, and other persons retained by the trustee(s) shall have full and complete access to the personnel, books, records, and facilities related to any of the Divestiture Assets. Defendants shall develop financial and other information relevant to the Divestiture Assets as the trustee(s) may reasonably request, subject to reasonable protection for trade secret or other confidential research, development or commercial information. Defendants shall take no action to interfere with or to impede the trustee's accomplishment of the divestitures.

E. After his or her appointment becomes effective, the trustee(s) shall file monthly reports with the United States and the Court, setting forth the trustee's efforts to accomplish the divestitures ordered under this Final Judgment. To the extent that such reports contain information that the trustee deems confidential, such reports shall not be filed in the public docket of the Court. Such reports shall include the name, address and telephone number of each person who, during the preceding month, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, any interest in the Divestiture Assets, and shall describe in detail each contact with any such person. The trustee(s) shall maintain full records of all efforts made to divest the Divestiture Assets.

F. If the trustee(s) has not accomplished such divestitures within six (6) months after his or her appointment, the trustee(s) shall promptly file with the Court a report setting forth: (i) The trustee's efforts to accomplish the required divestitures, (ii) the reasons, in the trustee's judgment, why the required divestitures have not been accomplished, and (iii) the trustee's recommendations. To the extent such reports contain information that the trustee deems confidential, such reports shall not be filed in the public docket of the Court. The trustee at the same time shall furnish such reports to the United States, who shall have the right to make additional recommendations consistent with the purpose of the trust. The Court thereafter shall enter such orders as it deems appropriate to carry out the purpose of this Final Judgment, which may, if necessary, include extending the trust and the term of the trustee's appointment by a period requested by the United States.

X. Notice of Proposed Divestitures of Radio Assets

A. Within two (2) business days following execution of a definitive agreement, defendants or the Radio Trustee, whichever is then responsible for effecting the divestiture of the Radio Assets required herein, shall notify the United States of any proposed divestiture required by Section IV or IX of this Final Judgment. If the Radio Trustee is responsible, it shall similarly notify defendants. The notice shall set forth the details of the proposed transaction and list the name, address, and telephone number of each person not previously identified who offered or expressed an interest in or desire to acquire any ownership interest in the Radio Assets, together with full details of the same.

B. Within fifteen (15) calendar days of receipt by the United States of such notice, the United States may request from defendants, the proposed Acquirer or Acquirers, any other third party, or the Radio Trustee if applicable, additional information concerning the proposed divestiture, the proposed Acquirer or Acquirers, and any other potential Acquirer. Defendants and the Radio Trustee shall furnish any additional information requested within fifteen (15) calendar days of the receipt of the request, unless the parties shall otherwise agree.

C. Within thirty (30) calendar days after receipt of the notice or within twenty (20) calendar days after the United States has been provided the additional information requested from defendants, the proposed Acquirer or Acquirers, any third party, and the Radio Trustee, whichever is later, the United States shall provide written notice to defendants and the Radio Trustee, if there is one, stating whether or not it objects to any proposed divestiture. If the United States provides written notice that it does not object, then the divestiture may be consummated, subject only to defendants' limited right to object to the sale under Section IX(B) of this Final Judgment. Absent written notice that the United States does not object to the proposed Acquirer or upon objection by the United States, a divestiture proposed under Section IV or IX shall not be consummated. Upon objection by defendants under Section IX(B), a divestiture proposed under Section IX shall not be consummated unless approved by the Court.

XI. Financing

Defendants shall not finance all or any part of any purchase made pursuant to this Final Judgment.

XII. Notification of Future Radio Transactions

A. Clear Channel shall provide advance notification to the United States if it intends, directly or indirectly, to acquire any assets of or any interest (including any financial, security, loan, equity or management interest) in any broadcast radio station that sells advertising time in any of the Divestiture Cities, or intends to enter into any joint sales agreement or any cooperative selling arrangement between a Clear Channel radio station and any other operator of radio stations serving listeners in that same City. This obligation to provide notice is met under this section when a transaction is subject to the reporting and waiting period requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, 15 U.S.C. 18a.

B. Notification under this section shall be provided to the United States in the same format as, and per the instructions relating to, the Notification and Report Form set forth in the Appendix to Part 803 of Title 16 of the Code of Federal Regulations as amended, except that the information requested in Items 5 through 9 of the instructions must be provided only about the sales of radio advertising time in the relevant Divestiture Cities. Notification shall be provided at least thirty (30) days prior to the acquisition of any such interest, and shall include, beyond what may be required by the applicable instructions, the names of the principal representatives of the parties to the agreement who negotiated the agreement, and any management or strategic plans discussing the proposed transaction. If within the 30-day period after notification, representatives of the Department of Justice Antitrust Division make a written request for additional information, defendants shall not consummate the proposed transaction or agreement until twenty (20) days after submitting all such additional information. Early termination of the waiting periods in this paragraph may be requested and, where appropriate, granted in the same manner as is applicable under the requirements and provisions of the HSR Act and rules promulgated thereunder. This Section shall be broadly construed, and any ambiguity or uncertainty regarding the filing of notice under this Section shall be resolved in favor of filing notice.

XIII. Affidavits

A. Within twenty (20) calendar days of the filing of the Complaint and every thirty (30) calendar days thereafter until all the divestitures have been completed, whether pursuant to Section IV, VI, or IX of this Final Judgment, defendants shall deliver to the United States an affidavit as to the fact and manner of their compliance with Sections IV, VI, or IX of this Final Judgment. Each such affidavit shall include the name, address and telephone number of each person who, during the preceding thirty (30) days, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contracted or made an inquiry about acquiring, any interest in the Divestiture Assets, and shall describe in detail each contact with any such person during that period. Each such affidavit shall also include a description of the efforts that Defendants have taken to solicit buyers for the Divestiture Assets and to provide required information to prospective purchasers, including the limitations, if any, on such information.

B. Within twenty (20) calendar days of the filing of the Complaint in this matter, defendants shall deliver to the United States an affidavit that describes in reasonable detail all actions defendants have taken and all steps defendants have implemented on an on-going basis to comply with Section V of this Final Judgment.

C. Defendants shall keep all records of all efforts made to preserve and divest the Divestiture Assets until one year after such divestiture has been completed.

XIV. Compliance Inspection

For the purposes of determining or securing compliance with this Final Judgment, or of determining whether the Final Judgment should be modified or vacated, and subject to any legally recognized privilege, from time to time duly authorized representatives of the United States Department of Justice, including consultants and other persons retained by the United States, shall, upon the written request of a duly authorized representative of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to defendants, be permitted:

(i) Access during defendants' office hours to inspect and copy or, at plaintiff's option, to demand that defendants provide copies of, all books, ledgers, accounts, records and documents in the possession or control of the defendants, who may have counsel present, relating to any matters contained in this Final Judgment; and

(ii) to interview, either informally or on the record, defendants' officers, employees, or agents, who may have their individual counsel present, regarding such matters. The interviews shall be subject to the interviewee's reasonable convenience and without restraint or interference by defendants.

B. Upon the written request of the Assistant Attorney General in charge of the Antitrust Division, defendants shall submit such written reports, under oath if requested, relating to any of the matters contained in this Final Judgment as may be requested.

C. No information or documents obtained by the means provided in this section shall be divulged by the United States to any person other than a duly authorized representative of the Executive Branch of the United States, except in the course of legal proceedings to which the United States is a party (including grand jury proceedings), or for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

D. If at the time information or documents are furnished by defendants to the United States, defendants represent and identify in writing the material in any such information or documents to which a claim of protection may be asserted under Rule 26(c)(7) of the Federal Rules of Civil Procedure, and defendants mark each pertinent page of such material, "Subject to claim of protection under Rule 26(c)(7) of the Federal Rules of Civil Procedure," then the United States shall give defendants ten (10) calendar days' notice prior to divulging such material in any legal proceeding (other than a grand jury proceeding).

XV. No Reacquisition

Defendants may not reacquire any part of the Divestiture Assets or the assets used in the operation of the radio stations listed in Schedule E during the term of this Final Judgment.

XVI. Retention of Jurisdiction

This Court retains jurisdiction to enable any party to this Final Judgment to apply to this Court at any time for further orders and directions as may be necessary or appropriate to carry out or construe this Final Judgment, to modify its provisions, to enforce compliance, and to punish violations of its provisions.

XVII. Expiration of Final Judgment

Unless this Court grants an extension, this Final Judgment shall expire ten years from the date of its entry.

XVIII. Public Interest Determination

Entry of this Final Judgment is in the public interest.

Court Approval Subject to Procedures of Antitrust Procedures and Penalties Act, 15 U.S.C. 16.

Date: _____

United States District Judge

Schedule A—Radio Stations Ordered To Be Divested

1. Allentown-Bethlehem, PA
WEEX-AM
WODE-FM
2. Denver, CO
KVOD-AM
3. Harrisburg-Lebanon-Carlisle, PA
WNCE-FM
WNNK-FM
WTCY-AM
WTPA-FM
4. Houston-Galveston, TX
KJOJ-AM
KJOJ-FM
KQUE-AM
KSEV-AM
KTJM-FM
5. Pensacola, FL
WMEZ-FM
WXBW-FM

Schedule B—Divestiture Cities

1. Allentown-Bethlehem, PA
2. Denver, CO
3. Harrisburg-Lebanon-Carlisle, PA
4. Houston-Galveston, TX
5. Pensacola, FL

Schedule C—First Amendment to Stockholders Agreement

This Amendment (this "Amendment"), dated as of July 19, 2000, by and among Lamar Advertising Company, a Delaware corporation (including its successors, the "Company"), AMFM Operating Inc. (f/k/a Chancellor Media Corporation of Los Angeles), a Delaware corporation ("AMFM Operating"), AMFM Holdings Inc. (f/k/a Chancellor Mezzanine Holdings Corporation), a Delaware corporation ("AMFM Holdings"), Clear Channel Communications, Inc., a Texas corporation ("Clear Channel"), and The Reilly Family Limited Partnership, a Louisiana limited partnership ("RFLP"), constitutes an amendment to the Stockholders Agreement (as defined below).

Witnesseth

Whereas, the Company, AMFM Operating, AMFM Holdings and RFLP are parties to that certain Stockholders Agreement, dated as of September 15, 1999 (the "Stockholders Agreement");

Whereas, AMFM Holdings has transferred to AMFM Operating all of the Common Stock of the Company held by AMFM Holdings;

Whereas, AMFM, Inc., a Delaware corporation ("AMFM"), is the indirect parent company of AMFM Operating;

Whereas, pursuant to a certain Agreement and Plan of Merger dated October 2, 1999 (the "Merger Agreement"), by and among Clear Channel, CCU Merger Sub, Inc., a

Delaware corporation and wholly-owned subsidiary of Clear Channel ("Merger Sub"), and AMFM, Merger Sub will be merged with and into AMFM (the "Merger") and AMFM Operating will become a wholly-owned indirect subsidiary of clear channel;

Whereas, the company, AMFM Operating, AMFM Holdings, Clear Channel and RFLP desire to amend the Stockholders Agreement in connection with and upon the consummation of the Merger, on the terms and conditions hereinafter set forth.

Now, Therefore, in consideration of the premises and mutual covenants contained herein and in the Stockholders Agreement, and for other good, valuable and binding consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. **AMENDMENTS.** Upon the consummation of the Merger, the Stockholders Agreement shall be amended as follows:

(A) (i) The following new defined terms shall be added to Section 1.1 of the Stockholders Agreement:

"Business Day" means any day except Saturday, Sunday and any day which shall be a legal holiday or a day on which banking institutions in the State of Texas and/or the State of Louisiana generally are authorized or required by law or other government actions to close.

"Registration Rights Agreement" means the Amended and Restated Registration Rights Agreement dated as of July ____, 2000 by and among the Company, AMFM Operating, AMFM Holdings and Clear Channel.

"Selling AMFM Holders" means AMFM Holders who sell or propose to sell Common Stock or Common Stock Equivalents pursuant to a third-Party Sale.

"Third-Party Sale" has the meaning ascribed thereto in Section 3.1(a).

"Underwritten Offering" means an offering (other than a block sale) in which all or part of the Registrable Securities (as defined in the Registration Rights Agreement) or securities convertible into, exchangeable for, or exercisable for Registrable Securities are sold to an underwriter for reoffering pursuant to the Shelf Registration Statement (as defined in the Registration Rights Agreement).

"Voting Stock" means any Common Stock or Common Stock Equivalents entitled ordinarily, and in the absence of contingencies, to vote for the election of directors of the Company.

(ii) The following defined term shall be substituted in lieu of the existing defined term "Chancellor Holders" in Section 1.1 of the Stockholders Agreement (and wherever such term is elsewhere used in the Stockholders Agreement):

"AMFM Holders" means, collectively, AMFM Operating and any Affiliates of AMFM Operating who then are parties to this Stockholders Agreement and who own any Common Stock or Common Stock Equivalents or any interest therein.

(iii) The following defined term shall be substituted in lieu of the existing defined term "Common Stock Equivalent" in Section 1.1 of the Stockholders Agreement (and

wherever such term is elsewhere used in the Stockholders Agreement):

"Common Stock Equivalent" means, without duplication with any other Common Stock or Common Stock Equivalents, any security which is convertible into, exercisable for or exchangeable for, directly or indirectly, Class A Common Stock of the Company, whether at the time of issuance or upon the passage of time or the occurrence of some future event.

(B) The text of the following Sections of the Stockholders Agreement shall be deleted in their entirety and replaced by the words "Intentionally Omitted":

Section 2.1.1 Board Representation.
Section 2.1.2 Vacancies.
Section 2.1.3 Committee Representation.
Section 2.1.4 Costs and Expenses.
Section 4.2 Other Significant Transactions.
Section 7.1 Financial Statements.

(C) Article 3 of the Stockholders Agreement shall be deleted in its entirety and the following provisions shall be substituted therefor:

"Article 3—Right To Participate in Certain Dispositions By AMFM Holders; Lock-Up

Section 3.1 Right to Participate in Certain Dispositions by AMFM Holders.

(a) Subject to the provisions of this Section 3.1, in the event that any one or more of the AMFM Holders proposes to offer or sell any Common Stock or Common Stock Equivalents for an aggregate offering price of \$200 million or more to any Person who is not an Affiliate of the AMFM Holders in a single offering or a series of related offerings (if at the time of the first of such series of related offerings the Selling AMFM Holders know that there will be a series of related offerings to a single purchaser or a affiliated group of purchasers having an aggregate offering price of \$200 million or more) (a "Third-Party Sale"), then such Selling AMFM Holders shall give notice in writing to such effect (a "Co-Sale Notice") to the Company not later than (i) three (3) Business Days before the date of a proposed offer or sale other than an Underwritten Offering or (ii) ten (10) Business Days before the date of a proposed Underwritten Offering. The Co-Sale Notice shall state the number of shares of Common Stock or Common Stock Equivalents that the Selling AMFM Holders intend to sell, the purchase price per share (or the method of calculating such price), and any other material terms and conditions of the proposed offer and sale. Upon receipt of the Co-Sale Notice, the Company shall have the right (the "Co-Sale Right"), exercisable by written notice (an "Election Notice") to the Selling AMFM Holders given within three (3) Business Days after receipt of the Co-Sale Notice, to elect to include in such Third-Party Sale, additional shares of Common Stock for sale for the Company's account (but not for the account of any other Person), at the price per share (or the method of calculating such price) and on the same terms and conditions specified in the Co-Sale Notice (or at such other price or on such other terms as the Selling AMFM Holders and the Company may agree). Any such election by the Company shall be irrevocable;

Provided, however, that if the price per share is not specified in the Co-Sale Notice, then the Company shall have the right to revoke the election Notice within one (1) Business Day following the determination of the price (except that the Company shall not have a right to revoke the Election Notice if an estimated price per share is specified in the Co-Sale Notice and the actual price per share is not more than five-percent (5%) greater or more than five percent (5%) less than the estimated price per share specified in the Co-Sale Notice). Failure of the Company to give an Election Notice within such three (3) Business Day period shall be deemed an election by the Company not to participate in the proposed Third-Party Sale.

(b) The number of shares of Common Stock that the Company shall be entitled to sell in a Third-Party Sale shall be determined solely by the Company and shall be set forth in the Election Notice; provided, however, that if in the good faith view of the underwriter, placement agent, broker-dealer or other similar person engaged by the Selling AMFM Holders in connection with such offering (or, if no such person has been engaged, of the Board of Directors of the Selling AMFM Holders), the inclusion of all or a part of such additional shares of Common Stock or Common Stock Equivalents in the Third-Party Sale would be likely to have a material adverse effect on the price, timing or distribution of the offering and sale of the Common Stock or Common Stock Equivalents then contemplated by the Selling AMFM Holders, or if the purchaser is not willing to purchase all or a part of such additional shares of Common Stock or Common Stock Equivalents from the Company, then the number of additional shares of Common Stock or Common Stock Equivalents that shall be included in the Third-Party Sale shall be reduced to the number (if any) of such shares that can, in the good faith view of the underwriter, placement agent, broker-dealer or other similar person engaged by the Selling AMFM Holders in connection with such offering (or, if no such person has been engaged, of the Board of Directors of the Selling AMFM Holders), be sold in such Third-Party Sale without so materially adversely affecting such offering and sale, or in the case that the purchaser is not willing to purchase all or a part of such additional shares of Common Stock or Common Stock Equivalents from the Company, reduced to the amount that the purchaser, in its sole discretion, is willing to purchase. Further, if the purchaser or any other Person is granted an option to purchase additional securities of the Company in connection with such Third-Party Sale, then the Company shall be entitled to offer additional shares of Common Stock in full satisfaction of such option, such election to be made in the Company's Election Notice described above.

(c) The Company shall not have any Co-Sale Right involving a block trade, other than as set forth in this Section 3.1(c). In the event that the Selling AMFM Holders engage in a transaction involving a block trade of Common Stock or Common Stock Equivalents, the Selling AMFM Holders will use their reasonable best efforts to give the

Company advance notice of such block trade (a "Block Trade Notice" and a Co-Sale Right in connection with such block trade, so long as: (i) The Block Trade Notice will not have a material adverse effect on the Selling AMFM Holders' ability to consummate the block trade, and (ii) there is sufficient capacity in the block trade to enable the Company to exercise its Co-Sale Right.

(d) The Company shall not have any Co-Sale Right pursuant to this Section 3.1 in connection with any sale or disposition of Common Stock or Common Stock Equivalents by the Selling AMFM Holders (or their successors or assigns) in a transaction pursuant to Rule 144 under the Securities Act to which the provisions of paragraphs (e) and (f) of Rule 144 are applied.

(e) Upon the Company's election to participate in a Third-Party Sale pursuant to this Section 3.1, and subject to Section 3.1(b), the closing of such sale shall be held at the time and place designated by the Selling AMFM Holders and the proposed purchaser. At the closing of such sale, the Company shall deliver to the purchaser, against payment of the purchase price, the shares of Common Stock or Common Stock Equivalents to be issued and sold by the Company to the purchaser, free and clear of all liens, charges, pledges and other encumbrances.

Section 3.2 Lock-Up.

(a) In connection with an Underwritten Offering (including any block trade) by the AMFM Holders of any Common Stock or Common Stock Equivalents having an aggregate offering price of \$200 million or more, if the managing underwriters of such offering reasonably request, the Company shall enter into a lock-up or comparable agreement pursuant to which the Company will not sell or otherwise transfer any shares of Common Stock or Common Stock Equivalents for a fixed period of time (the "Lock-Up Period"). The AMFM Holders and the Company shall use reasonable best efforts to cause the underwriters to agree to a Lock-Up Period not to exceed sixty (60) days, but the Company agrees to accept a longer Lock-Up Period to the extent reasonably required by the underwriters, not to exceed ninety (90) days.

(b) In connection with an Underwritten Offering by the Company of any Common Stock or Common Stock Equivalents having an aggregate offering price of \$200 million or more, if the managing underwriters of such offering reasonably request, the AMFM Holders shall enter into a lock-up or comparable agreement pursuant to which the AMFM Holders will not sell or otherwise transfer any shares of Common Stock or Common Stock Equivalents during the Lock-Up Period. The Company and the AMFM Holders shall use reasonable best efforts to cause the underwriters to agree to a Lock-Up Period not to exceed sixty (60) days, but the AMFM Holders agree to accept a longer Lock-Up Period to the extent reasonably required by the underwriters, not to exceed ninety (90) days; *provided, however*, that the AMFM Holders (and their successors and assigns) shall not be subject to any lock-up or comparable agreement pursuant to this Section 3.2(b): (i) at any time during the 60-

day period commencing on the Effectiveness Date (as defined in the Registration Rights Agreement) or (ii) at any time during the 90-day period preceding December 31, 2002. The foregoing shall not prohibit the transfer of any shares of Common Stock or Common Stock Equivalents during a Lock-Up Period (x) to any Affiliate of the AMFM Holders (so long as such Affiliate is bound by the provisions of this Stockholders Agreement, including the lock-up agreement contemplated by this Section 3.2(b)) or (y) pursuant to a bona fide pledge of such shares to a lender or in connection with a foreclosure (or similar proceeding or remedy) effected with respect to any such pledge (so long as such lender agrees to be bound by the lock-up agreement contemplated by this Section 3.2(b)).

Section 3.3 *Due Diligence*. In connection with any offer or sale by the AMFM Holders of Common Stock or Common Stock Equivalents, if the AMFM Holders so request, the Company shall give the AMFM Holders, a single representative of the proposed purchasers of Common Stock or Common Stock Equivalents, and their respective counsel, accountants, bankers and advisors, reasonable and customary access to the Company's books, records and properties and such opportunities to discuss the business and affairs of the Company with its officers and the independent public accounts who have certified the Company's financial statements; *provided, however*, that (i) the AMFM Holders and any such proposed purchasers shall have entered into a confidentiality agreement reasonably acceptable to the Company which shall include, without limitation, an agreement not to use or disclose to any other person, including any competitor of the Company, any non-public information disclosed as a result of such investigation, and (ii) the AMFM Holders, the representatives of the proposed purchasers and their respective counsel, accountants, bankers and advisors shall use their reasonable best efforts to minimize the disruption to the Company's business and shall to the extent practicable coordinate any such investigation of the Company's books, records and properties any such discussions with the Company's officers and accountants so that all such investigations and discussions occur at the same time."

(D) Section 4.1 of the Stockholders Agreement shall be deleted in its entirety and the following provisions shall be substituted therefor:

"Section 4.1 *Transactions with Affiliates*. The Company will not, nor will it permit any of its Subsidiaries to, directly or indirectly, enter into or engage in any transaction with or for the benefit of any of its Affiliates (other than transactions between the Company and a wholly owned Subsidiary of the Company or among wholly owned Subsidiaries of the Company), except for any such transaction which is on terms no less favorable than those that might reasonably have been obtained in a comparable transaction on an arm's-length basis from a person that is not an Affiliate. With respect to the requirement set forth in the immediately preceding sentence, for a transaction or series of related

transactions involving a value of \$1,000,000 or more, such determination will be made in good faith by a majority of the members of the Company's Board of Directors and a majority of the disinterested members of the Company's Board of Directors, and for a transaction or series of transactions involving a value of \$5,000,000 or more, the Company's Board of Directors must receive an opinion from a nationally recognized investment banking firm that such transaction is (or that such series of transactions are) fair, from a financial point of view, to the Company or such Subsidiary, as applicable. Notwithstanding the foregoing, the restrictions set forth in this Section 4.1 shall not apply to reasonable and customary directors' fees, reasonable and customary directors' or officers' indemnification arrangements, or reasonable and customary compensatory arrangements with officers of the Company."

(E) Section 7.3 of the Stockholders Agreement shall be deleted in its entirety and the following provisions shall be substituted therefor:

"Section 7.3.1 *Voting of AMFM Holders*. The AMFM Holders shall take such action as may be required so that all shares of Voting Stock beneficially owned by them shall be present for quorum purposes, in person or represented by proxy, at any regular or special meeting of stockholders of the Company, and shall vote such shares of Voting Stock at any such meeting of stockholders or in any written consent executed in lieu of such a meeting of stockholders in the same proportion as the vote of all holders of Voting Stock not held by the AMFM Holders that are present, in person or by proxy, at such meeting and voting with respect to any matter. The AMFM Holders hereby grant the Company an irrevocable proxy to vote the shares of Voting Stock beneficially owned by them in accordance with the provision of this Section 7.3.1. The provisions of this Section 7.3.1 shall have no further force or effect with respect to any shares of Voting Stock following the disposition of such shares to any Person that is not an Affiliate of the AMFM Holders.

"Section 7.3.2 *Certain Restricted Actions*. Without the consent of the Company's Board of Directors, neither the AMFM Holders nor any of their respective Affiliates shall:

(a) make, or in any way participate in, any "solicitation" of "proxies", or become a "participant" in any "election contest" (as such terms are defined in Rule 14a-1 of Regulation 14A promulgated by the Commission pursuant to Section 14 of the Exchange Act, disregarding clause (iv) of Rule 14a-1(l)(2) and including any exempt solicitation pursuant to Rule 14a-2(b)(1) relating to Voting Stock; call, or in any way participate in a call for, any special meeting of the Company's stockholders; request, or take any action to obtain or retain any list of holders of any of the Company's securities; execute any written consent in lieu of a meeting of stockholders for the purpose of acquiring control of the Company; initiate or propose any stockholder proposal or participate in the making of, or solicit stockholders for the approval of, or seek to

advise or influence any other person (who, together with the AMFM Holders or their Affiliates, would constitute a group for purposes of Section 13(d)(3) of the Exchange Act) with respect to voting, on one or more stockholder proposals relating to the Company;

(b) deposit any Voting Stock in a voting trust or subject any Voting Stock to any voting agreement or arrangements (other than as provided herein);

(c) form, join or in any way participate in a group with respect to any Voting Stock (or any securities the ownership of which would cause the owner thereof to Beneficially Own any Voting Stock); or

(d) otherwise act to control the Company or the Company's management, board of directors, policies or affairs including, without limitation: (i) making any offer or proposal to acquire any securities or assets of the Company or any of its affiliates or soliciting or proposing to effect or negotiate any form of business combination, any tender offer or exchange offer for any debt or equity securities of the Company, or any restructuring, recapitalization or other extraordinary transaction involving, or any change in control of, the Company, its affiliates or any of their respective securities or assets or (ii) seeking board representation or the removal of any directors or management or a change in the composition or size of the Company's Board of Directors.

(e) disclose any intention to do any of the foregoing or seek to modify any provision of this Section 7.3.2.

(F) Notices to the parties shall be sent to the addresses listed on the signature pages hereof.

2. *No Other Changes.* Except as specifically set forth herein, the Stockholders Agreement shall remain unmodified and in full force and effect in accordance with its terms.

3. *Governing Law.* This Amendment shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflict of laws.

4. *Successors and Assigns.* This Amendment shall be binding upon the parties hereto, and their respective successors and permitted assigns.

5. *Counterparts.* This Amendment may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

6. *Severability.* In case any provision in this Amendment shall be held invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision in affected or impaired thereby.

7. *Entire Agreement.* This Amendment, together with the Stockholders Agreement, as amended hereby, contains the entire agreement among the parties with respect to the subject matter hereof and, upon the effectiveness of this Amendment in accordance with Section 9, shall supersede all prior agreements and understandings with respect to such subject matter, including, without limitation, the letter agreement dated as of June 1, 2000 among the Company, AMFM and Clear Channel.

8. *Execution: Amendments.* This Amendment is executed by the parties pursuant to the provisions of Section 7.8.2 of the Stockholders Agreement. Any provision of this Amendment may be amended or waived if, but only if such amendment or waiver is in writing and is signed by the Company, the Holders holding at least a majority of the Fully-Diluted Common Stock held by all Holders and the Majority AMFM Holders.

9. *Effective Date: Consummation of Merger.* The terms and conditions of this Amendment shall become effective and enforceable only upon the consummation of the Merger. In the event that the Merger has not been consummated on or before March 31, 2001, or if the Merger Agreement is terminated prior to March 31, 2001 then, unless the parties hereto mutually agree to an extension hereof, this Amendment shall be null and void and the Original Agreement shall continue in accordance with its terms as if this Amendment had not been executed and delivered.

10. *Guaranty By Clear Channel.* Clear Channel agrees to guaranty the performance of all obligations of the AMFM Holders hereunder.

In Witness Whereof, this Amendment has been duly executed by the parties as of the date first set forth above.

Lamar Advertising Company:

By: _____

Name: Kevin P. Reilly, Jr.

Title: *President & CEO*

Address: 5551 Corporate Boulevard, Baton Rouge, LA 70808, Attention: Kevin P. Reilly, Jr., Fax: (225) 923-0658.

With copies to: Palmer Dodge LLP, One Beacon Street, Boston, MA 02108, Attention: George Ticknor, Esq., Fax: (617) 227-4420.

AMFM Operating Inc. (f/k/a Chancellor Media Corporation of Los Angeles):

By: _____

Name: William S. Banowsky, Jr.

Title: *Executive Vice President*

Address: 200 East Basse, San Antonio, TX 78209, Attention: General Counsel, Fax: (210) 822-2299.

With copies to: Akin, Gump, Strauss, Hauer & Feld, LLP., 300 Convent Street, Suite 1500, San Antonio, TX 78205, Attention: Stephen C. Mount, Fax: (210) 224-2035.

AMFM Holdings Inc. (f/k/a Chancellor Mezzanine Holdings Corporation):

By: _____

Name: William S. Banowsky, Jr.

Title: *Executive Vice President*

Address: 200 East Basse, San Antonio, TX 78209-3428, Attention: General Counsel, Fax: (210) 832-3428.

With copies to: Akin, Gump, Strauss, Hauer & Feld, LLP., 300 Convent Street, Suite 1500, San Antonio, TX 78205, Attention: Stephen C. Mount, Fax: (210) 224-2035.

Clear Channel Communications, Inc.:

By: _____

Name: Juliana Hill

Title: *Senior Vice President—Finance*

Address: 200 East Basse, San Antonio, TX 78209-3428, Attention: General Counsel, Fax: (210) 832-3428.

With copies to: Akin, Gump, Strauss, Hauer & Feld, LLP., 300 Convent Street, Suite 1500, San Antonio, TX 78205, Attention: Stephen C. Mount, Fax: (210) 224-2035.

The Reilly Family Limited Partnership:

By: _____

Name: Kevin P. Reilly, Jr.

Title: *Managing Gen. Ptnr.*

Address: c/o Lamar Advertising Company, 5551 Corporate Boulevard, Baton Rouge, LA 70808, Attention: Kevin P. Reilly, Jr., Fax: (225) 923-0658.

With copies to: Palmer Dodge LLP, One Beacon Street, Boston, MA 02108 Attention: George Ticknor, Esq., Fax: (617) 227-4420.

Schedule D—Amended and Restated Registration Rights Agreement

This Amended and Restated Registration Rights Agreement (this "Agreement"), dated as of July 19, 2000, by and among Lamar Advertising Company, a Delaware corporation (the "Issuer"), AMFM Operating Inc. (f/k/a Chancellor Media Corporation of Los Angeles), a Delaware corporation ("AMFM Operating"), AMFM Holdings Inc. (f/k/a Chancellor Mezzanine Holdings Corporation), a Delaware corporation ("AMFM Holdings") and Clear Channel Communications, Inc., a Texas corporation ("Clear Channel").

Witnesseth

Whereas, the Issuer, AMFM Operating and AMFM Holdings are parties to that certain Registration Rights Agreement dated as of September 15, 1999 (the "Original Agreement");

Whereas, AMFM Holdings has transferred to AMFM Operating all of the Issuer's Common Stock held by AMFM Holdings;

Whereas, AMFM Inc., a Delaware corporation ("AMFM"), is the indirect parent company of AMFM Operating;

Whereas, pursuant to a certain Agreement and Plan of Merger dated October 2, 1999 (the "Merger Agreement"), by and among Clear Channel, CCU Merger Sub, Inc., a Delaware corporation and wholly-owned subsidiary of Clear Channel ("Merger Sub"), and AMFM, Merger Sub will be merged with and into AMFM (the "Merger"), and AMFM Operating will become a wholly-owned indirect subsidiary of Clear Channel;

Whereas, the Issuer, AMFM Operating, AMFM Holdings and Clear Channel desire to amend and restate the Original Agreement in connection with and upon the consummation of the Merger, on the terms and conditions hereinafter set forth.

Now, Therefore, in consideration of the premises and the mutual covenants contained herein, and for other good, valuable and binding consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

Article 1—Definitions

Section 1.1 *Definitions.* The following terms, and used herein, shall have the following respective meanings:

"Affiliate" means, with respect to any Person, any Person who, directly or indirectly, controls, is controlled by or is under common control with that Person. For

purposes of this definition, "control" when used with respect to any Person means the power to direct the management and policies of such Persons, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise.

"Business Day" means any day except Saturday, Sunday and any day which shall be a legal holiday or a day on which banking institutions in the State of Texas and/or the State of Louisiana generally are authorized or required by law or other government actions to close.

"Commission" means the Securities and Exchange Commission or any successor governmental body or agency.

"Common Stock" means the Issuer's Class A Common Stock, par value \$0.001 per share, and any capital stock into which such Common Stock thereafter may be changed.

"Disadvantageous Condition" has the meaning ascribed thereto in Section 2.4.

"Effectiveness Date" means the date on which the Commission declares the Shelf Registration Statement to be effective under the Securities Act, which date shall not occur prior to the consummation of the Merger.

"Effectiveness Period" has the meaning ascribed thereto in Section 2.1.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Filing Date" has the meaning ascribed thereto in Section 2.1.

"Holder" means (1) AMFM Operating, (ii) any Affiliate of AMFM Operating to whom Registrable Securities shall be transferred and who shall agree to be bound by the terms of this Agreement, and (iii) any successor to any such Person described in clauses (i) and (ii).

"Majority Holders" means Holders owning Registrable Securities representing a majority of the Registrable Securities then owned by all of the Holders.

"Person" or "person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or other agency or political subdivision thereof.

"Prospectus" means the prospectus included in the Shelf Registration Statement, as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of any portion of the Registrable Securities covered by the Shelf Registration Statement, and all other amendments and supplements to the Prospectus, including post-effective amendments, and all material incorporated by reference in such Prospectus.

"Purchase Agreement" means the Second Amended and Restated Stock Purchase Agreement dated as of August 11, 1999 among Lamar Media Corp. (a wholly-owned subsidiary of the Issuer), AMFM Operating and AMFM Holdings.

"Register", "registered" and "registration" shall refer to a registration effected by preparing and filing a registration statement or statements or similar documents in compliance with the Securities Act and pursuant to rule 415 under the Securities Act or any successor rule providing for offering securities on a continuous basis and the declaration or ordering of effectiveness of such registration statement or document by the Commission.

"Registrable Securities" means, at any time, any shares of Common Stock issued by the Issuer to AMFM Operating and AMFM Holdings pursuant to the Purchase Agreement, and owned by the Holders (or any shares of stock or other securities of the Issuer into which or for which such Common Stock may hereafter be changed, converted or exchanged; any other shares or securities issued by the Issuer to the Holders of such Common Stock; or any such shares of stock or other securities of the Issuer into which or for which such shares are so changed, converted or exchanged) upon any reclassification, share combination, share subdivision, share dividend, share exchange, merger, consolidation or similar transaction or event); *provided, however*, the Registrable Securities shall not include any shares of Common Stock (i) the sale of which has been registered pursuant to the Shelf Registration Statement and which shares have been sold pursuant to the Shelf Registration Statement or (ii) which have been sold pursuant to Rule 144 under the Securities Act.

"Registration Expenses" means any and all expenses incident to performance of or compliance with any registration of securities pursuant to Article 2, including, without limitation, (i) all registration and filing fees, (ii) all fees and expenses associated with filings required to be made with the NASD (including, if applicable, the fees and expenses of any "qualified independent underwriter" as such term is defined in rule 2720(b)(15) of the NASD Conduct Rules, and of its counsel), as may be required by the rules and regulations of the NASD, (iii) reasonable fees and expenses of compliance with securities or "blue sky" laws (including reasonable fees and disbursements of counsel in connection with "blue sky" qualifications of the Registrable Securities), (iv) rating agency fees, (v) printing expenses (including expenses of printing certificates for the Registrable Securities in a form eligible for deposit with the Depository Trust Company and of printing prospectuses or prospectus supplements if the printing prospectuses or prospectus supplements is requested by a holder of Registrable Securities), (vi) messenger and delivery expenses, (vii) the fees and expenses incurred in connection with any listing of the Registrable Securities, (viii) reasonable fees and expenses of counsel for the Issuer and its independent certified public accountants (including the expenses for any required consents and opinions and of any special audit or "cold comfort" letters required by or incident to such performance) and (ix) out-of-pocket expenses of the Issuer incurred in connection with the participation of officers of the Issuer in any marketing activities contemplated by Section 2.6(j); *provided, however*, that in the event the Issuer registers securities pursuant to article 2 on Form S-1, Registration Expenses shall not include the Issuer's costs of: (x) preparing and filing any post-effective amendments to such Form S-1 that the Issuer would not otherwise have had to prepare and file had the issuer registered such securities on Form S-3, and (y) converting the Form S-1 registration statement to a Form S-3 registration statement pursuant to Section 2.9; *provided, further*, that Registration

Expenses shall not include Issuer's internal administration expenses and general overhead incurred as a result of efforts by Issuer's employees in connection with any of the foregoing.

"Registration Termination Date" means December 31, 2002.

"Rule 144" means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"Rule 415" means Rule 415 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"Securities Act" means the Securities Act of 1933, as amended.

"Seller Affiliates" has the meaning ascribed thereto in Section 2.8.

"Selling Holder" means any Holder who sells Registrable Securities pursuant to the Shelf Registration Statement.

"Shelf Registration Statement" has the meaning ascribed thereto in Section 2.1, and includes the Prospectus, amendments and supplements to such registration statement or Prospectus, including pre- and post-effective amendments, all exhibits thereto, and all material incorporated by reference in such registration statement.

"Stockholders Agreement" means the Stockholders Agreement dated as of September 15, 1999, by and among the Issuer, AMFM Operating, AMFM Holdings and The Reilly Family Limited Partnership, as amended by the First Amendment to Stockholders Agreement dated July __, 2000, by and among the Issuer, AMFM Operating, AMFM Holdings, Clear Channel and The Reilly Family Limited Partnership.

"Underwritten Offering" means any firmly underwritten offering in which all or part of the Registrable Securities or securities convertible into, exchangeable for, or exercisable for Registrable Securities are sold to an underwriter for reoffering pursuant to the Shelf Registration Statement.

Section 1.2 *Internal References*. Unless the context indicates otherwise, references to Articles, Sections and paragraphs shall refer to the corresponding articles, sections and paragraphs in this Agreement, and references to the parties shall mean the parties to this Agreement.

Article 2—Registration Rights

Section 2.1 *Shelf Registration*.

(a) If the Issuer shall not have previously filed the Shelf Registration Statement pursuant to the Original Agreement, then within ten (10) Business Days after the effective date of this Agreement (the "Filing Date"), the Issuer shall prepare and file with the Commission a Registration Statement (the "Shelf Registration Statement") on Form S-3 (or if the Issuer is not then eligible to use Form S-3, then Form S-1) (or any successor forms thereto) which shall cover all of the Registrable Securities for an offering to be made on a continuous basis pursuant to Rule 415 under the Securities Act. The Issuer (i) except as permitted by Section 3.1 of the

Stockholders Agreement, shall not permit any securities other than the Registrable Securities to be included in the Shelf Registration Statement and (ii) shall use its best efforts to cause the Shelf Registration Statement to be declared effective under the Securities Act as promptly as possible after the filing thereof, and to keep the Shelf Registration Statement continuously effective under the Securities Act until the Registration Termination Date, or such earlier date when all Registrable Securities cease to be Registrable Securities for purposes of this Agreement (the "Effectiveness Period").

(b) The Issuer shall (i) not later than three (3) business Days prior to the filing of the Shelf Registration Statement or any related Prospectus or any amendment or supplement thereto, furnish to the Holders, their counsel and any managing underwriters, copies of all such documents proposed to be filed (but excluding for such purpose any documents incorporated by reference into the Shelf Registration Statement or the Prospectus), which documents will be subject to the review of such Holders, their counsel and such managing underwriters, and copies of all "comment letters" with respect to any such filed documents received by the Issuer from the Commission and (ii) cause its officers and directors, counsel and independent certified public accountants to respond to such inquiries as shall be necessary, in the reasonable opinion of respective counsel to such Holders and such underwriters, to conduct a reasonable investigation within the meaning of the Securities Act. The Issuer shall not file the Shelf Registration Statement or any such Prospectus or any amendments or supplements thereto (but excluding for such purpose documents incorporated by reference therein) to which the Majority Holders, their counsel or any managing underwriters shall reasonably object, and will not request acceleration of the Shelf Registration Statement without prior notice to such counsel. The Issuer shall furnish the Holders and their counsel and any managing underwriters with copies of any documents incorporated by reference into the Shelf Registration Statement or the Prospectus promptly after filing any such document with the Commission. The sections of the Shelf Registration Statement covering information with respect to the Holders, the Holders' beneficial ownership of securities of the Issuer or the Holders' intended method of disposition of Registrable Securities shall conform to the written information provided to the Issuer by each of the Holders specifically for use therein. The provisions of this Section 2.1(b) shall be effective upon the execution hereof (notwithstanding anything contained in Section 3.13 to the contrary) and also shall be applicable to the Required Shelf Registration to be prepared and filed pursuant to Section 2.1 of the Original Agreement, if any.

Section 2.2 *Underwritten Offering*. Upon the election of the Majority Holders, one or more offerings of Registrable Securities pursuant to the Shelf Registration Statement may be effected in the form of an Underwritten Offering. In such event, the underwriters that will administer the offering

will be selected by the Holders of a majority of the Registrable Securities included in such offering. No Holder (or the Issuer, as provided in Section 3.1 of the Stockholders Agreement) may participate in any Underwritten Offering hereunder unless such Holder (or the Issuer) (i) agrees to sell its Registrable Securities (or other securities) on the basis provided in any underwriting agreements approved by the Holders of a majority of the Registrable Securities included in such offering and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents required under the terms of such arrangements.

Section 2.3 *Inclusion of Common Stock by Issuer*. Except as provided in Section 3.1 of the Stockholders Agreement, the Issuer shall not permit any securities other than the Registrable Securities to be included in the Shelf Registration Statement. If the Issuer elects to include additional shares of Common Stock in an Underwritten Offering pursuant to Section 3.1 of the Stockholders Agreement, then the Holders of the Registrable Securities to be offered in an Underwritten Offering may require that any such additional shares of Common Stock to be included by the Issuer in such offering be sold and issued on the same terms and conditions as the Registrable Securities that are included therein.

Section 2.4 *Certain Delay Rights*. If at any time while the Shelf Registration Statement is effective the Issuer provides written notice to each Holder that in the good faith and reasonable judgment of the Issuer's Board of Directors, it would be materially disadvantageous to the Issuer (because the sale of Registrable Securities covered by such registration statement or the disclosure of information therein or in any related prospectus or prospectus supplement would materially interfere with (i) any acquisition or other material third-party transaction in connection with which a registration of securities under the Securities Act for the Issuer's account is then intended or (ii) the public disclosure of which at the time would be materially prejudicial to the Issuer (a "Disadvantageous Condition")) for sales of Registrable Securities thereunder to then be permitted, and setting forth the general reasons for such judgment, the Issuer may refrain from maintaining current the Prospectus contained in the Shelf Registration Statement until such Disadvantageous Condition no longer exists (notice of which the Issuer shall deliver in writing to each Holder on the first date such Disadvantageous Condition no longer exists). With respect to each Holder, upon the receipt by such Holder of any such notice of a Disadvantageous Condition in connection with the Shelf Registration Statement, (x) such Holder shall forthwith discontinue use of the Prospectus under the Shelf Registration Statement and shall suspend sales of Registrable Securities until such Disadvantageous Condition no longer exists and (y) if so directed by the Issuer by notice as aforesaid, such Holder will deliver to the Issuer all copies, other than permanent file copies then in such Holder's possession, of the Prospectus then covering such

Registrable Securities at the time of receipt of such notice as aforesaid. Notwithstanding anything else contained in this Agreement, (X) neither the Filing Date nor the Effectiveness Date of the Shelf Registration Statement may be delayed pursuant to this Section 2.4 (Y) there shall be no suspension of sales of Registrable Securities pursuant to this Section 2.4 at any time during the sixty (60) day period commencing on the Effectiveness Date or at any time during the ninety (90) day period preceding the Registration Termination Date, and (Z) the suspension of sales of Registrable Securities pursuant to this Section 2.4 shall not exceed a total of sixty (60) days in the aggregate in any twelve (12) month period.

Section 2.5 *Expenses*. Except as provided herein, the Holders shall pay all Registration Expenses with respect to the Shelf Registration Statement and shall promptly reimburse the Issuer for any such expenses paid by the Issuer upon presentation of reasonably detailed invoices therefor, provided such registration statement becomes effective in accordance with the terms of this Agreement. Notwithstanding the foregoing, if the Issuer shall include in an Underwritten Offering additional shares of Common Stock for the account of the Issuer in accordance with Section 3.1 of the Stockholders Agreement, then (i) the Issuer shall pay (or reimburse the Holders, as applicable) a pro rata share of the Registration Expenses (based on the ratio that the number of additional shares of Common Stock actually sold for the Issuer's account bears to the aggregate number of shares actually sold in the Underwritten Offering), and (ii) the Issuer shall be responsible for all underwriting discounts and commissions, selling or placement agent or broker fees and commissions, and transfer taxes, if any, in connection with any sale of securities by the Issuer.

Section 2.6 *Registration and Qualification*. If and whenever the Issuer is required to effect the registration of any Registrable Securities under the Securities Act as provided in this Agreement, the Issuer shall as promptly as practicable:

(a) prepare and file with the Commission such amendments (including post-effective amendments) and supplements to the Shelf Registration Statement and the Prospectus used in connection therewith as may be necessary to keep the Shelf Registration Statement effective, including any amendment or supplement with respect to an Underwritten Offering of Registrable Securities and including any amendment or supplement to reflect any transfer of Registrable Securities to any subsequent Holder (which will have the right to be named as a selling shareholder in the Shelf Registration Statement), at all times during the Effectiveness Period, and, during such period, comply with the provisions of the Securities Act applicable to the Issuer in order to permit the disposition by the Holders of all Registrable Securities;

(b) furnish to the Holders of Registrable Securities and to any underwriter of such Registrable Securities (i) such number of conformed copies of the Shelf Registration Statement and of each such amendment and

supplement thereto (in each case including financial statements and schedules, and all exhibits), (ii) such number of copies of the Prospectus included in the Shelf Registration Statement (including each preliminary prospectus), in conformity with the requirements of the Securities Act, and (iii) such documents incorporated by reference in the Shelf Registration Statement or Prospectus as the Holders of Registrable Securities or such underwriter may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such Holder or the sale of such securities by such underwriter (it being understood that, subject to Section 2.4 of this Agreement and the requirements of the Securities Act and applicable state securities laws, the Issuer consents to the use of the Prospectus and any amendment or supplement thereto by each Holder of Registrable Securities and any underwriter of such Registrable Securities in connection with the offering and sale of the Registrable Securities covered by the Shelf Registration Statement of which such Prospectus, amendment or supplement is a part);

(c) in the case of any Underwritten Offering, furnish to each Selling Holder and any underwriter of Registrable Securities an opinion of counsel for the Issuer and "cold comfort" letters and updates thereof signed by the independent public accountants who have audited the Issuer's financial statements included in the Shelf Registration Statement, in each such case covering substantially such matters with respect to such registration statement (and the prospectus included therein) and the related offering as are customarily covered in opinions of issuer's counsel with respect thereto and in accountants' letters delivered to underwriters in underwritten public offerings of securities, together with any consents required in connection therewith;

(d) promptly notify each Holder and each underwriter of Registrable Securities in writing (i) at any time when a prospectus relating to a registration pursuant to this Agreement is required to be delivered under the Securities Act, of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and (ii) of any request by the Commission or any other regulatory body having jurisdiction for any additional information or amendment or supplement to the Shelf Registration Statement or Prospectus, and in either such case, at the request of any Holder or underwriter, promptly prepare and furnish to each Holder and underwriter a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading;

(e) cause all such Registrable Securities covered by such registration to be listed on the Nasdaq National Market, or if other than the Nasdaq National Market, on the principal securities exchange or automated interdealer quotation system on which the Common Stock is then listed or included for quotation;

(f) cooperate with each Selling Holder and each underwriter participating in the disposition of Registrable Securities and their respective counsel in connection with any filings required to be made with the NASD;

(g) subject to Section 2.4 of this Agreement, timely file all documents required to be filed with the Commission pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act during the period when a prospectus is required to be delivered under the Securities Act;

(h) subject to Section 2.4 of this Agreement, promptly prepare and file with the Commission any amendments or supplements to the Shelf Registration Statement or Prospectus which, in the opinion of the Issuer's counselor managing underwriter, are required in connection with the distribution of the Registrable Securities;

(i) advise each Selling Holder, promptly after it shall receive notice or obtain knowledge thereof, of the issuance of any stop order by the Commission suspending the effectiveness of the Shelf Registration Statement or the initiation or threatening of any proceeding for such purpose and promptly use its reasonable best efforts to prevent the issuance of any stop order or to obtain its withdrawal at the earliest possible moment if such stop order should be issued;

(j) use reasonable best efforts to assist the Holders in the marketing of the Registrable Securities in connection with any Underwritten Offering hereunder (including but not limited to using reasonable best efforts to have officers of the Issuer attend "road shows" and analyst or investor presentations scheduled in connection with such registration);

(k) make generally available to its security holders as soon as practicable, but not later than ninety (90) days after the close of the period covered thereby, an earning statement (in form complying with the provisions of Rule 158 under the Securities Act) covering a twelve (12) month period beginning not later than the first day of the Issuer's fiscal quarter next following the effective date of the Shelf Registration Statement;

(l) to the extent applicable, use its reasonable best efforts to (i) register and qualify the Registrable Securities under the securities or "blue sky" laws of such jurisdiction as any Holder may reasonably request, (ii) prepare and file in those jurisdictions such amendments (including post-effective amendments) and supplements to such registrations and qualifications as may be necessary to maintain the effectiveness thereof at all times during the Effectiveness Period, (iii) take such other actions as may be necessary to maintain such registrations and qualifications and as may be necessary to maintain the effectiveness thereof at all times during the Effectiveness Period, and (iv) take all other actions reasonably necessary or advisable to qualify the Registrable Securities for sale by the

Holders in such jurisdictions (provided that the Issuer shall not be required in connection therewith or as a condition thereto to qualify generally to do business or file a general consent to service of process in any jurisdiction where it would not otherwise be required to qualify but for this Section 2.6(l));

(m) cooperate with each Holder and the managing underwriters to facilitate the timely preparation and delivery of certificates (not bearing any restrictive legends) representing Registrable Securities sold pursuant to the Shelf Registration Statement or in a transaction pursuant to Rule 144 and enable such certificates to be in such denominations or amounts as any Holder and the managing underwriter may reasonably request and registered in such names as such Holder and the managing underwriters may reasonably request. The Issuer shall give appropriate instructions to the Issuer's transfer agent to cause the transfer agent to deliver certificates representing the Registrable Securities without any restrictive legends upon receipt of the Holder's certification that such Registrable Securities have been sold pursuant to the Shelf Registration Statement or in a transaction pursuant to Rule 144 and shall cause the Issuer's legal counsel to deliver to the transfer agent an opinion in customary form as required to remove such restrictive legends provided that such counsel may reasonably require such certifications from Holders; and

(n) within two (2) Business Days after the Shelf Registration Statement is declared effective by the Commission, deliver, and shall cause the Issuer's legal counsel to deliver, to the transfer agent for such Registrable Securities, confirmation that the Shelf Registration Statement has been delivered effective by the Commission.

The Issuer may require each Selling Holder to furnish to the Issuer such information regarding the Selling Holder and the distribution of such Registrable Securities as the Issuer may from time to time reasonably request in writing and such other information as may be legally required in connection with such registration. Each Selling Holder also agrees to notify the Issuer of any event relating to the Selling Holder that occurs that would require the preparation of a supplement or amendment to the Prospectus so that the information furnished or required to be furnished by such Selling Holder that is contained in the Prospectus will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading.

In no event shall the Issuer be required to amend the Shelf Registration Statement filed after it has become effective or to amend or supplement the Prospectus to permit the continued disposition of shares of Common Stock owned by a Selling Holder registered under the Shelf Registration Statement at any time after the Effectiveness Period.

Each Selling Holder agrees that, upon receipt of any notice from the Issuer of the happening of any event of the kind described in paragraph (d)(i) above, the Selling Holder will forthwith discontinue disposition of Registrable Securities pursuant to the Shelf

Registration Statement until the Selling Holder's receipt of the copies of the supplement or amended prospectus contemplated by paragraph (d) above, and, if so directed by the Issuer, the Selling Holder will deliver to the Issuer (at the Issuer's expense) all copies, other than permanent file copies then in the Selling Holder's possession, of the prospectus covering such Registrable Securities at the time of receipt of such notice.

Section 2.7 Underwriting; Due Diligence.

(a) If requested by the underwriters for any Underwritten Offering of Registrable Securities pursuant to this Article 2, the Issuer shall enter into an underwriting agreement with such underwriters for such offering, which agreement will contain such representations and warranties by the Issuer and such other terms and provisions as are customarily contained in underwriting agreements with respect to secondary distributions, and confirm the same if and when requested in accordance with customary practice. If an underwriting agreement is entered into, the same shall contain indemnification provisions and procedures no less favorable to the Selling Holders and the underwriters than those set forth in Section 2.8 of this Agreement (or such other provisions and procedures acceptable to the managing underwriters and Holders of a majority of Registrable Securities participating in such Underwritten Offering).

(b) In connection with the preparation and filing of the Shelf Registration Statement pursuant to this Article 2, the Issuer shall give the Holders of such Registrable Securities and the underwriters, if any, and their respective counsel and accountants, such reasonable and customary access to its books, records and properties and such opportunities to discuss the business and affairs of the Issuer with its officers and the independent public accounts who have certified the financial statements of the Issuer as shall be necessary, in the reasonable opinion of such Holders and such underwriters or their respective counsel, to conduct a reasonable investigation within the meaning of the Securities Act; provided that (i) each Holder and the underwriters and their respective counsel and accountants shall have entered into a confidentiality agreement reasonably acceptable to the Issuer and (ii) the Holders of such Registrable Securities and the underwriters and their respective counsel and accountants shall use their reasonable best efforts to minimize the disruption to the Issuer's business and coordinate any such investigation of the books, records and properties of the Issuer and any such discussions with the Issuer's officers and accountants so that all such investigations occur at the same time and all such discussions occur at the same time.

(c) The Issuer shall be subject to the lock-up provisions contained in Section 3.2 of the Stockholders Agreement.

Section 2.8 Indemnification.

(a) The Issuer agrees to indemnify and reimburse, to the fullest extent permitted by law, each Selling Holder, and each Selling Holder's employees, advisors, agents, representatives, partners, officers, and directors and each Person who controls the

Selling Holder (within the meaning of the Securities Act or the Exchange Act) (collectively, the "Seller Affiliates"), and each underwriter, if any, and each person who controls each such underwriter (within the meaning of the Securities Act or the Exchange Act) against any and all losses, claims, damages, liabilities, and expenses, joint or several (including, without limitation, reasonable attorneys' fees and disbursements except as limited by Section 2.8(c) below) based upon, arising out of, related to or resulting from any untrue or allegedly untrue statement of a material fact contained in the Shelf Registration Statement, Prospectus, or preliminary prospectus or any amendment thereof or supplement thereto, or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, except insofar as the same are made in reliance upon and in conformity with information furnished in writing to the Issuer by such Selling Holder or any Seller Affiliate specifically for use therein or arise from such Selling Holder's or any Seller Affiliate's failure to deliver a copy of the Shelf Registration Statement or Prospectus or any amendments or supplements thereto after the Issuer has furnished such Selling Holder or Seller Affiliate with a sufficient number of copies of the same. The reimbursements required by this Section 2.8(a) will be made by periodic payments during the course of the investigation or defense, as and when bills are received or expenses incurred.

(b) Each Selling Holder will jointly and severally indemnify the Issuer and its directors and officers and each of its employees, advisors, agents, representatives, partners, officers, and directors and each Person who controls the Issuer (within the meaning of the Securities Act or the Exchange Act) against any and all losses, claims, damages, liabilities, and expenses (including, without limitation, reasonable attorneys' fees and disbursements except as limited by Section 2.8(c) below) resulting from: (i) any untrue statement or alleged untrue statement of a material fact contained in the Shelf Registration Statement, Prospectus, or any preliminary prospectus or any amendment thereof or supplement thereto, or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, but only to the extent that such untrue statement or alleged untrue statement or omission or alleged omission is contained in any information or affidavit so furnished in writing by a Selling Holder or any of its Seller Affiliates specifically for inclusion in the Shelf Registration Statement, Prospectus, preliminary prospectus, amendments or supplements; or (ii) a Selling Holder's or any Seller Affiliate's failure to deliver a copy of the Shelf Registration Statement or Prospectus or any amendments or supplements thereto after the Issuer has furnished the Selling Holder or Seller Affiliate with a sufficient number of copies

of the same; *provided, however*, that such liability will be limited to the net amount received by the Selling Holders from the sale of Registrable Securities pursuant to the Shelf Registration Statement; *provided, further*, that the Selling Holders shall not be liable in any such case to the extent that, prior to the filing of the Shelf Registration Statement or Prospectus or amendment thereof or supplement thereto, the Selling Holders furnished in writing to the Issuer information expressly for use in such registration statement or prospectus or any amendment thereof or supplement thereto which corrected or made not misleading information previously furnished to the Issuer.

(c) Any Person entitled to indemnification hereunder will give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that the failure to give such notice shall not limit the rights of such Person except to the extent such failure prejudiced the indemnifying party) and permit such indemnifying party to assume the defense of such claim; *provided, however*, that any Person entitled to indemnification hereunder shall have the right to employ separate counsel and to participate in the defense of such claim, but the fees and expenses of such counsel shall be at the expense of such Person unless (i) the indemnifying party has agreed to pay such fees or expenses, (ii) the indemnifying party shall have failed to assume the defense of such claim or (iii) in the reasonable opinion of counsel to such indemnified party, a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim. The indemnifying party will not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent will not be unreasonably withheld or delayed). The indemnifying party shall not settle or otherwise compromise the applicable claim unless (A) such settlement or compromise contains a full and unconditional release of the indemnified party or (B) the indemnified party otherwise consents in writing. The indemnifying party will not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim unless in the reasonable judgment of any indemnified party, a conflict of interest may exist between the indemnifying party and any indemnified party with respect to such claim, in which event the indemnifying party shall be obligated to pay the reasonable fees and disbursements of one counsel for such indemnified party.

(d) Each party hereto agrees that, if for any reason the indemnification provisions contemplated by Section 2.8(a) or Section 2.8(b) are unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, claims, damages, liabilities, or expenses (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, liabilities, or expenses (or actions in respect thereof) in such proportion as is appropriate

to reflect the relative fault of the indemnifying party and the indemnified party in connection with the actions which resulted in the losses, claims, damages, liabilities or expenses as well as any other relevant equitable considerations. The relative fault of such indemnifying party and indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by such indemnifying party or indemnified party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 2.8(d) were determined by pro rata allocation (even if the Selling Holders or any underwriters or all of them were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 2.8(d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages, liabilities, or expenses (or actions in respect thereof) referred to above shall be deemed to include any legal or other fees or expenses reasonably incurred by such indemnified party in connection with investigating or, except as provided in Section 2.8(c) above, defending any such action or claim. Notwithstanding the provisions of this Section 2.8(d), no Holder shall be required to contribute an amount greater than the dollar amount by which the net proceeds received by such Selling Holder with respect to the sale of any Registrable Securities exceeds the amount of damages which such Selling Holder has otherwise been required to pay by reason of such statement or omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. The Selling Holders' obligations in this Section 2.8(d) to contribute shall be joint and several in proportion to the amount of Registrable Securities registered by them.

If indemnification is available under this Section 2.8, the indemnifying parties shall indemnify each indemnified party to the full extent provided in Section 2.8(a) and Section 2.8(b) without regard to the relative fault of said indemnifying party or indemnified party or any other equitable consideration provided for in this Section 2.8(d) subject, in the case of the Holders, to the limited dollar amounts set forth in Section 2.8(b).

The indemnification and contribution provided for under this Agreement shall be in addition to any liability which any party may otherwise have to any other party and shall remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director, or controlling Person of such indemnified party and will survive the transfer of the Common Stock and the termination of this Agreement.

Section 2.9 *Form S-3 Eligibility; Conversion.* In the event that the Shelf

Registration Statement is filed on Form S-1 because the Issuer does not, at the time of such registration, meet the registrant eligibility and transaction requirements for the use of Form S-3 (for secondary offerings), the Issuer shall convert such Form S-1 to a Form S-3 immediately upon its satisfaction of the registrant eligibility and transaction requirements for the use of Form S-3. Upon such conversion, the Issuer shall file all reports required to be filed by the Company with the Commission in a timely manner so as to maintain such eligibility for the use of Form S-3.

Section 2.10 *Rule 144 Reporting.* With a view to making available the benefits of certain rules and regulations of the Commission that may permit the sale of the Registrable Securities to the public without registration, the Issuer agrees to use its reasonable best efforts to:

(a) make any keep public information regarding the Issuer available as those terms are understood and defined in Rule 144 under the Securities Act;

(b) file with the Commission in a timely manner all reports and other documents required of the Issuer under the Securities Act and the Exchange Act; and

(c) furnish to any Holder forthwith upon written request a written statement by the Issuer as to its compliance with the reporting provisions contained in rule 144(c) under the Securities Act, a copy of the most recent annual or quarterly report of the Issuer, and such other reports and documents so filed as any Holder may reasonably request in availing itself of any rule or regulation of the Commission allowing a Holder to sell any of the Registrable Securities without registration.

The Issuer shall give appropriate instructions to the Issuer's transfer agent to cause the transfer agent to deliver certificates representing the Registrable Securities without any restrictive legends upon receipt of the Holder's certification that such Registrable Securities have been sold pursuant to Rule 144 under the Securities Act. Each Holder shall cause its legal counsel to deliver to the transfer agent for the Registrable Securities an opinion in customary form as may be required to remove such restrictive legends following a sale pursuant to Rule 144.

Article 3—Miscellaneous

Section 3.1 *Entire Agreement.* This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and upon the effectiveness of this Agreement in accordance with Section 3.13, this Agreement shall supersede all other prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof, including, without limitation, the Original Agreement and the letter agreement dated as of June 1, 2000 among the Issuer, AMFM and Clear Channel.

Section 3.2 *Successors and Assigns.* The provisions of this Agreement are not assignable to any Person other than another Holder. Whether or not an express assignment has been made, provisions of this Agreement that are for the Holders' benefit as

the Holders of any Common Stock are, except as otherwise expressly provided herein, also for the benefit of, and enforceable by, all subsequent Holders of such Common Stock, except as otherwise expressly provided herein. This Agreement shall be binding upon the Issuer, each Holder, and, except as otherwise expressly provided herein, their respective heirs, devisees, successors and permitted assigns.

Section 3.3 *Amendments, Waivers, Etc.* This Agreement may not be amended, changed, supplemented, waived or otherwise modified or terminated, except upon the execution and delivery of a written agreement executed by the Issuer and Holders representing a majority of the Registrable Securities then held by all Holders.

Section 3.4 *Notices.* All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly received if given) by hand delivery or telecopy, or by any courier service, such as Federal Express, providing proof of delivery. All communications hereunder shall be delivered to the respective parties at the address or telecopy number set forth on the signature pages hereto (unless such contact information in the case of the Holders is updated by written notice from the affected Holder to the Issuer).

Section 3.5 *Remedies.* The Issuer recognizes and agrees that the Holders of Registrable Securities shall not have an adequate remedy at law if the Issuer fails to comply with the provisions of this Agreement, and that damages will not be readily ascertainable, and the Issuer expressly agrees that in the event of such failure any Holder of Registrable Securities shall be entitled to seek specific performance of the Issuer's obligations hereunder.

Section 3.6 *Severability.* Whenever possible, each provision or portion of any provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or portion of any provision in such jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.

Section 3.7 *No waiver.* The failure of any party hereto to exercise any right, power or remedy provided under this Agreement or otherwise available in respect hereof at law or in equity, or to insist upon compliance by any other party hereto with its obligations hereunder, and any custom or practice of the parties at variance with the terms hereof, shall not constitute a waiver by such party of its right to exercise any such other right, power or remedy or to demand such compliance.

Section 3.8 *No Third Party Beneficiaries.* Except as expressly provided in Sections 2.8 and 3.2, this Agreement is not intended to be

for the benefit of, and shall not be enforceable by, any Person who or which is not a party hereto; provided, that, this Agreement is also intended to be for the benefit of and is enforceable by each Holder.

Section 3.9 *Several Obligations.* Except as set forth in Section 2.8, the obligations of the Holders herein are several and not joint. No Holder shall be responsible for the performance or failure on the part of any other Holder to perform its obligations.

Section 3.10 *Governing Law.* This agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflict of laws.

Section 3.11 *Descriptive Headings.* The descriptive headings used herein are inserted for convenience of referenced only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

Section 3.12 *Counterparts.* This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

Section 3.13 *Effective Date: Consummation of Merger.* The terms and conditions of this Agreement shall become effective and enforceable only upon the consummation of the Merger. In the event that the Merger has not been consummated on or before March 31, 2001, or if the Merger Agreement is terminated prior to March 31, 2001 then, unless the parties hereto mutually agree to an extension hereof, this Agreement shall be null and void and the Original Agreement shall continue in accordance with its terms as if this Agreement had not been executed and delivered.

Section 3.14 *Guaranty by Clear Channel.* Clear Channel agrees to guaranty the performance of all obligations of the Holders and the Selling Holders hereunder.

In Witness Whereof, the Issuer and the Holders have caused this Agreement to be duly executed as of the day and year first above written.

Issuer: Lamar Advertising Company:

By: _____
Name: Kevin P. Reilley, Jr.
Title: *President & CEO*

Address: 5551 Corporate Boulevard, Baton Rouge, Louisiana 70808, Attention: Keith Istre, Fax: (225) 923-0658.

With copies to: Palmer Dodge LLP, One Beacon Street, Boston, MA 02108, Attention: George Ticknor, Esq., Facsimile: (617) 227-4420.

Holders: AMFM Operating Inc. (f/k/a Chancellor Media Corporation of Los Angeles):

By: _____
Name: William S. Banowsky, Jr.
Title: *Executive Vice President*

Address: 200 East Basse, San Antonio, TX 78209, Attention: General Counsel, Fax: (210) 822-2299.

With copies to: Akin, Gump, Strauss, Hauer & Feld, L.L.P., 300 Convent Street, Suite 1500, San Antonio, TX 78205, Attention: Stephen C. Mount, Fax: (210) 224-2035.

AMFM Holdings Inc. (f/k/a Chancellor Mezzanine Holdings Corporation):

By: _____
Name: William S. Banowsky, Jr.
Title: *Executive Vice President*

Address: 200 East Basse Road, San Antonio, TX 78209, Attention: General Counsel, Fax: (210) 832-3428.

With copies to: Akin, Gump, Strauss, Hauer & Feld, L.L.P., 300 Convent Street, Suite 1500, San Antonio, TX 78205, Attention: Stephen C. Mount, Fax: (210) 224-2035.

Clear Channel Communications, Inc.:

By: _____
Name: Juliana Hill,
Title: *Senior Vice President—Finance*

Address: 200 East Basse Road, San Antonio, TX 78209, Attention: General Counsel, Fax: (210) 832-3428.

LaMar Advertising Company

5551 Corporate Boulevard, Baton Rouge, LA 70808, July 19, 2000.

By Electronic Mail and Facsimile

AMFM Inc., 1845 Woodall Rogers Freeway, Suite 1300, Dallas, TX 75201.

AMFM Operating Inc., AMFM Holdings Inc., 200 East Basse, San Antonio, TX 78209.

Clear Channel Communications, Inc., 200 Concord Plaza, Suite 600, San Antonio, TX 78216-6940.

Re: Registration Rights Agreement dated as of September 15, 1999.

Ladies and Gentlemen: Reference is made to that certain Registration Rights Agreement dated of September 15, 1999 (the "Registration Rights Agreement") among Lamar Advertising Company (the "Issuer"), a Delaware corporation, Chancellor Media Corporation of Los Angeles (predecessor-in-interest to AMFM Operating Inc., "AMFM Operating"), a Delaware corporation and Chancellor Mezzanine Holdings Corporation (now known as AMFM Holdings Inc., "AMFM Holdings"), a Delaware corporation. Subject to the terms and conditions of the Registration Rights Agreement, the Issuer agreed to effect the registration under the Securities Act of the 26,227,273 shares (the "Lamar Shares") of Lamar Class A common stock, \$0.001 par value per share issued by the Issuer in connection with the acquisition of the capital stock of Chancellor Outdoor Media Corporation and Chancellor Whiteco Outdoor Corporation. AMFM Holdings subsequently transferred the Lamar Shares held by it to AMFM Operating.

Capitalized terms used but not defined herein shall have the respective meanings set forth in the Registration Rights Agreement.

On October 2, 1999, AMFM Inc., ("AMFM"), a Delaware corporation and the parent corporation of AMFM Operating and AMFM Holdings, entered into an agreement and plan of merger (the "Merger Agreement") with Clear Channel Communications, Inc., ("Clear Channel"), a Texas corporation contemplating the merger (the "Merger") of a wholly-owned subsidiary of Clear Channel with and into AMFM. Following the Merger, AMFM Operating and AMFM Holdings will be indirect wholly-owned subsidiaries of Clear Channel.

This Letter shall terminate and shall be of no further force or effect upon the earlier of

(i) the completion of the Merger, (ii) the termination of the Merger Agreement, or (iii) March 31, 2001 (unless the parties mutually agree to extend same).

This Letter shall be executed concurrently with the Amended Registration Rights Agreement and the First Amendment to the Stockholders Agreement.

LaMar Advertising Company:

Kevin P. Reilly, Jr.,
President and Chief Executive Officer.

Accepted and Agreed to:

AMFM Inc., 1845 Woodall Rogers Freeway, Suite 1300, Dallas, TX 75201.

By: William S. Banowsky, Jr.,
Executive Vice President.

AMFM Operating Inc., (f/k/a Chancellor Media Corporation of Los Angeles), 200 East Basse, San Antonio, TX 78209.

By: William S. Banowsky, Jr.,
Executive Vice President.

AMFM Holdings Inc., (f/k/a Chancellor Mezzanine Holdings Corporation), 200 East Basse Road, San Antonio, TX 78209-3428.

By: William S. Banowsky, Jr.,
Executive Vice President.

Clear Channel Communications, Inc., 200 East Basse Road, San Antonio, TX 78209-3428.

By: Juliana Hill,
Senior Vice President—Finance.

Schedule E—Other Radio Stations That Cannot Be reacquired

1. Denver, CO
KXPK-FM
KDJM-FM
KIMN-FM
KXKL-FM
KALC-FM
2. Houston-Galveston, TX
KKBQ-FM
KKTL-FM
KLDE-FM
KBXX-FM
KMJQ-FM

Certificate of Service

I, John C. Filippini, of the Antitrust Division of the United States Department of Justice, do hereby certify that true copies of the Complaint For Injunctive Relief, Stipulation and Order, Final Judgment, and United States' Explanation of Consent Decree Procedures in this matter were served this 29th day of August 2000, by United States first-class mail, to the following:

Charles E. Biggio, Akin, Gump, Strauss, Hauer & Feld, 590 Madison Avenue—20th Floor, New York, NY 10022, (212) 872-1010. *Counsel for Clear Channel Communications, Inc.*

Phillip E. Proger, Jones, Day, Reavis & Pogue, 51 Louisiana Avenue, NW., Washington, DC 20001-2113, (202) 879-4668. *Counsel for Clear Channel Communications, Inc.*

Neil W. Imus, Vinson & Elkins, The Willard Office Building, 1455 Pennsylvania Avenue, NW., Washington, DC 20004-1008, (202) 639-6675. *Counsel for AMFM Inc.*

Signed: John C. Filippini

Competitive Impact Statement

The United States, pursuant to section 2(b) of the Antitrust Procedures and Penalties Act ("APPA"), 15 U.S.C. 16(b)–(h), files this Competitive Impact Statement relating to the proposed Final Judgment submitted for entry in this civil antitrust proceeding.

I. Nature and Purpose of the Proceeding

The United States filed a civil antitrust Complaint on August 29, 2000, alleging that the proposed merger between Clear Channel Communications, Inc. ("Clear Channel") and AMFM Inc. ("AMFM") would violate section 7 of the Clayton Act, as amended, 15 U.S.C. 18. The Complaint alleges that Clear Channel's and AMFM's \$23.8 billion merger would have the effect of lessening competition substantially in the provision of radio advertising time and of out-of-home advertising services in several areas of the United States.

Clear Channel and AMFM are two of the three largest operators of broadcast radio stations in the United States. Clear Channel's and AMFM's radio stations compete head-to-head against one another for the business of local and national companies seeking to advertise on radio stations in many cities throughout the United States, including Allentown, Pennsylvania; Denver, Colorado; Harrisburg, Pennsylvania; Houston, Texas; and Pensacola, Florida.

In addition, Clear Channel, through its subsidiary, Eller Media Company ("Clear Channel/Eller"), is a major provider of out-of-home advertising of various types, including billboards, bulletins and posters. AMFM has an approximately 28.6 percent equity interest in Lamar Advertising Company ("Lamar"), another major provider of out-of-home advertising that competes directly with Clear Channel/Eller. Clear Channel/Eller and Lamar compete vigorously in out-of-home advertising in numerous markets across the country.

The Complaint alleges that Clear Channel and AMFM's merger, unless blocked, would substantially lessen competition and would result in many advertisers paying higher prices for radio advertising time and out-of-home advertising. The prayer for relief seeks: (a) Adjudication that Clear Channel's proposed merger with AMFM would violate section 7 of the Clayton Act; (b) preliminary and permanent injunctive relief preventing the consummation of the proposed merger; (c) an award to the United States of the costs of this action; and (d) such other relief as is just and proper.

Before this suit was filed, the Department of Justice ("Department")

reached an agreement with Clear Channel and AMFM, under which the parties agreed to divest 99 stations in 27 markets to other radio operators approved by the Department in order to preserve competition in those markets. The majority of those stations were to be sold under what is commonly referred to as the "fix-it-first" approach utilized by the Department's Antitrust Division, which requires divestiture of certain assets before parties consummate their merger. The remaining stations are to be divested in accordance with the terms of a proposed Final Judgment agreed to by the parties. In addition, the defendants are required to divest completely AMFM's previously held equity interest in Lamar, now held by Clear Channel, under the terms of the proposed Final Judgment.

A Stipulation and proposed Final Judgment were filed simultaneously with the Complaint on August 29, 2000. The United States and defendants have stipulated that the proposed Final Judgment may be entered after compliance with APPA. Entry of the proposed Final Judgment would terminate this action, except that the Court would retain jurisdiction to construe, modify, or enforce the provisions of the proposed Final Judgment, and to punish violations thereof.

II. The Alleged Violation

A. The Defendants

Clear Channel, headquartered in San Antonio, Texas, is one of the largest radio broadcast companies in the United States. For 1999, the company reported net television and radio revenues of approximately \$1.4 billion. Clear Channel, through its wholly owned subsidiary, Eller Media Company, is also one of the largest providers of out-of-home advertising services (such as billboard advertising) in the United States. In 1999, Clear Channel/Eller reported revenues in excess of \$1.25 billion.

AMFM, headquartered in Dallas, Texas, is also one of the largest radio broadcast companies in the United States. For 1999, the company reported radio group net revenues of approximately \$1.7 billion. In addition, prior to the merger, AMFM owned approximately 28.6 percent of the total outstanding securities of Lamar, giving it rights to participate in the operation of Lamar, including representation on Lamar's Board of Directors. Lamar provides out-of-home advertising in many markets across the country. In 1999, Lamar had revenues of approximately \$444 million.

B. Description of the Events Giving Rise to the Alleged Violation

On October 2, 1999, Clear Channel and AMFM entered into an Agreement and Plan of Merger, worth approximately \$23.8 billion, that would create the largest radio broadcast company in the United States and eliminate head-to-head competition between Clear Channel and AMFM in several markets. Attempting to resolve the Department's competitive concerns prior to the filing of the Complaint, Clear Channel and AMFM sold 85 radio stations in 24 markets to buyers approved by the Department. These stations were purchased by buyers who will compete against Clear Channel after the merger, thereby restoring much of the competition that would have been lost as a result of the merger. Clear Channel and AMFM, however, did not sell enough radio stations in the Allentown, Denver, Harrisburg, Houston, and Pensacola Metropolitan Survey Areas ("MSA"),¹ to resolve the Department's concerns.

C. Anticompetitive Consequences of the Proposed Acquisition

1. Radio Advertising

The Complaint alleges that the provision of advertising time on radio stations is a relevant product market and that the Allentown, Denver, Harrisburg, Houston and Pensacola MSAs ("Divestiture Cities") are each a relevant geographic market.

a. *Relevant Product Market.* Radio stations earn their revenues from the sale of advertising time to local and national advertisers. Many local and national advertisers purchase radio advertising time in the Divestiture Cities because they find such advertising preferable to advertising in other media for their specific needs. For such advertisers, radio time (a) may be less expensive and more cost-efficient than other media in reaching the advertiser's

¹ An MSA is the geographical unit for which Arbitron, a company that surveys radio listeners, provides data to radio stations, advertisers and advertising agencies to aid in evaluating radio audience size and composition. Advertisers use this data in making decisions about which radio station or combination of radio stations can deliver their target audiences in the most efficient and cost-effective way.

The Allentown MSA is comprised of Carbon, Lehigh, and Northampton counties in Pennsylvania and Warren County in New Jersey. The Denver MSA is comprised of Adams, Arapahoe, Boulder, Denver, Douglas, and Jefferson counties in Colorado. The Harrisburg MSA is comprised of Cumberland, Dauphin, Lebanon, and Perry counties of Pennsylvania. The Houston MSA is comprised of Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, and Waller counties of Texas. The Pensacola MSA is comprised of Escambia and Santa Rosa counties of Florida.

target audience (individuals most likely to purchase the advertiser's products or services); (b) may reach certain target audiences that cannot be reached as effectively through other media; or (c) may offer promotional opportunities to advertisers that they cannot exploit as effectively using other media. For these and other reasons, many local and national advertisers in the Divestiture Cities who purchase radio advertising time view radio either as a necessary advertising medium for them or as a necessary advertising complement to their media.

Although some local and national advertisers may switch some of their advertising to other media rather than absorb a price increase in radio advertising time in the Divestiture Cities, the existence of such advertisers would not prevent radio stations from profitably raising their prices a small but significant amount. At a minimum, stations could raise prices profitably to those advertisers who view radio either as a necessary advertising medium, or as a necessary advertising complement to other media. Radio stations, which negotiate prices individually with advertisers, can generally identify those advertisers with strong radio preferences. Consequently, radio stations can charge different advertisers different rates. Because of this ability to price discriminate between different customers, radio stations may charge higher rates to advertisers that view radio as particularly effective for their needs, while maintaining lower rates for other advertisers. For these reasons, the sale of radio advertising time is a relevant product market for purposes of section 7 of the Clayton Act.

b. Relevant Geographic Markets. Local and national advertising placed on radio stations in the Allentown, Denver, Harrisburg, Houston, and Pensacola MSAs is aimed at reaching listening audiences within each of those respective MSAs, and other radio stations do not provide effective access to those audiences. If there were a small but significant increase in radio advertising prices within any one of these MSAs, advertisers would not buy enough advertising time from radio stations outside of the MSA to defeat the increase. Thus, the Allentown, Denver, Harrisburg, Houston, and Pensacola MSAs are each a relevant geographic market for purposes of section 7 of the Clayton Act.

c. Harm to Competition in Radio Advertising Markets. The Complaint alleges that the Clear Channel/AMFM merger would lessen competition substantially in the sale of advertising time on radio broadcast stations in the

Divestiture Cities. In particular, the merger would further concentrate markets that are already highly concentrated. The Complaint alleges that Clear Channel's market share in each of the Divestiture Cities would exceed 41 percent, and in some markets would be more than 69 percent, after the merger. Using a measure of market concentration called the Herfindahl-Hirschman Index ("HHI"), which is explained in Appendix A to the Complaint, the merger would result in concentration in each of these markets from about 2262 to 6231 points, well above the 1800 threshold at which the United States normally considers a market to be highly concentrated.

Furthermore, the Complaint alleges that the merger would eliminate head-to-head competition between Clear Channel and AMFM for advertisers seeking to reach specific audiences. Advertisers select radio stations to reach a large percentage of their target audience based upon a number of factors, including, inter alia, the size of the station's audience, the characteristics of its audience, and the geographic reach of a station's signal. Many advertisers seek to reach a large percentage of their target listeners by selecting those stations whose audience best correlates to their target listeners. Today, several Clear Channel and AMFM stations in the Divestiture Cities compete head-to-head to reach the same audiences and, for many local and national advertisers buying time in those markets, the stations are close substitutes for each other based on their specific audience characteristics. The proposed transaction would eliminate such competition.

Format changes are unlikely to deter the anticompetitive consequences of this transaction. Successful radio stations are unlikely to undertake a format change solely in response to small but significant increases in price being charged to advertisers by a multi-station firm such as Clear Channel because they would likely lose a substantial portion of their existing audiences. Even if less successful stations did change format, they still would be unlikely to attract enough listeners to provide suitable alternatives to the Clear Channel stations in their markets. Finally, new entry into radio advertising markets in the Divestiture Cities is highly unlikely in response to a small but significant price increase by Clear Channel because of the general lack of capacity to add additional signals in metropolitan markets. Also, it is unlikely that stations located in adjacent communities would be permitted to boost their power

sufficiently so as to enter the MSAs in the Divestiture Cities without interfering with other stations on the same or similar frequencies in violation of Federal Communications Commission ("FCC") regulations.

For all of these reasons, the Complaint alleges that the proposed merger would lessen competition substantially in the sale of advertising time on radio stations serving the Divestiture Cities, eliminate competition between Clear Channel and AMFM, and result in increased prices and reduced quality of service for radio advertisers in the Divestiture Cities, all in violation of section 7 of the Clayton Act.

2. Out-of-Home Advertising

a. Relevant Markets. Out-of-home advertising companies, such as Clear Channel/Eller and Lamar, generate revenue from the sale of out-of-home advertising, such as billboards, to local and/or national businesses that want to promote their products and services. Advertisers select out-of-home advertising based upon a number of factors, including the size of the target audience (individuals most likely to purchase the advertiser's products or services), the traffic patterns of the audience, as well as other audience characteristics.

Out-of-home advertising has unique characteristics that distinguish it from other advertising media. Among other things, out-of-home advertising is particularly suitable for highly visual, limited-information advertising and is typically less expensive and more cost-efficient than other media in reaching an advertiser's target audience. For many advertisers, there is no close substitute for out-of-home advertising. Such advertisers would not switch to another advertising medium if out-of-home advertising prices increased by a small but significant amount. Thus, the complaint alleges that out-of-home advertising is a relevant product market for purposes of section 7 of the Clayton Act.

In addition, out-of-home advertising is typically offered on a localized, market-by-market basis rather than nationally or regionally and is sold at prices based on local market conditions. It is typically sold by local sales forces and targeted to reach consumers in a specific city, county or metropolitan area. For advertisers seeking to reach consumers in a specific local area, advertising outside the local area is not an adequate substitute because most of the target audience may not even see the advertising. Thus, the relevant geographic markets within the meaning of Section 7 of the Clayton Act for out-

of-home advertising are typically localized, often no larger than a city, county or metropolitan area.

b. *Harm to Competition.* Clear Channel/Eller is one of only a few providers of out-of-home advertising services competing with Lamar in several markets across the United States, including Atlanta, Georgia, and Chicago, Illinois. The proposed merger between Clear Channel and AMFM would give Clear Channel unfettered ownership and control of the assets and holdings of AMFM, including AMFM's approximately 28.6 percent equity interest in Lamar.

Clear Channel's acquisition of AMFM's significant equity interest in Lamar may substantially lessen competition in the areas in which Clear Channel/Eller and Lamar compete to provide out-of-home advertising. By acquiring a partial ownership interest in Lamar, Clear Channel will have reduced incentives to compete against Lamar for out-of-home advertisers and will have incentives to charge higher prices than it otherwise would. This is because Clear Channel will indirectly benefit even when a customer chooses Lamar rather than Eller. In addition, Clear Channel's post-merger ownership in Lamar, which would include voting rights, board representation, and certain other rights, would give it the ability directly or indirectly to influence Lamar's business decisions, and would further lessen competition in out-of-home advertising. With these rights, Clear Channel could gain access to competitively sensitive information, which could be used by Clear Channel in an anticompetitive way. Entry into the out-of-home advertising would not be timely, likely or sufficient to mitigate the competitive harm resulting from this aspect of the merger. Hence, the Complaint alleges that the merger would lessen substantially competition between Clear Channel/Eller and Lamar in the provision of out-of-home advertising in local markets, and would result in increased prices and reduced quality of service for advertisers, in violation of section 7 of the Clayton Act.

III. Explanation of the Proposed Final Judgment

The proposed Final Judgment will preserve competition in both the sale of radio advertising time in the Divestiture Cities and the sale of out-of-home advertising in local markets by requiring substantial radio station divestitures and a complete divestiture of AMFM's ownership interest in Lamar ("the Lamar Holdings").

A. Radio Divestitures

The proposed Final Judgment requires Clear Channel to divest 14 radio stations in five markets in the Divestiture Cities (the "Radio Assets") to buyers approved by the United States within one hundred and fifty (150) days after the filing of the Complaint, or five (5) days after notice of the entry of the Final Judgment by the Court, whichever is later. The United States, in the exercise of its sole discretion, may extend this time for two additional thirty (30) days periods.

The divestitures required by the proposed Final Judgment will maintain or reduce Clear Channel's resulting post-merger market shares in radio advertising at levels that either Clear Channel or AMFM possessed (whichever was greater) in each of the Divestiture Cities before the merger,² thereby effectively restoring the pre-merger competitive situation to each of these markets.³ Thus, these divestitures will preserve choices for advertisers and will ensure that radio advertising prices do not increase and services do not decline as a result of the merger.

Under the terms of the proposed Final Judgment, the Radio Assets must be sold to purchasers acceptable to the United States, in its sole discretion. Unless the United States otherwise consents in writing, the divestitures will include all the assets of the stations being divested, and will be accomplished in way that will satisfy the United States, in its sole discretion, that such assets can and will be used as viable, ongoing commercial

² In Allentown, AMFM's premerger share was 49.90 percent; Clear Channel's post-merger share will be 49.90 percent. In Harrisburg, AMFM's premerger share was 41.03 percent; the post-merger share will be 35.90 percent. In Pensacola, AMFM's premerger share was 49.61 percent; the post-merger share will be 19.69 percent. In Denver and Houston, the defendants were able to sell some of the stations required to be divested prior to consummation of their merger. In Denver, without any divestitures, the defendants would have held a post-merger market share of 66.51 percent. They sold five stations before the merger, which brought their market share down to 45.99 percent. After they sell the additional radio station required to be divested under the proposed Final Judgment, they will hold a 45.46 percent share, which is equal to AMFM's original share (i.e., before the merger and any divestitures). In Houston, the parties sold all but five stations before the merger, reducing their combined market share to 41.15 percent. After they make the additional divestitures called for by the proposed Final Judgment, they will hold only a 38.04 revenue share, which is less than AMFM's original share of the Houston market.

³ As noted above, the parties also divested a number of radio stations prior to the filing of the Complaint in order to resolve the Department's concerns about the merger. A similar approach was employed by the Department with respect to those markets: Clear Channel was required to either divest down to its (or AMFM's) premerger market share or to a level that would not warrant competitive concern.

radio businesses. The proposed Final Judgment also requires the defendants to maintain the independence of the Radio Assets, and requires those stations to be kept separate and apart from the defendants' other radio stations. The proposed Final Judgment also contains provisions intended to ensure that these stations will remain viable and aggressive competitors after divestiture.

In addition, the proposed Final Judgment prohibits Clear Channel from entering into certain agreements with other radio stations in the Divestiture Cities without providing at least thirty (30) days' notice to the United States. First, Clear Channel must notify the United States before acquiring any assets of or interest in any other radio station in the Divestiture Cities. Such acquisitions could raise competitive concerns but might be too small to be reported under the Hart-Scott-Rodino ("HSR") premerger notification statute, 15 U.S.C. 18a. Second, Clear Channel may not enter into any joint sales or cooperative selling arrangement with any other radio station in the Divestiture Cities without providing the United States with advance notice. Such arrangements include any Joint Sales Agreement ("JSA"), where one station takes over another station's advertising time, and any Local Marketing Agreement ("LMA"), where one station takes over another station's broadcasting and advertising time, as well as other comparable arrangements. Arrangements whereby Clear Channel would manage, or sell advertising on behalf of, other radio stations in the Divestiture Cities would effectively increase its market share in those cities. Despite their competitive significance, such arrangements also might not be reportable under the HSR Premerger Notification Act. Thus, this provision of the proposed Final Judgment ensures that the United States will receive advance notice of and be able to act, if appropriate to prevent any agreements that might have anticompetitive effects in the Divestiture Cities.

B. Divestiture of the Lamar-Holdings

The proposed Final Judgment also requires the defendants to divest completely, by December 31, 2002, the approximately 28.6 percent equity interest held by AMFM in the Lamar Holdings that Clear Channel acquired as a result of the merger. This divestiture may be made by public offering, private sale, or a combination thereof. However, such stock may not be sold: (1) to any entity that is currently in the out-of-home advertising business without the United States's written approval; or (2)

in a manner that the United States believes could significantly impair Lamar as an effective competitor in the sale of out-of-home advertising.

In merger cases in which the Antitrust Division seeks a divestiture remedy, it requires completion of the divestiture within the shortest time period reasonable under the circumstances. While the time period for divestiture of the Lamar Holdings in this case is significantly longer than the United States ordinarily would accept, the Division has agreed to a longer time in this case because of concerns that a more rapid divestiture of such a large amount of relatively thinly traded stock might harm competition. A complete divestiture in the time period required by the Antitrust Division in the typical case (e.g., four months or less) potentially could adversely affect the price of Lamar stock, thereby increasing the cost of raising additional capital and limiting Lamar's ability to maintain and augment its outdoor advertising portfolio. This would have the effect of reducing Lamar's ability to compete effectively.

The terms of the proposed Final Judgment reflect a balancing of the potential harm to competition that might arise from a divestiture that proceeds either too slowly or too rapidly. By permitting the divestiture of the Lamar Holdings to be accomplished by December 31, 2002, the proposed Final Judgment will accomplish the required divestiture so as to minimize the risk of significant anticompetitive effects from Clear Channel's acquisition of a partial ownership stake in Lamar while at the same time minimizing the risk of any potential adverse effect on Lamar's ability to raise capital and compete effectively. Moreover, other supplementary provisions in the Final Judgment, described below, are designed to reduce the risk that Clear Channel's partial ownership of Lamar could create incentives for anticompetitive activity during the interim period before the completion of the required divestiture.

C. Corporate Governance Restrictions Relating to the Lamar Holdings

During the period that Clear Channel possesses the Lamar Holdings, its ability to participate in the governance of Lamar will be restricted by the proposed Final Judgment. In particular, it must abide by two agreements reached between Clear Channel and Lamar (the "First Amendment to Stockholders Agreement" and the "Amended and Restated Registration Rights Agreement," both of which are attached to the proposed Final Judgment as

Schedules C and D, respectively), which set out the rights and obligations of the parties with respect to issues relating to the governance of Lamar and the sale of its stock. In addition, until the divestiture of the Lamar Holdings, Clear Channel must treat that equity interest in Lamar as a passive investment, and must hold it separate and apart from Clear Channel's other activities and interest. Neither Clear Channel nor its representatives may: exercise any voting rights except as provided in the First Amendment to Stockholders Agreement; participate as officers or directors of Lamar, participate in the selection of Lamar's officers or directors, or participate in any board of directors meetings or committees; exercise any veto rights over Lamar's activities; or obtain nonpublic information about Lamar. In addition, the proposed Final Judgment provides that the two AMFM representatives on the Lamar board—Thomas O. Hicks and R. Steven Hicks—must resign those seats within two days after the merger is consummated.⁴ Collectively, these provisions are intended to promote a "hold separate" relationship between Clear Channel and the Lamar Holdings during the pre-divestiture period and reduce the risk that Clear Channel will influence Lamar's business decisions.

Other provisions in the proposed Final Judgment require that the defendants may not take any action that will in any way impede the divestiture of the Lamar Holdings. In addition, the defendants may not acquire any additional shares of Lamar stock except as a result of certain events, such as a stock split or dividend, where the percentage of their equity interest in Lamar does not increase. Any additional shares so acquired must be divested as part of the Lamar Holdings. Finally, the defendants must appoint someone to oversee the Lamar Holdings, who will be responsible for the defendant's compliance with this portion of the decree.

As a general matter, the Antitrust Division does not believe that decree restrictions dealing with corporate governance arrangements are an appropriate remedy for the anticompetitive effects that might arise from mergers and acquisitions. Such restrictions will have only limited efficacy as long-term protections against anticompetitive effects, and may require ongoing oversight of the conduct of a corporation's internal affairs that neither the Antitrust Division nor a Court is well-suited to perform. The proposed

Final Judgment in this matter adopts such provisions only because of the unique factors that are present here, and only as an interim measure designed to mitigate any anticompetitive incentives that could otherwise arise during the unusually lengthy period permitted for complete divestiture of the Lamar Holdings.

D. Trustee Provisions

In the event that the defendants fail to make any required divestitures of either the Radio Assets or the Lamar Holdings (collectively the "Divestiture Assets") within the time periods set forth in the proposed Final Judgment, a trustee(s) will be appointed by the Court to effect such divestitures. Clear Channel will pay all costs and expenses of any trustee and of any professionals and agents retained by the trustee(s), and may not object to any sale by the trustee(s) on any ground other than malfeasance. After appointment, the trustee(s) will report monthly to the United States and the Court on its efforts to accomplish the required divestitures. If the trustee(s) has not accomplished the divestitures within six (6) months of his or her appointment, the trustee(s) shall inform the Court of his or her efforts to accomplish the required divestitures, the reasons the required divestitures have not been accomplished and the trustee's recommendations.

E. Ban on Reacquisition

The defendants may not reacquire any of the Divestiture Assets or the assets used in the operation of the radio stations listed in Schedule E of the proposed Final Judgment⁵ during the term of the consent decree, which is for ten years unless extended by the Court. Reacquisition of any of the Divestiture Assets would undermine, if not negate, the benefits of the relief obtained in these markets. Accordingly, this provision is necessary to protect the integrity of the relief.

IV. Remedies Available to Potential Private Litigants

Section 4 of the Clayton Act, 15 U.S.C. 15, provides that any person who has been injured as a result of conduct prohibited by the antitrust laws may bring suit in federal court to recover three times the damages the person has suffered, as well as costs and reasonable

⁴ The United States has confirmed that these two individuals resigned on August 30, 2000.

⁵ Schedule E lists the other radio stations in the Denver and Houston MSAs that the parties have already divested under the "fix-it-first" arrangement. Since all the required divestitures in Denver and Houston did not occur under the "fix-it-first" approach, the defendants may not reacquire any of the stations divested in these markets, including those that they divested prior to consummating their merger.

attorneys' fees. Entry of the proposed Final Judgment will neither impair nor assist the bringing of any private antitrust damage action. Under the provisions of section 5(a) of the Clayton Act, 15 U.S.C. 16(a), the proposed Final Judgment has no *prima facie* effect in any subsequent private lawsuit that may be brought against defendants.

V. Procedures Available for Modification of the Proposed Final Judgment

The United States and the defendants have stipulated that the proposed Final Judgment may be entered by the Court after compliance with the provisions of the APPA, provided that the United States has not withdrawn its consent. The APPA conditions entry upon the Court's determination that the proposed Final Judgment is in the public interest.

The APPA provides a period of at least sixty (60) days preceding the effective date of the proposed Final Judgment within which any person may submit to the United States written comments regarding the proposed Final Judgment. Any person who wishes to comment should do so within sixty (60) days of the date of publication of this Competitive Impact Statement in the **Federal Register**. All comments will be given due consideration by the United States Department of Justice, which remains free to withdraw its consent to the proposed Final Judgment at any time prior to its entry. The United States will evaluate and respond to the comments. The comments and the response of the United States will be filed with the Court and published in the **Federal Register**.

Any such written comments should be submitted to: J. Robert Kramer, II, Chief, Litigation II Section, Antitrust Division, United States Department of Justice, 1401 H Street, NW, Suite 3000, Washington, DC 20530.

The proposed Final Judgment provides that the Court retains jurisdiction over this action, and the parties may apply to the Court for any order necessary or appropriate for the modification, interpretation, or enforcement of the Final Judgment, as well as to punish violations of its provisions.

VI. Alternatives to the Proposed Final Judgment

The United States considered as an alternative to the proposed Final Judgment, a full trial on the merits against the defendants. The United States could have brought suit and sought a preliminary and permanent injunction against the merger of Clear Channel and AMFM. The United States

is satisfied, however, that the radio station divestitures, the complete divestiture of the Lamar Holdings, and the other relief contained in the proposed Final Judgment will preserve competition in the sale of radio advertising and out-of-home advertising. Thus, the United States is convinced that the proposed Final Judgment, once implemented by the Court, will prevent the Clear Channel/AMFM merger from having adverse competitive effects.

VII. Standard of Review Under the APPA for Proposed Final Judgment

The APPA requires that proposed consent judgments in antitrust cases brought by the United States be subject to sixty (60) day comment period, after which the Court shall determine whether entry of the proposed Final Judgment is "in the public interest." In making that determination, the Court may consider—

(1) the competitive impact of such judgment, including termination of alleged violations, provisions for enforcement and modification, duration or relief sought, anticipated effects of alternative remedies actually considered, and any other considerations bearing upon the adequacy of such judgment;

(2) the impact of entry of such judgment upon the public generally and individuals alleging specific injury from the violations set forth in the complaint including considerations of the public benefit, if any, to be derived from a determination of the issues at trail.

15 U.S.C. 16(e) (emphasis added). As the United States Court of Appeals for the District of Columbia Circuit held, the APPA permits a court to consider, among other things, the relationship between the remedy secured and the specific allegations set forth in the government's Complaint, whether the decree is sufficiently clear, whether enforcement mechanisms are sufficient, and whether the decree may positively harm third parties. *See United States v. Microsoft Corp.*, 56 F.3d 1448, 1458–62 (D.C. Cir. 1995).

In conducting this inquiry, "the Court is nowhere compelled to go to trial or to engage in extended proceedings which might have the effect of vitiating the benefits of prompt and less costly settlement through the consent decree process."⁶ Rather,

⁶ 119 Cong. Rec. 24598 (1973). *See United States v. Gillette Co.*, 406 F. Supp. 713, 715 (D. Mass. 1975). A "public interest" determination can be made properly on the basis of the Competitive Impact Statement and Response to Comments filed pursuant to the APPA. Although the APPA authorizes the use of additional procedures, 15 U.S.C. § 16(f), those procedures are discretionary. A court need not invoke any of them unless it believes that the comments have raised significant issues

[a]bsent a showing of corrupt failure of the government to discharge its duty, the Court, in making its public interest finding, should * * * carefully consider the explanations of the government in the competitive impact statement and its responses to comments in order to determine whether those explanations are reasonable under the circumstances.

United States v. Mid-America Dairymen, Inc., 1977–1 Trade Cas. ¶ 61,508, at 71,980 (W.D. Mo. 1977).

Accordingly, with respect to the adequacy of the relief secured by the decree, a court may not "engage in an unrestricted evaluation of what relief would best serve the public." *United States v. BNS, Inc.*, 858 F.2d 456, 462 (9th Cir. 1988) (quoting *United States v. Bechtel Corp.*, 648 F.2d 660, 666 (9th Cir.), *cert. denied*, 454 U.S. 1083 (1981)); *see also Microsoft*, 56 F.3d at 1458–62. Precedent requires that:

The balancing of competing social and political interests affected by a proposed antitrust consent decree must be left, in the first instance, to the discretion of the Attorney General. The court's role in protecting the public interest is one of insuring that the government has not breached its duty to the public in consenting to the decree. The court is required to determine not whether a particular decree is the one that will best serve society, but whether the settlement is "within the reaches of the public interest." More elaborate requirements might undermine the effectiveness of antitrust enforcement by consent decree.⁷

The proposed Final Judgment, therefore, should not be reviewed under a standard of whether it is certain to eliminate every anticompetitive effect of a particular practice or whether it mandates certainty of free competition in the future. Court approval of a final judgment requires a standard more flexible and less strict than the standard required for a finding of liability. "[A] proposed decree must be approved even if it falls short of the remedy the court would impose on its own, as long as it falls within the range of acceptability or is 'within the reaches of public interest.'" ⁸

and that further proceedings would aid the court in resolving those issues. *See H.R. Rep. 93–1463*, 93rd Cong. 2d Sess. 8–9 (1974), *reprinted in* 1974 U.S.C.C.A.N. 6535, 6538.

⁷ *Bechtel*, 648 F.2d at 666 (citations omitted) (emphasis added); *see BNS*, 858 F.2d at 463; *United States v. National Broad. Co.*, 449 F. Supp. 1127, 1143 (C.D. Cal. 1978); *Gillette*, 406 F. Supp. at 716. *See also Microsoft*, 56 F.3d at 1461 (whether "the remedies [obtained in the decree are] so inconsonant with the allegations charged as to fall outside of the 'reaches of the public interest'") (citations omitted).

⁸ *United States v. American Tel. and Tel. Co.*, 552 F. Supp. 131, 151 (D.D.C. 1982), *aff'd sub nom. Maryland v. United States*, 460 U.S. 1001 (1983) (quoting *Gillette Co.*, 406 F. Supp. at 716); *see also*

Moreover, the Court's role under the APPA is limited to reviewing the remedy in relationship to the violations that the United States has alleged in its Complaint, and does not authorize the Court to "construct [its] own hypothetical case and then evaluate the decree against that case." *Microsoft*, 56 F.3d at 1459. Since the "Court's authority to review the decree depends entirely on the government's exercising its prosecutorial discretion by bringing a case in the first place," it follows that the court is only authorized to review the decree itself, and not to "effectively redraft the complaint" to inquire into other matters that the United States might have but did not pursue. *Id.*

VIII. Determinative Documents

There are no determinative materials or documents within the meaning of the APPA that were considered by the United States in formulating the proposed Final Judgment.

Dated: November 15, 2000.

Respectfully submitted,

John C. Filippini,

Trial Attorney, Litigation II Section, Antitrust Division, U.S. Department of Justice, 1401 H Street, N.W., Suite 3000, Washington, D.C. 20530, (202) 307-5782.

Certificate of Service

I, John C. Filippini, of the Antitrust Division of the United States Department of Justice, do hereby certify that true copies of the foregoing Competitive Impact Statement were served this 15th day of November, 2000, by first-class mail, to the following:

Charles E. Biggio, Akin, Gump, Strauss, Hauer & Feld, 590 Madison Avenue—20th Floor, New York, NY 10022, (212) 872-1010, Counsel for Clear Channel Communications, Inc.

Phillip E. Proger, Jones, Day, Reavis & Pogue, 51 Louisiana Avenue, N.W., Washington, D.C. 20001-2113, (202) 879-4668, Counsel for Clear Channel Communications, Inc.

Neil W. Imus, Vinson & Elkins, The Willard Office Building, 1455 Pennsylvania Avenue, N.W., Washington, D.C. 20004-1008, (202) 639-6675, Counsel for AMFM Inc.

John C. Filippini.

[FR Doc. 01-87 Filed 2-26-01; 8:45 am]

BILLING CODE 4410-11-M

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—The ATM Forum

Notice is hereby given that, on December 29, 2000, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* ("the Act"), The ATM Forum has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership status. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, Biodata, Lichtenfels, Germany; Polycom, Palo Alto, CA; Symbiont Networks, Inc., Fairfax, VA; MobilCOM City Line GmbH, Buedelsdorf, Germany; ViaSat, Carlsbad, CA; and Ericsson France, Massy Cedex, France have been added as parties to this venture. The following members have changed their names: Wavetek Wandel Goltermann to ACTERENA, Eningen, Germany; Beacon Networks, Inc. to Pelago Networks, Marlborough, MA; Silicon Automation Systems to Sasken Communication Technologies, Inc., Bangalore, India; CoreEl MicroSystems, Inc. to Paxonet, Fremont, CA; LG Information & Communications Ltd. to LG Electronics, Inc., Seoul, Republic of Korea; and Sysconnect to Sysconnect GmbH, Ettlingen, Germany. The following auditing member merged with another subsidiary of their parent company: Ericsson into Ericsson France, Massy Cedex, France. Also, The ATM Forum worldwide headquarters address has changed from Mountain View, CA to St. Louis, MO.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and The ATM Forum intends to file additional written notification disclosing all changes in membership.

On April 19, 1993, The ATM Forum filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on June 2, 1993 (58 FR 31415).

The last notification was filed with the Department on September 29, 2000. A notice was published in the **Federal Register** pursuant to section 6(b) of the

Act on November 24, 2000 (65 FR 70611).

Constance K. Robinson,

Director of Operations, Antitrust Division.

[FR Doc. 01-4704 Filed 2-26-01; 8:45 am]

BILLING CODE 4410-11-M

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Spray Drift Task Force

Notice is hereby given that, on January 12, 2001, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* ("the Act"), Spray Drift Task Force has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership status. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, Cenex/Land O'Lakes Agronomy Company, previously named Agro Distribution, LLC, Sioux City, UT, has requested its membership name changed to Agrialiance, LLC. Also, Merck & Co., Whitehouse Station, NJ has been dropped as a party to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and Spray Drift Task Force intends to file additional written notification disclosing all changes in membership.

On May 15, 1990, Spray Drift Task Force filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on July 15, 1990 (55 FR 27701).

The last notification was filed with the Department on November 1, 2000. A notice has not yet been published in the **Federal Register**.

Constance K. Robinson,

Director of Operations, Antitrust Division.

[FR Doc. 01-4701 Filed 2-26-01; 8:45 am]

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