
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

SCHEDULE TO
(Rule 13e-4)
**TENDER OFFER STATEMENT UNDER SECTION 14(d)(1) OR SECTION 13(e)(1)
OF THE SECURITIES EXCHANGE ACT OF 1934**

CC MEDIA HOLDINGS, INC.
(NAME OF SUBJECT COMPANY (ISSUER) AND FILING PERSON (OFFEROR))

**OPTIONS TO PURCHASE CLASS A COMMON STOCK, PAR VALUE \$0.001 PER SHARE, UNDER THE CLEAR
CHANNEL 2008 EXECUTIVE INCENTIVE PLAN**
(TITLE OF CLASS OF SECURITIES)

12502P102
(CUSIP NUMBER OF CLASS OF SECURITIES)

ROBERT H. WALLS, JR.
EXECUTIVE VICE PRESIDENT, GENERAL COUNSEL AND SECRETARY
CC MEDIA HOLDINGS, INC.
200 EAST BASSE ROAD
SAN ANTONIO, TEXAS 78209
(210) 822-2828

(NAME, ADDRESS AND TELEPHONE NUMBER OF PERSON AUTHORIZED TO RECEIVE
NOTICES AND COMMUNICATIONS ON BEHALF OF THE FILING PERSON)

COPY TO:
JAMES S. ROWE
KIRKLAND & ELLIS LLP
300 NORTH LASALLE
CHICAGO, ILLINOIS 60654
(312) 862-2000

CALCULATION OF FILING FEE

TRANSACTION VALUATION*	AMOUNT OF FILING FEE*
\$2,506,198	\$341.85

* Calculated solely for purposes of determining the filing fee. This amount assumes that options to purchase 2,335,196 shares of Class A common stock of CC Media Holdings, Inc. having an aggregate value of \$2,506,197.54 as of October 17, 2012, will be surrendered and/or cancelled pursuant to this offer. The aggregate value of such options was calculated based on a Black-Scholes valuation model. The amount of the filing fee, calculated in accordance with Rule 0-11 of the Securities Exchange Act of 1934, as amended, equals \$136.40 per million dollars of the value of the transaction.

Check box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: Not applicable Filing party: Not applicable

Form or Registration No.: Not applicable Date Filed: Not applicable

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

third-party tender offer subject to Rule 14d-1.

issuer tender offer subject to Rule 13e-4.

going-private transaction subject to Rule 13e-3.

amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

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ITEM 1. Summary Term Sheet.

(a) The information set forth under “Summary Term Sheet” in the Offer to Exchange, dated October 22, 2012 (the “Offer to Exchange”), attached hereto as Exhibit (a)(1)(i), is incorporated herein by reference.

ITEM 2. Subject Company Information.

(a) The name of the issuer is CC Media Holdings, Inc., a Delaware corporation (“CC Media” or the “Company”), and the address of its principal executive office is 200 East Basse Road, San Antonio, Texas 78209. The telephone number at that address is (210) 822-2828.

(b) This Tender Offer Statement on Schedule TO relates to an offer (the “Offer”) by the Company, to eligible officers and key employees of CC Media and its direct and indirect subsidiaries (“Eligible Persons”), to exchange certain non-qualified stock options to purchase shares of its Class A common stock, par value \$0.001 per share (the “Common Stock”), issued and outstanding under the Clear Channel 2008 Executive Incentive Plan (the “Plan”) with an exercise price equal to \$10.00 per share (the “Eligible Options” or the “Eligible Option awards”), for shares of Common Stock issued under the Plan (the “Replacement Shares” or the “Replacement Share awards”), in an amount equal to 90.0% of the number of shares of Common Stock underlying such person’s Eligible Options tendered and accepted for exchange. Current and former members of the board of directors of CC Media, including any member of the board of directors who also serves as an employee of CC Media or its subsidiaries, will not be eligible to participate in the Offer. The grant date for the Replacement Shares was October 22, 2012, with the Replacement Shares being subject to forfeiture if an Eligible Person becomes ineligible to participate in, or declines to participate in, the Offer. Only Eligible Options that are outstanding on October 22, 2012, held by Eligible Persons during the entire period from and including October 22, 2012 through the expiration of the Offer will be eligible to tender in the Offer. As of September 30, 2012, there were 23,579,852 shares of Class A common stock and Eligible Options to purchase 2,335,196 shares of Class A common stock outstanding.

The information set forth in the Offer to Exchange on the introductory pages and under “Summary Term Sheet,” Section 1 (“Eligibility; Number of Replacement Shares; Expiration Time”), Section 5 (“Acceptance of Eligible Options for Exchange and Retention of Replacement Shares”) and Section 8 (“Source and Amount of Consideration; Terms of Replacement Shares and Additional Shares”) is incorporated herein by reference.

(c) The information set forth in the Offer to Exchange under Section 6 (“Price Range of Common Stock Underlying the Eligible Options”) is incorporated herein by reference.

ITEM 3. Identity and Background of Filing Person.

(a) The Company is both the filing person and the subject company. The information set forth under Item 2(a) above is incorporated herein by reference. The information set forth in Schedule A to the Offer to Exchange is incorporated herein by reference.

ITEM 4. Terms of the Transaction.

(a) The information set forth in the Offer to Exchange under “Summary Term Sheet,” Section 1 (“Eligibility; Number of Replacement Shares; Expiration Time”), Section 3 (“Procedures for Electing to Exchange Eligible Options”), Section 4 (“Withdrawal Rights”), Section 5 (“Acceptance of Eligible Options for Exchange and Retention of Replacement Shares”), Section 7 (“Conditions of this Offer”), Section 8 (“Source and Amount of Consideration; Terms of Replacement Shares and Additional Shares”), Section 11 (“Status of Eligible Options Acquired by Us in this Offer; Accounting Consequences of this Offer”), Section 12 (“Legal Matters; Regulatory Approvals”), Section 13 (“Material U.S. Federal Income Tax Consequences”) and Section 14 (“Extension of Offer; Termination; Amendment”) is incorporated herein by reference.

(b) No members of the board of directors will participate in the exchange offer. The information set forth in the Offer to Exchange under Section 10 (“Interests of Directors, Executive Officers and Affiliates; Transactions and Arrangements Concerning the Eligible Options”) is incorporated herein by reference.

ITEM 5. *Past Contacts, Transactions, Negotiations and Agreements.*

(a) The information set forth in the Offer to Exchange under Section 10 (“Interests of Directors, Executive Officers and Affiliates; Transactions and Arrangements Concerning the Eligible Options”) is incorporated herein by reference.

ITEM 6. *Purposes of the Transaction and Plans or Proposals.*

(a) The information set forth in the Offer to Exchange under Section 2 (“Purpose of this Offer”) is incorporated herein by reference.

(b) The information set forth in the Offer to Exchange under Section 5 (“Acceptance of Eligible Options for Exchange and Retention of Replacement Shares”) and Section 11 (“Status of Eligible Options Acquired by Us in this Offer; Accounting Consequences of this Offer”) is incorporated herein by reference.

(c) The information set forth in the Offer to Exchange under Section 16 (“Additional Information”) is incorporated herein by reference.

ITEM 7. *Source and Amount of Funds or Other Consideration.*

(a) The information set forth in the Offer to Exchange under Section 8 (“Source and Amount of Consideration; Terms of Replacement Shares and Additional Shares”) and Section 15 (“Fees and Expenses”) is incorporated herein by reference.

(b) The information set forth in the Offer to Exchange under Section 7 (“Conditions of this Offer”) is incorporated herein by reference.

(c) Not applicable.

ITEM 8. *Interest in Securities of the Subject Company.*

(a) The information set forth in the Offer to Exchange under Section 10 (“Interests of Directors, Executive Officers and Affiliates; Transactions and Arrangements Concerning the Eligible Options”) is incorporated herein by reference.

(b) The information set forth in the Offer to Exchange under Section 10 (“Interests of Directors, Executive Officers and Affiliates; Transactions and Arrangements Concerning the Eligible Options”) and in Schedule A of the Offer to Exchange is incorporated herein by reference.

ITEM 9. *Person/Assets, Retained, Employed, Compensated or Used.*

(a) Not applicable.

ITEM 10. *Financial Statements.*

(a) The information set forth in the Offer to Exchange under Section 9 (“Information Concerning CC Media Holdings, Inc.”) and Section 16 (“Additional Information”) and the information set forth under Item 6 “Selected Financial Data” and Item 8 “Financial Statements and Supplementary Data” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2011 is incorporated herein by reference.

(b) Not applicable.

ITEM 11. *Additional Information.*

(a) The information set forth in the Offer to Exchange under Section 10 (“Interests of Directors, Executive Officers and Affiliates; Transactions and Arrangements Concerning the Eligible Options”) and Section 12 (“Legal Matters; Regulatory Approvals”) is incorporated herein by reference.

(b) Not applicable.

ITEM 12. *Exhibits.*

The Index to Exhibits attached to this Schedule TO is incorporated herein by reference.

ITEM 13. *Information Required by Schedule 13E-3.*

Not applicable.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

CC MEDIA HOLDINGS, INC.

By: /s/ Robert H. Walls, Jr.

Robert H. Walls, Jr.
Executive Vice President, General
Counsel and Secretary

Dated: October 22, 2012

INDEX TO EXHIBITS

- (a)(1)(i)* Offer to Exchange Certain Outstanding Options to Purchase Class A Common Stock for Shares of Class A Common Stock, dated October 22, 2012.
- (a)(1)(ii)* Form of CC Media 2012 Exchange Program Election Form and Withdrawal Form.
- (a)(1)(iii)* Form of CC Media Holdings, Inc. Restricted Stock Agreement.
- (a)(1)(iv)* Communication to Eligible Persons Announcing the Opening of the Exchange Program, to be delivered via e-mail on or around October 22, 2012.
- (a)(1)(v)* CC Media 2012 Exchange Program Overview Presentation, to be delivered via email on or around October 22, 2012.
- (a)(1)(vi)* Reminder Communication to Eligible Persons.
- (a)(1)(vii) CC Media Holdings, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 2011, filed with the Securities and Exchange Commission on February 21, 2012 is hereby incorporated by reference.
- (b) Not applicable.
- (d)(i) Clear Channel 2008 Executive Incentive Plan is hereby incorporated by reference to Exhibit 10.19 to CC Media's Current Report on Form 8-K filed on July 30, 2008.
- (d)(ii) Form of Senior Executive Option Agreement under the Clear Channel 2008 Executive Incentive Plan is hereby incorporated by reference to Exhibit 10.20 to the CC Media Holdings, Inc. Current Report on Form 8-K filed July 30, 2008.
- (d)(iii) Form of Senior Management Option Agreement under the Clear Channel 2008 Executive Incentive Plan is hereby incorporated by reference to Exhibit 10.22 to the CC Media Holdings, Inc. Current Report on Form 8-K filed July 30, 2008.
- (d)(iv) Form of Executive Option Agreement under the Clear Channel 2008 Executive Incentive Plan is hereby incorporated by reference to Exhibit 10.23 to the CC Media Holdings, Inc. Current Report on Form 8-K filed July 30, 2008.
- (d)(v) Form of CC Media Senior Management Replacement Option Agreement under the Clear Channel 2008 Executive Incentive Plan is hereby incorporated by reference to Exhibit (a)(1)(iii) to the CC Media Holdings, Inc. Schedule TO filed February 18, 2011.
- (d)(vi) Form of CC Media Executive Replacement Option Agreement under the Clear Channel 2008 Executive Incentive Plan is hereby incorporated by reference to Exhibit (a)(1)(iv) to the CC Media Holdings, Inc. Schedule TO filed February 18, 2011.
- (d)(vii) Form of Executive Option Agreement under the Clear Channel 2008 Executive Incentive Plan, dated as of December 31, 2010, between Tom Casey and CC Media Holdings, Inc. is hereby incorporated by reference to Exhibit 10.43 to the CC Media Holdings, Inc. Annual Report on Form 10-K for the year ended December 31, 2010.
- (d)(viii) Form of Executive Option Agreement under the Clear Channel 2008 Executive Incentive Plan, dated as of December 31, 2010, between John Hogan and CC Media Holdings, Inc. is hereby incorporated by reference to Exhibit 10.44 to the CC Media Holdings, Inc. Annual Report on Form 10-K for the year ended December 31, 2010.
- (d)(ix) Form of Executive Option Agreement under the Clear Channel 2008 Executive Incentive Plan, dated as of December 31, 2010, between Robert H. Walls, Jr. and CC Media Holdings, Inc. is hereby incorporated by reference to Exhibit 10.45 to the CC Media Holdings, Inc. Annual Report on Form 10-K for the year ended December 31, 2010.
- (d)(x) Form of Executive Option Agreement under the Clear Channel 2008 Executive Incentive Plan, dated as of May 19, 2011, between Scott Hamilton and CC Media Holdings, Inc. is hereby incorporated by reference to Exhibit 10.63 to the CC Media Holdings, Inc. Annual Report on Form 10-K for the year ended December 31, 2011.
- (g) Not applicable.
- (h) Not applicable.

* Filed electronically herewith.



CC MEDIA HOLDINGS, INC.
OFFER TO EXCHANGE
CERTAIN OUTSTANDING OPTIONS TO PURCHASE CLASS A COMMON STOCK
FOR SHARES OF CLASS A COMMON STOCK
THIS OFFER AND ALL WITHDRAWAL RIGHTS EXPIRE
AT 11:59 P.M., EASTERN STANDARD TIME, ON NOVEMBER 19, 2012
UNLESS THIS OFFER IS EXTENDED OR TERMINATED

The date of this Offer is October 22, 2012

CC Media Holdings, Inc., which is sometimes referred to in this Offer to Exchange as the “Company,” “CC Media,” “our,” “us” and “we,” is offering (the “Offer”) eligible employees of CC Media and its direct and indirect subsidiaries the opportunity to exchange outstanding options to purchase shares of our Class A common stock, par value \$0.001 per share (the “Common Stock”), granted under the Clear Channel 2008 Executive Incentive Plan (the “Plan”) that have a per share exercise price equal to \$10.00, which we refer to as “Eligible Options” or “Eligible Option awards,” for shares of Common Stock, which we refer to as “Replacement Shares” or “Replacement Share awards,” granted as of the date of the commencement of this Offer in an amount equal to 90.0% of the number of shares of Common Stock underlying such person’s Eligible Options tendered and accepted for exchange, on the terms and under the conditions set forth in this Offer to Exchange (the “Exchange Program”).

An individual will be eligible to participate in the Exchange Program provided that, during the entire period from and including October 22, 2012 through the expiration of the Offer, which we refer to as the “Eligibility Period,” he or she satisfies all of the following conditions:

- Is actively employed by CC Media or a subsidiary of CC Media, or is receiving long-term disability benefits from CC Media or a subsidiary of CC Media, or is on one of the following short-term leaves, as defined by CC Media or such subsidiary:
 - Military leave;
 - Short-term disability leave;
 - Family medical leave;
 - Short-term personal leave;
 - Health leave; or
 - Other short-term leave approved by CC Media or such subsidiary; and
- Holds at least one Eligible Option.

Current and former members of the board of directors of CC Media (the “Board”), including any current or former member of the Board who also serves as an employee of CC Media or its subsidiaries, will not be eligible to participate in the Offer.

In this Offer to Exchange, we refer to the individuals who are eligible to participate in the Exchange Program as “Eligible Persons.”

In addition to the Replacement Shares, as of the date of the commencement of this Offer, CC Media granted to each Eligible Person shares of Common Stock, which we refer to as “Additional Shares,” in an amount equal to 65.0% of the number of shares of Common Stock underlying such person’s Eligible Options, subject to the terms and conditions set forth herein. With respect to any Eligible Person who (i) participates in the Offer and (ii) timely delivers a properly completed election under Internal Revenue Code (the “Code”) Section 83(b) (an “83(b) Election”), a form copy of which is attached hereto as Schedule B (an “83(b) Election Form”), and a personalized copy of which will be provided to you shortly after the commencement of the Offer, to CC Media no later than the expiration of the Offer (or November 19, 2012), CC Media intends to, on the terms and conditions described below, repurchase a number of Additional Shares equal in value up to the amount of the federal, state and local tax withholding (“Tax Withholding”) required to be made by CC Media in connection with the exchange, subject to a maximum amount (as described below). The per share repurchase price shall be the value of a share of Common Stock (as determined by CC Media) on the date of the commencement of the Offer. However, the aggregate value of Additional Shares that CC Media will repurchase from all Eligible Persons will not exceed \$3.0 million. Any Additional Shares granted to an Eligible Person in excess of the amount repurchased by CC Media will be forfeited following the repurchase of the Additional Shares, and any Additional Shares granted to an Eligible Person who does not timely deliver a properly completed 83(b) Election Form will be forfeited at the expiration of the Offer. The purchase by CC Media of Additional Shares is referred to herein as the “Tax Assistance Program.”

In this Offer to Exchange, when we refer to a “Section,” unless otherwise indicated, we are referring to a Section of the discussion in this Offer to Exchange under the caption “This Offer,” which begins on page 8.

Each of the Eligible Options that may be exchanged pursuant to this Offer has been granted under the Plan. Replacement Shares and Additional Shares were granted under the Plan, subject to forfeiture if an Eligible Person becomes ineligible to participate in, or declines to participate in, the Offer, and are subject to the terms and conditions set forth in this Offer to Exchange, the CC Media Election to Participate Form, which we refer to as the “Election to Participate Form,” and/or the grant agreement applicable to an Eligible Person’s Replacement Shares, which we refer to as the “Restricted Stock Agreement.” Participation in the exchange and the Tax Assistance Program is entirely voluntary.

If you are an Eligible Person and you elect to participate in the Exchange Program, you must exchange all of your Eligible Options. Partial exchanges of less than all of your Eligible Options are not permitted. If you have previously exercised a portion of an Eligible Option award, only the portion of that grant which has not yet been exercised will be eligible to be exchanged in the Exchange Program.

All Eligible Options that are accepted for exchange pursuant to this Offer will be cancelled following the expiration of this Offer, currently scheduled to expire at 11:59 p.m., EST, on November 19, 2012. An Eligible Option award that is accepted for exchange will no longer be exercisable after the expiration of this Offer, unless the individual who tendered it for exchange ceases to be an Eligible Person before the end of the Eligibility Period, in which event the Replacement Share award and Additional Shares will terminate, expire and/or be forfeited and the Eligible Option award will remain outstanding and exercisable in accordance with its terms, notwithstanding any action the Company may have taken to cancel the Eligible Options or issue the Replacement Shares and/or Additional Shares, which will be void and of no force or effect if the tendering individual ceases to be an Eligible Person before the expiration of the Eligibility Period. If you elect to exchange Eligible Options pursuant to this Offer and your election is accepted, your Eligible Options will be exchanged for Replacement Shares granted under the Plan on the date of the commencement of the Offer. If you are not eligible to participate in the Offer or do not elect to participate in the Offer on the terms set forth herein, any Replacement Shares and Additional Shares granted to you will terminate, expire and/or be forfeited on the expiration date of the Offer.

Each Replacement Share award:

- will be divided equally into two tranches with each tranche vesting, subject to the Eligible Person’s continuing employment, as follows (except in the case of certain senior managers, whose Replacement Shares may have a different vesting schedule):
 - Tranche 1: Tranche 1 Replacement Shares will vest in four equal annual installments on each of the first, second, third and fourth anniversaries of the original grant date(s) of the Eligible Options (and therefore, certain Replacement Shares may be vested immediately upon grant and, depending upon the number of your original grants, may vest over multiple schedules).
 - Tranche 2: Tranche 2 Replacement Shares shall only vest upon our achieving a 1.0x Return to Investor (as defined in the Restricted Stock Agreement).

- will provide that, in the event CC Media were to pay a dividend or other distribution in respect of its Common Stock, Eligible Persons holding vested Replacement Shares will be paid the dividend or distribution, as applicable. Dividends or distributions paid in respect of unvested Replacement Shares will be held by CC Media and paid to the Eligible Person when and if the related Replacement Shares ultimately vest. Any such dividend or distribution, as applicable, would be forfeited upon the related Replacement Shares being forfeited. If an Eligible Person makes an 83(b) Election with respect to their Replacement Shares, any dividends and/or distributions, as applicable, made in respect of unvested Replacement Shares would be taxable. In that event, CC Media intends to distribute from any such dividends and/or distributions, as applicable, an amount intended to cover applicable taxes, with the balance to be held as described above;
- will have a ten-year term from the grant date of the Replacement Shares, such that any unvested Replacement Shares shall be forfeited if they do not vest as of such date;
- will require an Eligible Person to agree that, in connection with a Public Offering (as defined in the Restricted Stock Agreement), upon request of the Company or an underwriter, the Eligible Person will be subject to certain lock-up provisions restricting the Eligible Person's ability to transfer any Replacement Shares during a limited period following such Public Offering; and
- will have the terms and conditions specified in the Restricted Stock Agreement (which, with respect to certain senior managers, may provide for additional restrictions on transfer and amendments to any existing "equity guarantee" arrangement).

Although our Board has approved this Offer, neither we nor our Board makes any recommendation as to whether you should elect to exchange or refrain from electing to exchange your Eligible Options. You must make your own personal decision whether to elect to exchange your Eligible Options pursuant to this Offer. We urge you to consult your personal financial and tax advisors before deciding whether to elect to exchange your Eligible Options.

This Offer is not conditioned upon a minimum aggregate number of Eligible Options being tendered for exchange. This Offer is subject to certain conditions which we describe in Section 7 of this Offer to Exchange.

Shares of our Common Stock are traded on the Over the Counter Bulletin Board ("OTCBB") under the ticker symbol "CCMO". On October 18, 2012, the closing price of one share of our Common Stock on the OTCBB was \$2.92. **We recommend that you obtain current market quotations for our Common Stock before deciding whether to participate in the Exchange Program.**

As of September 30, 2012, options to purchase 4,608,360 shares of our Common Stock had been granted and were outstanding under the Plan. Of these options, Eligible Persons held Eligible Options to purchase a total of 2,335,196 shares of Common Stock under the Plan. Currently, there are 171 Eligible Persons, which includes four named executive officers of CC Media.

IMPORTANT

If you wish to participate in the Exchange Program, an Election to Participate Form, the form of Restricted Stock Agreement applicable to your Replacement Shares and an 83(b) Election Form are included with this Offer. A personalized 83(b) Election Form will be provided to you following the commencement of this Offer.

The completed Election to Participate Form should be sent to CC Media Holdings, Inc.:

- by regular mail to CC Media Holdings, Inc., 200 East Basse Road, San Antonio, Texas 78209, Attn: Stock Plans Department;
- by facsimile to (210) 832-3195; or
- by e-mail to stockplans@clearchannel.com.

To participate, your Election to Participate Form must be *received* by us no later than 11:59 p.m., EST, on November 19, 2012, unless this Offer is extended by us. If your Eligible Options are properly tendered for exchange, and are not properly withdrawn and are accepted by us for exchange, you will receive an individualized Restricted Stock Agreement which must be executed by you following the closing of the Offer.

To be eligible to participate in the Tax Assistance Program, your properly completed 83(b) Election Form(s) must be received by us (pursuant to one of permitted methods set forth above) no later than 11:59 p.m., EST, on November 19, 2012. You are *not* required to make an 83(b) Election to participate in the Offer, but you are required to submit a properly completed 83(b) Election Form(s) to us prior to the expiration of the Offer to participate in the Tax Assistance Program.

CC Media is not making any recommendation, nor has CC Media authorized any person to make any recommendation on our behalf, as to whether you should exchange your Eligible Options or participate in the Tax Assistance Program, or refrain from doing so, pursuant to this Offer. You should rely only on the information contained in this document or other information to which we have referred you. CC Media has not authorized anyone to give you any information or to make any representation in connection with this Offer other than the information and representations contained in this Offer to Exchange, the related Election to Participate Form or the form of Restricted Stock Agreement included with this Offer. If anyone makes any recommendation or representation to you or gives you any information other than the information and representations contained in this Offer to Exchange, the related Election to Participate Form or the Restricted Stock Agreement, you must not rely upon that recommendation, information or representation as having been made or authorized by CC Media.

Nothing in this Offer to Exchange shall be construed to give any person the right to remain in the employ of CC Media or any of its subsidiaries or to affect our right to terminate the employment of any person at any time with or without cause to the extent permitted by law. Nothing in this Offer to Exchange should be considered a contract or guarantee of employment, wages or compensation.

CC Media reserves the right to amend or terminate the Plan at any time, and the grant of any securities under the Plan, or this Offer, does not in any way obligate CC Media to grant additional securities or offer further opportunities to participate in any offer to exchange at any future time. The grant of any securities and any future securities under the Plan or in relation to this Offer is wholly discretionary in nature and is not to be considered part of any normal or expected compensation that is or would be subject to severance, resignation, termination or similar pay, other than to the extent required by applicable law.

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SUMMARY TERM SHEET

The following are answers to some of the questions that you may have about this Offer. We urge you to read the following questions and answers carefully. We also urge you to read the remainder of this Offer to Exchange where you can find a more complete description of the topics in this Summary Term Sheet, the Election to Participate Form, the form of Restricted Stock Agreement and the 83(b) Election Form. Because each Eligible Person is in a different financial situation, we encourage you to consult with your personal financial and tax advisors before deciding whether or not to participate in the Exchange Program. Please review these questions and answers and the other materials provided to ensure that you are making an informed decision regarding whether or not to participate in the Exchange Program and/or the Tax Assistance Program.

The questions and answers have been separated into three categories:

- Exchange Program Design and Purpose
- Administration and Timing of Exchange Program
- Other Important Questions

EXCHANGE PROGRAM DESIGN AND PURPOSE

1. What is the Exchange Program?

The Exchange Program is a program being offered by CC Media to allow Eligible Persons to exchange their Eligible Options. The Exchange Program is entirely *voluntary* and will allow Eligible Persons to choose whether to keep their Eligible Options at the existing exercise prices and existing terms and conditions or to exchange those Eligible Options for fewer shares of Common Stock with different terms and conditions (as described herein). The Exchange Program does not pertain to, and will have no affect on, any securities you own other than Eligible Options.

2. Why are we conducting the Exchange Program?

We have granted stock options to certain of our key employees and executive officers consistent with the view that stock-based incentive compensation plays a key role in our being able to recruit, motivate and retain qualified individuals to serve in leadership roles. While our compensation packages generally include a number of different components, we believe equity compensation is a key component as it encourages members of our leadership team to work toward our success and aligns their interests with those of our stockholders by providing them with a means by which they can benefit from increasing the value of our common stock. We believe that it is beneficial to our stockholders to maintain an incentive pool of shares that can be granted to retain and incentivize our key employees and executive officers.

We granted non-qualified options to purchase shares of our Common Stock under the Plan, of which options to purchase 4,608,360 shares were outstanding as of September 30, 2012. The average option exercise price is significantly higher than the current market price of our Common Stock. Although we continue to believe that stock options are an important component of our compensation program for members of our leadership team, we believe that options with an exercise price significantly greater than the current market price of our Common Stock are perceived by their holders as having a reduced incentive and retention effect. As a result, these options are not providing the incentive and retention value that our Board believes are necessary to ensure our future success and to grow the value of shares of our Common Stock. Therefore, we would like to offer you the opportunity to exchange these Eligible Options for a Replacement Share award, representing a reduced number of shares of Common Stock, subject to certain time-based and/or performance-based vesting restrictions.

3. What are Eligible Options?

Eligible Options are those currently outstanding options to purchase from CC Media shares of CC Media Common Stock that (i) were granted under the Plan, (ii) have a per share exercise price equal to \$10.00 and (iii) are held by Eligible Persons.

4. Who are Eligible Persons?

An individual will be eligible to participate in the Exchange Program provided that, during the entire period from and including October 22, 2012 through the date of the expiration of the Offer, he or she satisfies all of the following conditions:

- Is actively employed by CC Media or a subsidiary of CC Media, or is receiving long-term disability benefits from CC Media or a subsidiary of CC Media, or is on one of the following short-term leaves, as defined by CC Media or such subsidiary:
 - Military leave;
 - Short-term disability leave;

- Family medical leave;
- Short-term personal leave;
- Health leave; or
- Other short-term leave approved by CC Media or such subsidiary; and
- Holds at least one Eligible Option.

5. Who is not eligible to participate in the Exchange Program?

The following individuals are not eligible to participate in the Exchange Program:

- Current and former members of our Board, including any current or former member of our Board who also serves as an employee of the Company or any of its subsidiaries;
- Employees who are not employed by the Company or its subsidiaries on the expiration date of the Offer;
- Retirees; and
- Persons on short-term leave other than one of the short-term leaves described in the answer to Question 4 above.

6. What are Replacement Shares?

Replacement Shares are the shares of Common Stock that have been conditionally granted to Eligible Persons and which may be retained in exchange for tendered and accepted Eligible Options, or forfeited if you do not tender your Eligible Options in the Offer.

7. How are Replacement Shares different from Eligible Options?

Each Replacement Share award represents fewer shares of our Common Stock than the Eligible Option award for which it is exchanged, with different terms and conditions.

Generally, the Eligible Options are divided equally into three tranches. One tranche of the Eligible Options is subject to time-based vesting and vests in equal annual installments. A second tranche of the Eligible Options is eligible to vest in equal annual installments, subject to our achieving a 0.5x Return to Investor (as defined in the stock option agreements governing the Eligible Options). A third tranche of the Eligible Options is eligible to vest in equal annual installments, subject to our achieving a 2.0x Return to Investor (as defined in the stock option agreements governing the Eligible Options). The vesting schedule of each Replacement Share award is described in the answer to Question 9 below.

8. What are Additional Shares?

Participating in the Exchange Program could result in the incurrence (including on an *immediate* basis) of certain tax liabilities by participants. CC Media intends, pursuant to the Tax Assistance Program, to assist participants in satisfying a partial or full amount of this tax obligation. On the date of the commencement of this Offer, CC Media granted Additional Shares to Eligible Persons in an amount equal to 65.0% of the number of shares of Common Stock underlying such person's Eligible Options.

At the conclusion of the Offer, CC Media intends (on the terms and conditions described herein) to repurchase a number of Additional Shares equal in value up to the amount of the Tax Withholding required to be made by CC Media in connection with the exchange, subject to a maximum amount. The per share repurchase price will be the value of a share of Common Stock (as determined by CC Media) on the date of the commencement of the Offer. The aggregate value of Additional Shares that CC Media will repurchase from all Eligible Persons will not exceed \$3.0 million. Any Additional Shares granted to an Eligible Person in excess of the amount repurchased by CC Media will be forfeited at the expiration of the Offer. To be eligible to participate in the Tax Assistance Program, an Eligible Person must (i) participate in the Offer and (ii) submit a properly completed 83(b) Election Form(s) to us prior to the expiration of the Offer. You should note that this program may only cover a portion of your Tax Withholding and any excess amount (which could be material) will be your responsibility.

9. When will the Replacement Shares and Additional Shares vest?

Each Replacement Share award is divided equally into two tranches. One tranche of the Replacement Shares will be subject to time-based vesting and one tranche of the Replacement Shares will be subject to performance-based vesting, in each case, subject to an Eligible Person's continuing employment, as follows (except in the case of certain senior managers, whose Replacement Shares may have a different vesting schedule):

- **Tranche 1:** Tranche 1 Replacement Shares will vest in four equal installments on each of the first, second, third and fourth anniversaries of the grant date of the Eligible Options (and therefore, certain Replacement Shares may be vested immediately upon grant and, in the event that your Eligible Options were granted on different dates, you could have multiple schedules of vesting of Tranche 1 Replacement Shares).
- **Tranche 2:** Tranche 2 Replacement Shares shall only vest upon our achieving a 1.0x Return to Investor (as defined in the Restricted Stock Agreement).

Each Additional Share will be fully vested upon grant, but they may not all be repurchased in connection with the Tax Assistance Program. Any Additional Shares not so repurchased will be forfeited.

10. How many Replacement Shares will I be permitted to retain if I participate in the Exchange Program?

The number of Replacement Shares you are permitted to retain may be determined as follows:

- multiply (i) the number of shares you would have been entitled to purchase pursuant to the Eligible Options you exchanged for Replacement Shares by (ii) 90.0%; and
- round the resulting number up to the nearest whole number.

For example, if an Eligible Person tendered an Eligible Option award representing the right to purchase 101 shares of our Common Stock, the Eligible Person would be permitted to retain a Replacement Share award representing 91 shares of our Common Stock in the exchange.

11. Do I have to participate in the Exchange Program?

No. Participation in the Exchange Program is completely voluntary. Although our Board has approved making this Offer to you, neither CC Media nor the Board is making any recommendation as to your participation in the Exchange Program. The decision to participate must be yours. We urge you to consult with your personal financial and tax advisors for advice on the tax and other investment-related implications of participating in the Exchange Program.

12. When must I be an Eligible Person?

To participate in the Exchange Program, you must be an Eligible Person throughout the entire Eligibility Period, which runs from and includes the date this Offer commences (October 22, 2012) through the expiration of the Offer (currently anticipated to be November 19, 2012). If you are not an Eligible Person throughout the entire Eligibility Period, any election you make to participate in this Offer will be automatically voided, your Replacement Shares and Additional Shares will terminate, expire and/or be forfeited and your existing Eligible Options will remain outstanding in accordance with their current terms and conditions.

13. Does participation in the Exchange Program create a right to continued employment?

No. Your participation in the Exchange Program gives you no legal or other right to continued employment for any period.

14. What happens if I leave CC Media or one of its subsidiaries because my employment is terminated by CC Media or one of its subsidiaries, I die or I otherwise become ineligible at any time during the Eligibility Period?

If you are not an Eligible Person for any reason at any time during the Eligibility Period, including on the expiration of the Offer (currently anticipated to be November 19, 2012), any election you make to participate in the Exchange Program will be automatically voided, your Replacement Shares and Additional Shares will terminate, expire and/or be forfeited and the Eligible Options you tendered for exchange will remain outstanding, in accordance with the terms and conditions of the grant documents for those Eligible Options.

15. Why can't I just retain the Replacement Shares and Additional Shares without being required to forfeit my Eligible Options?

Replacement Shares are intended to replace Eligible Options. Additionally, granting Replacement Shares and Additional Shares to an Eligible Person without requiring such Eligible Person to forfeit his or her Eligible Options could have a negative effect on our stock dilution, outstanding shares and share price.

16. If I participate in the Exchange Program, what will happen to my Eligible Options?

Eligible Options that are accepted for exchange under the Exchange Program will be cancelled on the date the Offer expires. The shares of CC Media Common Stock underlying any cancelled Eligible Options will be available to be awarded under the Plan.

17. What will happen to my Eligible Options if I choose not to participate?

If you choose not to participate in the Offer, your Eligible Options will remain outstanding in accordance with their existing terms, including the existing exercise price, vesting schedule, performance conditions and expiration date.

18. Will my participation in the Exchange Program affect my eligibility to receive future grants?

Participation or non-participation in the Exchange Program will have no effect on your consideration for future security awards.

19. What are the conditions to this Offer?

This Offer is subject to a number of conditions, including the conditions described in Section 7 of this Offer to Exchange. Please read this entire Offer to Exchange for a full description of all of the terms and conditions of this Offer. There is no minimum number of Eligible Options that must be tendered in the aggregate by all Eligible Persons as a condition to this Offer.

ADMINISTRATION AND TIMING OF EXCHANGE PROGRAM

20. How do I participate in the Exchange Program?

Election instructions along with the required documentation to make your exchange election are enclosed with this Offer to Exchange. To participate, you must complete and submit the enclosed Election to Participate Form, which must be received by us no later than 11:59 p.m. EST, on November 19, 2012, unless this Offer is extended by us.

Additionally, to participate in the Tax Assistance Program, you must submit a properly completed 83(b) Election Form(s) to us no later than the expiration of the Offer. You are *not* required to make an 83(b) Election to participate in the Offer, but you are required to submit a properly completed 83(b) Election Form to us on a timely basis to participate in the Tax Assistance Program.

Election to Participate Forms and 83(b) Election Forms may be submitted by any one of the following methods:

- mailed to: CC Media Holdings, Inc., 200 East Basse Road, San Antonio, Texas 78209, Attn: Stock Plans Department;
- faxed to: (210) 832-3195; or
- scanned and e-mailed to: stockplans@clearchannel.com.

Election to Participate Forms and 83(b) Election Forms should *not* be returned via inter-office mail.

If you have any questions about the election process, please send an e-mail directly to stockplans@clearchannel.com. You may also call the Stock Plans Department, at (210) 832-3475. You will have the ability to leave a voice message on this extension.

21. How will I know my Eligible Options were exchanged?

If your Eligible Options are properly tendered for exchange and accepted by us for exchange, you will receive following the expiration of this Offer an individualized Restricted Stock Agreement, which must be executed by you upon receipt.

22. Is CC Media required to accept my Eligible Options for exchange?

We reserve the right to reject any or all Eligible Options tendered for exchange that we determine are not in appropriate form or that we determine are unlawful to accept. Subject to our rights to extend, terminate and amend this Offer, we currently expect that we will accept, promptly after the expiration of this Offer, all Eligible Options properly tendered for exchange that are not validly withdrawn. Additionally, we reserve the right to reject any 83(b) Election Form that we determine is not in appropriate form.

23. How do I obtain information about all of my Eligible Options?

We intend to provide you with an individualized statement setting the number of Eligible Options you hold following the commencement of the Offer. If you still have questions, you may obtain information about your Eligible Options by contacting the Stock Plans Department, at:

Phone: (210) 832-3475
Email: stockplans@clearchannel.com

24. Must I submit my Eligible Option grant documents with my Election to Participate Form?

No. You do not need to submit any Eligible Option grant documents in order to tender Eligible Options for exchange.

25. What is the deadline to elect to participate in the Exchange Program?

The deadline to participate in the Exchange Program is 11:59 p.m., EST, on November 19, 2012, unless this Offer is extended by us. This means that your completed Election to Participate Form (and 83(b) Election Form(s) if you would like to participate in the Tax Assistance Program) must be *received* by us before that time (submitted by the permitted methods set forth in the answer to Question 20 above).

We may, in our discretion, extend this Offer at any time, but we cannot assure you that this Offer will be extended or, if extended, for how long. If this Offer is extended, we will make a public announcement of the extension as described in Section 14 of this Offer to Exchange. If this Offer is extended, you must deliver your Election to Participate Form before the time to which this Offer is extended.

26. What will happen if my Election to Participate Form and/or 83(b) Election Form(s) are not received as required by the deadline?

If your Election to Participate Form is not received by us by the deadline, then you will not be able to participate in the Exchange Program, your Replacement Shares and Additional Shares will terminate, expire and/or be forfeited and all Eligible Options currently held by you will remain unchanged, including the exercise price and number of underlying shares.

If your Election to Participate Form is received by us by the deadline, but a properly completed 83(b) Election Form is not received by us prior to the deadline, you will be able to participate in the Exchange Program, but you will be unable to participate in the Tax Assistance Program and your Additional Shares will terminate, expire and/or be forfeited (and will not be repurchased by us).

27. May I withdraw my election?

Yes. You may withdraw a previously submitted election to exchange Eligible Options (as well as any previously-submitted 83(b) Election Form(s)) at any time before 11:59 p.m., EST, on November 19, 2012. If this Offer is extended by us beyond that time, you can withdraw your election at any time before the time to which this Offer is extended.

28. How do I withdraw my election?

To withdraw your previously submitted Election to Participate Form (as well as any previously-submitted 83(b) Election Form(s)), you must submit a Withdrawal Form, a copy of which is enclosed with this Offer to Exchange, in the same manner set forth in the answer to Question 20 above, and we must receive the Withdrawal Form before the expiration of this Offer at 11:59 p.m., EST, on November 19, 2012, unless we extend the expiration date, in which case withdrawals must be received before such later expiration date and time. It is your responsibility to confirm that we have received your Withdrawal Form before the expiration of this Offer. Withdrawals may not be rescinded and any Eligible Options withdrawn will not be considered to be properly tendered, unless the withdrawn Eligible Options are properly re-tendered before the expiration of this Offer at 11:59 p.m., EST, on November 19, 2012, unless this Offer is extended by us. If you withdraw your election, you must withdraw your election with respect to all of your Eligible Options. Partial withdrawals of less than all of your Eligible Options are not permitted.

29. If I have several different Eligible Option awards, may I elect to exchange one grant but not the others?

No. If you were issued more than one Eligible Option award and you elect to participate in this Offer, you must exchange all of your Eligible Options. Partial exchanges of less than all of your Eligible Options are not permitted.

30. May I exchange the remaining portion of an Eligible Option award that I have already partially exercised?

Yes, any remaining outstanding, unexercised Eligible Options under an award may be exchanged.

31. May I exchange both the vested and unvested portions of an Eligible Option award?

Yes. Each Eligible Option award exchanged must be exchanged in its entirety, whether or not it is partially or fully vested. Each Replacement Share award will become vested according to a new vesting schedule described in the answer to Question 9 above.

32. When will I receive my Replacement Share grant documents?

The form of Restricted Stock Agreement applicable to your Replacement Shares is enclosed herewith. If you elect to participate in the Offer and your Eligible Options are accepted for exchange in the Offer, your individual Restricted Stock Agreement will be sent to you following the expiration of the Offer.

33. What if I participate in the Offer and my employment with CC Media or any of its subsidiaries is terminated after the expiration of the Offer?

If you participate in the Offer and your employment with CC Media or any of its subsidiaries is terminated for any reason after the expiration of the Offer, you will have the rights, if any, set forth in the form of Restricted Stock Agreement.

OTHER IMPORTANT QUESTIONS

34. Are there any U.S. federal income tax consequences to my participation in the Exchange Program or the Tax Assistance Program?

If you participate in the Offer, under current U.S. law, you will recognize ordinary income in an amount equal to the fair market value of the Replacement Shares at the time that such shares are no longer subject to a “substantial risk of forfeiture.” However, in the event that you timely make an 83(b) Election, then you will recognize ordinary income at the time that the Replacement Shares are granted to you in an amount equal to the fair market value of the Replacement Shares at the time that they are granted to you. Furthermore, in the event that you make an 83(b) Election, you will have additional ordinary income equal to the amount paid to repurchase any Additional Shares granted to you. Any of this ordinary income will also be treated as wages for tax purposes and therefore subject to withholding of income tax and employment tax. For additional information on the tax considerations relating to the Offer, the Replacement Shares and the Additional Shares, see Section 13 below titled “Material U.S. Federal Income Tax Consequences.” You should review this information carefully before deciding whether or not to participate in this Offer. You should also consult your personal tax advisor with any questions regarding the tax consequences of participating in the Offer in the context of your own situation.

35. How should I decide whether or not to participate?

The decision to participate must be each individual Eligible Person’s personal decision, and it will depend largely on each Eligible Person’s assumptions about the performance of publicly-traded stocks generally, our own stock price and our business. We encourage you to consult with your personal financial and tax advisors before deciding whether or not to participate in the Exchange Program.

RISK FACTORS

Participation in this Offer involves a number of potential risks and uncertainties, including those described below. The risks and uncertainties below and the risks and uncertainties set forth in our Annual Report on Form 10-K for the fiscal year ended December 31, 2011, filed on February 21, 2012, incorporated herein by reference, highlight the material risks of participating in this Offer. Eligible Persons should consider these risks and uncertainties, among other things, and are encouraged to speak with a financial, tax or legal advisor as necessary before deciding whether or not to participate in this Offer. In addition, we urge you to read all of the materials relating to this Offer before deciding whether or not to tender your Eligible Options for exchange.

Risks Related to this Offer

Your Replacement Shares represent fewer shares of Common Stock than the Eligible Options that you tender for exchange under this Offer.

Your Replacement Shares represent fewer shares of Common Stock than the Eligible Options that may be tendered for exchange. The number of shares of Common Stock represented by the Replacement Shares will be equal to 90.0% of the number of shares of Common Stock underlying such Eligible Person's Eligible Options tendered and accepted for exchange.

The terms of your Replacement Shares and your Eligible Options may vary in several key ways.

The terms of your Replacement Shares and your Eligible Options may vary in several key ways, including with respect to dividend rights. For example, the Restricted Stock Agreement will provide that, in the event CC Media were to pay a dividend or other distribution in respect of Common Stock, Eligible Persons holding vested Replacement Shares will be paid the dividend or distribution, as applicable, but dividends or distributions paid in respect of unvested Replacement Shares will be held by CC Media and paid to the Eligible Person when and if the related Replacement Shares ultimately vest. Any such dividend or distribution, as applicable, would be forfeited upon the related Replacement Shares being forfeited. If Eligible Persons make an 83(b) Election with respect to their Replacement Shares, any dividends and/or distributions made in respect of unvested Replacement Shares would be taxable. In that event, CC Media intends to distribute from any such dividends/distributions an amount intended to cover applicable taxes, with the balance to be held as described above.

Furthermore, the grant of your Replacement Shares will be taxed differently than your Eligible Options would be taxed, as more fully discussed in Section 13 of this Offer to Exchange.

If you are subject to the tax laws of another country, even if you are a resident of the United States, you should be aware that there may be other tax and social insurance consequences that may apply to you. You should consult your own tax advisors to discuss these consequences.

Business-Related Risks

For a discussion of risks associated with our business, please see the discussion of risks under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2011.

THIS OFFER

SECTION 1. Eligibility; Number of Replacement Shares; Expiration Time.

On the date of the commencement of this Offer, we conditionally granted Replacement Shares under the Plan equal to 90.0% of the number of shares of Common Stock underlying Eligible Option awards as of such date. Upon the terms and subject to the conditions of this Offer, Replacement Shares may be retained in exchange for Eligible Options that are properly tendered for exchange and not validly withdrawn in accordance with Section 4 of this Offer to Exchange before the "Expiration Time," as we have defined this term below. The Replacement Shares are subject to forfeiture if an Eligible Person becomes ineligible to participate in, or declines to participate in, the Offer.

Eligible Options are those currently outstanding options to purchase from CC Media shares of Common Stock that (i) were granted under the Plan, (ii) have a per share exercise price equal to \$10.00 and (iii) are held by Eligible Persons.

An individual will be eligible to participate in the Exchange Program provided that during the entire Eligibility Period, which runs from and includes October 22, 2012 through the expiration of the Offer, he or she satisfies all of the following conditions:

- Is actively employed by CC Media or a subsidiary of CC Media, or is receiving long-term disability benefits from CC Media or a subsidiary of CC Media, or is on one of the following short-term leaves, as defined by CC Media or such subsidiary:
 - Military leave;
 - Short-term disability leave;
 - Family medical leave;
 - Short-term personal leave;
 - Health leave; or
 - Other short-term leave approved by CC Media or such subsidiary; and
- Holds at least one Eligible Option.

Current and former members of the Board of CC Media, including any current or former member of the Board who also serves as an employee of CC Media or its subsidiaries, will not be eligible to participate in the Offer.

Even if you are an Eligible Person when the Exchange Program commences, you will only be eligible to retain Replacement Shares in exchange for Eligible Options if you continue to meet all of the conditions of an Eligible Person throughout the entire Eligibility Period, including the date on which the Offer expires.

In addition to the Replacement Shares, as of the date of the commencement of this Offer, CC Media granted to each Eligible Person Additional Shares in an amount equal to 65.0% of the number of shares of Common Stock underlying such person's Eligible Options. At the conclusion of the Offer, CC Media intends, pursuant to the Tax Assistance Program and on the terms and conditions set forth herein, to repurchase a number of Additional Shares equal in value up to the amount of the Tax Withholding required to be made by CC Media in connection with the exchange, up to a maximum amount. The per share repurchase price shall be the value of a share of Common Stock (as determined by CC Media) on the day of the commencement of the Offer. The aggregate value of Additional Shares that CC Media will repurchase from all Eligible Persons will not exceed \$3.0 million. Any Additional Shares granted to an Eligible Person in excess of the amount repurchased by CC Media will be forfeited at the close of the Offer. To be eligible to participate in the Tax Assistance Program, an Eligible Person must (i) participate in the Offer and (ii) submit a timely and properly completed 83(b) Election Form to us.

This Offer's Expiration Time is 11:59 p.m., EST, on November 19, 2012, unless and until we, in our sole discretion, extend the period of time during which this Offer will remain open. If we extend the period during which this Offer remains open, the Expiration Time will be the latest time and date at which this Offer, as so extended, expires. See Section 14 of this Offer to Exchange for a description of our rights to extend, delay, terminate and amend this Offer.

If you elect to participate in the Exchange Program, you must exchange all of your Eligible Option awards. Partial exchanges of less than all of your Eligible Options are not permitted. If you have previously exercised a portion of an Eligible Option award, only the portion of that award which has not been exercised will be eligible to be exchanged for a Replacement Share award.

If you properly tender your Eligible Options and your Eligible Options are accepted for exchange, the exchanged Eligible Options will be cancelled and, subject to the terms of this Offer, you will be permitted to retain your Replacement Share award determined as described in Section 8 of this Offer to Exchange, subject to adjustments for any future stock splits, stock dividends and similar events and in accordance with the terms of the Plan. An Eligible Option award that is accepted for exchange will no longer be exercisable after the expiration of this Offer, unless the individual who tendered it for exchange ceases to be an Eligible Person before the end of the Eligibility Period, in which event the Replacement Share award will terminate, expire and/or be forfeited and the Eligible Option award will remain outstanding and exercisable in accordance with its terms, notwithstanding any action the Company may have taken to cancel the Eligible Option award or issue a Replacement Share award, which will be void and of no force or effect if the tendering individual ceases to be an Eligible Person before the expiration of the Eligibility Period.

Unless prevented by law or applicable regulations, Eligible Options accepted for exchange and cancelled will be replaced with Replacement Shares granted under the Plan.

We did not issue any Replacement Shares exercisable for fractional shares. Instead, if the exchange formula, when applied to an exchange of an Eligible Option award for a Replacement Share award, yields a fractional number of shares, we rounded up to the nearest whole number the shares.

Each Replacement Share award:

- subject to the Eligible Person's continuing employment, will vest as follows (except in the case of certain senior managers, whose Replacement Shares may have a different vesting schedule):
 - Tranche 1: Tranche 1 Options will vest in four equal annual installments on each of the first, second, third and fourth anniversaries of the grant date of the Eligible Options (and therefore, certain Replacement Shares may be vested immediately upon grant and, depending upon the number of your original grants, may vest over multiple schedules).
 - Tranche 2: Tranche 2 Replacement Shares shall vest only upon our achieving a 1.0x Return to Investor (as defined in the Restricted Stock Agreement).
- will provide that, in the event CC Media were to pay a dividend or other distribution in respect of its Common Stock, Eligible Persons holding vested Replacement Shares will be paid the dividend or distribution, as applicable, but dividends or distributions paid in respect of unvested Replacement Shares will be held by CC Media and paid to the Eligible Person when and if the related Replacement Shares ultimately vest. Any such dividend or distribution, as applicable, would be forfeited in the event that the related Replacement Shares were to be forfeited. If Eligible Persons make a timely 83(b) Election with respect to their Replacement Shares, any dividends and/or distributions made in respect of unvested Replacement Shares would be taxable. In that event, CC Media currently expects to distribute from any such dividends and/or distributions an amount intended to cover applicable taxes, with the balance to be held as described herein;
- will have a ten-year term from the grant date of the Replacement Shares, such that any unvested Replacement Shares shall be forfeited if they do not vest as of such date;
- will require an Eligible Person to agree that, in connection with a Public Offering (as defined in the Restricted Stock Agreement), upon request of the Company or an underwriter, the Eligible Person will be subject to certain lock-up provisions restricting the Eligible Person's ability to transfer any Replacement Shares during a limited period following such Public Offering; and
- will have the terms and conditions specified in the Restricted Stock Agreement (which, with respect to certain senior managers, may provide for additional restrictions on transfer and amendments to any existing "equity guarantee" arrangement).

If we materially change the terms of this Offer or the information concerning this Offer, or if we waive a material condition of this Offer, we will extend this Offer in accordance with applicable legal requirements. Except for a change in price, the amount of time by which we will extend this Offer following a material change in the terms of this Offer or information concerning this Offer will depend on the facts and circumstances, including the relative materiality of such terms or information. If we materially change the terms of this Offer we will publish notice or otherwise notify you of our action in writing, in accordance with applicable legal requirements.

SECTION 2. Purpose of this Offer.

We have granted stock options to certain of our key employees and executive officers consistent with the view that stock-based incentive compensation plays a key role in our being able to recruit, motivate and retain qualified individuals to serve in leadership roles. While our compensation packages generally include a number of different components, we believe equity compensation is a key component as it encourages members of our leadership team to work toward our success and aligns their interests with those of our shareholders by providing them with a means by which they can benefit from increasing the value of shares of our Common Stock. We believe that it is beneficial to our shareholders to maintain an incentive pool of shares that can be granted to retain and incentivize our key employees and executive officers.

We granted options to purchase shares of our Common Stock under the Plan, of which options to purchase 4,608,360 shares were outstanding as of September 30, 2012. The exercise price of many of these stock options is significantly higher than the current market price of our Common Stock. Although we continue to believe that stock options are an important component of our compensation program, we believe that options with an exercise price significantly higher than the current market price of our Common Stock are perceived by their holders as having a reduced incentive and retention value due to the difference between the exercise prices and the current market price of our Common Stock. As a result, these options are not providing the incentives and retention value that our Board believes are necessary to our future success and growth in the value of our shares. Therefore, we would like to offer you the opportunity to exchange these Eligible Options for a reduced number of shares of our Common Stock, subject to certain time-based and/or performance-based vesting restrictions.

Neither we nor our Board makes any recommendation as to whether you should elect to exchange your Eligible Options, nor have we authorized any person to make any such recommendation. You are urged to evaluate carefully all of the information in this Offer to Exchange. You must make your own decision whether to elect to exchange your Eligible Options.

SECTION 3. Procedures for Electing to Exchange Eligible Options.

Proper Exchange of Eligible Options. If you wish to participate in the Exchange Program, you should complete and return an Election to Participate Form, which accompanies this Offer to Exchange. Additionally, if you wish to participate in the Tax Assistance Program, you should properly complete and return an 83(b) Election Form(s), which accompanies this Offer to Exchange.

Election to Participate Forms and 83(b) Election Forms should be sent to CC Media Holdings, Inc. by one of the following methods:

- by regular mail to CC Media Holdings, Inc., 200 East Basse Road, San Antonio, Texas 78209, Attn: Stock Plans Department;
- by facsimile to (210) 832-3195; or
- by e-mail to stockplans@clearchannel.com.

Election to Participate Forms and 83(b) Election Forms should **not** be sent via inter-office mail.

To participate in the Offer, your Election to Participate Form must be **received** by us no later than 11:59 p.m., EST, on November 19, 2012, unless this Offer is extended by us. Additionally, to participate in the Tax Assistance Program, your properly completed 83(b) Election Form(s) must be **received** by us no later than 11:59 p.m., EST, on November 19, 2012. You must allow for delivery time to ensure that we receive your original signed copy of the 83(b) Election Form on time. You are **not** required to make an 83(b) Election to participate in the Offer, but you are required to submit a properly completed 83(b) Election Form to participate in the Tax Assistance Program.

If your Eligible Options are properly tendered for exchange and accepted by us for exchange, you will receive following the expiration of the Offer an individual Restricted Stock Agreement that must be executed by you.

The method of delivery of all documents to us, including the Election to Participate Form and 83(b) Election Form(s), is at the election and risk of the electing Eligible Person. It is your responsibility to allow sufficient time to ensure timely delivery to and receipt by us of any documents you elect to send to us.

Determination of Validity; Rejection of Eligible Options; Waiver of Defects; No Obligation to Give Notice of Defects. We will determine, in our sole discretion, all questions as to the validity, form, eligibility, including time of receipt, and acceptance of any documentation relating to the exchange of Eligible Options, including 83(b) Election Forms. Our determination of these matters will be final, conclusive and binding on all persons. We reserve the right to reject any or all Eligible Options tendered for exchange that we determine are not in appropriate form or that we determine are unlawful to accept or are not timely tendered. We also reserve the right, in our reasonable discretion, to waive any of the conditions of this Offer or any defect or irregularity in any tender of Eligible Options for exchange. If we waive any of the conditions of this Offer, we will do so for all Eligible Persons. No tender of Eligible Options for exchange will be deemed to have been properly made until all defects or irregularities have been cured by the electing Eligible Person or waived by us. Neither we nor any other person is obligated to give notice of any defects or irregularities, nor will anyone incur any liability for failure to give any such notice.

Our Acceptance Constitutes an Agreement. Your election to exchange Eligible Options pursuant to the procedures described above constitutes your acceptance of the terms and conditions of this Offer. **Our acceptance of the Eligible Options that you tender for exchange pursuant to this Offer will constitute our binding agreement with you upon the terms and subject to the conditions of this Offer.**

Subject to our rights to extend, terminate and amend this Offer, we currently expect that we will accept promptly after the expiration of this Offer all properly tendered Eligible Options that have not been validly withdrawn.

SECTION 4. Withdrawal Rights.

You may only withdraw your tendered Eligible Options in accordance with the provisions of this Section 4. You may withdraw your tendered Eligible Options at any time before the Expiration Time (11:59 p.m., EST, on November 19, 2012). If the Expiration Time is extended by us, you can withdraw your tendered Eligible Options at any time until the Expiration Time as extended for this Offer.

To validly withdraw tendered Eligible Options, you must submit a properly completed Withdrawal Form. We must *receive* the Withdrawal Form before the Expiration Time. It is your responsibility to confirm that we received your Withdrawal Form indicating the withdrawal of your tendered Eligible Options before the Expiration Time. If you elect to withdraw any Eligible Option award, you will be deemed to have withdrawn all of your Eligible Option awards. Partial withdrawals of less than all of your Eligible Options are not permitted.

Withdrawals that follow the aforementioned procedures will be considered valid and your Eligible Options will not be considered tendered for exchange. In order to subsequently exchange Eligible Options that were subject to a valid withdrawal, you must properly re-tender for exchange those Eligible Options before the Expiration Time by following the procedures described in Section 3 of this Offer to Exchange.

Neither CC Media nor any other person is obligated to give notice of any defects or irregularities in any Withdrawal Form submitted to withdraw previously tendered Eligible Options, nor will anyone incur any liability for failure to give any such notice. We will determine, in our sole discretion, all questions as to the form and validity, including time of receipt, of notices of withdrawal. Our determination of these matters will be final, conclusive and binding.

SECTION 5. Acceptance of Eligible Options for Exchange and Retention of Replacement Shares.

Upon the terms and subject to the conditions of this Offer, including those conditions listed in Section 7 of this Offer to Exchange, and promptly following the expiration of this Offer, we expect to accept for exchange all Eligible Options properly tendered for exchange and not validly withdrawn before the Expiration Time. Once your Eligible Options have been accepted for exchange and cancelled, you will receive an individualized Restricted Stock Agreement, which must be executed by you upon receipt.

If your Eligible Options are properly tendered for exchange and accepted by us, subject to the terms of this Offer, we will cancel your tendered Eligible Options, and you will be permitted to retain the Replacement Shares that were conditionally granted as of the date of the commencement of this Offer.

If you cease to be an Eligible Person at any time during the Eligibility Period, your election to participate in this Offer will be automatically voided, your Replacement Shares and Additional Shares will terminate, expire and/or be forfeited and your existing Eligible Options will remain outstanding and exercisable in accordance with their respective terms, notwithstanding any action the Company may have taken to cancel the Eligible Options or issue Replacement Shares or Additional Shares.

For purposes of this Offer, we will be deemed to have accepted for exchange Eligible Options that are validly tendered for exchange and not properly withdrawn when we distribute to Eligible Persons an individualized Restricted Stock Agreement for execution.

SECTION 6. Price Range of Common Stock Underlying the Eligible Options.

Shares of our common stock are traded on the OTCBB under the ticker symbol “CCMO.” The following quotations obtained from the OTCBB reflect the high and low bid prices for our Class A common stock based on inter-dealer prices, without retail mark-up, mark-down or commission and may not represent actual transactions.

	<u>Class A Common Stock</u>	
	<u>Market Price</u>	
	<u>High</u>	<u>Low</u>
2012		
First Quarter	\$ 6.50	\$ 4.39
Second Quarter	6.50	2.02
Third Quarter	6.00	1.20
Fourth Quarter (through October 15, 2012)	2.60	1.95
2011		
First Quarter	\$ 9.00	\$ 7.25
Second Quarter	9.83	6.00
Third Quarter	8.50	5.00
Fourth Quarter	6.50	4.00
2010		
First Quarter	\$ 4.95	\$ 2.60
Second Quarter	16.00	4.20
Third Quarter	8.00	5.00
Fourth Quarter	11.00	6.00

As of October 18, 2012, the closing price of our Common Stock as reported by the OTCBB was \$2.92 per share. There is no established trading market for employee stock options to purchase shares of our Common Stock.

We recommend that you obtain current market quotations for our Common Stock before deciding whether to participate in the Exchange Program.

SECTION 7. Conditions of this Offer.

Notwithstanding any other provision of this Offer, we will not be required to accept any Eligible Options tendered for exchange, and we may terminate or amend this Offer, or postpone our acceptance and cancellation of any Eligible Options tendered for exchange, in each case subject to rules promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), if at any time on or after the date hereof and prior to the Expiration Time any of the following events has occurred, or has been determined by us to have occurred or to be likely to occur and, in our reasonable judgment, makes it inadvisable to proceed with this Offer:

- (a) there shall have been threatened or instituted or be pending any action or proceeding by any government or governmental, regulatory or administrative agency, authority or tribunal or any other person, before any court, authority, agency or tribunal that directly or indirectly challenges the making of this Offer, the acceptance for exchange or cancellation of some or all of the Eligible Options tendered for exchange pursuant to this Offer or the issuance of Replacement Shares or Additional Shares;
- (b) there shall have been any action threatened, pending or taken, or approval withheld, or any statute, rule, regulation, judgment, order or injunction threatened, proposed, sought, promulgated, enacted, entered, amended, enforced or deemed to be applicable to this Offer or any Eligible Options tendered for exchange, or to us, by any court or any authority, agency or tribunal that would or might directly or indirectly:
 - (i) make the acceptance for exchange of some or all of the Eligible Options tendered for exchange illegal or otherwise restrict or prohibit consummation of this Offer;
 - (ii) delay or restrict our ability, or render us unable, to accept for exchange or cancel some or all of the Eligible Options tendered for exchange;
 - (iii) materially impair (such as by increasing the accounting or other costs of this Offer to us) the contemplated benefits of this Offer to us; or

- (iv) materially and adversely affect the business, condition (financial or other), income or operations of CC Media;
- (c) there shall have occurred:
 - (i) any general suspension of trading in, or limitation on prices for, securities on any national securities exchange or in the over-the-counter market;
 - (ii) the declaration of a banking moratorium or any suspension of payments in respect of banks in the United States, whether or not mandatory, or any limitation, or any event which, in our reasonable judgment, might affect the extension of credit by lending institutions in the United States;
 - (iii) the commencement or escalation of a war, armed hostilities or other international or national crisis directly or indirectly involving the United States;
 - (iv) any limitation, whether or not mandatory, by any governmental, regulatory or administrative agency or authority on, or any event that might affect, the extension of credit by banks or other lending institutions in the United States;
 - (v) any significant increase or decrease in the market value of shares of our Common Stock;
 - (vi) any change in the general political, market, economic or financial conditions in the United States or abroad that could have a material adverse effect on the business, condition (financial or other) or operations of CC Media or on the trading in our Common Stock; or
 - (vii) in the case of any of the foregoing existing at the time of the commencement of this Offer, a material acceleration or worsening thereof.
- (d) a tender or exchange offer with respect to some or all of our common stock, or a merger or acquisition proposal for us, shall have been proposed, announced or made by another person or entity or shall have been publicly disclosed; or
- (e) any change or changes shall have occurred in the business, condition (financial or other), assets, income or operations of CC Media that, in our reasonable judgment, is or may have a material adverse effect on CC Media.

The conditions to this Offer are for our benefit. We may assert them in our sole discretion regardless of the circumstances giving rise to them before the Expiration Time. We may waive them, in whole or in part, at any time and from time to time prior to the Expiration Time, in our reasonable discretion, whether or not we waive any other condition to this Offer. Our failure at any time to exercise any of these rights shall not be deemed a waiver of any such rights. The waiver of any of these rights with respect to particular facts and circumstances shall not be deemed a waiver with respect to any other facts and circumstances. Any determination we make concerning the events described in this Section 7 will be final and binding upon all persons.

SECTION 8. Source and Amount of Consideration; Terms of Replacement Shares and Additional Shares.

Consideration. Subject to applicable laws and regulations, we have issued Replacement Shares under the Plan that may be retained in exchange for outstanding Eligible Options properly tendered for exchange and accepted by us. The number of shares of Common Stock subject to each Replacement Share award conditionally granted pursuant to this Offer was determined as described below.

The number of shares of Common Stock represented by each Replacement Share award is equal to 90.0% of the number of shares represented by each Eligible Option award tendered for exchange at the time immediately prior to the Eligible Option award being cancelled, rounded up to the nearest whole number. We did not issue any Replacement Shares exercisable for fractional shares. Instead, in each case where the exchange formula yielded a fractional number of shares, we rounded up to the nearest whole number of shares. For example, if an Eligible Person tendered an Eligible Option award representing the right to purchase 101 shares of Common Stock, the Eligible Person would be permitted to retain a Replacement Share award representing 91 shares of Common Stock.

Terms of Replacement Shares. Replacement Share awards represent shares of our Common Stock. Certain terms of the Replacement Shares are substantially similar to those of the Eligible Options for which they may be exchanged, except that (i) the Replacement Shares generally are subject to a new vesting schedule and performance conditions as described herein and a new ten-year term from the grant date of the Replacement Shares, (ii) the number of shares underlying the Replacement Share awards is less than the number of shares underlying the Eligible Options they may be exchanged for as described above and (iii) in the event CC Media were to pay a dividend or other distribution in respect of Common Stock, Eligible Persons holding vested Replacement Shares will be paid the dividend/distribution, but dividends or distributions paid in respect of unvested Replacement Shares will be held by CC Media and paid to the Eligible Person when and if the related Replacement Shares ultimately vest, subject to certain terms and conditions.

Your Replacement Share award will be governed by the terms of the CC Media Holdings, Inc. Restricted Stock Agreement, a form of which is included herein, and an executed individualized version of which must be returned by you following Offer if you elect to participate.

In addition to the Replacement Shares, as of the date of the commencement of this Offer, CC Media granted to each Eligible Person the Additional Shares in an amount equal to 65.0% of the number of shares of Common Stock underlying such person's Eligible Options. With respect to any Eligible Person who (i) participates in the Offer and (ii) delivers a properly completed 83(b) Election Form (s) to CC Media no later than the expiration of the Offer, CC Media intends to, on the terms and conditions described below, repurchase a number of Additional Shares equal in value up to the amount of Tax Withholding required to be made by CC Media in connection with the exchange, up to a maximum amount (as described below). The per share repurchase price shall be the value of a share of Common Stock (as determined by CC Media) on the date of the commencement of the Offer. However, the aggregate value of Additional Shares that CC Media will repurchase from all Eligible Persons will not exceed \$3.0 million. Any Additional Shares granted to an Eligible Person in excess of the amount repurchased by CC Media will be forfeited following the repurchase of the Additional Shares, and any Additional Shares granted to an Eligible Person who does not timely deliver a properly completed 83(b) Election Form will be forfeited at the expiration of the Offer.

The terms and conditions of your Eligible Options are set forth in the Eligible Option grant documents evidencing those grants and in the Plan. The description of the Replacement Shares set forth herein is only a summary of some of the material provisions of the Restricted Stock Agreement for those grants and the Plan, but is not complete. These descriptions are subject to, and qualified in their entirety by reference to, the actual provisions of your Restricted Stock Agreement and the Plan. Additional information regarding the Plan may be found in the Form S-8 registration statement and related prospectus prepared by us in connection with the Plan. These documents can be obtained by contacting the Stock Plans Department, at (210) 832-3475 or stockplans@clearchannel.com.

Income Tax Consequences of the Option Exchange. Please refer to Section 13 of this Offer to Exchange for a discussion of the material U.S. federal income tax consequences of the exchange of Eligible Options under this Offer.

Registration and Sale of Shares. All shares of Common Stock issuable pursuant to awards granted under the Plan, including the Replacement Shares and Additional Shares, have been registered under the Securities Act of 1933 on one or more registration statements on Form S-8 filed with the SEC. Unless you are considered an "affiliate" of CC Media, you will be able to sell your Replacement Shares and/or Additional Shares free of any transfer restrictions under SEC Rule 144 promulgated under the Securities Act of 1933.

IMPORTANT NOTE: The statements in this Offer to Exchange concerning the Plan, Replacement Shares and Additional Shares are summaries. The statements are subject to, and are qualified in their entirety by reference to, the provisions of the Plan. Copies of the Plan and its prospectus are available by contacting the Stock Plans Department, at (210) 832-3475 or stockplans@clearchannel.com.

SECTION 9. Information Concerning CC Media Holdings, Inc.

CC Media Holdings, Inc., the parent company of Clear Channel Communications, Inc., is a global media and entertainment company specializing in radio, digital, outdoor, mobile, live events and on-demand entertainment and information services for local communities and providing premier opportunities for advertisers. CC Media is a Delaware corporation, incorporated in 2007. CC Media's principal executive offices are located at 200 East Basse Road, San Antonio, Texas 78209, and CC Media's telephone number is (210) 822-2828. CC Media's Internet address is <http://www.ccmeholdings.com>.

Certain Financial Information. Set forth below is a summary of our financial information. This information is derived from and qualified by reference to our publicly available consolidated financial statements and should be read in conjunction with the financial statements, related notes and other financial information included in the sections entitled "Item 6. Selected Financial Data," and "Item 8. Financial Statements and Supplementary Data" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2011. See Section 16 of this Offer to Exchange for instructions on how you can obtain copies of the SEC reports that contain our audited financial statements and unaudited financial data. For information regarding the accounting consequences of this Offer, see Section 11 of this Offer to Exchange.

**SUMMARY FINANCIAL INFORMATION
OF CC MEDIA HOLDINGS, INC.**

	Years Ended December 31,		Three Months Ended June 30,	Six Months Ended June 30,
	2010	2011	2012	2012
	(unaudited)			
	(in thousands, except per share data)			
Summary of consolidated statements of operations:				
Revenue	\$ 5,865,685	\$ 6,161,352	\$ 1,602,494	\$ 2,963,217
Total operating expenses	5,000,844	5,106,628	1,256,298	2,535,800
Operating income	864,841	1,054,724	346,196	427,417
Consolidated net loss	(462,853)	(268,029)	(27,709)	(175,824)
Net loss per share attributable to CC Media Holdings, Inc. common shareholders—basic and diluted	\$ (5.94)	\$ (3.70)	\$ (0.48)	\$ (2.31)

	As of December 31,		As of June 30,	
	2010	2011	2012	
	(unaudited)			
	(in thousands, except per share data)			
Balance Sheet Data:				
Total current assets	\$ 3,603,173	\$ 2,985,285	\$ 3,055,871	
Total non-current assets	13,857,209	13,556,754	13,395,951	
Total current liabilities	2,098,579	1,428,962	1,484,937	
Total long-term liabilities	22,566,489	22,585,018	22,828,828	
Total shareholders' (deficit)	(7,204,686)	(7,471,941)	(7,861,943)	
Ratio of earnings to fixed charges(a)	-	-	-	

(a) The ratio of earnings to fixed charges was less than 1:1 for each period presented above due to losses incurred by the Company during each respective period. The Company would have needed additional earnings of \$402.4 million and \$617.5 million for the years ended December 31, 2011 and December 31, 2010, respectively, and \$340.4 million for the six months ended June 30, 2012, to achieve coverage of 1:1.

For information regarding the accounting consequences of the exchange offer, see Section 11 (“Status of Eligible Options Acquired by Us in this Offer; Accounting Consequences of this Offer.”) below.

SECTION 10. Interests of Directors, Executive Officers and Affiliates; Transactions and Arrangements Concerning the Eligible Options.

A list of our directors and executive officers as of September 30, 2012 is attached to this Offer to Exchange as Schedule A, which is incorporated by reference. Members of the board of directors of CC Media, including any current or former member of the board of directors who also serves as an employee of CC Media or its subsidiaries, will not be eligible to participate in the Offer. For information with respect to the beneficial ownership of our common stock and stock options by those directors and our named executive officers as of September 30, 2012, please refer to our definitive proxy statement on Schedule 14A filed with the SEC on April 9, 2012 and (i) the Statement of Changes in Beneficial Ownership of Securities on Form 4 filed with the SEC on October 17, 2012 by Robert H. Walls, Jr. and (ii) the Statement of Changes in Beneficial Ownership of Securities on Form 4 filed with the SEC on October 17, 2012 by Robert W. Pittman.

None of CC Media or our subsidiaries, our executive officers, directors or affiliates has effected transactions in options to purchase CC Media common stock or in shares of CC Media common stock during the 60 days prior to October 22, 2012.

Except as described in this Offer to Exchange, our Annual Report on Form 10-K for the fiscal year ended December 31, 2011, our definitive proxy statement on Schedule 14A filed with the SEC on April 9, 2012, and other than outstanding stock options and other awards granted from time to time to certain of our employees (including executive officers) under our compensation and incentive plans, neither we nor any person controlling us nor, to our knowledge, any of our directors or executive officers, is a party to any contract, arrangement, understanding or relationship with any other person relating, directly or indirectly, to the exchange offer with respect to any of our securities (including, but not limited to, any contract, arrangement, understanding or relationship concerning the transfer or the voting of any such securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or the giving or withholding of proxies, consents or authorizations).

SECTION 11. Status of Eligible Options Acquired by Us in this Offer; Accounting Consequences of this Offer.

Each Eligible Option that we acquire pursuant to this Offer and each Additional Share we repurchase or that is forfeited pursuant to the Tax Assistance Program will be cancelled. Subsequently, the shares of Common Stock subject to an exchanged Eligible Option and repurchased or forfeited Additional Share will be available for future awards.

We have adopted the provisions of Financial Accounting Standards Codification Topic 718 (formerly referred to as Financial Accounting Standards Board Statement of Financial Accounting Standards No. 123 (Revised), or SFAS 123(R)), regarding accounting for share-based payments. Under FASC Topic 718, we will recognize the incremental compensation cost of the Replacement Shares. The incremental compensation cost will be measured as the excess, if any, of the fair value of the Replacement Shares exchanged for surrendered Eligible Options, over the fair value of the Eligible Options surrendered in exchange for the Replacement Shares. The fair value of Replacement Shares will be measured as of the date they were granted and the fair value of the Eligible Options surrendered will be measured immediately prior to the cancellation. This incremental compensation cost, which we do not expect to be material, will be recognized in compensation expense ratably over the vesting period of the time-based vesting Replacement Shares. For the performance-based vesting Replacement Shares, compensation cost will be recognized when it becomes probable that the performance conditions will be satisfied. The Additional Shares will be vested on the grant date and compensation cost relating to such Additional Shares will be immediately recognized.

As would be the case with Eligible Options, in the event that any of the Replacement Shares are forfeited prior to their vesting due to termination of employment, the compensation cost for the forfeited Replacement Shares will not be recorded.

Since these factors cannot be predicted with any certainty at this time and will not be known until the expiration of this Offer, we cannot predict the exact amount of the charge that would result from this Offer.

SECTION 12. Legal Matters; Regulatory Approvals.

We are not aware of any license or regulatory permit that appears to be material to our business that might be adversely affected by our grant of Replacement Shares in exchange for Eligible Options and our grant of Additional Shares as contemplated by this Offer. If any approval or other action by any government or governmental, administrative or regulatory authority or agency is required for the acquisition or ownership of the Replacement Shares and Additional Shares and a procedure for obtaining such approval or other action is practically available, we presently contemplate that we will undertake commercially reasonable steps to obtain such approval or take such other action. We are unable to predict whether we may in the future determine that we are required to delay the acceptance of Eligible Options or not accept Eligible Options for exchange pending the outcome of any such matter. We cannot assure you that any such approval or other action, if needed, can be obtained or can be obtained without substantial conditions or that the failure to obtain any such approval or other action might not result in adverse consequences to our business. Our obligation under this Offer to accept Eligible Options tendered for exchange and to permit Eligible Persons to retain Replacement Shares in exchange for Eligible Options tendered for exchange, and to repurchase any Additional Shares, is subject to conditions, including the conditions described in Section 7 of this Offer to Exchange.

SECTION 13. Material U.S. Federal Income Tax Consequences.

The following section provides a general summary of material U.S. federal income tax consequences associated with the Offer and your receipt of Replacement Shares (and, if applicable, Additional Shares), and does not constitute tax advice. The information provided in this section is based on the Code, Treasury Regulations and administrative and judicial authorities as of the date of this Offer, all of which may change, possibly on a retroactive basis. This section does not discuss other federal tax consequences (such as estate and gift taxes) or state, local or non-U.S. tax consequences. This section may not discuss all of the tax consequences that are relevant to you in light of your particular circumstances. You should consult with your tax advisor for further information with respect to the federal, foreign, state, local, employment and any other tax consequences of your participation in the Offer.

If you tender Eligible Options for cancellation in exchange for Replacement Shares, you will recognize income for federal income tax purposes, but the amount and the timing of such income tax will depend upon whether you make an 83(b) Election, as well as the fair market value of the Common Stock underlying the Replacement Shares that you receive. Furthermore, in the event that you receive Additional Shares, you will recognize further income in an amount equal to the total purchase price that you may receive when the Company repurchases the Additional Shares. Any Additional Shares that are not repurchased will be forfeited, and you will not owe any additional tax on account of such forfeited Additional Shares. All of this income would generally be considered wages for purposes of withholding and employment taxes and will therefore be subject to normal withholding of federal and state income tax, as well as applicable employment taxes such as medicare and social security tax. If you participate in the Offer, you are not required to make an 83(b) Election, however, your Additional Shares will be eligible for repurchase by the Company only if you make an 83(b) Election. The general tax consequences of participating the Offer, whether you make an 83(b) Election or not, are summarized below.

If you do not make an 83(b) Election

If you do not make an 83(b) Election, no taxable income will be recognized by you until your Replacement Shares are no longer subject to a “substantial risk of forfeiture” (referred to herein as “Restrictions”), which is generally the time at which you become vested in the Replacement Shares, some of which may be vested as of the closing of the Offer. When any portion of your Replacement Shares becomes no longer subject to the Restrictions, you will recognize ordinary income in an amount equal to the fair market value of the Replacement Shares at such time. The fair market value of a Replacement Share is generally equal to the trading price of a share of the Company’s Common Stock at such time. This ordinary income will be subject to both income and employment tax withholding at such time. In the event that any dividends are paid on your Replacement Shares before the Restrictions lapse, such dividends will be treated as additional wages, and not dividend income, for federal income tax purposes, and will be subject to the same Restrictions as the underlying Replacement Shares on which such dividends were declared.

If you timely elect to make an 83(b) Election

If you timely elect to make an 83(b) Election (no later than the date required under the terms of the Offer), you will include in ordinary income, as wages subject to withholding, at the time the Replacement Shares are first issued, an amount equal to the fair market value of the Replacement Shares at the time they were granted (generally, the closing price on the first day of the Offer), based upon the then current trading price of the Company’s Common Stock. Additionally, you will recognize further wage income in respect of any Additional Shares repurchased by the Company pursuant to the Tax Assistance Program in an amount equal to the total purchase price that you receive on account of these Additional Shares. You should note that, although your Additional Shares would be repurchased as part of the Tax Assistance Program, the actual amount of tax that you may ultimately owe on account of participating in this Offer could be more or less than the amount you receive through the repurchase of your Additional Shares.

In the event that, before the Restrictions on the Replacement Shares lapse, the Replacement Shares which are subject to the 83(b) Election are in effect forfeited, you generally will not be allowed a deduction for the amount included in your income by reason of the 83(b) Election. In such event, the Company will be required to include in its income the amount of any deduction that it had previously taken in connection with your Replacement Shares. In the event that you later sell your Replacement Shares, you will recognize gain in an amount equal to the excess, if any, of the amount received by you upon such sale over your basis in such Replacement Shares (which basis would generally be the amount of ordinary income you previously recognized in connection with such Replacement Shares), which gain would ordinarily be capital gain. In the event that any dividends are paid on your Replacement Shares, such dividends will be treated as dividend income.

Other tax consequences

Your tax basis in the Replacement Shares will generally be equal to the amount of ordinary income you recognize with respect to the receipt of such shares or the lapse of Restrictions thereon. The holding period for purposes of determining gain or loss on a subsequent sale will begin immediately after the transfer of such shares to you if you make an 83(b) Election, or immediately after the Restrictions on such shares lapse, if you do not make an 83(b) Election.

In general, a deduction will be allowed to the Company for federal income tax purposes (subject to the application of Sections 162(m) and 280G of the Code) in an amount equal to the ordinary income recognized by you with respect to Replacement Shares awarded pursuant to the Plan, generally at the same time that you recognize the ordinary income.

In addition to the matters described above, (i) any entitlement to a tax deduction on the part of the Company is subject to applicable federal tax rules, such as limitations under Section 162(m) of the Code with respect to certain named executive officers, and (ii) if the vesting of the Replacement Shares is accelerated because of a change in control, the value of such shares (or a portion thereof), may constitute non-deductible excess parachute payments under Section 280G of the Code, which may be subject to a 20% excise tax on recipients. Officers and directors of the Company subject to Section 16(b) of the Exchange Act may be subject to special tax rules.

As noted above, this discussion is only a summary of material U.S. federal income tax considerations and is not a substitute for professional tax advice. Before you decide whether to participate in the Exchange Program, we urge you to consult with your own tax advisor for an explanation of the federal income and other tax considerations that apply in the context of your own situation.

SECTION 14. Extension of Offer; Termination; Amendment.

We expressly reserve the right, in our sole discretion, at any time and from time to time, and regardless of whether or not any event set forth in Section 7 of this Offer to Exchange has occurred or is deemed by us to have occurred, to extend the period of time during which this Offer is open, and, by doing so, delay the acceptance for exchange of any Eligible Options, by giving oral or written notice of the extension to the Eligible Persons or making a public announcement of the extension.

We also expressly reserve the right, in our reasonable judgment, before the Expiration Time, including the Expiration Time as the same may be extended, to terminate or amend this Offer or to postpone our acceptance and cancellation of any Eligible Options tendered for exchange upon the occurrence of any of the conditions specified in Section 7 of this Offer to Exchange by giving oral or written notice of the termination, amendment or postponement to the Eligible Persons or making a public announcement of the termination, amendment or postponement. If this Offer is terminated or withdrawn, Replacement Shares and Additional Shares will terminate, expire and/or be forfeited and any Eligible Options tendered for exchange will remain outstanding and retain their existing terms, including the existing exercise price, vesting schedule, performance conditions and expiration date. Any termination or withdrawal of this Offer will be treated as if no offer to exchange was ever made.

Subject to compliance with applicable law, we further reserve the right, in our sole discretion, and regardless of whether any event set forth in Section 7 of this Offer to Exchange has occurred or is deemed by us to have occurred, to terminate this Offer or amend this Offer in any respect.

Amendments to this Offer may be made at any time and from time to time by public announcement of the amendment. In the case of an extension of the Expiration Time, the amendment must be announced no later than 9:00 a.m., EST, on the next business day after the last previously scheduled or announced Expiration Time. Any public announcement made pursuant to this Offer will be disseminated promptly to Eligible Persons in a manner reasonably designed to inform Eligible Persons of the change. Without limiting the manner in which we may choose to make a public announcement, except as required by applicable law, we have no obligation to publish, advertise or otherwise communicate any public announcement other than by making a press release. For purposes of this Offer, a "business day" means any day other than Saturday, Sunday or a U.S. federal holiday and consists of the time period from 12:01 a.m. through 12:00 midnight, EST.

If we materially change the terms of this Offer or the information concerning this Offer, or if we waive a material condition of this Offer, we will extend this Offer in accordance with applicable legal requirements. Except for a change in price, the amount of time by which we will extend this Offer following a material change in the terms of this Offer or information concerning this Offer will depend on the facts and circumstances, including the relative materiality of such terms or information. If we materially change the terms of this Offer or the information concerning this Offer, we will publish notice or otherwise notify you of our action in writing, in accordance with applicable legal requirements. If this Offer is scheduled to expire at any time earlier than the expiration of a period ending on the tenth business day from, and including, the date that notice of such material change is first published, sent or given, we will extend this Offer so that this Offer is open at least 10 business days following the publication, sending or giving of such notice.

SECTION 15. Fees and Expenses.

We will not pay any fees or commissions to any broker, dealer or other person for soliciting elections to exchange Eligible Options pursuant to this Offer.

SECTION 16. Additional Information.

This Offer to Exchange is a part of a Tender Offer Statement on Schedule TO that we have filed with the SEC. This Offer to Exchange does not contain all of the information contained in the Schedule TO and the exhibits to the Schedule TO. We recommend that you review the Schedule TO, including its exhibits, and the following materials that we have filed with the SEC before making a decision on whether to exchange Eligible Options:

(a) CC Media Holdings, Inc.'s Quarterly Report on Form 10-Q, for the fiscal quarter ended June 30, 2012, filed with the SEC on August 1, 2012, as amended by CC Media Holding, Inc.'s Form 10-Q/A filed with the SEC on August 3, 2012.

(b) CC Media Holdings, Inc.'s Definitive Proxy Statement for the 2012 Annual Meeting of Shareholders, filed with the SEC on April 9, 2012.

(c) CC Media Holdings, Inc.'s Annual Report on Form 10-K, for the fiscal year ended December 31, 2011, filed with the SEC on February 21, 2012.

(d) CC Media Holdings, Inc.'s registration statement on Form S-8 (registering shares to be granted under the Plan), filed with the SEC on July 30, 2008.

(e) Description of our Class A common stock contained in our registration statement on Form 8-A, filed with the SEC on July 30, 2008.

We hereby incorporate by reference into this Offer to Exchange all documents (other than information furnished under Item 2.02 or 7.01 in Current Reports on Form 8-K) that we file pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this Offer to Exchange and until the expiration of termination of this Offer, and such documents will be a part of this Offer to Exchange from the date of the filing thereof. Any statement contained in this Offer to Exchange or in a document incorporated or deemed to be incorporated by reference into this Offer to Exchange will be deemed to be modified or superseded for purposes of this Offer to Exchange to the extent that a statement contained in this Offer to Exchange or in any other subsequently filed document that also is or is deemed to be incorporated by reference into this Offer to Exchange conflicts with, negates, modifies or supersedes that statement. Any statement that is modified or superseded will not constitute a part of this Offer to Exchange, except as modified or superseded.

These filings, our other annual, quarterly and current reports, our proxy statements and our other SEC filings may be examined, and copies may be obtained, at the following SEC public reference room:

100 F Street, N.E.
Room 1580
Washington, D.C. 20549

Our SEC filings are also available to the public on the SEC's internet site at <http://www.sec.gov> or from our web site at <http://www.ccmediaholdings.com>. The contents of our website are not deemed to be part of the Schedule TO or any other filings with the SEC.

We will also provide, without charge, to each person to whom a copy of this Offer to Exchange is delivered, upon the written or oral request of any such person, a copy of any or all of the documents to which we have referred you, other than exhibits to such documents (unless such exhibits are specifically incorporated by reference into such documents). Requests should be directed to:

CC Media Holdings, Inc.
Attention: Stock Plans Department
200 East Basse Road
San Antonio, Texas 78209

or by telephoning the Stock Plans Department at (210) 832-3475.

The information contained in this Offer to Exchange about CC Media should be read together with the information contained in the documents to which we have referred you.

As you read the foregoing documents, you may find some inconsistencies in information from one document to another. If you find inconsistencies between the documents, or between a document and this Offer to Exchange, you should rely on the statements made in the most recently dated document.

SECTION 17. Miscellaneous.

This Offer to Exchange and our SEC reports referred to above include "forward-looking statements." You can identify these statements by the fact that they do not relate strictly to historical or current facts. They contain words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "may," "can," "could," "might," "should" and other words or phrases of similar meaning. Any or all of the forward-looking statements included in this Offer to Exchange and our SEC reports or other public statements made by us are not guarantees of future performance and may turn out to be inaccurate. This can occur as a result of incorrect assumptions or as a consequence of known or unknown risks and uncertainties. These factors include, among other things, the risk factors and other cautionary statements included in our most recently filed reports on Form 10-K and Form 10-Q. Forward-looking statements speak only as of the date they are made. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

The safe harbor provided in the Private Securities Litigation Reform Act of 1995, by its terms, does not apply to statements made in connection with this Offer.

We are not aware of any jurisdiction where the making of this Offer is not in compliance with applicable law. If we become aware of any jurisdiction where the making of this Offer is not in compliance with any valid applicable law, we will make a good faith effort to comply with that law. If, after a good faith effort, we cannot comply with an applicable law, this Offer will not be made to, nor will elections to exchange Eligible Options be accepted from or on behalf of, the Eligible Persons residing in a jurisdiction where that law is applicable.

We have not made nor have we authorized any person to make on our behalf any recommendation as to whether you should elect to exchange or participate in the Tax Assistance Program (or refrain from doing so) pursuant to this Offer. You should rely only on the information contained in this Offer to Exchange or other information to which we have in this Offer to Exchange referred you. We have not authorized anyone to give you any information or to make any representations in connection with this Offer other than the information and representations contained in this Offer to Exchange, the related Election to Participate Form or Restricted Stock Agreement. If anyone makes any recommendation or representation to you or gives you any information, you must not rely upon that recommendation, representation or information as having been authorized by us.

CC Media Holdings, Inc.
October 22, 2012

SCHEDULE A
INFORMATION CONCERNING THE DIRECTORS AND EXECUTIVE OFFICERS OF
CC MEDIA HOLDINGS, INC.

The directors and executive officers of CC Media Holdings, Inc. and their positions with the Company as of September 30, 2012 are set forth in the following table:

<u>Name</u>	<u>Position</u>
David C. Abrams	Director
Irving L. Azoff	Director
Steven W. Barnes	Director
Richard J. Bressler	Director
Charles A. Brizius	Director
Thomas W. Casey	Executive Vice President and Chief Financial Officer
John P. Connaughton	Director
C. William Eccleshare	Chief Executive Officer—Outdoor
Scott D. Hamilton	Senior Vice President, Chief Accounting Officer and Assistant Secretary
Blair E. Hendrix	Director
John E. Hogan	Chairman and Chief Executive Officer—Clear Channel Media & Entertainment
Jonathon S. Jacobson	Director
Ian K. Loring	Director
Mark P. Mays	Chairman and Director
Randall T. Mays	Director and Vice Chairman
Robert W. Pittman	Director and Chief Executive Officer
Scott M. Sperling	Director
Robert H. Walls, Jr.	Executive Vice President, General Counsel and Secretary

The address of each director and executive officer is: c/o CC Media Holdings, Inc., 200 East Basse Road, San Antonio, Texas 78209.

SCHEDULE B
83(b) Election Form

See attached

B-1

SECTION 83(b) ELECTION

The undersigned taxpayer hereby elects, pursuant to Sec. 83(b) of the Internal Revenue Code of 1986, as amended, to include in gross income as compensation for services the excess (if any) of the fair market value of the shares described below over the amount paid for those shares.

1. The name, taxpayer identification number, address of the undersigned, and the taxable year for which this election is being made are:

TAXPAYER'S NAME: _____

TAXPAYER'S SOCIAL SECURITY NUMBER: _____

ADDRESS: _____

TAXABLE YEAR: Calendar Year 2012

2. The property which is the subject of this election is shares of common stock of CC Media Holdings, Inc. (CCMO).

3. The property was transferred to the undersigned on October __, 2012.

4. The property is subject to the following restrictions: The property is subject to forfeiture if the taxpayer does not satisfy the vesting requirements. The vesting requirement relates to the continued employment of the taxpayer by CC Media Holdings, Inc. (or one of its subsidiaries) and / or certain performance thresholds. _____ shares will become vested in four equal installments on each of the first four annual anniversaries of the deemed grant date provided that the Taxpayer is then so employed. The remaining _____ shares will become vested upon a certain cash return to the investor, but is also subject to the Taxpayer's continued employment on such date. The property is also subject to accelerated vesting under certain circumstances in connection with a termination of employment following a change in control.

5. The fair market value of the property at the time of transfer is:

\$_____ per share x _____ shares = \$_____.

6. The undersigned paid nothing for the shares.

7. The amount to include in gross income is \$_____.

The election will be filed with the Internal Revenue Service office with which taxpayer files his or her annual income tax return not later than 30 days after the date of transfer of the property. A copy of the election also will be furnished to the person for whom the services were performed. Additionally, the undersigned will include a copy of the election with his or her income tax return for the taxable year in which the property is transferred. The undersigned is the person performing the services in connection with which the property was transferred.

Dated: _____

Taxpayer Signature

**CC Media 2012 Exchange Program
Election Form and Withdrawal Form**

**The Offer and withdrawal rights expire at
11:59 p.m., EST, on November 19, 2012
unless the Offer is extended.**

INSTRUCTIONS TO ELECTION TO PARTICIPATE FORM

1. **DEFINED TERMS.** All terms used in this Election to Participate Form but not defined have the meaning given to them in the Offer to Exchange, dated October 22, 2012. References in this Election to Participate Form to “CC Media,” “we,” “us,” “our,” and “ours” mean CC Media Holdings, Inc.

2. **EXPIRATION DATE.** The Offer and any rights to tender or to withdraw a tender of Eligible Options expire at 11:59 p.m., EST, on November 19, 2012, unless the Offer is extended by us.

3. **DELIVERY OF ELECTION TO PARTICIPATE FORM.** If you intend to tender Eligible Options under the Offer, a signed copy of this Election to Participate Form must be *received* by CC Media before **11:59 p.m., EST, on November 19, 2012** (or such later date as may apply if the Offer is extended) by one of the following means:

By Regular Mail

CC Media Holdings, Inc.
200 East Basse Road
San Antonio, Texas 78209
Attention: Stock Plans Department

By Facsimile

CC Media Holdings, Inc.
Attention: Stock Plans Department
Facsimile: (210) 832-3195

By Email (By PDF or similar imaged document file)

stockplans@clearchannel.com

Election to Participate Forms should *not* be sent via inter-office mail.

Your Election to Participate Form will be effective only upon receipt by us. CC Media will accept delivery of the signed Election to Participate Form only by one of the methods of delivery described above. The method of delivery is at your own option and risk. You are responsible for making sure that the Election to Participate Form is delivered to the person indicated above, if applicable. You must allow for delivery time, based on the method of delivery that you choose, to ensure that we receive your Election to Participate Form on time.

You are not required to tender any of your Eligible Options. However, if you choose to participate in the Offer, you must exchange all of your Eligible Options. Partial exchanges of less than all your Eligible Options are not permitted and will be deemed invalid. If CC Media does not receive your signed Election to Participate Form prior to 11:59 p.m., EST, on November 19, 2012, you will be deemed to have elected *not* to participate in the Offer.

You do not need to return your stock option agreements relating to any tendered Eligible Options, as they will be automatically cancelled if we accept your Eligible Options for exchange.

To be eligible to participate in the Tax Assistance Program, your properly completed 83(b) Election Form(s) must be received by us no later than 11:59 p.m., EST, on November 19, 2012. You are *not* required to make an 83(b) Election to participate in the Offer, but you are required to submit a properly completed 83(b) Election Form to us prior to the expiration of the Offer to participate in the Tax Assistance Program. Completed 83(b) Election Form(s) should be sent to CC Media Holdings, Inc. by one of permitted methods set forth above.

4. **WITHDRAWAL OF ELECTION.** Tenders of Eligible Options made under the Offer may be withdrawn at any time before 11:59 p.m., EST, on November 19, 2012, unless we extend the expiration date, in which case withdrawals must be received before such later expiration date and time.

To withdraw tendered Eligible Options, a properly completed and signed Withdrawal Form must be sent to the attention of Stock Plans Department, by facsimile to (210) 832-3195, by regular mail to CC Media Holdings, Inc., 200 East Basse Road, San Antonio, Texas 78209, or by email to stockplans@clearchannel.com. Withdrawals may not be rescinded and any Eligible Options withdrawn will not be considered to be properly tendered, unless the withdrawn Eligible Options are properly re-tendered before the expiration date by following the procedures described in Instruction 3 above.

If you withdraw your election, you must withdraw your election with respect to all of your Eligible Options. Partial withdrawals of less than all of your Eligible Options are not permitted.

5. **SIGNATURES.** Please sign and date this Election to Participate Form. Except as described in the following sentence, this Election to Participate Form must be signed by the Eligible Person who holds the Eligible Options to be tendered exactly as such Eligible Person's name appears on the applicable option agreements relating to the Eligible Options to be tendered. If the signature is by an attorney-in-fact or another person acting in a fiduciary or representative capacity, the signer's full title and proper evidence of the authority of such person to act in such capacity must be identified on this Election to Participate Form.

6. **REQUESTS FOR ASSISTANCE OR ADDITIONAL COPIES.** Any questions or requests for assistance regarding the Offer (including requests for additional or hard copies of the Offer to Exchange, the Eligible Option Information Sheet, this Election to Participate Form, the 83(b) Election Form or the form of Restricted Stock Agreement applicable to your Replacement Shares) should be directed to stockplans@clearchannel.com or by telephone at (210) 832-3475.

7. **IRREGULARITIES.** We will determine all questions as to the number of shares of Class A common stock subject to Eligible Options tendered and the validity, form, eligibility (including time of receipt) and acceptance of any tender of Eligible Options. Subject to any order or decision by a court or arbitrator of competent jurisdiction, our determination of these matters will be final and binding on all parties. We may reject any or all tenders of Eligible Options that we determine are not in appropriate form or that we determine are unlawful to accept. We may waive any defect or irregularity in any tender with respect to any particular Eligible Option or any particular Eligible Person before the expiration of the Offer. No Eligible Options will be accepted for exchange until the Eligible Person exchanging the Eligible Options has cured all defects or irregularities to our satisfaction, or they have been waived by us, prior to the expiration date. **Neither we nor any other person is obligated to give notice of any defects or irregularities involved in the exchange of any Eligible Options.**

8. **CONDITIONAL OR CONTINGENT OFFERS.** CC Media will not accept any alternative, conditional or contingent tenders.

9. **IMPORTANT TAX INFORMATION.** You should refer to Section 13 of the Offer to Exchange, which contains important tax information. We encourage you to consult with tax advisors if you have questions about your financial or tax situation.

ELECTION TO PARTICIPATE FORM

To: CC Media Holdings, Inc.
200 East Basse Road
San Antonio, Texas 78209
Attention: Stock Plans Department
Facsimile: (210) 832-3195
Email: stockplans@clearchannel.com

I acknowledge that:

- (i) I tender to CC Media for exchange all of my Eligible Options and understand that, upon acceptance by CC Media, this Election to Participate Form will constitute a binding agreement between CC Media and me. I understand that partial exchanges of less than all of my Eligible Options are not permitted.
- (ii) I understand that if I validly tender my Eligible Options for exchange, and such Eligible Options are accepted and cancelled, I will retain Replacement Shares in an aggregate amount equal to 90.0% of the number of shares represented by each Eligible Option award tendered for exchange at the time immediately prior to the Eligible Option award being cancelled, rounded up to the nearest whole number. In addition, in connection with the Tax Assistance Program and subject to the conditions set forth in the Offer to Exchange, I may be eligible to sell certain Additional Shares granted to me in an amount up to the amount of Tax Withholding required to be made by CC Media in connection with the exchange, subject to a maximum amount (as described further in the Offer to Exchange).
- (iii) I understand that all unvested Replacement Shares will be forfeited upon any termination of my employment.
- (iv) I understand that any unvested Replacement Share will expire 10 years from the grant date, such that any unvested Replacement Shares will be forfeited if they do not vest as of such date.
- (v) I understand that the Replacement Shares and Additional Shares have been granted under the Clear Channel 2008 Executive Incentive Plan.
- (vi) I understand that my Replacement Shares, including the vesting of such shares, will be governed by the terms of the form of CC Media Restricted Stock Agreement (a copy of which I've received).
- (vii) I understand that the Replacement Shares have different terms and conditions than the Eligible Options cancelled in the Offer, including but not limited to with respect to vesting and dividend rights (as more fully described in the Offer to Exchange and as set forth in the CC Media Restricted Stock Agreement).
- (viii) CC Media has advised me to consult with my own advisors as to the consequences of participating or not participating in the Offer or making, or not making, an 83(b) Election, including my personal tax advisor with any questions regarding the tax consequences of participating in the Offer in the context of my own situation.
- (ix) To remain eligible to tender Eligible Options for exchange and cancellation pursuant to the Offer, I understand that I must remain an Eligible Person and must not have received nor have given a notice of termination of employment with CC Media or any of its subsidiaries prior to the date and time that the Offer expires, which is scheduled to be 11:59 p.m., EST, on November 19, 2012, unless the Offer is extended by CC Media. I understand that if I die or my employment by CC Media or any of its subsidiaries terminates for any reason prior to the expiration date of the Offer, CC Media will not accept my Eligible Options for cancellation, my Replacement Shares and Additional Shares will terminate, expire and/or be forfeited and I or my estate or beneficiaries, as the case may be, will retain my Eligible Options with their current terms and conditions.
- (x) I understand that neither the ability to participate in the Offer nor actual participation in the Offer will be construed as a right to continued employment with CC Media or any of its subsidiaries.
- (xi) I understand that in accordance with Sections 7 and 14 of the Offer to Exchange, CC Media may terminate, modify or amend the Offer and postpone its acceptance and cancellation of any Eligible Options that I have tendered for exchange. In any such event, I understand that the Eligible Options tendered for exchange but not accepted will remain in effect with their current terms and conditions.

- (xii) I understand that this election is entirely voluntary, and I am aware that I may withdraw my decision to tender my Eligible Options at any time until the Offer expires as described in the Instructions to this Election to Participate Form. **I understand that this decision to tender my Eligible Options will be irrevocable at 11:59 p.m., EST, on November 19, 2012, unless the Offer is extended by CC Media.**
- (xiii) I hereby sell, assign and transfer to CC Media all right, title and interest in and to all of my Eligible Options, and I agree that I shall have no further right or entitlement to purchase any shares of CC Media's common stock under the Eligible Options on the date CC Media accepts those Eligible Options for exchange and cancellation. I understand that my death or incapacity will not affect CC Media's authority to take the actions described in the Offer with respect to Eligible Options that I have tendered for exchange and that have been accepted for cancellation, and such authority will survive my death or incapacity. All of my obligations under this election form will be binding upon my heirs, personal representatives, successors and assigns.
- (xiv) I understand that if I want to participate in the Tax Assistance Program, that I must submit a timely and properly completed 83(b) Election Form in the manner set forth in the Offer to Exchange.
- (xv) I agree to all of the terms and conditions of the Offer.

Eligible Person's Signature

Date

Eligible Person's Name (please print or type)

(a)(1)(ii)-4

NOTE TO ELIGIBLE PERSONS IN COMMUNITY PROPERTY STATES:

If you are married and reside in a state the laws of which provide that a spouse has a community property interest in the Eligible Options, in order to elect to tender your Eligible Options your spouse must execute the Spousal Consent below. Under the Consent, your spouse agrees to be bound, and agrees that any such community property interest shall similarly be bound, by this Election to Participate Form. States with community property laws are Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington and Wisconsin.

Your failure to provide your spouse's signature constitutes your representation and warranty to CC Media that either you are not married or your spouse has no community or other marital property rights in the Eligible Options or Replacement Shares or Additional Shares. You should consult your personal outside advisors if you have questions about the Spousal Consent below.

Spousal Consent

The undersigned spouse of the Eligible Person who has executed this Election to Participate Form above has read and hereby approves the submission of this Election to Participate Form. The undersigned agrees to be irrevocably bound by this Election to Participate Form and further agrees that any community property interest of the undersigned will similarly be bound by this Election to Participate Form. The undersigned appoints the Eligible Person who has executed this Election to Participate Form above as his/her attorney-in-fact with respect to any amendment or exercise of any rights under this Election to Participate Form, the Withdrawal Form or any 83(b) Election Form.

Spouse's Signature

Date

Spouse's Name (please print or type)

WITHDRAWAL FORM

COMPLETE AND RETURN THIS FORM ONLY IF YOU HAVE CHANGED YOUR MIND AND YOU DO NOT WANT TO EXCHANGE YOUR ELIGIBLE OPTIONS

To: CC Media Holdings, Inc.
200 East Basse Road
San Antonio, Texas 78209
Attention: Stock Plans Department
Facsimile: (210) 832-3195
Email: stockplans@clearchannel.com

Before signing this Withdrawal Form, please make sure you have received, read and understand the documents that make up this Offer, including (1) the Offer to Exchange Certain Outstanding Options to Purchase Class A Common Stock for Shares of Class A Common Stock (the "Offer to Exchange" or the "Offer"), dated October 22, 2012; (2) the applicable form of Restricted Stock Agreement included with the Offer; (3) the 83(b) Election Form, (4) the Election to Participate Form; and (5) this Withdrawal Form. You signed and returned the Election to Participate Form, in which you elected to ACCEPT CC Media Holding, Inc.'s ("CC Media") offer to exchange certain stock options to purchase shares of its Class A common stock, par value \$0.001 per share, issued and outstanding under the Clear Channel 2008 Executive Incentive Plan (the "Plan"), with an exercise price equal to \$10.00 per share (the "Eligible Options"), for shares of Common Stock issued under the Plan (the "Replacement Shares") in an amount equal to 90.0% of the number of shares of Common Stock underlying your Eligible Options tendered and accepted for exchange, on the terms and under the conditions set forth in the Offer to Exchange.

You should submit this form only if you now wish to change that election and REJECT CC Media's offer with respect to ALL of your Eligible Options.

If you would like to withdraw your election to accept the Offer with respect to ALL of your Eligible Options, please check the box below and complete and sign this Withdrawal Form and submit by any one of the following methods:

- mail to: CC Media Holdings, Inc., 200 East Basse Road, San Antonio, Texas 78209, Attn: Stock Plans Department;
- fax to: (210) 832-3195; or
- scan and e-mailed to: stockplans@clearchannel.com.

CC Media must receive the Withdrawal Form before the expiration of the Offer at 11:59 p.m., EST, on November 19, 2012, unless CC Media extends the expiration date, in which case withdrawals must be received before such later expiration date and time. It is your responsibility to confirm that CC Media has received your Withdrawal Form before the expiration of the Offer. If you withdraw your election, you must withdraw your election with respect to ALL of your Eligible Options; partial withdrawals of less than all of your Eligible Options are not permitted.

If you withdraw your acceptance of the Offer, your Replacement Shares and Additional Shares will terminate, expire and/or be forfeited and your existing Eligible Options will remain outstanding in accordance with their current terms and conditions.

CC Media will determine, in its discretion, all questions as to the validity, form, eligibility, including time of receipt, and acceptance of any Withdrawal Forms. CC Media's determination of these matters will be final and binding on all parties. CC Media reserves the right to reject any withdrawal forms that it determines are not in appropriate form or that CC Media determines are unlawful to accept. CC Media also reserves the right to waive any of the conditions of the Offer or any defect or irregularity in any Withdrawal Form or for any particular eligible person, provided that CC Media grants any such waiver, it will be granted with respect to all eligible persons and tendered options. No withdrawal of options will be deemed to have been properly made until all defects or irregularities have been cured by the withdrawing eligible person or waived by CC Media. Neither CC Media nor any other person is obligated to give notice of any defects or irregularities in Withdrawal Forms, nor will anyone incur any liability for failure to give any notice.

You may change this withdrawal, and again elect to accept the Offer with respect to your Eligible Options by submitting a new Election to Participate Form prior to the expiration of the Offer at 11:59 p.m., EST, on November 19, 2012, unless this Offer is extended by CC Media.

If you have any questions, please contact the Stock Plans Department at (210) 832-3475.

If you wish to withdraw your acceptance of the Offer, please check the box below and sign this Withdrawal Form and print your name exactly as it appears on the Election to Participate Form.

I wish to withdraw my election to accept the Offer with respect to ALL of my Eligible Options and instead REJECT the Offer with respect to ALL of my Eligible Options. I do not wish to accept the Offer with respect to my Eligible Options.

Employee Signature

Employee Name (Please print)

Date and Time

(a)(1)(ii)-7

**CC MEDIA HOLDINGS, INC.
RESTRICTED STOCK AGREEMENT**

This Restricted Stock Award Agreement (the “Agreement”) dated [DATE] (the “Agreement Date”) is being entered into by CC Media Holdings, Inc., a Delaware corporation (the “Company”) and [Grantee’s Name] (the “Grantee”) pursuant to the Clear Channel 2008 Executive Incentive Plan (as amended from time to time, the “Plan”).

WHEREAS, the Company launched an Offer to Exchange (the “Exchange Program”) pursuant to which the Grantee was offered an opportunity to exchange certain outstanding options (the “Eligible Options”) to purchase shares of the Company’s Class A Common Stock, par value \$0.001 per share (the “Common Stock”), granted pursuant to the Plan that have a per share exercise price equal to \$10.00, in exchange for the award of a reduced number of shares of restricted Common Stock previously granted to the Grantee in connection with the Exchange Program; and

WHEREAS, the Grantee has elected to participate in the Exchange Program and tender the Grantee’s Eligible Options in exchange for the restricted Common Stock, subject to the terms and conditions provided herein.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises contained herein and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **Grant of Restricted Stock.** This Agreement evidences the grant by the Company to the Grantee of two separate grants of Shares of Common Stock of the Company (collectively, the “Restricted Stock”), on the terms provided in the Plan and set forth in this Agreement, in the aggregate amount of [NUMBER] Shares of Restricted Stock. The initial grant of Restricted Stock, in the amount of [NUMBER] Shares of Restricted Stock, are referred to herein as the “Replacement Shares,” and the second grant of Restricted Stock, in the amount of [NUMBER] Shares, are referred to herein as the “Additional Shares.” The Additional Shares were forfeited and/or repurchased as described in Section 5 as of the closing of the Exchange Program. Except as otherwise provided by the Plan, the Grantee agrees and understands that nothing contained in this Agreement provides, or is intended to provide, the Grantee with any protection against potential future dilution of the Grantee’s interest in the Company for any reason, and no adjustments shall be made for dividends in cash or other property, distributions or other rights in respect of any Restricted Stock, except as otherwise specifically provided for in the Plan or this Agreement. The Grantee acknowledges and agrees that by electing to participate in the Exchange Program, the [NUMBER(S)] Options (the “Eligible Options”) that were previous granted to the Grantee pursuant to the Plan on [DATE(S), respectively] (the “Original Grant Date[(s)]”) have expired and the Grantee has no further rights thereunder.

2. **Period of Restriction; Delivery of Unrestricted Shares.** Until the Restricted Stock vests in accordance with this Agreement, the Restricted Stock shall bear a legend indicating that the Restricted Stock is restricted and that the transfer of such stock is restricted. When shares of Restricted Stock awarded by this Agreement vest, the Grantee shall be entitled to receive unrestricted Shares. If the stock certificates of the Restricted Stock contain legends restricting the transfer of such shares, the Grantee shall be entitled to receive new stock certificates free of such legends (except any legends requiring compliance with securities laws); provided however, that for the avoidance of doubt, any shares of Restricted Stock that vest pursuant to this Agreement shall be subject to Section 16[and/or the other restrictions described in Exhibit A].

3. Dividends and Other Distributions. The Grantee shall be entitled to receive all dividends and other distributions paid with respect to the Replacement Shares, provided that any such dividends or other distributions will be subject to the same vesting requirements as the Replacement Shares to which they relate, and, to the extent declared prior to vesting, shall be paid at the same time that such Replacement Shares vest pursuant to Section 4 hereof. In the event that such Replacement Shares are forfeited, any dividends or distributions previously declared with respect to such Replacement Shares shall also be immediately forfeited. If any dividends or distributions are paid in Shares, the Shares shall be deposited with the Company and shall be subject to the same restrictions on transferability and forfeitability as the Replacement Shares with respect to which they were declared. Notwithstanding the foregoing, in the event that a dividend or other distribution is paid in respect of any unvested Replacement Shares with respect to which the Grantee has completed an election under Section 83(b) of the Code in accordance with the Exchange Program (such timely election referred to herein as an “83(b) Election”), the Company shall pay to the Grantee in cash a portion of such dividend or distribution in an amount equal to the amount that is payable by the Grantee in federal, state or local taxes on account of such dividend or distribution prior to the time that the Replacements Shares to which they relate vest, in such amount as determined by the Company in its sole discretion; provided, however, that for the avoidance of doubt, any portion so paid shall reduce the amount later owed to the Grantee in the event that such distribution or dividend later becomes vested and payable.

4. Vesting. The grant of Restricted Stock evidenced by this Agreement shall be unvested as of the date of grant and shall not be vested for purposes of this Agreement (and shall be subject to forfeiture) until all applicable vesting conditions set forth in this Section 4 are satisfied.

(a) Tender of Eligible Options. One hundred percent (100%) of the Restricted Stock granted hereunder shall be immediately terminated and forfeited if (i) the Eligible Options are not accepted for exchange in the Exchange Program prior to the earlier of the closing or the withdrawal of the Exchange Program, [or] (ii) the Grantee’s Employment terminates for any reason before the closing of the Exchange Program[, or] (iii) the Grantee does not execute and deliver to the Company the amendment to the Employment Agreement attached hereto as Exhibit B before the closing of the Exchange Program]. For the sake of clarity, if the Eligible Options are not accepted for any reason (including, but not limited to, a termination or withdrawal of the Exchange Program or the Grantee not otherwise qualifying for the Exchange Program)[, or the Grantee does not execute the amendment to the Employment Agreement], the Restricted Stock shall be immediately forfeited and the grantee shall have no further rights hereunder.

(b) Vesting of Replacement Shares. The Replacement Shares shall be divided equally into two tranches: 50% of the total Replacement Shares (rounded up to the nearest number of whole Shares) shall be "Tranche 1 Shares" and the remaining Replacement Shares shall be "Tranche 2 Shares." During the Grantee's Employment, the Replacement Shares shall vest as follows:

(i) Tranche 1 Shares: The Tranche 1 Shares shall vest with respect to 25% of the total Tranche 1 Shares on each of the first, second, third and fourth annual anniversaries of [Original Grant Date(s)], provided that the Grantee's Employment continues through such time. The Company acknowledges and agrees that, for the avoidance of doubt, a portion of this vesting condition may have been satisfied prior to the date hereof.

(ii) Tranche 2 Shares: The Tranche 2 Shares shall vest upon the achievement of a Qualifying Return to Investor, provided that the Grantee's Employment continues through such time.

(c) Vesting of Additional Shares. In the event that the Grantee made an 83(b) Election in accordance with the terms of the Exchange Program, the Grantee vested in such portion of the Additional Shares that were repurchased, as acknowledged in Section 5. Any Additional Shares in excess of such amount were forfeited to the Company for no consideration as of the closing of the Exchange Program. In the event that the Grantee did not make an 83(b) Election in accordance with the terms of the Exchange Program, the Additional Shares were forfeited to the Company for no consideration. As of the date hereof, the Grantee acknowledges and agrees that the Grantee has no further rights to the Additional Shares.

(d) Termination of Employment.

(i) Subject to Section 4(d)(ii) (or any other written agreement between the Company and the Grantee with respect to vesting and termination of Shares granted under the Plan), (A) the Restricted Stock shall only vest on the dates specified above if the Grantee is then, and has continuously been, an Employee, and (B) any Restricted Stock that is not vested pursuant to the terms of Section 4 as of the Grantee's termination of Employment shall be immediately forfeited to the Company for no consideration and the Grantee shall have no further rights to such forfeited Restricted Stock.

(ii) In the event of the Grantee's termination of Employment by the Company without Cause during the twelve (12) months following a Change of Control, 100% of the then outstanding and unvested Tranche 1 Shares shall immediately vest.

(e) Expiration. Any Replacements Shares that do not vest pursuant to their terms prior to [DATE] shall immediately expire as of such date.

5. Repurchase of Additional Shares. In the event that the Grantee timely made an 83(b) Election in accordance with the Exchange Program, then the Grantee acknowledges and agrees that the Grantee's vested Additional Shares were previously repurchased in accordance with the Exchange Program, and that any Additional Shares that were not so repurchased were previously forfeited for no consideration. In the event that the Grantee did not make an 83(b) Election in accordance with the Exchange Program, the Grantee acknowledges and agrees that the Additional Shares were forfeited for no consideration and that the Grantee has no further rights to the Additional Shares. The Grantee acknowledges and agrees that it was the Grantee's sole responsibility to timely remit to the Company (in accordance with the Exchange Program) an executed 83 (b) Election, and by executing this Agreement, the Grantee releases the Company and any of its Affiliates from any and all claims, actions, causes of action, suits, damages, judgments, expenses, demands and other obligations or liabilities, whatsoever, in law or in equity, in each case, whether absolute or contingent, liquidated or unliquidated, known or unknown, with respect to the Additional Shares, other than their right to the purchase price previously paid to them with respect to the Additional Shares.

6. Withholding. The Company shall have the power and the right to deduct or withhold, or require the Grantee to remit to the Company, an amount sufficient to satisfy any federal, state, local and foreign taxes of any kind (including, but not limited to, the Grantee's FICA and SDI obligations) which the Company, in its sole discretion, deems necessary to be withheld or remitted to comply with the Code and/or any other applicable law, rule or regulation with respect to the Restricted Stock (the "Withholding Tax"). In the event that any previously withheld amounts are insufficient to satisfy the Withholding Tax on account of the Restricted Stock, the Grantee shall remit to the Company, at the time required by the Company, an amount sufficient to satisfy the Withholding Tax or shall have made other arrangements satisfactory to the Company with respect to the Withholding Tax. Subject to applicable law, in lieu of such remittance, the Company may satisfy the Withholding Tax from any source of funds available to the Company and otherwise payable to Grantee, including salary or bonus payments. To the extent that the Grantee does not satisfy the Withholding Tax as determined by the Company, the Grantee shall forfeit the shares of Restricted Stock with respect to which the Withhold Tax has not been satisfied to the satisfaction of the Company.

7. Nontransferability. The shares of Restricted Stock, and any rights and interests with respect thereto, issued under this Agreement and the Plan shall not, prior to vesting, be sold, exchanged, transferred, assigned or otherwise disposed of in any way by the Grantee (or any beneficiary of the Grantee), other than by testamentary disposition by the Grantee or the laws of descent and distribution. Any attempt to sell, exchange, transfer, assign, pledge, encumber or otherwise dispose of or hypothecate in any way any of the Restricted Stock, or the levy of any execution, attachment or similar legal process upon the Restricted Stock, contrary to the terms and provisions of this Agreement and/or the Plan shall be null and void and without legal force or effect. Notwithstanding the foregoing, following vesting of any Restricted Stock, the Shares granted hereunder shall continue to be subject to any restrictions provided in Section 2 or any other agreement that may be in effect between the Grantee and the Company or any of its affiliates.

8. Effect on Employment. Neither this Agreement nor the grant of Restricted Stock hereunder shall give the Grantee any right to be retained in the employ of the Company or its Affiliates, affect the right of the Company or its Affiliates to discharge or discipline such Grantee at any time, or affect any right of such Grantee to terminate his or her employment at any time.

9. Non-Competition, Non-Solicitation, Non-Disclosure. The Board shall have the right to cancel, modify, rescind, suspend, withhold or otherwise limit the Restricted Stock, including, without limitation, canceling or rescinding this Agreement if the Board determines that the Grantee is not in compliance with any non-competition or non-solicitation or non-disclosure agreement with the Company and such non-compliance has not been authorized in advance in a specific written waiver from the Company. In addition, in the event of any such violation of such agreement (without the advance written consent of the Company) that occurs during the period following termination of employment covered by any such agreement, the Company may require that (a) the Grantee forfeit to the Company the Shares then held by the Grantee that were received in respect of this Agreement for no consideration; or (b) the Grantee remit or deliver to the Company (i) the amount of any gain realized upon the sale of any Shares then held by the Grantee that were received in respect of this Agreement, and (ii) any consideration received upon the exchange of any the Shares then held by the Grantee that were received in respect of this Agreement (or the extent that such consideration was not received in the form of cash, the cash equivalent thereof valued at the time of the exchange). The Company shall have the right to offset, against any Shares then held by the Grantee that were received in respect of this Agreement, any amounts to which the Company is entitled as a result of Grantee's violation of the terms of any non-competition, non-solicitation or non-disclosure agreement with the Company or Grantee's breach of any duty to the Company. Accordingly, Grantee acknowledges that (x) the Company may withhold delivery of Restricted Stock, (y) the Company may place the proceeds of any sale or other disposition of shares in respect of the Restricted Stock in an escrow account of the Company's choosing pending resolution of any dispute with the Company, and (z) the Company has no liability for any attendant market risk caused by any such delay, withholding, or escrow. The Grantee acknowledges and agrees that the calculation of damages from a breach of an agreement with the Company or of any duty to the Company would be difficult to calculate accurately and that the right to offset or other remedy provided for herein is reasonable and not a penalty. The Grantee further agrees not to challenge the reasonableness of such provisions even where the Company rescinds, delays, withholds or escrows Shares or proceeds or uses those Shares or proceeds as a setoff.

10. Provisions of the Plan. This Agreement and the Restricted Stock issued hereunder are subject to the provisions of the Plan, which are incorporated herein by reference. By accepting this Agreement, the Grantee acknowledges and agrees that a copy of the Plan has been furnished to the Grantee. In the event of any conflict between the terms of this Agreement and the Plan, the terms of this Agreement shall control.

11. Definitions. Initially capitalized terms not otherwise defined herein shall have the meaning provided in the Plan. Otherwise initially capitalized terms shall have the meaning provided for below:

“Affiliate” means, with respect to any specified Person, (a) any other Person that directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, such specified Person, or (b) if such specified Person is a natural person, any member of the immediate family of such specified Person. For the purposes of this Agreement, “control” (including, with correlative meanings, the terms “controlling,” “controlled by” and “under common control with”), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this Agreement, none of the Company or any of its subsidiaries will be considered an Affiliate of any of the Sponsors or any of their respective Affiliates or Affiliated Funds.

“Affiliated Fund” means, with respect to any specified Person, (a) an investment fund that is an Affiliate of such Person or that is advised by the same investment adviser as such Person or by an Affiliate of such investment adviser or such Person or, with respect to a Person that is a Sponsor or an Affiliate of a Sponsor, (b) any other partnership, limited liability company or other legal entity controlled (i) jointly by the Sponsors and/or their respective Affiliates or (ii) individually by a single Sponsor and/or its Affiliates, in each case (i) and (ii) that is formed to invest directly or indirectly in the Company and that is designated as an Affiliate by the Sponsor or Sponsors that control, or whose Affiliates control, such entity.

“Cause” shall have the meaning ascribed to such term in any employment agreement or other similar agreement between the Grantee and the Company or any of its subsidiaries, or, if no such agreement exists or the provisions of such agreements conflict, means (a) the Grantee’s failure to perform (other than by reason of disability), or material negligence in the performance of, his or her duties and responsibilities to the Company or any of its Affiliates; (b) material breach by the Grantee of any provision of this Agreement or any employment or other written agreement; or (c) other conduct by the Grantee that is materially harmful to the business, interests or reputation of the Company or any of its Affiliates.

“Change of Control” means (a) any consolidation or merger of the Company with or into any other corporation or other Person, or any other corporate reorganization or transaction (including the acquisition of capital stock of the Company), whether or not the Company is a party thereto, after which the Sponsors and their respective Affiliated Funds and Affiliates do not directly or indirectly control capital stock representing more than 25% of the economic interests in and 25% of the voting power of the Company or other surviving entity immediately after such consolidation, merger, reorganization or transaction; (b) any sale or other transaction or series of related transactions, whether or not the Company is a party thereto, after which in excess of 50% of the Company’s voting power is owned directly or indirectly by any Person and its “affiliates” or “associates” (as such terms are defined in the rules adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended), other than the Sponsors and their respective Affiliated Funds and Affiliates (or a group of Persons that includes such Persons); or (c) a sale of all or substantially all of the assets of the Company to any Person and the “affiliates” or “associates” of such Person (or a group of Persons acting in concert), other than the Sponsors and their respective Affiliated Funds and Affiliates (or a group of Persons that includes such Persons).

“Investor Shares” means Shares of any type held by Clear Channel Capital IV, LLC and any successors in interest thereto and Clear Channel Capital V, L.P. and any successors in interest thereto, (each, an “Investor”) and shall include any stock, securities or other property or interests received by the Investors in respect of Investor Shares in connection with any stock dividend or other similar distribution, stock split or combination of shares, recapitalization, conversion, reorganization, consolidation, split-up, spin-off, combination, repurchase, merger, exchange of stock or other transaction or event that affects the Company’s capital stock occurring after the date of issuance.

“Person” means any natural person or individual, partnership, corporation, company, association, trust, joint venture, limited liability company, unincorporated organization, entity or division, or any government, governmental department or agency or political subdivision thereof.

“Public Offering” means a public offering and sale of shares of common stock of the Company, for cash pursuant to an effective registration statement under the Securities Act of 1933, as amended.

“Qualified Public Offering” means the first underwritten Public Offering after the date hereof pursuant to an effective registration statement (other than on Form S-4, S-8 or a comparable form) in connection with which the Company or any of the Sponsors or their respective Affiliates or Affiliated Funds receives sale proceeds therefrom.

“Qualifying Return to Investor” means the return to the Sponsors and their respective Affiliates and Affiliated Funds, measured in the aggregate, on their cash investment to purchase Investor Shares, taking into account the amount of all cash dividends and cash distributions to the Sponsors and their respective Affiliates and Affiliated Funds in respect of their Investor Shares and all cash proceeds to the Sponsors and their respective Affiliates and Affiliated Funds from the sale or other disposition of such Investor Shares.

“Sponsors” shall mean Bain Capital (CC) IX L.P. and its Affiliates and THL Equity Fund VI, L.P. and its Affiliates.

12. Compliance with Laws. The issuance of the Restricted Stock or unrestricted shares pursuant to this Agreement shall be subject to, and shall comply with, any applicable requirements of any foreign and U.S. federal and state securities laws, rules and regulations (including, without limitation, the provisions of the Securities Act, the Exchange Act and in each case any respective rules and regulations promulgated thereunder) and any other law or regulation applicable thereto. The Company shall not be obligated to issue the Restricted Stock or any of the shares pursuant to this Agreement if any such issuance would violate any such requirements.

13. Section 409A. Notwithstanding anything herein or in the Plan to the contrary, the shares of Restricted Stock are intended to be exempt from the applicable requirements of Section 409A of the Code and shall be limited, construed and interpreted in accordance with such intent.

14. Governing Law. All questions concerning the construction, validity and interpretation of this Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to the choice of law principles thereof

15. General. For purposes of this Agreement and any determinations to be made by the Administrator or the Committee, as the case may be, hereunder, the determinations by the Administrator or the Committee, as the case may be, shall be final and binding upon the Grantee and any transferee.

16. Lock-Up. The Grantee agrees that in connection with a Public Offering, upon the request of the Company or the managing underwriters(s) of such Public Offering, the Grantee will not sell, transfer, make any short sale of, loan, grant any option for the purchase of, pledge, enter into any swap or other arrangement that transfers any of the economic ownership, or otherwise encumber or dispose of the Restricted Stock or any portion thereof for such period as the Company or such managing underwriter(s), as the case may be, may request, commencing on the effective date of the registration statement relating to such Public Offering and continuing for not more than 90 days (or 180 days in the case of any Public Offering up to and including the Qualified Public Offering), except with the prior written consent of the Company or such managing underwriter (s), as the case may be. The Grantee also agrees that he or she will sign a “lock up” or similar arrangement in connection with a Public Offering on terms and conditions that the Company or the managing underwriter(s) thereof deems necessary or desirable.

17. Consent. By signing this Agreement, the Grantee acknowledges and agrees that:

(a) the Company and the Company’s Affiliates are permitted to hold and process personal (and sensitive) information and data about the Grantee as part of its personnel and other business records and may use such information in the course of its business;

(b) they may disclose such information to third parties, including where they are situated outside the European Economic Area, in the event that such disclosure is in their view required for the proper conduct of their business; and

(c) this Section applies to information held, used or disclosed in any medium.

* * *

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed under its corporate seal by its duly authorized officer. This Agreement shall take effect as a sealed instrument.

CC MEDIA HOLDINGS, INC.

By: _____
Name:
Title:

Dated: _____

Acknowledged and Agreed

Name: [GRANTEE]

Address of Principal Residence:

[ADDRESS]

*Signature Page to CC Media Holdings, Inc.
Restricted Stock Agreement*

EXHIBIT A¹

Any Shares received under this Agreement (whether or not the Restricted Stock vests pursuant to Section 4) shall be subject to the following additional restrictions.

1. Transferability of Shares. Except as provided in this Exhibit A or Section 5 of the Agreement, no Transfer of Shares received pursuant to this Agreement by the Grantee is permitted, provided that any shares of Restricted Stock that vest pursuant to Section 4 ("Received Shares") by the Grantee are permitted to be Transferred as follows:

(a) Permitted Transferees. The Grantee may Transfer any and all Received Shares to a Permitted Transferee, provided that such Permitted Transferee shall become a party to and subject to the terms and conditions of this Agreement. Prior to the initial Transfer of any Received Shares to a given Permitted Transferee pursuant to this Section 1(a) and as a condition thereto, the Permitted Transferee shall execute a written agreement in a form provided by the Company under which such Permitted Transferee shall become subject to all provisions of this Agreement to the extent applicable to the Received Shares, including without limitation this Exhibit and Sections 9, 11, and 16 of the Agreement.

(b) Public Transfers. After the third anniversary of the closing of a Qualified Public Offering, the Grantee may Transfer any or all Received Shares to the public pursuant to Rule 144 under the Securities Act of 1933, as amended ("Rule 144").

(c) Sale Rights on Termination Due to Death or Disability. Upon the Grantee's termination of Employment due to death or Disability, the Grantee and his or her Permitted Transferees will have the right, subject to Sections 1(e), 1(f) and 1(g) of this Exhibit, to sell to the public pursuant to Rule 144 at any time during the one-year period following the effective date of such termination all or any portion of the Received Shares, notwithstanding that such a Transfer might not otherwise then be permitted by Section 1(b) of this Exhibit.

(d) Release of Received Shares. If prior to the third anniversary of the closing of a Qualified Public Offering, any Investor makes a Transfer of its Equity Shares to any Person (other than a Transfer to any other Investor or Sponsor or to any of the respective Affiliates or Affiliated Funds of any such Investor or Sponsor), then the Grantee will be permitted to Transfer, pursuant to Rule 144, that portion of the Grantee's Received Shares that bears the same proportion to the total number of Received Shares as the number of Equity Shares that were Transferred by such Investor bears to the total number of Equity Shares that were owned by all Investors immediately prior to such Transfer.

¹ Applicable for the following senior managers: Thomas Casey, Steven Cutler, William Feehan, Scott Hamilton, John Hogan, Jeffrey Howard, John Kaufman, John Sykes and Robert H. Walls, Jr.

(e) Legal Restrictions; Other Restrictions. The restrictions on Transfer contained in this Agreement, including those specified in this Exhibit A, are in addition to any prohibitions and other restrictions on transfer arising under any applicable laws, rules or regulations, and the Grantee may not Transfer Received Shares to any other Person unless the Grantee first takes all reasonable and customary steps, to the reasonable satisfaction of the Company, to ensure that such Transfer would not violate, or be reasonably expected to restrict or impair the respective business activities of the Company or any of its subsidiaries under, any applicable laws, rules or regulations, including applicable securities, antitrust or U.S. federal communications laws, rules and regulations. The restrictions on Transfer contained in this Agreement are in addition to any other restrictions on Transfer to which the Grantee may be subject, including any restrictions on Transfer contained in the Company's certificate of incorporation (including restrictions therein relating to federal communications laws), or any other agreement to which the Grantee is a party or is bound or any applicable lock-up rules and regulations of any national securities exchange or national securities association.

(f) Impermissible Transfers. Any Transfer of Received Shares not made in compliance with the terms of this Section 1 shall be null and void ab initio, and the Company shall not in any way give effect to any such Transfer.

(g) Period. Upon the occurrence of a Change of Control, all the Transfer restrictions of this Section 1 shall terminate.

2. Drag Rights.

(a) Sale Event Drag Along. If the Company notifies the Grantee in writing that it has received a valid Drag Along Sale Notice (as defined in the Stockholders Agreement) pursuant to the Stockholders Agreement and that Capital IV has informed the Company that it desires to have the Grantee participate in the transaction that is the subject of the Drag Along Sale Notice, then the Grantee shall be bound and obligated to Transfer in such transaction no more than the percentage of the aggregate number of Replacement Shares then held by the Grantee that the Company notifies the Grantee is equal to the percentage of Equity Shares held by the Sponsors and their Affiliates that the Sponsors and Affiliates are transferring in such transaction, on the same terms and conditions as the Sponsors and their Affiliates with respect to each Equity Share Transferred; provided, however, that for the avoidance of doubt, the Replacement Shares shall continue to be subject to the terms of this Agreement (including, but not limited to, any vesting or transfer restrictions). With respect to a given transaction that is the subject of a Drag Along Notice, the Grantee's obligations under this Section 2 shall remain in effect until the earlier of (1) the consummation of such transaction and (2) notification by the Company that such Drag Along Sale Notice has been withdrawn.

(b) Waiver of Appraisal Rights. The Grantee agrees not to demand or exercise appraisal rights under Section 262 of the Delaware General Corporate Law, as amended, or otherwise with respect to any transaction subject to this Section 2, whether or not such appraisal rights are otherwise available.

(c) Further Assurances. The Grantee shall take or cause to be taken all such actions as requested by the Company or Capital IV in order to consummate any transaction subject to this Section 2 and any related transactions, including but not limited the execution of agreements and other documents requested by the Company.

(d) Period. The foregoing provisions of this Section 2 shall terminate upon the occurrence of a Change of Control.

3. Other Agreements. If the Grantee is otherwise party to a stockholders agreement or other similar agreement (including any side letter thereto), applicable to equity issued by the Company or its Affiliates, the Company may, in its sole discretion, choose to apply any of the terms of such agreement(s) in lieu of any of the terms of this Exhibit or Section 16 of the Agreement.

4. Definitions. For purposes of this Exhibit, the follow terms shall have the meanings set forth below.

“Capital IV” means Clear Channel Capital IV, LLC, a Delaware limited liability company formed and jointly controlled by the Sponsors, and its successors and/or assigns.

“Capital V” means Clear Channel Capital V, L.P., a Delaware limited partnership formed and jointly controlled by the Sponsors, and its successors and/or assigns.

“Disability” (a) has the meaning given to such term in the Grantee’s employment agreement then in effect, if any, between the Grantee and the Company or any of its subsidiaries, or (b) if there is no such term in such employment agreement or there is no such employment agreement then in effect, means the disability of an Grantee during his or her Employment through any illness, injury, accident or condition of either a physical or psychological nature as a result of which, in the judgment of the Board, he or she is unable to perform substantially all of his or her duties and responsibilities, notwithstanding the provision of any reasonable accommodation, for 6 consecutive months during any period of 12 consecutive months.

“Equity Shares” means Shares as such term is used in the Stockholders Agreement.

“Members of the Immediate Family” means, with respect to an individual, each spouse or child or other descendant of such individual, each trust created solely for the benefit of one or more of the aforementioned persons and their spouses and each custodian or guardian of any property of one or more of the aforementioned persons in his or her capacity as such custodian or guardian.

“Permitted Transferee” means (a) the Grantee’s estate, executors, administrators, personal representatives, heirs, legatees or distributees, in each case acquiring the Received Shares in question pursuant to the will or other instrument taking effect at death of such Grantee or by applicable laws of descent and distribution, or (b) a trust, private foundation or entity formed for estate planning purposes for the benefit of the Grantee and/or any of the Members of the Immediate Family of such Grantee. In addition, the Grantee shall be a Permitted Transferee of the Grantee’s Permitted Transferees.

“Stockholders Agreement” means the Stockholders Agreement, dated as of July 29, 2008, as amended from time to time, by and among the Company, BT Triple Crown Merger Co., Inc. and other stockholders of the Company who from time to time may become parties thereto.

“Transfer” means any sale, pledge, assignment, encumbrance, distribution or other transfer or disposition of shares or other property to any other Person, whether directly, indirectly, voluntarily, involuntarily, by operation of law, pursuant to judicial process or otherwise.

EXHIBIT B²

AMENDMENT TO EMPLOYMENT AGREEMENT

WHEREAS, Clear Channel Communications, Inc. ("Company") and Tom Casey ("Employee") entered into an Employment Agreement ("Agreement") effective December 15, 2009;

WHEREAS, the parties desire to amend the above-referenced Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, the parties enter into this Amendment to the Agreement ("Amendment").

1. This Amendment is effective [November __, 2012]; provided, however, that in the event that the Employee does not timely elect to participate in the Offer to Exchange pursuant to which the Employee was offered an opportunity to exchange certain outstanding options for restricted stock (the "Exchange Program"), this Amendment shall become null and void and the Employee shall have no further rights hereunder.

2. Section 3(h)(ii) is hereby amended and restated in its entirety as follows:

Restricted Stock Units. If the Target Amount (as defined in subsection (iii) below) as of December 31, 2013 is less than an amount equal to the After Tax Value of \$5,000,000 (the "Guaranteed Amount"), and provided that Employee remains employed by the Company on such date, then Employee shall be granted at such time restricted stock units ("RSUs") with a Fair Market Value equal to the lesser of (i) \$5,000,000 or (ii) (A) the excess of the Guaranteed Amount over the Target Amount, if any, divided by (B) the Applicable Rate; provided that in the event that the Employee does not timely make an 83(b) election in connection with participating in the Exchange Program (the "83(b) Election"), then the Employee shall be granted RSUs with a Fair Market Value equal to \$5,000,000 minus the Restricted Stock Value.

3. Section 3(h)(iii) is hereby amended to remove the definition of "Option Spread" and include the following definitions:

"After Tax-Value" of a particular payment shall mean the amount of such payment reduced by the ordinary federal, state and local income and employment taxes that would apply, determined as though such payment constituted ordinary wage income at such time. The Company's good faith determination of the After-Tax Value of a payment shall be conclusive and binding upon all parties.

"Applicable Rate" shall mean as of a particular date the combined federal, state and local income tax rate that would apply to ordinary wage income. The Company's good faith determination of the Applicable Rate shall be conclusive and binding upon all parties.

² Applicable for Thomas Casey only.

“Restricted Stock Value” as of a particular date shall mean the greater of (i) 225,000 times the Fair Market Value of a share of Stock on such date; or (ii) to the extent that the all or any portion of the 225,000 shares of restricted stock (the “Replacements Shares”) received in connection with the exchange of the Options pursuant to the Exchange Program were previously sold in an arm’s length transaction, an amount equal to the sum of the gross proceeds received on account of such sale, and the Fair Market Value of the remaining unsold Replacement Shares as of the particular date.

“Target Amount” as of a particular date shall mean an amount equal to the after-tax value of the Replacement Shares, determined as though the Replacement Shares were sold at their Fair Market Value on such date; provided, however, that to the extent that any Replacement Shares were previously sold in an arm’s length transaction, the Target Amount of such Replacements Shares shall be equal to the greater of the amount determined above and the actual after-tax proceeds received in account of such sale. The Company’s good faith determination of the Target Amount shall be conclusive and binding upon all parties.

4. Section 9(d)(iii) is hereby amended and restated in its entirety as follows:

a payment (the “Equity Value Preservation Payment”), to be paid in a lump sum on the Payment Date, calculated as follows. The Company’s good faith determination of the Equity Value Preservation Payment shall be conclusive and binding upon all parties.

a. if the date of termination occurs in calendar year 2012, the Equity Value Preservation Payment shall be equal to the lesser of (A) \$3,750,000 and (B) (x) the excess, if any, of the After Tax Value of \$3,750,000 over the Target Amount, divided by (y) the Applicable Rate; provided that if the Executive does not make the 83(b) Election, the Equity Value Preservation Payment shall be equal to the excess of \$3,750,000 over the Restricted Stock Value as of the date of termination.

b. if the date of termination occurs in calendar year 2013, the Equity Value Preservation Payment shall be equal to the lesser of (A) \$5,000,000 and (B) (x) the excess, if any, of the After Tax Value of \$5,000,000 over the Target Amount, divided by (y) the Applicable Rate; provided that if the Executive does not make the 83(b) Election, the Equity Value Preservation Payment shall be equal to the excess of \$5,000,000 over the Restricted Stock Value as of the date of termination.

c. if the date of termination occurs after calendar year 2013, the Equity Value Preservation Payment shall be equal to the lesser of (i) \$5,000,000 and (ii) (x) the excess, if any, of (A) After Tax Value of \$5,000,000 over (B) the sum of the Target Amount and the after-tax value, as of the date of termination, of any vested RSUs granted to Employee under Section 3(h) (or, to the extent that such RSUs were sold by Employee in an arm's length transaction, the actual after-tax proceeds received on account of such sale), divided by (y) the Applicable Rate; provided that if the Executive does not make the 83(b) Election, the Equity Value Preservation Payment shall be equal to the excess of \$5,000,000 over the sum of the Restricted Stock Value as of the date of termination and the Fair Market Value of any vested RSUs granted to employee under Section 3(h) (or, to the extent that such RSUs were sold by Employee in an arm's length transaction, the actual gross proceeds received on account of such sale).

5. This Amendment represents the complete and total understanding of the parties with respect to the content thereof, and cannot be modified or altered except if done so in writing, executed by all parties.

6. This Amendment shall in no way modify, alter, change or otherwise delete any provision of the Agreement, unless specifically done so by the terms of this Amendment, and all the remaining provisions of the Agreement shall remain in full force and effect. This Amendment may be executed in two (2) or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

IN WITNESSETH WHEREOF, the parties hereto have executed this Amendment on the date written below and upon full execution by all parties, this Amendment shall be effective as set forth in Section 1 above.

EMPLOYEE

Date: _____

COMPANY

Date: _____

EXHIBIT B³

AMENDMENT TO EMPLOYMENT AGREEMENT

WHEREAS, Clear Channel Broadcasting, Inc. (“Company”) and John Hogan (“Employee”) entered into an Employment Agreement effective November 15, 2010 and amended pursuant to that certain First Amendment to Employment Agreement, effective February 23, 2012 (as amended, the “Agreement”).

WHEREAS, the parties desire to amend the above-referenced Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, the parties enter into this Amendment to the Agreement (“Amendment”).

1. This Amendment is effective [DATE]; provided, however, that in the event that the Employee does not timely elect to participate in the Offer to Exchange pursuant to which the Employee was offered an opportunity to exchange certain outstanding options for restricted stock (the “Exchange Program”), this Amendment shall become null and void and the Employee shall have no further rights hereunder.

2. Section 3(G)(1) is hereby amended and restated in its entirety as follows:

Restricted Stock Units. If the Target Amount (as defined below) as of December 31, 2015 is less than an amount equal to the After Tax Value of \$5,000,000 (the “Guaranteed Amount”), and provided that Employee remains employed by the Company on such date, then Employee shall be granted restricted stock units (“RSUs”) on December 31, 2015 with a Fair Market Value equal to the lesser of (i) \$5,000,000 or (ii) (A) the excess of the Guaranteed Amount over the Target Amount, if any, divided by (B) the Applicable Rate; provided that in the event that the Employee does not timely make an 83(b) election in connection with participating in the Exchange Program (the “83(b) Election”), then the Employee shall be granted RSUs with a Fair Market Value equal to \$5,000,000 minus the Restricted Stock Value. The RSUs granted to Employee under the preceding sentence will become vested on December 31, 2016, provided Employee remains employed by Company on such date and shall be settled, to the extent vested, by no later than March 14, 2017. The RSUs shall be subject to the terms and conditions of the EIP.

3. Section 3(G) is hereby amended to remove the definition of “Target Amount” and include the following additional definitions:

“After Tax-Value” of a particular payment shall mean the amount of such payment reduced by the ordinary federal, state and local income and employment taxes that would apply, determined as though such payment constituted ordinary wage income at such time. The Company’s good faith determination of the After-Tax Value of a payment shall be conclusive and binding upon all parties.

³ Applicable for John Hogan only.

“Applicable Rate” shall mean as of a particular date the combined federal, state and local income tax rate that would apply to ordinary wage income. The Company’s good faith determination of the Applicable Rate shall be conclusive and binding upon all parties.

“Restricted Stock Value” as of a particular date shall mean the greater of (i) 226,101 times the Fair Market Value of a share of Stock on such date; or (ii) to the extent that the all or any portion of the 226,101 shares of restricted stock (the “Replacements Shares”) received in connection with the exchange of the Options pursuant to the Exchange Program were previously sold in an arm’s length transaction, an amount equal to the sum of the gross proceeds received on account of such sale, and the Fair Market Value of the remaining unsold Replacement Shares as of the particular date.

“Target Amount” as of a particular date shall mean an amount equal to the after-tax value of the Replacement Shares received in connection with the Exchange Program, determined as though the Replacement Shares were sold at their Fair Market Value on such date; provided, however, that to the extent that any Replacement Shares were previously sold in an arm’s length transaction prior to such time, the Target Amount of such Replacements Shares shall be equal to the greater of the amount determined above and the actual after-tax proceeds received in account of such sale. The Company’s good faith determination of the Target Amount shall be conclusive and binding upon all parties.

4. Sections 8(D)(a) through (e) are hereby amended and restated in their entirety as follows:
 - a. if the date of termination occurs in calendar year 2012, the Equity Value Preservation Payment shall be equal to \$1,250,000.
 - b. if the date of termination occurs in calendar year 2013, the Equity Value Preservation Payment shall be equal to the lesser of (A) \$2,500,000 and (B) (x) the excess, if any, of the After Tax Value of \$2,500,000 over the Target Amount as of the date of termination, divided by (y) the Applicable Rate; provided that if the Executive does not make the 83(b) Election, the Equity Value Preservation Payment shall be equal to the excess of \$2,500,000 over the Restricted Stock Value as of the date of termination.
 - c. if the date of termination occurs in calendar year 2014, the Equity Value Preservation Payment shall be equal to the lesser of (A) \$3,750,000 and (B) (x) the excess, if any, of the After Tax Value of \$3,750,000 over the Target Amount as of the date of termination, divided by (y) the Applicable Rate; provided that if the Executive does not make the 83(b) Election, the Equity Value Preservation Payment shall be equal to the excess of \$3,750,000 over the Restricted Stock Value as of the date of termination.

d. if the date of termination occurs in calendar year 2015, the Equity Value Preservation Payment shall be equal to the lesser of (A) \$5,000,000 and (B) (x) the excess, if any, of the After Tax Value of \$5,000,000 over the Target Amount as of the date of termination, divided by (y) the Applicable Rate; provided that if the Executive does not make the 83(b) Election, the Equity Value Preservation Payment shall be equal to the excess of \$5,000,000 over the Restricted Stock Value as of the date of termination.

e. if the date of termination occurs after calendar year 2015, the Equity Value Preservation Payment shall be equal to the lesser of (i) \$5,000,000 and (ii) (x) the excess, if any, of (A) After Tax Value of \$5,000,000 over (B) the sum of the Target Amount as of the date of such termination and the after-tax value, as of the date of termination, of any vested RSUs granted to Employee under Section 3(G) (or, to the extent that such RSUs were sold by Employee in an arm's length transaction, the actual after-tax proceeds received on account of such sale), divided by (y) the Applicable Rate; provided that if the Executive does not make the 83(b) Election, the Equity Value Preservation Payment shall be equal to the excess of \$5,000,000 over the sum of the Restricted Stock Value as of the date of termination and the Fair Market Value of any vested RSUs granted to employee under Section 3(G) (or, to the extent that such RSUs were sold by Employee in an arm's length transaction, the actual gross proceeds received on account of such sale).

The Company's good faith determination of the Equity Value Preservation Payment shall be conclusive and binding upon all parties.

5. This Amendment represents the complete and total understanding of the parties with respect to the content thereof, and cannot be modified or altered except if done so in writing, executed by all parties.

6. This Amendment shall in no way modify, alter, change or otherwise delete any provision of the Agreement, unless specifically done so by the terms of this Amendment, and all the remaining provisions of the Agreement shall remain in full force and effect. This Amendment may be executed in two (2) or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

IN WITNESSETH WHEREOF, the parties hereto have executed this Amendment on the date written below and upon full execution by all parties, this Amendment shall be effective as set forth in Section 1 above.

EMPLOYEE

Date: _____

COMPANY

Date: _____

EXHIBIT B⁴

AMENDMENT TO EMPLOYMENT AGREEMENT

WHEREAS, Clear Channel Communications, Inc. ("Company") and William Feehan ("Employee") entered into an Employment Agreement effective January 25, 2010 (the "Agreement").

WHEREAS, the parties desire to amend the above-referenced Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, the parties enter into this Amendment to the Agreement ("Amendment").

1. This Amendment is effective [DATE]; provided, however, that in the event that the Employee does not timely elect to participate in the Offer to Exchange pursuant to which the Employee was offered an opportunity to exchange certain outstanding options for restricted stock (the "Exchange Program"), this Amendment shall become null and void and the Employee shall have no further rights hereunder.

2. Section 3(h) is hereby amended and restated in its entirety as follows:

Restricted Stock Units. If the Target Amount (as defined below) as of January 25, 2014 is less than an amount equal to the After Tax Value of \$600,000 (the "Guaranteed Amount"), and provided that Employee remains employed by the Company on such date, then Employee shall be granted restricted stock units ("RSUs") on January 25, 2014 with a fair market value equal to the lesser of (i) \$600,000 or (ii) (A) the excess of the Guaranteed Amount over the Target Amount, if any, divided by (B) the Applicable Rate; provided that in the event that the Employee does not timely make an 83(b) election in connection with participating in the Exchange Program (the "83(b) Election"), then the Employee shall be granted RSUs with a Fair Market Value equal to \$600,000 minus the Restricted Stock Value. The RSUs shall be subject to the terms and conditions of the Clear Channel Executive Incentive Plan.

For purposes of this Section 3(h), the following terms shall have the following meanings:

"After Tax-Value" of a particular payment shall mean the amount of such payment reduced by the ordinary federal, state and local income and employment taxes that would apply, determined as though such payment constituted ordinary wage income at such time. The Company's good faith determination of the After-Tax Value of a payment shall be conclusive and binding upon all parties.

⁴ Applicable for William Feehan only.

“Applicable Rate” shall mean as of a particular date the combined federal, state and local income tax rate that would apply to ordinary wage income. The Company’s good faith determination of the Applicable Rate shall be conclusive and binding upon all parties.

“Restricted Stock Value” as of a particular date shall mean the greater of (i) 67,500 times the fair market value of a share of Stock on such date; or (ii) to the extent that the all or any portion of the 67,500 shares of restricted stock (the “Replacements Shares”) received in connection with the exchange of the Options pursuant to the Exchange Program were previously sold in an arm’s length transaction, an amount equal to the sum of the gross proceeds received on account of such sale, and the Fair Market Value of the remaining unsold Replacement Shares as of the particular date.

“Target Amount” as of a particular date shall mean an amount equal to the after-tax value of the Replacements Shares received in connection with the Exchange Program, determined as though the Replacement Shares were sold at their fair market value on such date; provided, however, that to the extent that any Replacement Shares were previously sold in an arm’s length transaction prior to such time, the Target Amount of such Replacements Shares shall be equal to the greater of the amount determined above and the actual after-tax proceeds received in account of such sale. The Company’s good faith determination of the Target Amount shall be conclusive and binding upon all parties.

3. This Amendment represents the complete and total understanding of the parties with respect to the content thereof, and cannot be modified or altered except if done so in writing, executed by all parties.

4. This Amendment shall in no way modify, alter, change or otherwise delete any provision of the Agreement, unless specifically done so by the terms of this Amendment, and all the remaining provisions of the Agreement shall remain in full force and effect. This Amendment may be executed in two (2) or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

IN WITNESSETH WHEREOF, the parties hereto have executed this Amendment on the date written below and upon full execution by all parties, this Amendment shall be effective as set forth in Section 1 above.

EMPLOYEE

Date: _____

COMPANY

Date: _____

October 22, 2012

To: CC Media Holdings Eligible Employees

Subject: PLEASE READ: An Important Message Regarding Your CCMH Stock Option Holdings

One of the cornerstones of our philosophy here at Clear Channel is that our key leaders are aligned with the ownership of our company. Working together as leaders to accomplish our collective business goals, we have the opportunity to transform our company and increase its value.

We're excited to offer you an opportunity to participate in a new form of equity compensation – one that allows you to participate in the ownership of the company and any new value created moving forward. We believe that this new equity program demonstrates our belief in your ability to lead the company and to help us achieve winning results.

The key features of the stock option exchange offer are:

- Receiving restricted shares in exchange for options
- Simplified vesting features
- A tax assistance program

CCMH 2012 Restricted Stock for Option Exchange Offer

Today, we have opened the CC Media Holdings 2012 Restricted Stock for Option Exchange Offer (“2012 Exchange”) to all eligible employees. The 2012 Exchange has two important components: (i) the Option Exchange Component and (ii) the Tax Assistance Program. You may elect to participate in both components or in only the Option Exchange Component. You may, of course, elect not to participate in either component.

The Option Exchange Component allows you to exchange all of your current CCMH stock option holdings for restricted shares of CCMH common stock. As explained in the attached documents, CCMH is offering to exchange each of your eligible options for 0.9 shares of restricted common stock.

If you elect to participate in the Option Exchange Component, you will have the opportunity to participate in the Tax Assistance Program. Pursuant to the Tax Assistance Program, we intend to assist offer participants who make an IRS 83 (b) election in paying the withholding tax liability associated with participating in the exchange offer, subject to a maximum amount (and therefore, you may still incur a tax liability, which could be material, in connection with your participation in the exchange offer, as more fully described in the attached materials).

Attached to this email are the Offer to Exchange, an Election to Participate Form, and an Informational Brochure. You'll also be receiving, over the next several days, additional personalized information to help you make your participation decisions.

If you choose to exchange your eligible options, we must receive your completed Election to Participate Form (as well as your properly completed 83(b) election form if you elect to participate in the Tax Assistance Program) before **11:59 p.m., ET, November 19, 2012**. If we do not receive your signed Election to Participate Form prior to such time, you will retain your current options under the provisions of your current grant agreement.

If you have questions about the 2012 Exchange, call 210-832-3475 or email stockplans@clearchannel.com. You'll also have the opportunity to attend optional Question & Answer sessions to help address any additional questions you may have.

Making Your Decision

We are pleased to offer you the **2012 Restricted Stock for Option Exchange**. We are legally prohibited from advising, encouraging or discouraging you in your decision on whether to participate. Of course, you will be best informed if you read all available materials carefully and consult with your personal financial and tax advisors.

The 2012 Exchange materials contain important information for employees, including an Offer to Exchange that should be read carefully prior to making a decision regarding your participation. These written materials and other documents may be obtained free of charge from the Securities and Exchange Commission's website at <http://www.sec.gov>.



CC Media Holdings, Inc. 2012 Restricted Stock for Options Exchange Offer

The following document summarizes certain key features of the CC Media Holdings, Inc. (“CCMH”) 2012 Restricted Stock for Option Exchange offer (the “2012 Exchange”) and provides information on the process for participating in the 2012 Exchange.

Note: This document and other available materials provided to you concerning the 2012 Exchange contain important information, including a formal and more detailed “Offer to Exchange” that should be read carefully prior to making a decision regarding your participation. These written materials and other documents also may be obtained free of charge from the Securities and Exchange Commission’s website at <http://www.sec.gov>.

CC Media Holdings, Inc. cannot advise you on whether to participate in the 2012 Exchange or to retain your current options. Only you can decide what action best suits your unique financial and tax situation. Please review all materials carefully and consult with your financial and tax advisors. In the event of a conflict between information in this document and the Offer to Exchange, Election to Participate Form or new form of equity grant agreement, information in those latter documents will prevail.

Terms of the 2012 Exchange Offer

CCMH has established the 2012 Exchange, which allows employees to exchange their current CCMH stock option holdings for restricted shares of CCMH common stock. Under the 2012 Exchange, for every 1 option exchanged you will be granted 0.9 restricted shares of CCMH Common Stock.

For example: If you have 2,000 Eligible Options, they can be exchanged for 1,800 shares of CCMH restricted common stock.

Tax Assistance Program

Participating in the 2012 Exchange is likely to trigger certain tax events for participants. Generally, restricted shares become taxable when they vest and, due to the terms of this program, some of the restricted shares exchanged for options will be immediately vested and will be taxed at ordinary income rates based on the fair market value. Internal Revenue Code section 83(b) allows you to elect to pay taxes on **restricted stock awards** at the fair market value at the time of award at your prevailing tax rate for ordinary income (currently up to 35% for federal income tax purposes) —whether the stock is vested or not.

To assist with tax withholding liability resulting from participating in the 2012 Exchange, CCMH has developed a special Tax Assistance Program. Under this program, CCMH will grant to each eligible employee “**Additional Restricted Shares**,” an amount of which the company intends to repurchase to cover certain tax withholding required by law to be made by the Company, subject to a maximum amount of

\$3.0 million in the aggregate. In such event that the maximum amount is not sufficient to cover tax withholding required to be made in connection with this offer, participants will be required to fund any remaining tax liability. Employees will receive supplemental information within 3 business days.

To participate in the Tax Assistance Program, **you must make an 83 (b) tax election on a timely basis.** Participation in the Tax Assistance Program is at the election of the employee and completely voluntary. However, those who participate in the 2012 Exchange but do not make this election will be responsible for all required withholding tax liabilities.

Participation

The 2012 Exchange has only been extended to certain eligible employees who hold outstanding options with a per share exercise price equal to \$10. Current and former members of the board of directors of CCMH (the “Board”), including any current or former member of the Board who also serves as an employee of CCMH or its subsidiaries, are not eligible to participate in the 2012 Exchange.

Participation in the 2012 Exchange is completely voluntary. Should you elect to participate, **you must exchange 100% of all Eligible Options.** Your decision must be made by November 19, 2012 at 11 :59 p.m. ET. If you choose not to participate in this offer, you will retain your Eligible Options under their current terms.

To ensure that you make an informed election, we encourage you to read the complete “Offer to Exchange” and all other materials that are furnished to you.

Eligible Stock Options vs. Restricted Stock Offered in the Option Exchange

Component	Terms of Eligible Stock Options	Terms of 2012 Exchange
Form of Award	Stock Option Stock options, once vested, allow eligible employees to purchase a predetermined number of shares at a fixed price within a specific time period.	Restricted Stock Restricted Stock Awards are grants of actual shares provided to eligible employees, subject to vesting and other restrictions. We are offering to exchange 0.9 shares of CCMH restricted stock for each Eligible Option tendered in the 2012 Exchange.
Exercise Price	\$10	Not Applicable
Vesting Requirements (vesting requirements may vary in the case of certain senior managers)	<p>Tranche 1: Time Based Vesting 1/3 of all options: A defined percentage of your options vest each year on the anniversary of their grant date. <i>(Refer to the terms of your original agreement for the vesting schedule.)</i></p> <p>Tranche 2: Time & Performance Based Vesting 1/3 of all options: A defined percentage of your options vest each year on the anniversary of their grant date—with the added requirement of a 0.5x realized Return to Investor (as defined in your original grant agreement).</p> <p>Tranche 3: Time & Performance Based Vesting 1/3 of all options: A defined percentage of your options vest each year on the anniversary of their grant date—with the added requirement of a 2.0x realized Return to Investor (as defined in your original grant agreement).</p>	<p>Tranche 1: Time Based Vesting 1/2 of all shares: These shares vest in an equal amount on the first, second, third and fourth anniversaries of the date your eligible options were granted to you. <i>(You will receive a personalized option sheet with your original grant date.)</i></p> <p>Tranche 2: Performance Based Vesting 1/2 of all shares: These shares vest immediately on achievement of 1.0x realized Return to Investor. <i>(Refer to the “Offer to Exchange” for additional information.)</i></p>
Expiration Dates	If options are not exercised and / or performance criteria not met within 10 years, unexercised or unvested options will expire.	If performance criteria is not met within 10 years, restricted stock subject to performance vesting requirements will expire.
CCMH Tax Assistance Program	Not Applicable	The company has established the Tax Assistance Program to help cover your tax withholding liability, subject to a maximum amount. <i>(Refer to the “Offer to Exchange” for additional information.)</i>
Dividend Rights	Options are not eligible to receive dividends	Restricted stock is eligible to receive dividends. Dividends on unvested shares will be held by the Company until shares vest. If shares are forfeited, then the undistributed dividends revert back to the Company.

Tax Assistance Program: Example

Assumptions: Eligible Employee exchanges **2,000 Options** for **1,800 Shares of Restricted Stock**.

- 900 shares vest 25% per year beginning in Year 1.
- 900 shares vest based on performance.
- Ordinary income tax rate of 35%.
- Capital gain tax rate of 20%.
- Performance vesting criteria met in Year 5.
- All shares are sold in year 6.

Without 83(b) Election

		Today	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	
Fair Market Value		\$2	\$10	\$15	\$20	\$30	\$40	\$60	
Ordinary Income Tax Liability									
Shares Vesting	225		\$787						
	225			\$1,181					
	225				\$1,575				
	225					\$2,363			
	900						\$12,600		
Capital Gains Tax									
Shares Sold	1800							\$11,025	
								Total Taxes Paid	\$29,531

Proceeds from Sale	\$108,000
Income Taxes Paid	\$29,531
Net Profit	\$78,469

With an 83(b) Election

		Today	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	
Fair Market Value		\$2	\$10	\$15	\$20	\$30	\$40	\$60	
Ordinary Income Tax Liability									
Shares Vesting	225	\$157							
	225	\$158							
	225	\$157							
	225	\$158							
	900	\$630							
Additional Shares	970	\$340							
Capital Gains Tax									
Shares Sold	1800							\$20,880	
								Total Taxes Paid	\$22,480

Proceeds from Sale	\$108,000
Income Taxes Due	\$22,480
Income Taxes Paid by Company	(\$1,940)
Net Profit	\$87,460

Disclaimer: These charts are for illustration purposes – Tax rates and stock prices are for example only.

The Election Process

What You Need to Do

1. Review the **Offer to Exchange**—the formal document containing complete details and mechanics of the 2012 Exchange—and all other information provided.
2. Consult with **your financial and tax advisors** (as appropriate).
3. If you choose to participate in the 2012 Exchange, **fill out and submit the Election to Participate Form**. If you choose to participate in the Tax Assistance Program, **fill out and submit the 83(b) Election Form**.

DEADLINE FOR SUBMITTING COMPLETED FORMS:

11:59 PM ET. November 19, 2012

For More Information

For any additional questions about the 2012 Exchange offer,

call:
(210) 832-3475

or email:
stockplans@clearchannel.com

You will have the opportunity to attend optional question and answer sessions to help address any questions you may have.

DISCLAIMER: CCMH cannot advise you whether or not to participate in the exchange offer. Before deciding you may wish to consult with one or more of your advisors regarding financial, investment and tax considerations.

Frequently Asked Questions

What are Eligible Options?

Eligible Options are those currently outstanding options to purchase shares of CC Media Holdings, Inc. Class A common stock that (i) were granted under the Clear Channel 2008 Executive Incentive Plan, (ii) have a per share exercise price equal to \$10.00 and (iii) are held by eligible employees (i.e., employees eligible to participate in the 2012 Exchange offer).

Do I have to participate in the 2012 Exchange?

No. Participation in the 2012 Exchange is completely voluntary. Although our Board of Directors has approved making this offer to you, neither CC Media Holdings, Inc. nor its Board of Directors is making any recommendation as to your participation in the 2012 Exchange. The decision to participate must be yours. We urge you to consult with your personal financial, investment and tax advisors regarding the tax and other investment related implications of participating in the 2012 Exchange.

Can I exchange just a portion of my options for restricted stock?

No. If you choose to participate, you must exchange all of your Eligible Options.

What will happen to my Eligible Options if I choose not to participate in the exchange?

If you choose not to exchange your Eligible Options, they will remain outstanding in accordance with their existing terms, including the existing exercise price, vesting schedule and expiration date.

May I withdraw my election if I change my mind?

Yes. You may withdraw a previously submitted election to exchange Eligible Options at any time before 11:59 p.m. ET on November 19, 2012 by submitting a completed Withdrawal Form.

Are there any federal or state income tax consequences to participating in the 2012 Exchange?

If you choose to participate in this 2012 Exchange, under current U.S. law you will recognize income for U.S. federal income tax purposes on the vesting of restricted shares or earlier making of an 83(b) election. Depending on your state and locality of residence, you also may have state income tax obligations arising from the exchange. However, CCMH will award “Additional Shares,” subject to conditions outlined in the formal Offer to Exchange, a portion of which the Company intends to repurchase to satisfy all or a significant portion of the tax liability for most participants. You should review this information carefully before deciding whether or not to participate in the 2012 Exchange. You should also consult your personal tax advisor with any questions regarding the tax consequences of participating in the 2012 Exchange in the context of your own situation.

Does the 83(b) election mean that I have to pay the entire income tax liability for all shares offered in exchange for options—both time-vested AND those based on time and performance?

Yes. But this liability is based on our stock’s price —“fair market value”—as of the closing price of the first day of the exchange offer period. The Tax Assistance Program may cover all or a significant portion of this tax burden (as previously described regarding the Tax Assistance Program and subject to its conditions).

To CC Media Employees Eligible to Participate in the 2012 Restricted Stock for Option Exchange Offer:

There are just ___ days left for you to make your election to participate in the CC Media 2012 Restricted Stock for Option Exchange Offer with respect to certain outstanding non-qualified stock options under the 2008 Clear Channel Executive Incentive Plan. The Offer is scheduled to end at **11:59 p.m., EST, on November 19, 2012**. To participate in the offer, you must submit your election to participate form (and 83(b) election form(s) if you would like to participate in the Tax Assistance Program) by that deadline. If CC Media Holdings, Inc. does not *receive* your signed election to participate form (and 83(b) election form(s) if you would like to participate in the Tax Assistance Program) prior to 11:59 p.m., EST, on November 19, 2012, you will be deemed to have elected not to participate in the offer.

You should have received a set of materials explaining the exchange offer and how to elect to exchange your Eligible Options, as well as personalized information about your Eligible Options. Please read the materials carefully and consult with your personal financial and tax advisors before deciding whether or not to participate. If you choose to exchange your Eligible Options, please be sure you submit your election to participate form (and 83(b) election form(s) if you would like to participate in the Tax Assistance Program) to CC Media Holdings, Inc. by (1) mail to: CC Media Holdings, Inc., 200 East Basse Road, San Antonio, Texas 78209, Attn: Stock Plans Department, (2) fax to: (210) 832-3195, or (3) scanning the form and e-mailing it to stockplans@clearchannel.com. **DO NOT** send election to participate forms or 83(b) election forms via inter-office mail. **Election to participate forms (and 83(b) election forms if you elect to participate in the Tax Assistance Program) must be received before 11:59 p.m., EST, on November 19, 2012.**

If you have questions about the exchange program, you may send an e-mail to: stockplans@clearchannel.com or call the Stock Plans Department at (210) 832-3475.

The exchange program materials contain important information for eligible persons, including an Offer to Exchange that should be read carefully prior to making a decision whether to participate in the exchange program. These written materials and other documents may be obtained free of charge from the Securities and Exchange Commission's website at <http://www.sec.gov>.

You may also obtain, free of charge, a written copy of the Offer to Exchange and other materials by sending an e-mail to stockplans@clearchannel.com or calling the Stock Plans Department at (210) 832-3475.