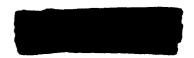
MEMORANDUM



TO:

B. Michael Verne

Premerger Notification Office
Bureau of Competition

Federal Trade Commission

FROM:



DATE:

February 15, 2001

SUBJECT:

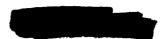
Local Marketing Aureement

We are writing to follow up on the telephone conversation that we had with you on Tuesday, February 6, 2001.

As we discussed, Party A, which owns and controls a radio station, intends to enter into a local marketing agreement ("LMA") with Party B in the near future. The initial term of the LMA will be two years, during which time Party B may exercise an option to purchase the radio station. Party A and Party B have not negotiated a purchase and sale agreement, nor have they applied for the necessary approvals from the Federal Communications Commission to transfer ownership of the radio station.

If Party B chooses to exercise the option within that two-year period of the LMA, Party A and Party B will enter into negotiations for the purchase and sale of the radio station. If the parties do not reach an agreement on the terms of a purchase and sale agreement, Party B will have the ability to extend the LMA for an additional five-year period. For purposes of your





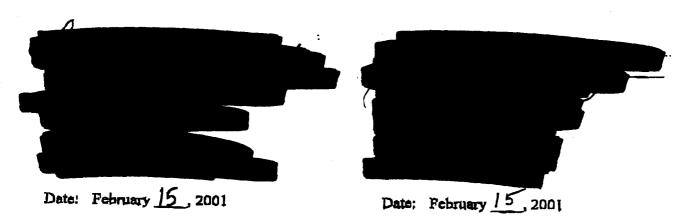
analysis, we asked you to assume that Party B has the present intention of exercising the option to purchase the radio station.

We called to discuss whether the Hart-Scott-Rodino Antitrust Improvements Act, as amended, ("the HSR Act") applies here when the parties have agreed to enter into an LMA, but have not agreed upon, negotiated, or executed a purchase and sale agreement under an option extended to Party B.

Based on our telephone conversation, we understand that the LMA may go effective before an HSR notification and report form is filed with respect to any future transaction resulting from an exercise, by Party B, of its option to open negotiations for a definitive agreement to acquire the radio station, provided that the option is legitimate and not merely a sham designed to circumvent the requirements of the HSR Act.

If you reach a different conclusion after reviewing this letter, please advise us as soon as possible.

Thank you for your attention.



ADVISED THE WRITTER, AFTER CONFERNING WITH DOJ, THAT

THE TEST IS WHETHER THE ACQUIRING JOSSIAN INTENDS TO

EXECUTE THE OPTIME. IF SO, A FILING IS REPUIRED

PAION TO EFFECTIVE THE LIMA.

J. SIBOROV AGAELS .

Brugue Cer