

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into this 13th day of December, 2010, between the City of Saint Paul ("City") and Clear Channel Outdoor, Inc. ("Clear Channel"), a Delaware corporation, as follows:

RECITALS

WHEREAS, on March 8, 2006, the City adopted ordinance § 64.301(a) banning the use of extensions on billboards in the City.

WHEREAS, on August 11, 2006 Clear Channel commenced an action against the City in the United States District Court, District of Minnesota, Case No. 06-CV-3304 (the "lawsuit"), disputing the validity of ordinance § 64.301(a), among other things.

WHEREAS, Clear Channel asserted two causes of action against the City in the lawsuit.

WHEREAS, the first cause of action asserted that the City's actions were arbitrary and capricious and represented an illegal and unconstitutional exercise of police power as it exceeded the authority granted to the City by statute.

WHEREAS, the second cause of action asserted that the City's actions violated the due process and equal protection clauses of the constitution and sought relief under 42 U.S.C. § 1983.

WHEREAS, the City pled and argued several defenses to Clear Channel's causes of action.

WHEREAS, Clear Channel brought a motion for partial summary judgment, seeking judgment on its first cause of action and the City brought a motion for summary judgment seeking to dismiss Clear Channel's claims in full.

WHEREAS, on June 15, 2009, the Honorable Donovan W. Frank entered a judgment, later certified under Fed. R. Civ. P. 54(b) nunc pro tunc, granting Clear Channel's motion for partial summary judgment, denying the City's motion for summary judgment and declaring St. Paul Legislative Code § 64.301(a) unenforceable as a matter of law based upon the factual finding that the record is devoid of any factual basis for the action of the City Council and the enactment of the ordinance is arbitrary and capricious

WHEREAS, the City appealed the June 15, 2009 judgment to the United States Court of Appeals for the Eighth Circuit, Case No. 09-2670.

WHEREAS, on August 25, 2010, the Eighth Circuit entered judgment affirming the district court's judgment.

WHEREAS, there are remaining claims and defenses in the lawsuit that have not been

adjudicated by the court.

WHEREAS, in order to avoid the time, expense, uncertainty and delay of litigation of the remaining claims, the parties wish to fully and finally settle the lawsuit in accordance with the terms and provisions of this Agreement.

AGREEMENT

1. Within thirty (30) days of execution of this Agreement by all parties, the City shall pay Clear Channel the sum of \$25,000.00 (the "Settlement Amount"). The Settlement Amount shall be made payable to Clear Channel Outdoor, Inc. and sent to Marvin A. Liszt, Bernick, Lifson, Greenstein, Greene & Liszt, P.A., 5500 Wayzata Blvd., Suite 1200, Minneapolis, MN 55416. Upon receipt in good funds of the Settlement Amount, Clear Channel shall dismiss with prejudice all of the remaining claims not adjudicated by the court in the lawsuit, including, but not limited to, claims of alleged unconstitutional and unreasonable use of police power, violation of Minn. Stat. § 462.357, subd. 1(e), denial of federal and state due process and equal protection rights, violation of 42 U.S.C. § 1983, and any claims for attorneys' fees and/or costs arising therefrom. Clear Channel and the City shall take appropriate action with the court to effectuate the above dismissal.

2. It is understood and agreed that this settlement is the compromise of a doubtful and disputed claim and that the payment made is not to be construed as an admission of liability on the part of the City, and that the City denies liability therefore and intends merely to avoid further litigation.

3. It is specifically acknowledged and agreed by Clear Channel and the City that this Agreement pertains only to the remaining claims not adjudicated in the lawsuit and does not impact the judgments of the United States District Court, District of Minnesota and the United States Court of Appeals for the Eighth Circuit.

4. It is particularly acknowledged and agreed by Clear Channel and the City that this Settlement Agreement is specific to the facts and circumstances of the lawsuit, and both parties specifically reserve the right to assert any and all legal claims and defenses asserted in the lawsuit, in challenging and/or defending any future action by the City.

5. Clear Channel declares and represents that no promise, inducement or agreement not expressed herein has been made to it, and that this Settlement Agreement contains the entire agreement between the parties hereto, and that the terms of this Agreement are contractual and not a mere recital.

6. This Agreement contains the entire agreement between the parties and the terms of this Agreement shall be contractual and not mere recitals.

7. This Agreement is governed by the laws of the State of Minnesota. In the event that any provision is deemed void, invalid or unenforceable, the remainder of this Agreement shall remain in full force and effect.

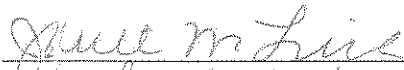
8. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement, their heirs, successors, representatives and assigns.

9. This Agreement may be executed in counterparts, each of which together shall constitute one and the same instrument. A signature transmitted by facsimile or in pdf format via electronic mail shall have the same force and effect as original signatures. This Agreement shall be effective when each counterpart has been executed.

10. Notwithstanding the foregoing, this Agreement is subject to, and becomes effective upon, final formal approval by the City Council. In the event the City Council fails to formally approve this Agreement within 45 days of the date hereof, this Agreement shall be null and void.

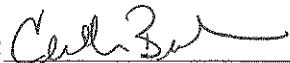
CLEAR CHANNEL OUTDOOR, INC.

Dated: 12/10/2010

By: 
Its: Vice President, General Counsel

THE CITY OF SAINT PAUL

Dated: 12/13/10

By: 
Its: Director, Planning & Economic Development