

2008CI04864
CAUSE NO. _____

FILED
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BEXAR COUNTY, TEXAS
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IN THE DISTRICT COURT
DEPUTY

CLEAR CHANNEL COMMUNICATIONS, §
INC.; and CC MEDIA HOLDINGS, INC., §

Plaintiffs, §

v. §

CITIGROUP GLOBAL MARKETS, INC.; §
CITICORP USA, INC.; CITICORP §
NORTH AMERICA, INC.; MORGAN §
STANLEY SENIOR FUNDING, INC.; §
CREDIT SUISSE SECURITIES USA, LLC; §
RBS SECURITIES CORPORATION; §
WACHOVIA INVESTMENT HOLDINGS, §
LLC; WACHOVIA CAPITAL MARKETS, §
LLC; and DEUTSCHE BANK §
SECURITIES INC., §

Defendants. §

BY _____

225th JUDICIAL DISTRICT

BEXAR COUNTY, TEXAS

**PLAINTIFF'S VERIFIED PETITION AND
APPLICATION FOR TEMPORARY RESTRAINING ORDER,
TEMPORARY INJUNCTION, AND PERMANENT INJUNCTION;
REQUEST FOR EXPEDITED DISCOVERY; AND
REQUEST FOR EXPEDITED TRIAL**

This lawsuit stems from Defendants' tortious interference with Plaintiffs' contract which, if allowed to continue and succeed, could result in immeasurable damages exceeding the parties' agreement for **\$26 billion**.

Plaintiff Clear Channel Communications, Inc. ("Clear Channel") and CC Media Holdings, Inc. ("CC Media") have entered into a \$26 billion definitive Agreement And Plan Of Merger (the "Merger Agreement"). As a result of the Merger Agreement, which **must close no later than June 12, 2008**, Plaintiff CC Media will become the owner of Clear Channel and Clear Channel's shareholders will receive **\$19.5 billion**. The opportunity to acquire Clear Channel is uniquely valuable and irreplaceable. Clear Channel is a leading U.S. media company that owns

over 900 radio stations. In that, alone, it is an asset that cannot be replaced. In addition, a Clear Channel subsidiary is the largest outdoor advertising firm in the country. Clear Channel is also one of the most prominent companies in San Antonio, Texas. In short, Clear Channel is a one-of-a-kind company and CC Media has every right to close its acquisition of Clear Channel. Similarly, Clear Channel and its shareholders have every right to receive **\$19.5 billion** in payment for the company.

Before the Merger Agreement was ever executed and before Clear Channel accepted CC Media's bid, Defendants and their affiliates signed a definitive debt commitment letter, later superseded by a May 17, 2007 debt commitment letter (the "Commitment Letter"). By their execution of the Commitment Letter, Defendants agreed to provide debt funding for CC Media's purchase of Clear Channel. That commitment was contained in the Commitment Letter, all conditions of which have been satisfied – or would have been satisfied but for Defendants' wrongful interference with the Merger Agreement. Yet – for reasons of their own – Defendants have tortiously interfered with Plaintiffs' Merger Agreement, most recently, by refusing to execute necessary documents in an overt effort to "run out the clock" and cause Plaintiffs' Merger Agreement to collapse.

Defendants have made clear that they are determined, by any means possible, to destroy the Merger and thus avoid their obligation to fund CC Media's acquisition as they are required to do. Defendants' have refused to honor their obligations not because of any wrongful conduct by, or change in circumstances pertaining to, Clear Channel or CC Media. Instead, though they have not even an arguable right or privilege permitting them to do so, Defendants have responded to *their own* market conditions by fabricating false reasons to refuse to proceed with the transaction – all in an effort to deprive Plaintiffs of their vested contractual rights under the Merger Agreement which Defendants know **must close by June 12, 2008**. Unless the Court stops them,

