Table of Contents

As filed with the Securities and Exchange Commission on May 31, 2007

Registration No. 333-

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form S-4

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Lamar Advertising Company

(Exact name of registrant as specified in its charter)

Delaware	**7311**	**72-1449411**
(State or other jurisdiction of incorporation or organization)	*(Primary Standard Industrial Classification Code)*	*(I.R.S. Employer Identification No.)*

5551 Corporate Boulevard
Baton Rouge, Louisiana 70808
(225) 926-1000
(Address, Including ZIP Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Kevin P. Reilly, Jr.
President
Lamar Advertising Company
5551 Corporate Boulevard
Baton Rouge, Louisiana 70808
(225) 926-1000
(Name, Address, Including ZIP Code and Telephone Number, Including Area Code, of Agent for Service)

with copies to:

Stacie Aarestad, Esq.
Edwards Angell Palmer & Dodge LLP
111 Huntington Avenue At Prudential Center
Boston, Massachusetts 02199-7613
(617) 239-0100

James J. Clark, Esq.
Cahill Gordon & Reindel LLP
80 Pine Street
New York, New York 10005
(212) 701-3000

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after this registration statement becomes effective.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. o

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering. o

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Unit(1)	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee(1)
2⅞% Convertible Notes due 2010 — Series B	$287,500,000	$1,397.50	$401,781,250	$12,335
Class A common stock, par value $0.001 per share	(2)	(2)	(2)	(2)

(1) Estimated pursuant to Rule 457(f) under the Securities Act of 1933, as amended, solely for the purpose of calculating the registration fee. These amounts reflect a reduction for an exchange fee of $2.50 for each $1,000 face value of the 2⅞% Convertible Notes due 2010 — Series B.

(2) Includes such indeterminate number of shares of Class A common stock as may be issued upon conversion of the new notes registered hereby.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the SEC, acting pursuant to said section 8(a), may determine.

Table of Contents

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

PROSPECTUS

SUBJECT TO COMPLETION DATED MAY 31, 2007

Lamar Advertising Company

Offer to Exchange a New Series of 2 7/8% Convertible Notes Due 2010 — Series B and an Exchange Fee for All Outstanding 2 7/8% Convertible Notes due 2010

The Exchange Offer

We are offering to exchange, upon the terms and subject to the conditions set forth in this prospectus and the accompanying letter of transmittal, a new series of 2 7/8% Convertible Notes due 2010 — Series B and an exchange fee for all of our 2 7/8% Convertible Notes due 2010. We refer to this offer as the "exchange offer." We refer to our existing 2 7/8% Convertible Notes due 2010 as the "outstanding notes" and to the new series of 2 7/8% Convertible Notes due 2010 — Series B as the "new notes." The CUSIP number of the outstanding notes is 512815 AG 6, and the CUSIP number of the new notes is 512815 AH 4.

Upon completion of the exchange offer, each $1,000 principal amount of outstanding notes that are validly tendered and not validly withdrawn will be exchanged for $1,000 principal amount of new notes and an exchange fee of $2.50.

The exchange offer expires at midnight, New York City time, on June 27, 2007, which we refer to as the "expiration date," unless earlier terminated or extended by us.

Tenders of outstanding notes may be withdrawn at any time before midnight, New York City time on the expiration date of the exchange offer.

The New Notes

Comparison: The terms of the new notes differ from the terms of the outstanding notes in the following ways:

The new notes are convertible into shares of our Class A common stock, cash or a combination thereof, at our option.

The new notes are convertible only under the following circumstances: (1) if the closing sale price of our Class A common stock reaches, or the trading price of the notes falls below, specified thresholds, (2) if specified distributions to holders of our Class A common stock occur, (3) if a fundamental change or change of control occurs or (4) during the 10 business days prior to maturity. The outstanding notes are convertible at the option of the holders without restrictions.

The conversion rate applicable to the new notes will be increased if we become a party to a consolidation, merger or sale of all or substantially all of our assets that constitutes a fundamental change as described in this prospectus, subject to certain exceptions. The conversion rate for the new notes also will be adjusted for certain events, including payment of cash dividends on our Class A common stock. The *"conversion rate"* as that term is used in this prospectus means the conversion rate in effect at any given time.

Maturity: The new notes will mature on December 31, 2010.

Interest Payments: We will pay interest on June 30 and December 31 of each year, beginning on June 30, 2007.

Ranking: The new notes are our general unsecured obligations and will rank equally in right of payment with all of our other senior, unsecured debt obligations.

Repurchase at Option of Holders: Holders may require us to purchase for cash all or a portion of their new notes upon a change of control.

See "Risk Factors" beginning on page 10 for a discussion of certain risks that you should consider before participating in the exchange offer.

Neither the Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The dealer-manager for this exchange offer is:

Wachovia Securities

The date of this prospectus is , 2007

TABLE OF CONTENTS

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus. You should not rely on any unauthorized information or representations. This prospectus is an offer to exchange only the new notes offered by this prospectus, and only under the circumstances and in those jurisdictions where it is lawful to do so. The information contained in this prospectus is current only as of its date.

Lamar Advertising Company is a Delaware corporation. Our principal executive offices are located at 5551 Corporate Blvd., Baton Rouge, LA 70808, and our telephone number at that address is (225) 926-1000. Our web site is located at *http://www.lamar.com.* The information on or linked to from the web site is not part of this prospectus.

In this prospectus, except as the context otherwise requires or as otherwise noted, "Lamar Advertising," "we," "us" and "our" refer to Lamar Advertising Company and its subsidiaries, except with respect to the notes, in which case such terms refer only to Lamar Advertising Company. Lamar Media Corp., our direct wholly owned subsidiary, is referred to herein as "Lamar Media."

WHERE YOU CAN FIND MORE INFORMATION

We are required to file annual, quarterly and current reports, proxy statements, any amendments to those reports and other information with the SEC. You may read and copy any document we file at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Copies of all or a portion of such materials can be obtained from the Public Reference Section of the SEC upon payment of prescribed fees. Please call the SEC at 1-800-SEC-0330 for further information. Our SEC filings are also available to the public at the SEC's website at *http://www.sec.gov* and our internet website at *http://www.lamar.com.* The information on our website does not constitute a part of this prospectus and is not incorporated herein by reference.

INCORPORATION BY REFERENCE

The SEC allows us to "incorporate by reference" the information we have filed with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is deemed to be a part of this prospectus. The reports and other documents we file after the date of this prospectus will update, supplement and supersede the information in this prospectus. We incorporate by reference the documents listed below and any documents we file subsequently with the SEC under Section 13(a), 13(c), 14, or 15(d) of the Exchange Act after the date of the

initial registration statement and prior to the effectiveness of the registration statement and after the date of the prospectus and prior to the termination of the offering; provided, however, that we are not incorporating any information furnished under Item 2.02 or Item 7.01 of any Current Report on Form 8-K.

- Our Annual Report on Form 10-K for the fiscal year ended December 31, 2006, filed with the SEC on March 1, 2007;
- Our Current Reports on Form 8-K filed with the SEC on March 19, 2007, March 29, 2007 and May 30, 2007;
- Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2007, filed with the SEC on May 10, 2007; and
- The description of our common stock in our registration statement on Form 8-A/A, filed on July 27, 1999, including any amendment or reports filed for the purpose of updating this description.

You may request a copy of these filings, at no cost, by writing or telephoning us at:

Lamar Advertising Company
Attn: Keith Istre
5551 Corporate Boulevard
Baton Rouge, LA 70808
(225) 926-1000

INDUSTRY AND MARKET DATA

The market data and other statistical information used throughout this prospectus are based on independent industry publications, government publications, reports by market research firms or other published independent sources. Some data are also based on our good faith estimates, which are derived from our review of internal surveys, as well as the independent sources listed above. Although we believe these sources are reliable, we have not independently verified the information and cannot guarantee its accuracy and completeness.

STATEMENTS REGARDING FORWARD-LOOKING INFORMATION

This prospectus contains forward-looking statements, including statements regarding our future financial performance and condition, business plans, objectives, prospects, growth and operating strategies and market opportunities. These are statements that relate to future periods and include statements regarding our anticipated performance.

Generally, the words “anticipates,” “believes,” “expects,” “intends,” “estimates,” “projects,” “plans” and similar expressions identify forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause our actual results, performance or achievements or industry results, to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. These risks, uncertainties and other important factors include, among others:

- risks and uncertainties relating to our significant indebtedness;
- the demand for outdoor advertising;
- the performance of the U.S. economy generally and the level of expenditures on outdoor advertising in particular;
- our ability to renew expiring contracts at favorable rates;
- the integration of companies that we acquire and our ability to recognize cost savings or operating efficiencies as a result of these acquisitions;

- our need for and ability to obtain additional funding for acquisitions or operations; and
- the regulation of the outdoor advertising industry by federal, state and local governments.

Although we believe that the statements contained in this prospectus are based upon reasonable assumptions, we can give no assurance that our goals will be achieved. Given these uncertainties, you are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements are made as of the date of this prospectus. We assume no obligation to update or revise them or provide reasons why actual results may differ.

PROSPECTUS SUMMARY

This summary highlights the information contained elsewhere in this prospectus. Because this is only a summary, it does not contain all of the information that may be important to you. For a more complete understanding of this exchange offer, we encourage you to read this entire prospectus and the documents incorporated by reference into the registration statement of which this prospectus forms a part. You should read the following summary together with the more detailed information and consolidated financial statements and the notes to those statements incorporated herein by reference. Unless otherwise indicated, financial information included or incorporated by reference into this prospectus is presented on an historical basis.

Lamar Advertising Company

We are one of the largest outdoor advertising companies in the United States based on number of displays and have operated under the Lamar name since 1902. As of March 31, 2007, we owned and operated approximately 151,000 billboard advertising displays in 44 states, Canada and Puerto Rico, operated over 97,000 logo advertising displays in 19 states and the province of Ontario, Canada, and operated approximately 28,100 transit advertising displays in 17 states, Canada and Puerto Rico. We offer our customers a fully integrated service, satisfying all aspects of their billboard display requirements from ad copy production to placement and maintenance.

Our Business

We operate three types of outdoor advertising displays: billboards, logo signs and transit advertising displays.

Billboards. We sell most of our advertising space on two types of billboards: bulletins and posters.

- *Bulletins* are generally large, illuminated advertising structures that are located on major highways and target vehicular traffic.
- *Posters* are generally smaller advertising structures that are located on major traffic arteries and city streets and target vehicular and pedestrian traffic.

In addition to these traditional billboards, we are also introducing digital billboards which are generally located on major traffic arteries and city streets. As of March 31, 2007, we owned and operated approximately 390 digital billboard advertising displays in 36 states.

Logo Signs. We sell advertising space on logo signs located near highway exits.

- *Logo signs* generally advertise nearby gas, food, camping, lodging and other attractions.

We are the largest provider of logo signs in the United States, operating 19 of the 25 privatized state logo sign contracts. As of March 31, 2007, we operated approximately 97,000 logo sign advertising displays in 19 states and Canada.

Transit Advertising Displays. We also sell advertising space on the exterior and interior of public transportation vehicles, transit shelters and benches in 65 markets. As of March 31, 2007, we operated approximately 28,100 transit advertising displays in 17 states, Canada and Puerto Rico.

Operating Strategies

We strive to be a leading provider of outdoor advertising services in each of the markets that we serve, and our operating strategies for achieving that goal include:

Continuing to provide high quality local sales and service. We seek to identify and closely monitor the needs of our customers and to provide them with a full complement of high quality advertising services. Local advertising constituted approximately 80% of our net revenues for the three months ended March 31, 2007, which management believes is higher than the industry average. We believe that the

experience of our regional and local managers has contributed greatly to our success. For example, regional managers have been with us for an average of 25 years. In an effort to provide high quality sales and service at the local level, we employed approximately 900 local account executives as of March 31, 2007. Local account executives are typically supported by additional local staff and have the ability to draw upon the resources of the central office, as well as offices in our other markets, in the event business opportunities or customers' needs support such an allocation of resources.

Continuing a centralized control and decentralized management structure. Our management believes that, for our particular business, centralized control and a decentralized organization provide for greater economies of scale and are more responsive to local market demands. Therefore, we maintain centralized accounting and financial control over our local operations, but the local managers are responsible for the day-to-day operations in each local market and are compensated according to that market's financial performance.

Continuing to focus on internal growth. Within our existing markets, we seek to increase our revenue and improve our cash flow by employing highly-targeted local marketing efforts to improve our display occupancy rates and by increasing advertising rates where and when demand can absorb rate increases. Our local offices lead this effort and respond to local customer demands quickly.

In addition, we routinely invest in upgrading our existing displays and constructing new displays. From January 1, 1997 to March 31, 2007, we invested approximately $966 million in improvements to our existing displays and in constructing new displays. Our regular improvement and expansion of our advertising display inventory allow us to provide high quality service to our current advertisers and to attract new advertisers.

Continuing to pursue strategic acquisitions. We intend to enhance our growth by continuing to pursue strategic acquisitions that result in increased operating efficiencies, greater geographic diversification, increased market penetration and opportunities for inter-market cross-selling. In addition to acquiring outdoor advertising assets in new markets, we acquire complementary outdoor advertising assets within existing markets and in contiguous markets. We have a proven track record of integrating acquired outdoor advertising businesses and assets. Since January 1, 1997, we have successfully completed over 800 acquisitions, including over 260 acquisitions for an aggregate purchase price of approximately $670 million from January 1, 2004 to March 31, 2007. Although the advertising industry is becoming more consolidated, we believe acquisition opportunities still exist, given the industry's continued fragmentation among smaller advertising companies.

Continuing to pursue other outdoor advertising opportunities. We plan to pursue additional logo sign contracts. Logo sign opportunities arise periodically, both from states initiating new logo sign programs and from states converting government-owned and operated programs to privately-owned and operated programs. Furthermore, we plan to pursue additional tourist oriented directional sign programs in both the Untied States and Canada and also other motorist information signing programs as opportunities present themselves. In an effort to maintain market share, we have entered the transit advertising business through the operation of displays on bus shelters, benches and buses in 65 of our advertising markets.

	Summary of the Exchange Offer
Purpose of the Exchange Offer	The purpose of the exchange offer is to change certain terms of the outstanding notes, including the type of consideration that we may use to pay holders upon conversion. The new notes are convertible into Class A common stock, cash or a combination thereof, at our option, subject to certain conditions, while the outstanding notes are convertible solely into Lamar's Class A common stock.
The Exchange Offer and Exchange Fee	We are offering to exchange $1,000 principal amount of new notes and an exchange fee of $2.50 for each $1,000 principal amount of outstanding notes accepted for exchange.
Conditions to the Exchange Offer	The exchange offer is subject to customary conditions, which we may waive, including that the registration statement and any post-effective amendment to the registration statement covering the new notes be effective under the Securities Act of 1933, as amended, or the "Securities Act." See "The Exchange Offer — Conditions to the Exchange Offer."
Expiration Date; Extension	This exchange offer will expire at midnight, New York City time, on June 27, 2007, unless extended or terminated by us, which date we refer to as the "expiration date." We may extend the expiration date for any reason. If we decide to extend the exchange offer, we will announce the extension by press release or other permitted means no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date.
Procedures for Tendering Outstanding Notes	In order to exchange outstanding notes, you must tender the outstanding notes together with a properly completed letter of transmittal and the other agreements and documents described in this prospectus and the letter of transmittal. If you own outstanding notes held through a broker or other third party, or in "street name," you will need to follow the instructions in the letter of transmittal on how to instruct the broker or third party to tender the outstanding notes on your behalf, as well as submit a letter of transmittal and the other agreements and documents described in this prospectus and the letter of transmittal. We will determine in our reasonable discretion whether any outstanding notes have been validly tendered. Outstanding notes may be tendered by electronic transmission of acceptance through The Depositary Trust Company's, or DTC's, Automated Tender Offer Program, or ATOP, procedures for transfer or by delivery of a signed letter of transmittal pursuant to the instructions described therein. Custodial entities that are participants in DTC must tender outstanding notes through DTC's ATOP, by which the custodial entity and the beneficial owner on whose behalf the custodial entity is acting agree to be bound by the letter of transmittal. A letter of transmittal need not accompany tenders effected through ATOP. Please carefully follow the

	instructions contained in this prospectus on how to tender your notes. If we decide for any reason not to accept any outstanding notes for exchange, they will be returned without expense promptly after the expiration or termination of the exchange offer. See “The Exchange Offer — Procedures for Exchange.”
Guaranteed Delivery Procedures for Tendering Outstanding Notes	If you cannot meet the expiration deadline or you cannot deliver your outstanding notes, the letter of transmittal or any other documentation to comply with the applicable procedures under DTC, Euroclear or Clearstream standard operating procedures for electronic tenders in a timely fashion, you may tender your notes according to the guaranteed delivery procedures set forth under “The Exchange Offer — Guaranteed Delivery Procedures.”
Acceptance of Outstanding Notes and Delivery of Exchange Notes	We will accept any outstanding notes that are properly tendered for exchange before midnight, New York City time, on the day this exchange offer expires. The exchange notes will be delivered promptly after expiration of this exchange offer upon the terms and subject to the conditions in this prospectus and the letter of transmittal.
Withdrawal Rights	If you tender your outstanding notes for exchange in this exchange offer and later wish to withdraw them, you may do so at any time before midnight, New York City time, on the day this exchange offer expires.
Consequences If You Do Not Exchange Your Outstanding Notes	The liquidity and trading market for outstanding notes not tendered in the exchange offer could be adversely affected to the extent a significant number of the outstanding notes are tendered and accepted in the exchange offer. Holders who do not exchange their outstanding notes for new notes will not receive the exchange fee. Holders of outstanding notes who do not exchange their outstanding notes for new notes can continue to convert their outstanding notes during the term of the outstanding notes in accordance with the terms of the outstanding notes.
United States Federal Income Tax Considerations	The United States federal income tax consequences of the exchange of outstanding notes for new notes are not entirely clear. We intend to take the position, however, that the exchange of outstanding notes for new notes will not constitute a significant modification of the terms of the outstanding notes and that, as a result, the new notes will be treated as a continuation of the outstanding notes and there will be no United States federal income tax consequences to holders who participate in the exchange offer, except that holders will have to recognize the amount of the exchange fee as ordinary income. Unless an exemption applies, we may withhold at a rate of 30% from the payment of the exchange fee to any non-U.S. Holder (as defined herein) participating in the exchange offer. If, contrary to our position, the exchange of the outstanding notes for the new notes

	does constitute a significant modification to the terms of the outstanding notes, the U.S. federal income tax consequences to you could materially differ.
Exchange Agent	The Bank of New York Trust Company, N.A. is serving as the exchange agent. Its address and telephone number are provided on the back cover page of this prospectus. See “The Exchange Offer — Exchange Agent.”
Information Agent	The Altman Group has been appointed as the information agent for the exchange offer. Its address and telephone number are provided on the back cover of this prospectus. See “The Exchange Offer — Information Agent.”
Dealer-Manager	Wachovia Capital Markets, LLC (“Wachovia Securities” or “Dealer-Manager”) has been retained to act as dealer-manager in connection with the exchange offer. Its address and telephone number are provided on the back cover of this prospectus. See “The Exchange Offer — Dealer-Manager.”
Use of Proceeds	We will not receive any cash proceeds from this exchange offer. See “Use of Proceeds.”

Material Differences Between the Outstanding Notes and the New Notes

The material differences between the outstanding notes and the new notes are described in the table below. The table below is qualified in its entirety by the information contained elsewhere in this prospectus and the documents governing the outstanding notes and the new notes, copies of which have been filed as exhibits to the registration statement of which this prospectus forms a part. For a more detailed description of the new notes, see "Description of the New Notes."

	Outstanding Notes	New Notes
Securities Offered	$287,500,000 aggregate principal amount of 2⅞% Convertible Notes due 2010 (the ''outstanding notes'').	Up to $287,500,000 aggregate principal amount of 2⅞% Convertible Notes due 2010 — Series B (the ''new notes'').
Conversion Rights	Holders may convert their outstanding notes at their option at any time.	Holders may convert their new notes under the following circumstances: • during any calendar quarter commencing at any time after September 30, 2007, but only during such calendar quarter, if the closing sale price of our Class A common stock for at least 20 trading days in a period of 30 consecutive trading days ending on the last trading day of the preceding calendar quarter is more than 160% of the conversion price per share, which is $1,000 divided by the conversion rate; • during the five business day period after any five consecutive trading day period in which the trading price per $1,000 principal amount of new notes for each day of that period was less than 98% of the product of the closing sale price of our Class A common stock for each day of that period and the conversion rate; • if specified distributions to holders of our Class A common stock are made, or specified corporate transactions occur; • if a fundamental change or change of control occurs; or • during the 10 trading days prior to, but excluding, the maturity date.
Settlement upon Conversion	Upon conversion of the outstanding notes, we will deliver	Upon conversion of the new notes, we will deliver, in respect of each $1,000 principal amount of new

	Outstanding Notes	New Notes
shares of our Class A common stock at the conversion rate.	notes shares of our Class A common stock, cash or a combination thereof at our option.	For a detailed description of these provisions, see ‘‘Description of the New Notes — Conversion Settlement.”
Make Whole Upon Fundamental Change	None.	If a fundamental change occurs and a holder elects to convert notes in connection with such transaction, we will increase the conversion rate in connection with such conversion by a number of additional shares of Class A common stock based on the date such transaction becomes effective and the price paid per share of Class A common stock in such transaction as described under ‘‘Description of the New Notes — Conversion Rate Adjustments — Make Whole Upon Fundamental Change” in this prospectus.
Dividend Protection	If we distribute a quarterly cash dividend on shares of our Class A common stock, we will increase the conversion rate (by multiplying the conversion rate in effect immediately before the dividend record date by a fraction, the numerator of which is the five day average closing sale price per share of the Class A common stock, and the denominator of which is the five day average closing sale price per share of the Class A common stock minus the amount of the cash dividend per share), based on the amount by which the quarterly cash dividend per share exceeds 1.25% of the five day average closing sale price per share of Class A common stock. If we distribute a non-quarterly cash dividend on our Class A common stock, we will increase the conversion rate by the same formula, based upon the full amount of the non- quarterly cash dividend per share.	If we distribute a quarterly or non- quarterly cash dividend on shares of our Class A common stock, we will increase the conversion rate (by multiplying the conversion rate in effect immediately before the dividend record date by a fraction, the numerator of which is the ten day average closing sale price per share of the Class A common stock plus the amount of the cash dividend per share, and the denominator of which is the ten day average closing sale price per share of the Class A common stock), based upon the full amount of the cash dividend per share.

Summary of the New Notes

The following is a summary of some of the terms of the new notes. For a more complete description of the new notes, see "Description of the New Notes."

Issuer	Lamar Advertising Company.
New Notes	Up to $287,500,000 aggregate principal amount of 2 7/8% Convertible Notes due 2010 — Series B.
Maturity Date	December 31, 2010.
Interest Rate	2 7/8% per year.
Interest Payment Date	June 30 and December 31 of each year, beginning June 30, 2007.
Conditions to Conversion	Holders may surrender their notes for shares of our Class A common stock, cash or a combination thereof, as elected by us, at the conversion rate. The initial conversion rate for each $1,000 principal amount of new notes is 20.4518, which is equivalent to an initial conversion price of approximately $48.90 per share of Class A common stock. The new notes will only be convertible under the following circumstances: • during any calendar quarter commencing at any time after September 30, 2007 but only during such calendar quarter, if the closing sale price of our Class A common stock for at least 20 trading days in a period of 30 consecutive trading days ending on the last trading day of the preceding calendar quarter is more than 160% of the conversion price per share, which is $1,000 divided by the conversion rate; • during the five business day period after any five consecutive trading day period in which the trading price per $1,000 principal amount of new notes for each day of that period was less than 98% of the product of the closing sale price of our Class A common stock for each day of that period and the conversion rate; • if specified distributions to holders of our Class A common stock are made, or specified corporate transactions occur; • if a fundamental change or change of control occurs; or • during the 10 trading days prior to, but excluding, the maturity date.
Conversion Rate Adjustments	If a fundamental change occurs and a holder elects to convert notes in connection with such transaction, we will increase the conversion rate in connection with such conversion by a number of additional shares of Class A common stock based on the date such transaction becomes effective and the price paid per share of Class A common stock in such transaction as described under "Description of the New Notes — Conversion Rate Adjustments — Make Whole Upon Fundamental Change" in this prospectus. The conversion rate for the new notes also will be adjusted for certain events, including payment of cash dividends on our Class A common stock.

	If we undergo a "public acquirer fundamental change," however, we may elect to change the conversion rights of the new notes that are converted in connection with that public acquirer fundamental change (in lieu of increasing the conversion rate applicable to the new notes that are converted in connection with that public acquirer fundamental change), as described under "Description of the New Notes — Conversion Rate Adjustments — Fundamental Change Involving a Public Acquirer Fundamental Change" in this prospectus.
Repurchase at Option of Holders Upon a Change of Control	If we undergo a "change of control," as that term is defined in the new notes, you will have the right, subject to certain conditions and restrictions, to require us to repurchase your notes, in whole or in part, at 100% of the principal amount of the new notes, plus accrued interest to the date of repurchase. See "Description of the New Notes — Repurchase at Option of Holders Upon a Change of Control."
Ranking	The new notes are our general unsecured obligations and will rank equally in right of payment with all of our other senior, unsecured debt obligations. The new notes will be effectively subordinated to all existing and future liabilities of our subsidiaries, partnerships and affiliated joint ventures. As of March 31, 2007, our subsidiaries had approximately $2.2 billion of total debt outstanding (excluding a mirror note issued by Lamar Media to us in aggregate principal amount of $287.5 million) that effectively ranked senior to the new notes.
Voting Rights of Class A Common Stock	We have two classes of common stock: Class A common stock and Class B common stock. The Class A common stock and the Class B common stock have the same rights and powers, except that a share of Class A common stock entitles the holder to one vote and a share of Class B common stock entitles the holder to ten votes. The Reilly Family Limited Partnership, which is controlled by Kevin P. Reilly, Jr., our President and Chief Executive Officer, and certain members of the Reilly family are the beneficial owners of all the outstanding shares of Class B common stock, representing approximately 65% of the total voting power of the common stock.

Risk Factors

See "Risk Factors" for a discussion of certain factors that you should carefully consider before investing in the new notes.

RISK FACTORS

Before deciding whether to tender your outstanding notes, you should carefully consider the following information in addition to the other information contained in this prospectus and the documents incorporated by reference into this prospectus. If any of the following risks actually occurs, our business, financial condition and results of operations could be materially adversely affected.

This prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results may differ significantly from those implied by our forward-looking statements. See also "Statements Regarding Forward-Looking Information."

Risks Related to the Exchange Offer

Holders who fail to exchange their outstanding notes may have reduced liquidity after the exchange offer.

We have not conditioned the exchange offer on receipt of any minimum or maximum principal amount of outstanding notes. As outstanding notes are tendered and accepted in the exchange offer, the principal amount of remaining outstanding notes will decrease. This decrease could reduce the liquidity of the trading market for the outstanding notes. We cannot assure you of the liquidity, or even the continuation, of any trading market for the outstanding notes following the exchange offer.

The value of the new notes may be less than the value of the outstanding notes.

We are not making a recommendation as to whether holders of the outstanding notes should exchange them. We have not retained, and do not intend to retain, any unaffiliated representative to act solely on behalf of the holders of the outstanding notes for purposes of negotiating the terms of the exchange offer or preparing a report concerning the fairness of the exchange offer. The value of the new notes received in the exchange offer may not in the future equal or exceed the value of the outstanding notes tendered, and we do not take a position as to whether you should participate in the exchange offer.

You must comply with the exchange offer procedures to receive new notes.

Delivery of new notes in exchange for outstanding notes tendered and accepted for exchange pursuant to the exchange offer will be made only after timely receipt by the exchange agent of the following:

- certificates for outstanding notes or a book-entry confirmation of a book-entry transfer of outstanding notes into the exchange agent's account at DTC, New York, New York as a depository, including an agent's message, as defined in this prospectus, if the tendering holder does not deliver a letter of transmittal;
- a complete and signed letter of transmittal, or facsimile copy, with any required signature guarantees, or, in the case of a book-entry transfer, an agent's message in place of the letter of transmittal; and
- any other documents required by the letter of transmittal.

Therefore, holders of outstanding notes who would like to tender outstanding notes in exchange for new notes should allow enough time for the necessary documents to be timely received by the exchange agent. We are not required to notify you of defects or irregularities in tenders of outstanding notes for exchange. See "The Exchange Offer — Procedures for Exchange" and "The Exchange Offer — Miscellaneous."

If you exchange your outstanding notes in the exchange offer for the purpose of participating in a distribution of the new notes, you may be deemed to have received restricted securities. If you are deemed to have received restricted securities, you will be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction.

An active trading market may not develop for the new notes.

Although there is an active trading market in the Class A common stock of Lamar Advertising, the new notes have no established trading market and will not be listed on any securities exchange. The new notes will be eligible for trading in The PORTAL Market. The liquidity of any market for the new notes will depend upon various factors, including:

- the number of holders of the new notes;
- the interest of securities dealers in making a market for the new notes;
- the overall market for convertible securities;
- the trading price of our Class A common stock;
- our financial performance or prospects; and
- the prospects for companies in our industry generally.

Accordingly, we cannot assure you that a market or liquidity will develop for the new notes.

The U.S. federal income tax consequences of the exchange of the outstanding notes for the new notes are not entirely clear.

The U.S. federal income tax consequences of the exchange offer and of the ownership and disposition of the new notes are not entirely clear because there is no statutory, administrative or judicial authority that specifically addresses an exchange with the terms of the exchange offer. We intend to take the position that the modifications to the outstanding notes resulting from the exchange of outstanding notes for new notes should not constitute a significant modification of the outstanding notes for U.S. federal income tax purposes. Assuming that this position is correct, the new notes will be treated as a continuation of the outstanding notes and, except for the exchange fee, there will be no U.S. federal income tax consequences to a holder who exchanges outstanding notes for new notes pursuant to the exchange offer. There can be no assurances, however, that the IRS will agree that the exchange does not constitute a significant modification of the outstanding notes. If the exchange were to constitute a significant modification of the outstanding notes and either the outstanding notes or the new notes were not treated as "securities" for United States federal income tax purposes, the exchange would be a taxable transaction for United States federal income tax purposes.

No authority specifically addresses a payment of cash consideration (*i.e.*, the exchange fee) to the holders of outstanding notes as part of a transaction such as the exchange offer. Although the matter is not free from doubt, we will treat the payment of the cash consideration as ordinary income to holders participating in the exchange offer. Accordingly, unless an exception applies, we intend to withhold tax at a rate of 30% from the payment of the cash consideration to any non-U.S. holder participating in the exchange.

Risks Related to the New Notes

Because Lamar Advertising Company is a holding company, the new notes will be effectively subordinated to all of the existing and future debt and obligations of Lamar Media Corp. and its subsidiaries, and we may be unable to fulfill our obligations under the new notes.

Because the new notes are obligations of a holding company that has no significant assets or independent operations other than the equity of Lamar Media, our wholly owned subsidiary, the new notes will be effectively subordinated to all existing and future indebtedness and obligations of Lamar Media and its subsidiaries. At March 31, 2007, Lamar Media had approximately $2.2 billion of total debt outstanding (excluding a mirror note issued by Lamar Media to us in aggregate principal amount of $287.5 million) to which the new notes will be effectively subordinated. In addition, under the terms of the indentures governing Lamar Media's senior subordinated notes and the terms of Lamar Media's bank credit facility, it can incur substantially more debt.

As a consequence, we will be able to make payments on the new notes only to the extent that the instruments representing indebtedness of Lamar Media and its subsidiaries permit payments to be distributed as a dividend on equity to Lamar Advertising and there are amounts legally available to be distributed. Lamar Media's existing indentures and its bank credit agreement would block upstream payments of this type under various circumstances, including the bankruptcy, liquidation or reorganization of Lamar Media and its subsidiaries, and during the continuance of defaults under these agreements.

In addition, following the liquidation of any subsidiary of Lamar Advertising, the creditors of that subsidiary will be entitled to be paid in full before Lamar Advertising is entitled to a distribution of any assets in the liquidation.

We have substantial debt and intend to incur additional debt in the future that could adversely affect our business, financial condition and financial results and prevent us from fulfilling our obligations under the new notes.

We have borrowed substantially in the past and will continue to borrow in the future. At March 31, 2007, we had approximately $2.5 billion of total consolidated debt outstanding, consisting of approximately $1.2 billion in bank debt, $989.3 million in various series of senior subordinated notes, $6.6 million in other short-term and long-term debt, and $287.5 million in aggregate principal amount of the outstanding 2 7/8% convertible notes due 2010 that are subject to this exchange offer. Despite the level of debt presently outstanding, the terms of the indentures governing the senior subordinated notes issued by Lamar Media and our notes and the terms of Lamar Media's bank credit facility allow us, Lamar Media and its subsidiaries to incur substantially more debt, including approximately $385 million available for borrowing as of March 31, 2007 under Lamar Media's revolving bank credit facility.

Our substantial debt and our use of cash flow from operations to make principal and interest payments on our debt may, among other things:

- limit the cash flow available to fund our working capital, capital expenditures or other general corporate requirements;
- limit our ability to obtain additional financing to fund future working capital, capital expenditures or other general corporate requirements;
- inhibit our ability to fund or finance an appropriate level of acquisition activity, which has traditionally been a significant component of our year-to-year revenue growth;
- place us at a competitive disadvantage relative to those of our competitors that have less debt;
- make it more difficult for us to comply with the financial covenants in Lamar Media's bank credit facility, which could result in a default and an acceleration of all amounts outstanding under the facility;
- force us to seek and obtain alternate or additional sources of funding, which may be unavailable, or may be on less favorable terms, or may require the consent of lenders under Lamar Media's bank credit facility or the holders of our other debt;
- limit our flexibility in planning for, or reacting to, changes in our business and industry; and
- increase our vulnerability to general adverse economic and industry conditions.

Any of these problems could adversely affect our business, financial condition and financial results.

We may be unable to generate sufficient cash flow to satisfy our significant debt service obligations.

Our ability to generate cash flow from operations to make principal and interest payments on our debt, including the new notes, will depend on our future performance, which will be affected by a range of economic, competitive and business factors. We cannot control many of these factors, including general economic conditions, our customers' allocation of advertising expenditures among available media and the

amount spent on advertising in general. If our operations do not generate sufficient cash flow to satisfy our debt service obligations, we may need to borrow additional funds to make these payments or undertake alternative financing plans, such as refinancing or restructuring our debt, or reducing or delaying capital investments and acquisitions. We cannot guarantee that such additional funds or alternative financing will be available on favorable terms, if at all. Our inability to generate sufficient cash flow from operations or obtain additional funds or alternative financing on acceptable terms could have a material adverse effect on our business, financial condition and results of operations.

Restrictions in our and Lamar Media's debt agreements reduce operating flexibility and contain covenants and restrictions that create the potential for defaults, which could adversely affect our business, financial condition and financial results.

The terms of Lamar Media's bank credit facility and the indentures relating to Lamar Media's outstanding senior subordinated notes and the indenture related to the outstanding notes restrict, and the terms of the indenture relating to the new notes will restrict, our ability to, among other things:

- incur or repay debt;
- dispose of assets;
- create liens;
- make investments;
- enter into affiliate transactions; and
- pay dividends and make inter-company distributions.

The terms of Lamar Media's bank credit facility also restrict Lamar Media from exceeding specified total debt ratios and require Lamar Media to maintain specified fixed charge coverage ratios.

These restrictions reduce our operating flexibility and could prevent us from exploiting investment, acquisition, marketing, stock repurchase or other time-sensitive business opportunities. Moreover, Lamar Media's ability to comply with the financial covenants in the bank credit facility (and any similar covenants in future agreements) depends on our operating performance, which in turn depends heavily on prevailing economic, financial and business conditions and other factors that are beyond our control. Therefore, despite our best efforts and execution of our strategic plan, we may be unable to comply with these financial covenants in the future.

If we or Lamar Media fail to comply with our financial covenants, the lenders under Lamar Media's bank credit facility could accelerate all of the debt outstanding, which would create serious financial problems and could lead to a default under the indentures governing our outstanding notes and Lamar Media's outstanding senior subordinated notes. Any of these events could adversely affect our business, financial condition and financial results.

We may not be able to purchase the new notes upon a change of control.

Upon the occurrence of a change of control (as defined in "Description of the New Notes — Repurchase at Option of Holders Upon a Change of Control" on page 52), we will be required to offer to repurchase all outstanding new notes at a purchase price equal to 100% of their principal amount plus accrued and unpaid interest, if any, to the date of repurchase. Our obligation to repurchase the new notes upon a change of control cannot be waived without the consent of the affected noteholder. However, it is possible that we will not have sufficient funds at the time of the change of control to make the required repurchase of new notes or that restrictions in Lamar Media's bank credit facility will not allow such repurchase.

A sale of all or substantially all of our assets will result in a change of control. The term "all or substantially all" as used in the definition of a change of control, however, will likely be interpreted under

applicable state law and will be dependent upon particular facts and circumstances. As a result, there may be uncertainty as to whether a sale assignment, conveyance, transfer, lease or other disposal is of "all or substantially all" of our assets, and thus whether a change of control has occurred.

The occurrence of a change of control event will also result in an event of default under Lamar Media's bank credit facility and, therefore, the lenders thereunder will have the right to require repayment in full of all outstanding borrowings under the facility, which totaled $1.2 billion as of March 31, 2007, before any repurchase of the new notes. We will not, therefore, be able to effect a repurchase of the new notes upon a change of control event unless we repay all of the outstanding borrowings under the bank credit facility or obtain the consent of the lenders thereunder.

We may enter into transactions that could substantially increase our outstanding indebtedness or otherwise adversely affect holders of the new notes that would not constitute a change of control.

We are not prevented from entering into many types of transactions that may adversely affect holders of the new notes, including acquisitions, refinancings or other recapitalizations. Only certain defined occurrences will constitute change of control events that obligate us to offer to repurchase the new notes. Permitted transactions could increase our outstanding indebtedness, change our capital structure, adversely affect our credit ratings or otherwise adversely affect holders of the new notes.

We expect that the trading value of the new notes will be significantly affected by the price of our Class A common stock and other factors.

The market price of the new notes is expected to be significantly affected by the market price of our Class A common stock. This may result in greater volatility in the trading value of the new notes than would be expected for nonconvertible debt securities. The market price of our Class A common stock may be volatile and, therefore, the trading price of the new notes may fluctuate significantly. Fluctuations in the stock price of our Class A common stock may result from a variety of factors, which are discussed in this prospectus and the documents incorporated herein by reference, some of which are beyond our control.

The conditional conversion feature of the new notes could result in your receiving less than the value of our Class A common stock underlying your new notes.

The new notes are convertible into cash, shares of our Class A common stock or a combination thereof, at our option, only if certain conditions for conversion are met. If these conditions are not met, you will not be able to convert your new notes, and you may not be able to receive the value of the cash, shares of our Class A common stock or a combination thereof, into which the new notes would otherwise be convertible.

Upon conversion of the new notes, we may pay cash in lieu of issuing shares of our Class A common stock. Therefore, holders may receive no shares of our Class A common stock or fewer shares than the number into which their outstanding notes are convertible.

We have the right to satisfy our conversion obligation to holders by issuing shares of our Class A common stock into which the new notes are convertible, the cash value of the shares of our Class A common stock into which the new notes are convertible, or a combination thereof. In addition, we have the right to irrevocably elect to satisfy our conversion obligation in cash with respect to the principal amount of the new notes to be converted after the date of such election. Accordingly, upon conversion of a new note, a holder may not receive any shares of our Class A common stock, or it might receive fewer shares of our Class A common stock relative to the conversion value of the new note.

Upon conversion of the new notes, holders may receive less proceeds than expected because the value of our Class A common stock may decline after such holders exercise their conversion right.

A converting holder will be exposed to fluctuations in the value of our Class A common stock during the period from the date such holder tenders new notes for conversion until the date we settle our

conversion obligation. Under the new notes, if we elect to settle all or any portion of our conversion obligation in cash or if we make a cash payment of principal upon conversion, the conversion value that a holder will receive upon conversion of its new notes will be in part determined by the last reported sales prices of our Class A common stock for each trading day in a 20-day trading period. As described under "Description of the New Notes — Conversion Settlement," this period begins after the date on which a holder's new notes are tendered for conversion. Accordingly, if the price of our Class A common stock decreases during this period, the conversion value holders receive may be adversely affected.

The new notes are not protected by restrictive covenants.

The indenture governing the new notes does not contain any financial or operating covenants or restrictions on the payments of dividends, the incurrence of indebtedness or the issuance or repurchase of securities by us or any of our subsidiaries. The indenture contains no covenants to afford protection to holders of the new notes in the event of a fundamental change involving us, other than the conversion rate adjustments described under Description of the New Notes — Conversion Rights — Conversion Rate Adjustments."

The conversion rate of the new notes may not be adjusted for all dilutive events.

The conversion rate of the new notes is subject to adjustment for certain events, including, but not limited to, the issuance of stock dividends on our Class A common stock, the issuance of rights or warrants, subdivisions, combinations, distributions of capital stock, indebtedness or assets, certain cash dividends and certain tender or exchange offers as described under "Description of the New Notes — Conversion Rights — Conversion Rate Adjustments". The conversion rate will not be adjusted for other events, such as an issuance of common stock for cash, that may adversely affect the trading price of the new notes or the Class A common stock. There can be no assurance that an event that adversely affects the value of the new notes, but does not result in an adjustment to the conversion rate, will not occur.

If we adjust the conversion rate, you may have to pay taxes with respect to amounts that you may not receive.

The conversion rate of the new notes is subject to adjustment for certain events arising from stock splits and combinations, stock dividends, certain cash dividends, certain fundamental changes and certain other actions by us that modify our capital structure. See "Description of the New Notes — Conversion Rights — Conversion Rate Adjustments." If the conversion rate is adjusted, you may be required to include an amount in income for U.S. federal income tax purposes, notwithstanding the fact that you may not actually receive any distribution. If the conversion rate is increased at our discretion or in certain other circumstances, such increase also may be deemed to be the payment of a taxable distribution to you, notwithstanding the fact that you may not receive a cash payment. See "Material United States Federal Income Tax Considerations — Tax Consequences to Tendering U.S. Holders — Conversion Rate Adjustments."

Conversion of the new notes may dilute the ownership interest of existing stockholders, including holders who had previously converted their new notes.

Upon conversion of the new notes, we will deliver cash, shares of Class A common stock or a combination thereof at our option. If we issue shares of Class A common stock upon conversion of the new notes, the conversion of some or all of the new notes will dilute the ownership interests of existing stockholders. Any sales in the public market of the Class A common stock issuable upon such conversion could adversely affect prevailing market prices of our Class A common stock. In addition, the existence of the new notes may encourage short selling by market participants because the conversion of the new notes could depress the price of our Class A common stock.

If you hold new notes, you will not be entitled to any rights with respect to our Class A common stock, but you will be subject to all changes made with respect to our Class A common stock.

If you hold new notes, you will not be entitled to any rights with respect to our Class A common stock (including, without limitation, voting rights and rights to receive any dividends or other distributions on our Class A common stock), but you will be subject to all changes affecting the Class A common stock. You will have rights with respect to our Class A common stock only if, when and to the extent we deliver shares of Class A common stock to you upon conversion of your new notes and, in limited cases, under the conversion rate adjustments applicable to the new notes. For example, in the event that an amendment is proposed to our certificate of incorporation or by-laws requiring stockholder approval and the record date for determining the stockholders of record entitled to vote on the amendment occurs prior to delivery of Class A common stock to you, you will not be entitled to vote on the amendment, although you will nevertheless be subject to any changes in the powers, preferences or special rights of our Class A common stock.

The additional shares of Class A common stock payable on new notes converted in connection with certain fundamental change transactions may not adequately compensate you for any lost option time value of your new notes as a result of such fundamental change transactions.

If a fundamental change occurs at any time after the date of issuance of the new notes, we will increase the conversion rate on new notes converted in connection with such fundamental change transaction by a number of additional shares of our Class A common stock. The number of such additional shares of Class A common stock will be determined based on the date on which the fundamental change transaction becomes effective and the price paid per share of our Class A common stock in the fundamental change transaction as described below under "Description of the New Notes — Conversion Rate Adjustments — Make Whole Upon Fundamental Change."

While the increase in the conversion rate upon conversion is designed to compensate you for any lost option time value of your new notes as a result of such fundamental change transactions, such increase is only an approximation of such lost value and may not adequately compensate you for such loss. In addition, if the price paid per share of our Class A common stock in the fundamental change transaction is less than the Class A common stock price at the date of issuance, there will be no such increase in the conversion rate.

The repurchase rights in the new notes triggered by a change of control and the increase to the conversion rate triggered by a fundamental change could discourage a potential acquirer.

The repurchase rights in the new notes triggered by a change of control, as described under the heading "Description of the New Notes — Repurchase at Option of Holders Upon a Change of Control," and the increase to the conversion rate triggered by a fundamental change, as described under the heading "Description of the New Notes — Make Whole Upon Fundamental Change," could discourage a potential acquirer. The term "change of control" is limited to specified transactions and may not include other events that might adversely affect our financial condition or business operations. Our obligation to offer to repurchase the new notes upon a change of control would not necessarily afford you protection in the event of a highly leveraged transaction, reorganization, merger or similar transaction involving us.

You may not receive any shares of Class A common stock upon conversion of your new notes, which may mean that you will not receive the benefit of any appreciation in the price of our Class A common stock after the date of conversion, and conversion of the new notes will result in a recognition of gain for U.S. federal income tax purposes.

You will not have the right to receive shares of our Class A common stock upon conversion of the new notes. Instead, you will receive cash or, at our option, a combination of cash and shares of our Class A common stock as described under "Description of the New Notes." To the extent that you receive a cash payment in lieu of our Class A common stock upon a conversion, you will not have the benefits of stock

ownership, including the ability to participate in the appreciation in value of our Class A common stock. In that event, if you wish to own our Class A common stock upon conversion, you will have to purchase the stock in the open market. The price you pay in the open market may be greater than the per share equivalent value you receive from us. This difference could be greater if holders of a substantial number of new notes convert at the same time and then wish to acquire our stock at the same time.

Conversion of the outstanding notes into shares of our Class A common stock would not result in the recognition of gain for U.S. federal income tax purposes, but conversion of the new notes will result in the recognition of gain for U.S. federal income tax purposes if we elect to satisfy all or a portion of our conversion obligations in cash. Consequently, you will be required to pay tax on any gain on the new notes to the extent you receive cash sooner than if you had converted your outstanding notes into shares of Class A common stock and held the Class A common stock.

Risks Related to Our Business and Operations

Our revenues are sensitive to general economic conditions and other external events beyond our control.

We sell advertising space on outdoor structures to generate revenues. Advertising spending is particularly sensitive to changes in general economic conditions, and the occurrence of any of the following external events could depress our revenues:

- a decline in general economic conditions, which could reduce national advertising spending disproportionately;
- a decline in economic conditions in specific geographical markets, which could reduce local advertising spending in those particular markets disproportionately;
- a widespread reallocation of advertising expenditures to other available media by significant users of our displays;
- a decline in the amount spent on advertising in general or outdoor advertising in particular; and
- increased regulation of the subject matter, location or operation of outdoor advertising displays and taxation on outdoor advertising.

Our continued growth through acquisitions may become more difficult, which could adversely affect our future financial performance.

Over the last 10 years, the outdoor advertising industry has experienced a wave of consolidation, in part due to the regulatory restrictions on building new outdoor advertising structures. We have been a major participant in this trend, using acquisitions of outdoor advertising businesses and assets as a means of increasing our advertising display inventory in existing and new markets. Although we currently anticipate a reduction in acquisition activity from about $228 million in 2006 to between $150 million in 2007, acquisitions will remain an important component of our future revenue growth.

The future success of our acquisition strategy could be adversely affected by many factors, including the following:

- the pool of suitable acquisition candidates is dwindling, and we may have a more difficult time negotiating acquisitions on favorable terms because the pool of suitable acquisition candidates is dwindling;
- we may face increased competition for acquisition candidates from other outdoor advertising companies, some of which have greater financial resources than we do, which may result in higher prices for those businesses and assets;
- we may not have access to the capital needed to finance potential acquisitions and may be unable to obtain any required consents from our current lenders to obtain alternate financing;

- we may be unable to integrate acquired businesses and assets effectively with our existing operations and systems as a result of unforeseen difficulties that could divert significant time, attention and effort from management that could otherwise be directed at developing existing business;
- we may be unable to retain key personnel of acquired businesses;
- we may not realize the benefits and cost savings anticipated in our acquisitions; and
- we, and other companies engaged in larger mergers and acquisitions, may face substantial scrutiny under antitrust laws as the industry consolidates further.

These obstacles to our opportunistic acquisition strategy may have an adverse effect on our future financial results.

We face competition from larger and more diversified outdoor advertisers and other forms of advertising that could hurt our performance.

While we enjoy a significant market share in many of our small and medium-sized markets, we face competition from other outdoor advertisers and other media in all of our markets. Although we are one of the largest companies focusing exclusively on outdoor advertising in a relatively fragmented industry, we compete against larger companies with diversified operations, such as television, radio and other broadcast media. These diversified competitors have the advantage of cross-selling complementary advertising products to advertisers.

We also compete against an increasing variety of out-of-home advertising media, such as advertising displays in shopping centers, malls, airports, stadiums, movie theaters and supermarkets, and on taxis, trains and buses. To a lesser extent, we also face competition from other forms of media, including radio, newspapers, direct mail advertising, telephone directories and the Internet. The industry competes for advertising revenue along the following dimensions: exposure (the number of "impressions" an advertisement makes), advertising rates (generally measured in cost-per-thousand impressions), ability to target specific demographic groups or geographies, effectiveness, quality of related services (such as advertising copy design and layout) and customer service. We may be unable to compete successfully along these dimensions in the future, and the competitive pressures that we face could adversely affect our profitability or financial performance.

We currently have two primary suppliers of the LED digital displays for our digital billboards. If they cannot meet our requirements for these displays in the future, it could adversely affect our digital deployment.

Our inventory of digital billboards increased to approximately 390 units in operation at March 31, 2007 and we intend to expand our digital deployment in the future based on customer and market demand. We currently have two primary suppliers of the LED digital displays used in our digital billboards (Young Electric Sign Company (YESCO) and Daktronics, Inc.). Any inability of these suppliers to produce additional displays, including due to increased demand from us or others, could adversely affect our ability to deploy additional digital units and service existing units. Although to date these suppliers have been able to increase capacity in order to meet our requirements, we cannot assure you that they will be able to continue to meet our requirements in the future and a shortage of these displays could adversely affect our ability to fulfill customers' orders and our results of operations.

Federal, state and local regulation impact our operations, financial condition and financial results.

Outdoor advertising is subject to governmental regulation at the federal, state and local levels. Regulations generally restrict the size, spacing, lighting and other aspects of advertising structures and pose a significant barrier to entry and expansion in many markets.

Federal law, principally the Highway Beautification Act of 1965 (the "HBA"), regulates outdoor advertising on Federal — Aid Primary, Interstate and National Highway Systems roads . The HBA requires states to "effectively control" outdoor advertising along these roads, and mandates a state compliance program and state standards regarding size, spacing and lighting. The HBA requires any state or political subdivision that compels the removal of a lawful billboard along a Federal — Aid Primary or Interstate highway to pay just compensation to the billboard owner.

All states have passed billboard control statutes and regulations at least as restrictive as the federal requirements, including laws requiring the removal of illegal signs at the owner's expense (and without compensation from the state). Although we believe that the number of our billboards that may be subject to removal as illegal is immaterial, and no state in which we operate has banned billboards entirely, from time to time governments have required us to remove signs and billboards legally erected in accordance with federal, state and local permit requirements and laws. Municipal and county governments generally also have sign controls as part of their zoning laws and building codes. We contest laws and regulations that we believe unlawfully restrict our constitutional or other legal rights and may adversely impact the growth of our outdoor advertising business.

Using federal funding for transportation enhancement programs, state governments have purchased and removed billboards for beautification, and may do so again in the future. Under the power of eminent domain, state or municipal governments have laid claim to property and forced the removal of billboards. Under a concept called amortization by which a governmental body asserts that a billboard operator has earned compensation by continued operation over time, local governments have attempted to force removal of legal but nonconforming billboards (i.e., billboards that conformed with applicable zoning regulations when built but which do not conform to current zoning regulations). Although the legality of amortization is questionable, it has been upheld in some instances. Often, municipal and county governments also have sign controls as part of their zoning laws, with some local governments prohibiting construction of new billboards or allowing new construction only to replace existing structures. Although we have generally been able to obtain satisfactory compensation for those of our billboards purchased or removed as a result of governmental action, there is no assurance that this will continue to be the case in the future.

We have also introduced and intend to expand the deployment of digital billboards that display static digital advertising copy from various advertisers that changes every 6 to 8 seconds. We have encountered some existing regulations that restrict or prohibit these types of digital displays but it has not yet materially impacted our digital deployment. Since digital billboards have only recently been developed and introduced into the market on a large scale, however, existing regulations that currently do not apply to them by their terms could be revised to impose greater restrictions. These regulations may impose greater restrictions on digital billboards due to alleged concerns over aesthetics or driver safety.

Our logo sign contracts are subject to state award and renewal.

In 2006, we generated approximately 4% of our revenues from state-awarded logo sign contracts. In bidding for these contracts, we compete with three other national logo sign providers, as well as numerous smaller, local logo sign providers. A logo sign provider incurs significant start-up costs upon being awarded a new contract. These contracts generally have a term of five to ten years, with additional renewal periods. Some states reserve the right to terminate a contract early, and most contracts require the state to pay compensation to the logo sign provider for early termination. At the end of the contract term, the logo sign provider transfers ownership of the logo sign structures to the state. Depending on the contract, the logo provider may or may not be entitled to compensation for the structures at the end of the contract term.

Of our 19 logo sign contracts in place at March 31, 2007, one is subject to renewal in 2007. We may be unable to renew our expiring contracts. We may also lose the bidding on new contracts.

We are a wholly owned subsidiary of Lamar Advertising which is controlled by significant stockholders who have the power to determine the outcome of all matters submitted to the stockholders for approval and whose interests may be different than yours.

As of March 31, 2007, members of the Reilly family, including Kevin P. Reilly, Jr., Lamar Advertising's President and Chief Executive Officer, and Sean Reilly, Lamar Advertising's and our Chief Operating Officer and President of Lamar Advertising's Outdoor Division, owned in the aggregate approximately 16% of Lamar Advertising's common stock, assuming the conversion of all Class B common stock to Class A common stock. As of that date, their combined holdings represented 65% of the voting power of Lamar Advertising's capital stock, which would give the Reilly family the power to:

- elect Lamar Advertising's entire board of directors;
- control Lamar Advertising's management and policies; and
- determine the outcome of any corporate transaction or other matter requiring stockholder approval, including charter amendments, mergers, consolidations and asset sales.

The Reilly family may have interests that are different than yours.

If our contingency plans relating to hurricanes fail, the resulting losses could hurt our business.

We have determined that it is uneconomical to insure against losses resulting from hurricanes and other natural disasters. Although we have developed contingency plans designed to mitigate the threat posed by hurricanes to advertising structures (i.e., removing advertising faces at the onset of a storm, when possible, which better permits the structures to withstand high winds during the storm), these plans could fail and significant losses could result. The four hurricanes that hit Florida in August and September of 2004 and the two hurricanes that hit the gulf coast in 2005 resulted in revenue losses of approximately $1.5 million in 2004 and approximately $2.4 million in 2005 and required capital expenditures of approximately $8 million in 2004 and approximately $20 million in 2005.

USE OF PROCEEDS

We will not receive any cash proceeds from the exchange offer. Outstanding notes that are validly tendered and exchanged pursuant to the exchange offer will be canceled.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth Lamar Advertising's ratio of earnings to fixed charges for each of the periods indicated.

For purposes of the ratio of earnings to fixed charges, "earnings" is defined as net income (loss) before income taxes and cumulative effect of a change in accounting principle and fixed charges. "Fixed charges" is defined as the sum of interest expense, preferred stock dividends and the component of rental expense that we believe to be representative of the interest factor for those amounts.

	Year Ended December 31,					Three Months Ended March 31,	
	2002	2003	2004	2005	2006	2006	2007
					(Unaudited)		
Ratio of earnings to fixed charges	0.6x	0.6x	1.2x	1.5x	1.5x	1.1x	1.3x

For the years ended December 31, 2002 and 2003, earnings were insufficient to cover fixed charges by $56.0 million and $63.3 million, respectively.

PRICE RANGE OF CLASS A COMMON STOCK

Our Class A common stock is traded on the Nasdaq Global Select Market under the symbol "LAMR." The last reported closing sales price of our Class A common stock on the Nasdaq Global Select Market was $65.32 per share on May 25, 2007. As of May 15, 2007, we had approximately 189 holders of record. The following table shows the high and low bid prices per share of our Class A common stock for the periods indicated.

	Price of Class A Common Stock	
	High	Low
Fiscal Year Ended December 31, 2005:		
First Quarter	$ 43.98	$ 37.62
Second Quarter	43.25	36.63
Third Quarter	45.97	39.24
Fourth Quarter	48.15	42.80

	High	Low
Fiscal Year Ended December 31, 2006:		
First Quarter	$ 54.20	$ 44.99
Second Quarter	59.83	49.90
Third Quarter	54.91	46.91
Four Quarter	66.42	51.46

	High	Low
Fiscal Year Ended December 31, 2007:		
First Quarter	$ 71.54	$ 60.85

DIVIDEND POLICY

We paid a special cash dividend on our Class A common stock on March 30, 2007, which was our first dividend on our common stock since our inception. We currently do not intend to pay additional cash dividends on our Class A common stock in the foreseeable future but intend to retain all earnings, if any, for use in our business operations or for financial purposes. As a holding company, our ability to pay dividends is dependent upon the ability of our subsidiaries to pay cash dividends or to make other distributions to us. Lamar Media's existing indentures and bank credit facility restrict the amount of dividends that may be paid to us. Our board of directors will determine future declaration and payment of dividends, if any, in light of the then-current conditions, including our earnings, operations, capital requirements, financial condition, restrictions in financing agreements and other factors that they deem relevant.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following table contains our selected historical consolidated information and other operating data for the five years ended December 31, 2002, 2003, 2004, 2005 and 2006, and the three months ended March 31, 2006 and 2007. We have prepared this information from audited financial statements for the years ended December 31, 2002 through December 31, 2006 and from unaudited financial statements for the three months ended March 31, 2006 and March 31, 2007.

In our opinion, the information for the three months ended March 31, 2006 and March 31, 2007 reflects all adjustments, consisting only of normal recurring adjustments, necessary to fairly present our results of operations and financial condition. Results from interim periods should not be considered indicative of results for any other periods or for the year. This information is only a summary. You should read it in conjunction with our historical financial statements and related notes, as well as "Management's Discussion and Analysis of Financial Condition and Results of Operations" incorporated herein by reference.

	Year Ended December 31,					Three Months Ended March 31,	
	2002	2003	2004	2005	2006	2006	2007
	(dollars in thousands)					(Unaudited)	
Statement of operations data:							
Net revenues	$ 775,682	$ 810,139	$ 883,510	$ 1,021,656	$ 1,120,091	$ 253,333	$ 275,185
Operating expenses:							
Direct advertising expenses	274,772	292,017	302,157	353,139	390,561	95,209	100,783
General and administrative expenses	167,182	171,520	188,320	212,727	248,937	59,291	69,874
Depreciation and amortization	271,832	284,947	294,056	290,089	301,685	73,178	73,318
Gain on disposition of assets	(336)	(1,946)	(1,067)	(1,119)	(10,862)	(1,678)	(312)
Total operating expenses	713,450	746,538	783,466	854,836	930,321	226,000	243,663
Operating income	62,232	63,601	100,044	166,820	189,770	27,333	31,522
Interest expense, net	112,404	93,285	75,584	89,160	111,644	24,616	31,352
Gain on disposition of investment	—	—	—	—	—	—	(15,448)
Loss on debt extinguishment	5,850	33,644	—	3,982	—	—	—
(Loss) income before income taxes and cumulative effect of a change in accounting principle	(56,022)	(63,328)	24,460	73,678	78,126	2,717	15,618
Income tax (benefit) expense	(19,694)	(23,573)	11,305	31,899	34,227	1,177	6,779
Cumulative effect of a change in accounting principle	—	40,240	—	—	—	—	—
Net (loss) income	(36,328)	(79,995)	13,155	41,779	43,899	1,540	8,839
Other data:							
EBITDA(1)	$ 328,214	$ 274,664	$ 394,100	$ 452,927	$ 491,455	$ 100,511	$ 120,288
EBITDA margin(2)	42%	34%	45%	44%	44%	40%	44%
Ratio of EBITDA to interest expense, net(3)	2.9x	2.9x	5.2x	5.1x	4.4x	4.1x	3.8x
Ratio of total debt to EBITDA(4)	6.1x	6.2x	4.2x	3.5x	4.1x	n/a	n/a
Cash flows from operating activities	240,443	260,075	323,164	347,257	364,517	34,921	33,352
Cash flows used in investing activities	(155,763)	(210,041)	(263,747)	(267,970)	(438,896)	(111,771)	(81,218)
Cash flows provided by (used in) financing activities	(81,955)	(57,847)	(23,013)	(104,069)	66,973	64,570	36,333

	As of December 31,					As of March 31,	
	2002	2003	2004	2005	2006	2006	2007
				(dollars in thousands)		(Unaudited)	
Balance sheet data:							
Cash and cash equivalents	$ 15,610	$ 7,797	$ 44,201	$ 19,419	$ 11,796	$ 7,139	$ 279
Cash deposit for debt extinguishment	266,657	—	—	—	—	—	—
Working capital	95,922	69,902	34,476	93,816	119,791	127,870	126,619
Total assets	3,888,168	3,669,514	3,692,282	3,741,234	3,924,228	3,780,481	3,942,389
Long term debt (including current maturities)	1,994,433	1,704,863	1,659,934	1,576,326	1,990,468	1,732,530	2,472,440
Stockholder's equity	1,709,173	1,689,661	1,736,347	1,817,482	1,538,533	1,731,718	1,107,082

(1) EBITDA is defined as earnings (loss) before interest, taxes, depreciation and amortization. EBITDA represents a measure that we believe is customarily used by investors and analysts to evaluate the financial performance of companies in the media industry. Our management also believes that EBITDA is useful in evaluating our core operating results. However, EBITDA is not a measure of financial performance under accounting principles generally accepted in the United States of America and should not be considered an alternative to operating income or net income as an indicator of our operating performance or to net cash provided by operating activities as a measure of our liquidity. Because EBITDA is not calculated identically by all companies, the presentation in this prospectus may not be comparable to those disclosed by other companies. In addition, the definition of EBITDA in this section differs from the definition of EBITDA applicable to the covenants for Lamar Media's senior subordinated notes.

Below is a table that reconciles EBITDA to net income (loss):

	Year Ended December 31,					Three Months Ended March 31,	
	2002	2003	2004	2005	2006	2006	2007
			(dollars in thousands)			(Unaudited)	
Statement of operations data:							
EBITDA	$ 328,214	$ 274,664	$ 394,100	$ 452,927	$ 491,455	$ 100,511	$ 120,288
Depreciation and amortization	271,832	284,947	294,056	290,089	301,685	73,178	73,318
Interest expense, net	112,404	93,285	75,584	89,160	111,644	24,616	31,352
Income tax (benefit) expense	(19,694)	(23,573)	11,305	31,899	34,227	1,177	6,779
Net (loss) income	$ (36,328)	$ (79,995)	$ 13,155	$ 41,779	$ 43,899	$ 1,540	$ 8,839

(2) EBITDA margin is defined as EBITDA divided by net revenues.

(3) Ratio of EBITDA to interest expense is defined as EBITDA divided by net interest expense.

(4) Ratio of total debt to EBITDA is defined as total debt divided by EBITDA.

THE EXCHANGE OFFER

Securities Subject to the Exchange Offer

We are offering, upon the terms and subject to the conditions set forth in this prospectus and the accompanying letter of transmittal, to exchange $1,000 principal amount of new notes and an exchange fee of $2.50 for each $1,000 principal amount of validly tendered and accepted outstanding notes. We are offering to exchange all of the outstanding notes. However, the exchange offer is subject to the conditions described in this prospectus and the accompanying letter of transmittal.

You may tender all, some or none of your outstanding notes, subject to the terms and conditions of the exchange offer. Holders of outstanding notes must tender their outstanding notes in a minimum principal amount of $1,000 and multiples thereof.

We, our officers and directors, the dealer-manager, the information agent, the exchange agent and the trustee do not make any recommendation to you as to whether to tender or refrain from tendering all or any portion of your outstanding notes. In addition, we have not authorized anyone to make any recommendation. You must make your own decision whether to tender your outstanding notes for exchange and, if so, the amount of outstanding notes to tender.

Conditions to the Exchange Offer

Notwithstanding any other provisions of this exchange offer, we will not be required to accept for exchange any outstanding notes tendered, and we may terminate or amend this offer, if at any time before acceptance for exchange any of the following events or circumstances shall have occurred (or shall have been determined by us to have occurred) and, in our reasonable judgment and regardless of the circumstances giving rise to the event or circumstance, the event or circumstance makes it inadvisable to proceed with the offer or with the acceptance for exchange or exchange and issuance of the new notes:

(i) Any action or event shall have occurred, failed to occur or been threatened, any action shall have been taken, or any statute, rule, regulation, judgment, order, stay, decree or injunction shall have been promulgated, enacted, entered, enforced or deemed applicable to the exchange offer, by or before any court or governmental, regulatory or administrative agency, authority or tribunal, which either:

- challenges the making of the exchange offer or the exchange of outstanding notes under the exchange offer or might, directly or indirectly, prohibit, prevent, restrict or delay consummation of, or might otherwise adversely affect in any material manner, the exchange offer or the exchange of outstanding notes under the exchange offer, or
- in our reasonable judgment could materially adversely affect the business, condition (financial or otherwise), income, operations, properties, assets, liabilities or prospects of Lamar Advertising Company and its subsidiaries, taken as a whole, or would be material to holders of outstanding notes in deciding whether to accept the exchange offer.

(ii) (a) Trading generally shall have been suspended or materially limited on or by, as the case may be, either of the New York Stock Exchange or the Nasdaq Stock Market, (b) there shall have been any suspension or limitation of trading of any securities of Lamar Advertising Company on any exchange or in the over-the-counter market, (c) a general banking moratorium shall have been declared by Federal or New York authorities or (d) there shall have occurred any material disruption of bank operations, settlements of securities or clearance services in the United States.

(iii) The trustee with respect to the outstanding notes shall have objected in any respect to, or taken any action that could in our reasonable judgment adversely affect the consummation of the exchange offer, or the trustee or any holder of outstanding notes shall have taken any action that challenges the validity or effectiveness of the procedures used by us in making the exchange offer or the exchange of the outstanding notes under the exchange offer.

(iv) The registration statement and any post-effective amendment to the registration statement covering the new notes is not effective under the Securities Act.

All of the foregoing conditions are for our sole benefit and may be waived by us in our sole discretion. Any determination that we make concerning an event, development or circumstance described or referred to above shall be conclusive and binding.

If any of the foregoing conditions are not satisfied, we may, at any time before the expiration of the exchange offer:

(i) terminate the exchange offer and return all tendered outstanding notes to the holders thereof;

(ii) modify, extend or otherwise amend the exchange offer and retain all tendered outstanding notes until the expiration date, as it may be extended, subject, however, to the withdrawal rights of holders (see "— Expiration Date; Extensions; Amendments", "— Proper Execution and Delivery of Letter of Transmittal" and "— Withdrawal of Tenders" below); or

(iii) waive the unsatisfied conditions and accept all outstanding notes tendered and not previously withdrawn.

Except for the requirements of applicable U.S. federal and state securities laws, we know of no federal or state regulatory requirements to be complied with or approvals to be obtained by us in connection with the exchange offer which, if not complied with or obtained, would have a material adverse effect on us.

Expiration Date; Extensions; Amendments

For purposes of the exchange offer, the term "expiration date" shall mean midnight, New York City time, on June 27, 2007, subject to our right to extend such date and time for the exchange offer in our sole discretion, in which case, the expiration date shall mean the latest date and time to which the exchange offer is extended.

We reserve the right, in our sole discretion, to (1) extend the exchange offer, (2) terminate the exchange offer upon failure to satisfy any of the conditions listed above or (3) amend the exchange offer, by giving oral (promptly confirmed in writing) or written notice of such extension, termination or amendment to the exchange agent. Any such extension, termination or amendment will be followed promptly by a public announcement thereof which, in the case of an extension, will be made no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date.

If we amend the exchange offer in a manner that we determine constitutes a material or significant change, we will extend the exchange offer for a period of five to ten business days, depending upon the significance of the amendment, if the exchange offer would otherwise have expired during such five to ten business day period. Any change in the consideration offered to holders of outstanding notes in the exchange offer will be paid to all holders whose outstanding notes have previously been tendered pursuant to the exchange offer. In addition, if we change (1) the percentage of outstanding notes we are offering to exchange or (2) the amount of the exchange fee, we will extend the exchange offer for a period of ten business days from the date that the revised exchange offer materials are disseminated to holders of the outstanding notes.

Without limiting the manner in which we may choose to make a public announcement of any delay, extension, amendment or termination of the exchange offer, we will comply with applicable securities laws by disclosing any such amendment by means of a prospectus supplement that we distribute to the holders of the outstanding notes. We will have no other obligation to publish, advertise or otherwise communicate any such public announcement other than by making a timely release to any appropriate news agency, including Bloomberg Business News and the Dow Jones News Service.

Any valid tender by a holder of outstanding notes that is not validly withdrawn prior to the expiration date of the exchange offer will constitute a binding agreement between that holder and us upon

the terms and subject to the conditions of the exchange offer and the letter of transmittal. The acceptance of the exchange offer by a tendering holder of outstanding notes will constitute the agreement by that holder to deliver good and marketable title to the tendered outstanding notes, free and clear of all liens, charges, claims, encumbrances, interests and restrictions of any kind.

Absence of Dissenters' Rights

Holders of the outstanding notes do not have any appraisal or dissenters' rights under applicable law in connection with the exchange offer.

Acceptance of Outstanding Notes for Exchange

The new notes will be delivered in book-entry form on the settlement date, which we anticipate will be promptly following the expiration date of the exchange offer, after giving effect to any extensions.

We will be deemed to have accepted validly tendered outstanding notes when, and if, we have given oral notice (promptly confirmed in writing) or written notice thereof to the exchange agent. Subject to the terms and conditions of the exchange offer, the issuance of new notes will be recorded in book-entry form by the exchange agent on the exchange date upon receipt of such notice. The exchange agent will act as agent for tendering holders of the outstanding notes for the purpose of receiving book-entry transfers of outstanding notes in the exchange agent's account at DTC. If any validly tendered outstanding notes are not accepted for any reason set forth in the terms and conditions of the exchange offer, including if outstanding notes are validly withdrawn, such withdrawn outstanding notes will be returned without expense to the tendering holder or such outstanding notes will be credited to an account maintained at DTC designated by the DTC participant who so delivered such outstanding notes, in either case, promptly after the expiration or termination of the exchange offer.

Procedures for Exchange

If you hold outstanding notes and wish to have such securities exchanged for new notes, you must validly tender, or cause the valid tender of, your outstanding notes using the procedures described in this prospectus and in the accompanying letter of transmittal.

Only registered holders of outstanding notes are authorized to tender the outstanding notes. The procedures by which you may tender or cause to be tendered outstanding notes will depend upon the manner in which the outstanding notes are held, as described below.

Tender of Outstanding Notes Held Through a Bank, Broker or Other Nominee

If you are a beneficial owner of outstanding notes that are held of record by a custodian bank, depositary, broker, trust company or other nominee, and you wish to tender outstanding notes in the exchange offer, you should contact the record holder promptly and instruct the record holder to tender the outstanding notes on your behalf using one of the procedures described below.

Tender of Outstanding Notes Through DTC

Pursuant to authority granted by DTC, if you are a DTC participant that has outstanding notes credited to your DTC account and thereby held of record by DTC's nominee, you may directly tender your outstanding notes as if you were the record holder. Because of this, references herein to registered or record holders include DTC participants with outstanding notes credited to their accounts. If you are not a DTC participant, you may tender your outstanding notes by book-entry transfer by contacting your broker or opening an account with a DTC participant.

Within two business days after the date of this prospectus, the exchange agent will establish accounts with respect to the outstanding notes at DTC for purposes of the exchange offer. Subject to the establishment of the accounts, any DTC participant may make book-entry delivery of outstanding notes by causing DTC to transfer such outstanding notes into the exchange agent's account in accordance with DTC's

procedures for such transfer. However, although delivery of outstanding notes may be effected through book-entry transfer into the exchange agent's account at DTC, the letter of transmittal (or a manually signed facsimile of the letter of transmittal) with any required signature guarantees, or an "agent's message" in connection with a book-entry transfer, and any other required documents, must, in any case, be transmitted to and received by the exchange agent, in each case, prior to the expiration date. Delivery of tendered outstanding notes must be made to the exchange agent pursuant to the book-entry delivery procedures set forth below or the tendering DTC participant must comply with the guaranteed delivery procedures set forth below.

Any participant in DTC may tender outstanding notes by:

(i) effecting a book-entry transfer of the outstanding notes to be tendered in the exchange offer into the account of the exchange agent at DTC by electronically transmitting its acceptance of the exchange offer through DTC's Automated Tender Offer Program, or ATOP, procedures for transfer; if ATOP procedures are followed, DTC will then verify the acceptance, execute a book-entry delivery to the exchange agent's account at DTC and send an agent's message to the exchange agent. An "agent's message" is a message, transmitted by DTC to and received by the exchange agent and forming part of a book-entry confirmation, which states that DTC has received an express acknowledgment from a DTC participant tendering outstanding notes that the participant has received and agrees to be bound by the terms of the letter of transmittal and makes each of the representations and warrants contained in the letter of transmittal and that Lamar Advertising Company may enforce the agreement against the participant. DTC participants following this procedure should allow sufficient time for completion of the ATOP procedures prior to the expiration date of the exchange offer;

(ii) completing and signing the letter of transmittal according to the instructions and delivering it, together with any signature guarantees and other required documents, to the exchange agent at its address on the back cover page of this prospectus; or

(iii) complying with the guaranteed delivery procedures described below.

With respect to option (i) above, the exchange agent and DTC have confirmed that the exchange offer is eligible for ATOP.

In addition, in order for a tender of outstanding notes to be effective, the exchange agent must receive, prior to the expiration date, a timely confirmation of book-entry transfer of the outstanding notes being tendered into the exchange agent's account at DTC, along with the letter of transmittal or an agent's message. If you desire to tender your outstanding notes and cannot complete the procedures for book-entry transfer on a timely basis, you may still tender your outstanding notes if you comply with the guaranteed delivery procedures described below.

The letter of transmittal (or facsimile thereof), with any required signature guarantees and other required documents, or (in the case of book-entry transfer) an agent's message in lieu of the letter of transmittal, must be transmitted to and received by the exchange agent prior to the expiration date of the exchange offer at one of its addresses set forth on the back cover page of this prospectus. Delivery of such documents to DTC does not constitute delivery to the exchange agent.

Letter of Transmittal

Subject to and effective upon the acceptance for exchange and exchange of new notes for outstanding notes tendered by a letter of transmittal, by executing and delivering a letter of transmittal (or agreeing to the terms of a letter of transmittal pursuant to an agent's message), a tendering holder of outstanding notes:

- irrevocably sells, assigns and transfers to or upon the order of Lamar Advertising Company all right, title and interest in and to, and all claims in respect of or arising or having arisen as a result of the holder's status as a holder of the outstanding notes tendered thereby;
- waives any and all rights with respect to the outstanding notes tendered thereby;

- releases and discharges Lamar Advertising Company and the trustee with respect to the outstanding notes from any and all claims such holder may have, now or in the future, arising out of or related to the outstanding notes tendered thereby;
- represents and warrants that the outstanding notes tendered were owned as of the date of tender, free and clear of all liens, restrictions, charges and encumbrances and are not subject to any adverse claim or right;
- designates an account number of a DTC participant in which the new notes are to be credited; and
- irrevocably appoints the exchange agent the true and lawful agent and attorney-in-fact of the holder with respect to any tendered outstanding notes, with full powers of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to cause the outstanding notes tendered to be assigned, transferred and exchanged in the exchange offer.

Proper Execution and Delivery of Letter of Transmittal

If you wish to participate in the exchange offer, delivery of your outstanding notes, signature guarantees and other required documents is your responsibility. Delivery is not complete until the required items are actually received by the exchange agent. If you mail these items, we recommend that you (1) use registered mail with return receipt requested, properly insured, and (2) mail the required items sufficiently in advance of the expiration date with respect to the exchange offer to allow sufficient time to ensure timely delivery.

Except as otherwise provided below, all signatures on a letter of transmittal or a notice of withdrawal must be guaranteed by a recognized participant in the Securities Transfer Agents Medallion Program, the NYSE Medallion Signature Program or the Stock Exchange Medallion Program. Signatures on a letter of transmittal need not be guaranteed if:

- the letter of transmittal is signed by a participant in DTC whose name appears on a security position listing of DTC as the owner of the outstanding notes and the holder has not completed the portion entitled “Special Issuance and Payment Instructions” on the letter of transmittal; or
- the outstanding notes are tendered for the account of an Eligible Guarantor Institution. See Instruction 3 in the letter of transmittal.

Withdrawal of Tenders

Tenders of outstanding notes in connection with the exchange offer may be withdrawn at any time prior to the expiration date of the exchange offer, but you must withdraw all of your outstanding notes previously tendered. Tenders of outstanding notes may not be withdrawn at any time after such date unless the exchange offer is extended, in which case tenders of outstanding notes may be withdrawn at any time prior to the expiration date, as extended.

Beneficial owners desiring to withdraw outstanding notes previously tendered should contact the DTC participant through which such beneficial owners hold their outstanding notes. In order to withdraw outstanding notes previously tendered, a DTC participant may, prior to the expiration date of the exchange offer, withdraw its instruction previously transmitted through ATOP by (1) withdrawing its acceptance through ATOP or (2) delivering to the exchange agent by mail, hand delivery or facsimile transmission, notice of withdrawal of such instruction. The notice of withdrawal must contain the name and number of the DTC participant. The method of notification is at the risk and election of the holder and must be timely received by the exchange agent. Withdrawal of a prior instruction will be effective upon receipt of the notice of withdrawal by the exchange agent. All signatures on a notice of withdrawal must be guaranteed by a recognized participant in the Securities Transfer Agents Medallion Program, the NYSE Medallion Signature Program or the Stock Exchange Medallion Program. However, signatures on the notice of withdrawal need not be guaranteed if the outstanding notes being withdrawn are held for the account of an Eligible Guarantor Institution. A withdrawal of an instruction must be executed by a DTC participant in

the same manner as such DTC participant's name appears on its transmission through ATOP to which such withdrawal relates. A DTC participant may withdraw a tender only if such withdrawal complies with the provisions described in this paragraph.

Withdrawals of tenders of outstanding notes may not be rescinded and any outstanding notes withdrawn will thereafter be deemed not validly tendered for purposes of the exchange offer. Properly withdrawn outstanding notes, however, may be retendered by following the procedures described above at any time prior to the expiration date of the exchange offer.

Guaranteed Delivery Procedures

If you desire to tender your outstanding notes and you cannot complete the procedures for book-entry transfer set forth above on a timely basis, you may still tender your outstanding notes if:

- your tender is made through an eligible institution;
- prior to the expiration date, the exchange agent received from the eligible institution a properly completed and duly executed letter of transmittal, or a facsimile of such letter of transmittal or an electronic confirmation pursuant to DTC's ATOP system and notice of guaranteed delivery, substantially in the form provided by us, by facsimile transmission, mail or hand delivery, that:
  - (1) sets forth the name and address of the holder of the outstanding notes tendered;
  - (2) states that the tender is being made thereby; and
  - (3) guarantees that within three New York Stock Exchange trading days after the date of execution of the Notice of Guaranteed Delivery a book-entry confirmation and any other documents required by the letter of transmittal, if any, will be deposited by the eligible institution with the exchange agent; and
- book-entry confirmation and all other documents, if any, required by the letter of transmittal are received by the exchange agent within three New York Stock Exchange trading days after the date of execution of the notice of guaranteed delivery.

Miscellaneous

All questions as to the validity, form, eligibility (including time of receipt) and acceptance for exchange of any tender of outstanding notes in connection with the exchange offer will be determined by us, in our sole discretion, and our determination will be final and binding. We reserve the absolute right to reject any and all tenders not in proper form or the acceptance for exchange of which may, in the opinion of our counsel, be unlawful. We also reserve the absolute right to waive any defect or irregularity in the tender of any outstanding notes in the exchange offer, and the interpretation by us of the terms and conditions of the exchange offer (including the instructions in the letter of transmittal) will be final and binding on all parties, provided that we will not waive any condition to the offer with respect to an individual holder of outstanding notes unless we waive that condition for all such holders. None of Lamar Advertising Company, the exchange agent, the information agent, the dealer-manager or any other person will be under any duty to give notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification.

Tenders of outstanding notes involving any irregularities will not be deemed to have been made until such irregularities have been cured or waived. Outstanding notes received by the exchange agent in connection with the exchange offer that are not validly tendered and as to which the irregularities have not been cured or waived will be returned by the exchange agent to the DTC participant who delivered such outstanding notes by crediting an account maintained at DTC designated by such DTC participant promptly after the expiration date of the exchange offer or the withdrawal or termination of the exchange offer.

Transfer Taxes

Holders tendering outstanding notes will be responsible for all transfer taxes, if any, applicable to the transfer and exchange of outstanding notes to us in the exchange offer. In addition to the possibility of a transfer tax on the exchange, transfer taxes could be imposed in the following circumstances:

- if new notes in book-entry form are to be registered in the name of any person other than the person signing the letter of transmittal; or
- if tendered outstanding notes are registered in the name of any person other than the person signing the letter of transmittal.

If satisfactory evidence of payment of or exemption from those transfer taxes is not submitted with the letter of transmittal, the amount of those transfer taxes will be billed directly to the tendering holder and/or withheld from any payments due with respect to the outstanding notes tendered by such holder.

Exchange Agent

The Bank of New York Trust Company, N.A. has been appointed the exchange agent for the exchange offer. Letters of transmittal, notices of guaranteed delivery and all correspondence in connection with the exchange offer should be sent or delivered by each holder of outstanding notes, or a beneficial owner's custodian bank, depositary, broker, trust company or other nominee, to the exchange agent at the address set forth on the back cover page of this prospectus. We will pay the exchange agent reasonable and customary fees for its services and will reimburse it for its reasonable, out-of-pocket expenses in connection therewith.

From time to time, the exchange agent and its affiliates have provided, and may in the future provide, investment banking, commercial banking, financial advisory and other services to us and our affiliates for which services they have received, and may in the future receive, customary fees and other compensation. We have a bank credit facility with a syndicate of lenders that includes an affiliate of the exchange agent. The exchange agent and its affiliates may from time to time engage in future transactions with us and our affiliates and provide services to us and our affiliates in the ordinary course of their business.

An affiliate of the exchange agent, in the ordinary course of business, also makes markets in our securities, including the outstanding notes. As a result, from time to time, BNY Capital Markets, Inc. may own certain of our securities, including the outstanding notes.

Information Agent

The Altman Group has been appointed as the information agent for the exchange offer, and will receive customary compensation for its services. Questions concerning tender procedures and requests for additional copies of this prospectus, the letter of transmittal or the notice of guaranteed delivery should be directed to the information agent at the address set forth on the back cover page of this prospectus. Holders of outstanding notes may also contact their custodian bank, depositary, broker, trust company or other nominee for assistance concerning the exchange offer.

Dealer-Manager

We have retained Wachovia Securities to act as dealer-manager in connection with the exchange offer.

We will pay the dealer-manager customary fees for its services in connection with the exchange offer and will also reimburse the dealer-manager for certain out-of-pocket expenses, including certain fees and expenses of its legal counsel incurred in connection with the exchange offer. The dealer-manager's fee will be calculated based on the principal amount of outstanding notes tendered. The obligations of the dealer-manager are subject to certain conditions. We have agreed to indemnify the dealer-manager against certain liabilities, including liabilities under the federal securities laws, or to contribute to payments that the

dealer-manager may be required to make in respect thereof. Questions regarding the terms of the exchange offer may be directed to the dealer-manager at the address set forth on the back cover page of this prospectus.

From time to time, the dealer-manager and its affiliates have provided, and may in the future provide, investment banking, commercial banking, financial advisory and other services to us and our affiliates for which services they have received, and may in the future receive, customary fees and other compensation. We have a bank credit facility with a syndicate of lenders that includes an affiliate of the dealer-manager.

The dealer-manager, in the ordinary course of business, also makes markets in our securities, including the outstanding notes. As a result, from time to time, Wachovia Securities may own certain of our securities, including the outstanding notes.

Other Fees and Expenses

Tendering holders of outstanding notes will not be required to pay any expenses of soliciting tenders in the exchange offer, including any fee or commission to the dealer-manager. However, if a tendering holder handles the transaction through its broker, dealer, commercial bank, trust company or other institution, such holder may be required to pay brokerage fees or commissions.

The principal solicitation is being made by mail. However, additional solicitations may be made by telegraph, facsimile transmission, telephone or in person by the dealer-manager and the information agent, as well as by officers and other employees of Lamar Advertising Company and its affiliates.

DESCRIPTION OF MATERIAL INDEBTEDNESS

The following is a description of our material indebtedness, other than the outstanding notes. The following summaries are qualified in their entirety by reference to the credit and security agreements and indentures to which each summary relates, which are incorporated by reference into the registration statement of which this prospectus is a part.

Bank Credit Facility

The bank credit facility of Lamar Media, our direct wholly owned subsidiary, for which JPMorgan Chase Bank, N.A. serves as administrative agent, consists of a $400.0 million revolving bank credit facility, a $400.0 million term facility (the "Term Loan"), a $500.0 million incremental loan facility and an additional $789.0 million in incremental term loans.

Incremental Term Loans

In February 2006, Lamar Media and one of its subsidiaries entered into a Series A Incremental Loan Agreement and borrowed $37.0 million under the incremental loan facility (the "Series A Incremental Loan"). On October 5, 2006, Lamar Media entered into a Series B Incremental Loan Agreement and borrowed an additional $150.0 million under the incremental loan facility (the "Series B Incremental Loan").

In December 2006, Lamar Media and one of its subsidiaries entered into a Series C Incremental Loan Agreement and borrowed $20.0 million under the incremental loan facility (the "Series C Incremental Loan"), and in January 2007 Lamar Media and one of its subsidiaries entered into a Series D Incremental Loan Agreement and borrowed an additional $7.0 million under the incremental loan facility (the "Series D Incremental Loan").

In March 2007, Lamar Media entered into (i) a Series E Incremental Loan Agreement pursuant to which it borrowed $250.0 million under the incremental loan facility (the "Series E Incremental Loan") and (ii) a Series F Incremental Loan Agreement pursuant to which it borrowed $325.0 million under the incremental loan facility (the "Series F Incremental Loan").

In connection with the borrowing of incremental loans, Lamar Media has from time to time entered into amendments to its bank credit facility to, among other things, restore the amount of the incremental loan facility to $500.0 million (which, under its original terms, would have been reduced by the issuance of the Series A, Series B, Series C, Series D, Series E and Series F Incremental Loans).

Our lenders have no obligation to make additional loans to us out of the $500.0 million remaining under our incremental loan facility, but may enter into such commitments at their sole discretion.

Reductions in Commitments; Amortization

The Term Loan and the Series A, Series B, Series C and Series D Incremental Loans will begin amortizing on December 31, 2007 in quarterly installments paid on each December 31, March 31, June 30 and September 30 as follows (dollars in thousands):

	Term Loan	Series A	Series B	Series C	Series D
December 31, 2007 — September 30, 2009	$ 5,000	$ 463	$ 1,875	$ 250	$ 88
December 31, 2009 — September 30, 2011	15,000	1,388	5,625	750	263
December 31, 2011 — September 30, 2012	60,000	5,550	22,500	3,000	1,050

The Series E Incremental Loans will begin amortizing on June 30, 2009 in quarterly installments paid on each June 30, September 30, December 31 and March 31 as follows (dollars in thousands):

Principal Payment Date	Principal Amount
June 30, 2009 — March 31, 2010	$ 3,125
June 30, 2010 — March 31, 2011	$ 6,250
June 30, 2011 — March 31, 2012	$ 9,375
June 30, 2012 — March 31, 2013	$ 43,750

The Series F Incremental Loans will begin amortizing on June 30, 2009 in quarterly installments paid on each June 30, September 30, December 31, and March 31 as follows (dollars in thousands):

Principal Payment Date	Principal Amount
June 30, 2009 — December 31, 2013	$ 812.5
March 31, 2014	$ 309,562.5

The revolving bank credit facility, the Term Loan and the Series A, Series B, Series C and Series D Incremental Loans will mature on September 28, 2012. The Series E Incremental Loans will mature on March 31, 2013, and the Series F Incremental Loans will mature on March 31, 2014.

Interest

Interest on borrowings under the facilities is calculated, at our option, at a rate equal to either of the following plus the applicable spread above such rate:

- with respect to base rate borrowings, the “Adjusted Base Rate” which is equal to the higher of the rate publicly announced by JPMorgan Chase Bank, N.A. as its prime lending rate and the applicable federal funds rate, plus 0.5%; or
- with respect to eurodollar rate borrowings, the rate at which eurodollar deposits for one, two, three or six months (as selected by us), or nine or twelve months with the consent of the lenders, are quoted on the Dow Jones Telerate Screen multiplied by the statutory reserve rate (determined based on maximum reserve percentages established by the Board of Governors of the Federal Reserve System of the United States of America).

The spread applicable to borrowings under the revolving bank credit facility and Term Loan is determined by reference to our trailing leverage ratio (total debt to trailing four fiscal quarter EBITDA, as defined in the bank credit facility, see “— Covenants” below). Based on our trailing leverage ratio at March 31, 2007, the spread applicable to borrowings under the revolving credit facility, the Term Loan and the Series A, Series B, Series C, Series D and Series E Incremental Loans is 0% for base rate loans and 1% for eurodollar loans. The spread applicable to borrowings under the Series F Incremental Loans is 0.5% for base rate loans and 1.50% for eurodollar loans.

Guarantees; Security

The obligations under the bank credit facility are guaranteed by all of our restricted subsidiaries (which includes all of our existing domestic subsidiaries, except Missouri Logos, a Partnership). The guarantees are secured by a pledge of all of the capital stock of those subsidiaries.

Covenants

Under the terms of the bank credit facility, Lamar Media and its restricted subsidiaries are not permitted to incur any additional indebtedness over $150 million at any one time outstanding except:

- indebtedness created by the bank credit facility;
- indebtedness in respect of notes issued by Lamar Media so long as no default exists at the time of the issuance or would result from the issuance and the terms of Lamar Media’s senior subordinated notes comply with certain conditions;

- existing indebtedness or any extension, renewal, refunding or replacement of any existing indebtedness or indebtedness incurred by the issuance of notes as referred to in the bullet above; and
- indebtedness of Lamar Media to any wholly owned subsidiary and indebtedness of any wholly owned subsidiary to Lamar Media.

The bank credit facility also places certain restrictions upon the ability of Lamar Media and its restricted subsidiaries to, among other things:

- incur liens or guarantee obligations;
- pay dividends and make other distributions (including distributions to us) during the continuance of a default;
- make investments and enter into joint ventures or hedging agreements;
- dispose of assets; and
- engage in transactions with affiliates except on an arms-length basis.

Under the bank credit facility, Lamar Media and its restricted subsidiaries cannot exceed a total debt ratio, defined as total consolidated debt to EBITDA, as defined below, for the most recent four fiscal quarters, of 6.00 to 1.

The bank credit facility also requires Lamar Media and its restricted subsidiaries to maintain a fixed charges coverage ratio, defined as the ratio of EBITDA, as defined below, for the most recent four fiscal quarters to (1) the total payments of principal and interest on debt for that period, plus (2) capital expenditures made during that period, plus (3) income and franchise tax payments made during that period, plus (4) dividends, distributions and payments of principal or interest to us, of greater than 1.05 to 1.

As defined under the bank credit facility, EBITDA is, for any period, operating income for Lamar Media and its restricted subsidiaries (determined on a consolidated basis without duplication in accordance with GAAP) for such period (calculated before taxes, interest expense, interest in respect of mirror loan indebtedness, depreciation, amortization and any other non-cash income or charges accrued for such period and (except to the extent received or paid in cash by any of our restricted subsidiaries) income or loss attributable to equity in affiliates for such period) excluding any extraordinary and unusual gains or losses during such period, and excluding the proceeds of any casualty events whereby insurance or other proceeds are received and certain dispositions not in the ordinary course. Any dividend payment made to us by any of our restricted subsidiaries during any period to enable us to pay certain qualified expenses on our subsidiaries behalf shall be treated as an operating expenses for the purposes of calculating EBITDA for such period. EBITDA under the bank credit facility is also adjusted to reflect certain acquisitions or dispositions as if such acquisitions or dispositions were made on the first day of such period if and to the extent such operating expenses would be deducted in the calculation of EBITDA if funded by any of our restricted subsidiaries.

EBITDA under the bank credit facility is also adjusted to reflect certain acquisitions or dispositions as if such acquisitions or dispositions were made on the first day of such period.

Change of Control

A change of control of Lamar Media constitutes an event of default, permitting the lenders to accelerate the indebtedness and terminate the bank credit facility. A change in control would occur if:

- Lamar Media ceases to be our wholly owned subsidiary;
- Charles W. Lamar, III or Kevin P. Reilly, Sr. and their immediate family (including grandchildren) and entities under their control no longer hold sufficient voting stock of Lamar Advertising to elect at all times a majority of its board of directors;

- anyone other than the holders specified in the preceding bullet acquire shares of Lamar Advertising representing more than 20% of the ordinary voting power or acquire control of Lamar Advertising; or
- a majority of the seats on Lamar Advertising's board is occupied by persons who were neither nominated by the board of directors of Lamar Advertising nor appointed by directors so nominated.

6⅝% Senior Subordinated Notes Due 2015 — Series B

On August 17, 2006, Lamar Media issued $216.0 million aggregate principal amount of 6⅝% Senior Subordinated Notes due 2015 — Series B under an indenture among Lamar Media, as issuer, certain of our subsidiaries and The Bank of New York Trust Company N.A., as trustee. The 6⅝% Senior Subordinated Notes due 2015 — Series B are a separate class of securities from and do not trade fungibly with the 6⅝% Senior Subordinated Notes due 2015 that we issued on August 16, 2005, which are described below.

These notes are senior subordinated unsecured obligations, which are subordinated to indebtedness under the bank credit facility and Lamar Media's other senior indebtedness and *pari passu* in right of payment with our existing 7¼% senior subordinated notes due 2013 and 6⅝% Senior Subordinated Notes due 2015. These notes rank senior to all of Lamar Media's other existing and future subordinated indebtedness. These notes bear interest at 6⅝% per annum, payable twice a year on each February 15 and August 15.

Lamar Media may redeem these notes, in whole or in part, at any time on or after August 15, 2010. If a redemption occurs before August 15, 2013, Lamar Media will pay a premium on the principal amount of the notes redeemed. This premium decreases annually from approximately 3.3% for a redemption on or after August 15, 2010, to approximately 1.1% for a redemption on or after August 15, 2012 and is phased out completely on August 15, 2013.

Lamar Media's obligations under these notes are guaranteed by all of our domestic subsidiaries, except Missouri Logos, a Partnership. The guarantees under these notes are subordinated in right of payment to the guarantees under Lamar Media's bank credit facility.

The holders of these notes may force Lamar Media to immediately repay the principal on these notes, including interest to the acceleration date, if, among other things, Lamar Media fails to make payments that result in an acceleration on other indebtedness under which at least $20 million is outstanding.

The indenture places certain restrictions upon the ability of our subsidiaries, to, among other things:

- incur additional indebtedness;
- issue preferred stock;
- pay dividends or make other distributions or redeem capital stock;
- incur liens or guarantee obligations;
- dispose of assets; and
- engage in transactions with affiliates except on an arms' length basis.

Upon a "change of control" (as defined in the indenture), Lamar Media will be obligated to offer to purchase all of the outstanding notes at a purchase price of 101% of the principal amount plus accrued interest, if any. In addition, if Lamar Media sells certain assets, it will be obligated to offer to purchase outstanding notes with the proceeds of the asset sale at a purchase price of 100% of the principal amount plus accrued interest, if any.

6⅝% Senior Subordinated Notes Due 2015

On August 16, 2005, Lamar Media issued $400.0 million in aggregate principal amount of 6⅝% Senior Subordinated Notes due 2015 under an indenture among Lamar Media, as issuer, certain of its subsidiaries

and The Bank of New York Trust Company N.A., as trustee. These notes are senior subordinated unsecured obligations, which are subordinated to indebtedness under the bank credit facility and Lamar Media's other senior indebtedness and *pari passu* in right of payment with its existing 7¼% senior subordinated notes due 2013 and 6⅝% Senior Subordinated Notes Due 2015 — Series B. These notes rank senior to all of Lamar Media's other existing and future subordinated indebtedness. These notes bear interest at 6⅝% per annum, payable twice a year on each February 15 and August 15.

Lamar Media may redeem these notes, in whole or in part, at any time on or after August 15, 2010. If a redemption occurs before August 15, 2013, Lamar Media will pay a premium on the principal amount of the notes redeemed. This premium decreases annually from approximately 3.3% for a redemption on or after August 15, 2010, to approximately 1.1% for a redemption on or after August 15, 2012 and is phased out completely on August 15, 2013.

Lamar Media's obligations under these notes are guaranteed by all of its domestic subsidiaries, except Missouri Logos, a Partnership. The guarantees under these notes are subordinated in right of payment to the guarantees under the bank credit facility.

The holders of these notes may force Lamar Media to immediately repay the principal on these notes, including interest to the acceleration date, if, among other things, we fail to make payments that result in an acceleration on other indebtedness under which at least $20 million is outstanding.

The indenture places certain restrictions upon the ability of our subsidiaries to, among other things:

- incur additional indebtedness;
- issue preferred stock;
- pay dividends or make other distributions or redeem capital stock;
- incur liens or guarantee obligations;
- dispose of assets; and
- engage in transactions with affiliates except on an arms' length basis.

Upon a "change of control" (as defined in the indenture), Lamar Media will be obligated to offer to purchase all of the outstanding notes at a purchase price of 101% of the principal amount plus accrued interest, if any. In addition, if we sell certain assets, we will be obligated to offer to purchase outstanding notes with the proceeds of the asset sale at a purchase price of 100% of the principal amount plus accrued interest, if any.

7¼% Senior Subordinated Notes Due 2013

On December 23, 2002 and June 12, 2003, Lamar Media issued $385 million in aggregate principal amount of 7¼% Senior Subordinated Notes due 2013 under an indenture among Lamar Media, as issuer, certain of its subsidiaries and The Bank of New York Trust Company, N.A., as trustee. These notes are senior subordinated unsecured obligations, which are subordinated to indebtedness under the bank credit facility and Lamar Media's other senior indebtedness and *pari passu* in right of payment with its 6⅝% Senior Subordinated Notes due 2015 and its 6⅝% Senior Subordinated Notes due 2015 — Series B. These notes rank senior to all of Lamar Media's other existing and future subordinated indebtedness. These notes bear interest at 7¼% per annum, payable twice a year on each January 1 and July 1.

Lamar Media may redeem these notes, in whole or in part, at any time on or after January 1, 2008. If a redemption occurs before January 1, 2011, Lamar Media will pay a premium on the principal amount of the notes redeemed. This premium decreases annually from approximately 3.6% for a redemption on or after January 1, 2008, to approximately 1.2% for a redemption on or after January 1, 2010 and is phased out completely on January 1, 2011.

Lamar Media's obligations under these notes are guaranteed by all of its domestic subsidiaries, except Missouri Logos, a Partnership. The guarantees under these notes are subordinated in right of payment to the guarantees under Lamar Media's bank credit facility.

The holders of these notes may force Lamar Media to immediately repay the principal on these notes, including interest to the acceleration date, if, among other things, Lamar Media fails to make payments on other indebtedness under which it has at least $10 million outstanding.

The indenture places certain restrictions upon the ability of our subsidiaries, to, among other things:

- incur additional indebtedness;
- issue preferred stock;
- pay dividends or make other distributions or redeem capital stock;
- incur liens or guarantee obligations;
- dispose of assets; and
- engage in transactions with affiliates except on an arms' length basis.

Upon a "change of control" (as defined in the indenture), Lamar Media will be obligated to offer to purchase all of the outstanding notes at a purchase price of 101% of the principal amount plus accrued interest, if any. In addition, if Lamar Media sells certain assets, Lamar Media will be obligated to offer to purchase outstanding notes with the proceeds of the asset sale at a purchase price of 100% of the principal amount plus accrued interest, if any.

DESCRIPTION OF THE NEW NOTES

The new notes will be issued under the indenture to be entered into between the Company and The Bank of New York Trust Company, N.A., as trustee and conversion agent. The following description summarizes certain terms and provisions of the new notes and the indenture into which we will enter in connection with this exchange offer, does not purport to be complete and is subject to, and qualified in its entirety by reference to, the actual terms and provisions of the new notes and the indenture. A copy of the form of indenture has been filed with the SEC as part of our registration statement. See "Where You Can Find More Information" in the accompanying prospectus for information on how to obtain a copy.

The new notes will have an aggregate principal amount of up to $287,500,000, mature on December 31, 2010 and bear interest at 2⅞% per annum.

The new notes:

- will be issued in U.S. dollars in denominations of $1,000 and integral multiples of $1,000;
- represent our unsecured and unsubordinated debt, and will rank on a parity with each other and with our other unsecured and unsubordinated debt;
- will be effectively subordinated to all present and future debt and obligations of Lamar Media Corp. and its subsidiaries;
- are subject to our repurchase at the option of the holders, as described below under "— Repurchase at Option of Holders Upon a Change of Control"; and
- will not have a sinking fund.

Holders may convert their new notes prior to maturity based on an initial conversion rate of 20.4518 shares per each $1,000 principal amount of new notes, which represents an initial conversion price of approximately $48.90, only if certain conditions for conversion are satisfied. See "— Conversion Rights." The initial conversion rate is subject to adjustment upon the occurrence of the events (including any fundamental change) described below under "— Conversion Rate Adjustments."

We will pay interest on June 30 and December 31 of each year, beginning June 30, 2007, to record holders at the close of business on the preceding June 15 and December 15, as the case may be, except interest payable upon repurchase will be paid to the person to whom principal is payable, unless the repurchase date is an interest payment date.

We will maintain an office in the Borough of Manhattan, The City of New York, for the payment of interest, which shall initially be an office or agency of the trustee. We may pay interest either:

- by check mailed to your address as it appears in the note register, provided that if you are a holder with an aggregate principal amount in excess of $2.0 million, you shall be paid, at your written election, by wire transfer in immediately available funds; or
- by transfer to an account maintained by you in the United States.

However, payments to The Depository Trust Company, New York, New York, which we refer to as DTC, will be made by wire transfer of immediately available funds to the account of DTC or its nominee. Interest will be computed on the basis of a 360-day year composed of twelve 30-day months.

Conversion Rights

General

Holders may convert any portion of the principal amount of a new note that is an integral multiple of $1,000 (that has not previously been repurchased), until the close of business on the business day immediately preceding the maturity date based on an initial conversion rate of 20.4518 shares of Class A common stock per $1,000 principal amount of new notes (which represents an initial conversion price of approximately $48.90 per share) only if one or more of the conditions for conversion described below

under "— Conversion Based on Class A Common Stock Price;" "— Conversion Based on Trading Price of New Notes;" "— Conversion Upon Occurrence of Specified Corporate Transactions;" or "— Conversion at Maturity" are satisfied.

Holders who convert will receive shares of Class A common stock, cash or a combination thereof as described below under "— Conversion Settlement." The conversion rate per $1,000 principal amount of new notes in effect at any given time is referred to in this prospectus as the *"conversion rate"* and will be subject to adjustment as described below under "— Conversion Rate Adjustments." The *"conversion price"* per share of Class A common stock as of any given time is equal to $1,000 divided by the conversion rate.

If you have submitted your new notes for repurchase upon a change of control, you may convert (to the extent that your right to conversion has been triggered as described herein) your new notes only if you withdraw your repurchase election as described under "— Repurchase at Option of Holders Upon a Change of Control." Our delivery of shares of Class A common stock, cash or a combination thereof to the holder will be deemed to satisfy our obligation with respect to the new notes tendered for conversion and our obligation to pay:

- the principal amount of the new note; and
- accrued but unpaid interest attributable to the period from the most recent interest payment date to the conversion date.

Such new notes will cease to be outstanding, and all rights of holders of such new notes will terminate except the right to receive the conversion price. As a result, accrued but unpaid interest to the conversion date is deemed to be paid in full rather than cancelled, extinguished or forfeited.

Notwithstanding the preceding paragraph, if new notes are converted within the period after a record date but before the next succeeding interest payment date, the holders of such new notes at the close of business on the record date will receive interest payments on such new notes on the corresponding interest payment date, notwithstanding that accrued but unpaid interest attributable to the period from the most recent interest payment date to the conversion date is deemed satisfied upon conversion. Accordingly, a holder surrendering new notes for conversion during that period must tender funds equal to the amount of interest payable on the new notes so converted; provided that no such payment need be made if (1) we have specified a purchase date following a change of control or a fundamental change that is during such period or (2) only to the extent of overdue interest, if any overdue interest exists at the time of conversion with respect to such new note.

The initial conversion rate for the new notes is 20.4518 shares of Class A common stock per $1,000 principal amount of new notes, subject to adjustment as described below. Except as described above, you will not receive any accrued interest or dividends upon conversion.

To convert your new note into shares of our Class A common stock, cash or a combination of cash and shares of our Class A common stock, as the case may be, you must:

- complete and manually sign the conversion notice on the back of the new note if certificated (or holders may obtain copies of the required form of the conversion notice from the conversion agent) or facsimile of the conversion notice and deliver this notice to the conversion agent;
- if the new notes are in certificated form, surrender the new note to the conversion agent;
- if required, furnish appropriate endorsements and transfer documents;
- if required, pay all transfer or similar taxes; and
- if required, pay funds equal to interest payable on the next interest payment date.

The "*conversion date*" with respect to a note means the date on which the holder complied with all requirements under the indenture to convert such note.

The conversion agent will, on your behalf, convert the new notes into the conversion consideration described below under "— Conversion Settlement."

Upon surrender of a new note for conversion, the holder shall deliver to us cash equal to the amount that we are required to deduct and withhold under applicable law in connection with such conversion; provided, however, that if the holder does not deliver such cash, we may deduct and withhold from the consideration otherwise deliverable to such holder the amount required to be deducted and withheld under applicable law.

If a holder converts new notes and we elect to deliver shares of Class A common stock, we will pay any documentary, stamp or similar issue or transfer tax due on the issue of Class A common stock upon conversion, if any, unless the tax is due because the holder requests the shares to be issued or delivered to a person other than the holder, in which case the holder will pay that tax prior to receipt of such Class A common stock.

Conversion Settlement

Except to the extent we have irrevocably elected to make a cash payment of principal upon conversion as described below, we may elect to deliver either shares of our Class A common stock, cash or a combination of cash and shares of our Class A common stock in satisfaction of our obligations upon conversion of the new notes.

Except to the extent we have irrevocably elected to make a cash payment of principal upon conversion, we will inform the holders whose new notes are to be converted (as provided below) through the trustee of the method we choose to satisfy our obligation upon conversion:

- in respect of new notes tendered for conversion during the period beginning 10 trading days preceding the maturity date and ending one trading day preceding the maturity date, 11 trading days preceding the maturity date (if a holder has complied with all the requirements under the indenture to convert new notes so surrendered, the conversion date with respect to such new notes shall be the maturity date); and
- in all other cases, no later than two trading days following the conversion date.

If we choose to satisfy any portion of our conversion obligation by delivering cash, we will specify the amount to be satisfied in cash as a percentage of the conversion obligation or as a fixed dollar amount. We will treat all holders converting on the same day in the same manner. We will not, however, have any obligation to settle our conversion obligations arising on different days in the same manner. That is, we may choose one day to settle in shares of our Class A common stock and choose on another day to settle in cash or a combination of cash and shares of our Class A common stock.

If we elect to settle our conversion obligation in shares of our Class A common stock only, the settlement will occur as soon as reasonably practicable after the third trading day following the conversion date. If we elect to settle in cash or a combination of cash and shares of our Class A common stock, the settlement will occur on the third trading day following the final trading day of the conversion period (as defined below).

The settlement amount will be computed as follows:

(1) If we elect to satisfy the entire conversion obligation in Class A common stock, we will deliver to the holder for each $1,000 principal amount of new notes converted a number of shares of our Class A common stock equal to the conversion rate then in effect (plus cash in lieu of fractional shares, if applicable).

(2) If we elect to satisfy the entire conversion obligation in cash, we will deliver to the holder for each $1,000 principal amount of new notes converted in cash an amount equal to the conversion value.

(3) If we elect to satisfy the conversion obligation in a combination of cash and Class A common stock, we will deliver to the holder for each $1,000 principal amount of new notes:

- the sum of, for all days in the conversion period, a fixed amount in cash per $1,000 principal amount of new notes specified by us divided by 20 *or* an amount in cash representing the percentage that we elect of the daily conversion value amount (in each case, the "specified cash amount"), and
- a number of whole shares (plus cash in lieu of fractional shares) per $1,000 principal amount of new notes to be converted equal to the sum of the daily share amounts for all of the trading days in the conversion period.

The "*conversion value*" for each $1,000 principal amount of new notes is equal to the sum of the daily conversion value amounts, as defined below, for all of the trading days in the conversion period.

The "*conversion period*" means the 20 consecutive trading-day period commencing on the third trading day following the conversion date.

The "*daily conversion value amount*" for each $1,000 principal amount of new notes and each trading day in the conversion period is the amount equal to the closing sale price of our Class A common stock on such trading day multiplied by the conversion rate in effect on such trading day divided by 20.

The "*daily share amount*" means, for each $1,000 principal amount of new notes and each trading day in the conversion period, a number of shares (but in no event less than zero) determined by the following formula:

$$\frac{\text{daily conversion value amount} - \text{specified cash amount}}{\text{closing sale price of our shares of Class A common stock on such trading day}}$$

The "closing sale price" of our Class A common stock on any date means the closing sale price per share (or if no closing sale price is reported, the average of the average bid and the average asked prices) on that date as reported by the NASDAQ Global Select Market or, if our Class A common stock is not listed on the NASDAQ Global Select Market, as reported in composite transactions for the principal U.S. securities exchange on which our Class A common stock is traded or as otherwise provided in the indenture.

Our Right to Irrevocably Elect Cash Payment of Principal Upon Conversion

At any time on or prior to the 11th trading day preceding the maturity date, we may irrevocably elect to satisfy in cash our conversion obligation with respect to the principal amount of the new notes to be converted after the date of such election, with any remaining amount to be satisfied in shares of our Class A common stock. This election would be in our sole discretion without the consent of the holders. If we make this election, we will notify the trustee, the conversion agent and the holders at their addresses shown in the registrar of the registrar.

If we make such election, for each $1,000 principal amount of new notes surrendered for conversion, holders will receive a settlement amount computed as follows:

(1) where the conversion value is less than or equal to $1,000, the settlement amount shall be an amount in cash equal to such conversion value, or

(2) where the conversion value is greater than $1,000, the settlement amount shall be computed as if we had elected to settle a portion of our conversion obligation with a combination of cash and Class A common stock as described under clause (3) above with a specified cash amount equal to $1,000.

Conversion Based on Class A Common Stock Price

Holders may surrender new notes for conversion on any business day in any calendar quarter commencing at any time after September 30, 2007, but only during such calendar quarter, if the closing

sale price of our Class A common stock for at least 20 trading days in a period of 30 consecutive trading days ending on the last trading day of the preceding calendar quarter is more than 160% of the conversion price, which we refer to as the "conversion trigger price."

The initial conversion trigger price is approximately $78.23, which is 160% of the initial conversion price per share of Class A common stock. The foregoing conversion trigger price assumes that no events have occurred that would require an adjustment to the conversion rate.

The conversion agent will, on our behalf, determine at the beginning of each calendar quarter commencing at any time after September 30, 2007, whether the new notes are convertible as a result of the price of our Class A common stock and notify us and the trustee, to the extent the trustee is not also serving as the conversion agent.

Conversion Based on Trading Price of New Notes

Holders may also surrender new notes for conversion on any business day during the five business day period after any five consecutive trading day period in which the "trading price" per $1,000 principal amount of new notes, as determined following a request by a holder of new notes in accordance with the procedures described below, for each day of that period was less than 98% of the product of the closing sale price of our Class A common stock and the then conversion rate (referred to as the "trading price condition").

For purposes of the foregoing, the "trading price" of the new notes on any date of determination means the average of the secondary market bid quotations obtained by the trustee for $2,000,000 principal amount of the new notes at approximately 3:30 p.m., New York City time, on such determination date from three nationally recognized securities dealers we select; provided that if three such bids cannot reasonably be obtained by the trustee, but two such bids are obtained, then the average of the two bids shall be used, and if only one such bid can reasonably be obtained by the trustee, that one bid shall be used. If the trustee cannot reasonably obtain at least one bid for $2,000,000 principal amount of the new notes from a nationally recognized securities dealer, then the trading price per $1,000 principal amount of new notes will be deemed to be less than 98% of the product of the closing sale price of our Class A common stock and the conversion rate.

In connection with any conversion upon satisfaction of the trading price condition, the trustee shall have no obligation to determine the trading price of the new notes unless we have requested such determination; and we shall have no obligation to make such request unless a holder of the new notes provides us with reasonable evidence that the trading price per $1,000 principal amount of new notes would be less than 98% of the product of the closing sale price of our Class A common stock and the conversion rate. At such time, we shall instruct the trustee to determine the trading price of the new notes beginning on the next trading day and on each successive trading day until the trading price per $1,000 principal amount of new notes is greater than 98% of the product of the closing sale price of our Class A common stock and the conversion rate.

Conversion Upon Occurrence of Specified Corporate Transactions

Conversions Upon Certain Distributions

If we elect to:

- distribute to all holders of our Class A common stock certain rights entitling them to purchase, for a period expiring within 45 days of the date of issuance, Class A common stock, or securities convertible into Class A common stock, at less than, or having a conversion price per share less than, the closing sale price of our Class A common stock on the trading day immediately preceding the declaration date for such distribution; or
- distribute to all holders of our Class A common stock our assets, cash, debt securities or certain rights to purchase our securities, which distribution has a per share value as determined by our

board of directors exceeding 15% of the closing sale price of our Class A common stock on the trading day immediately preceding the declaration date for such distribution,

we will notify the holders of new notes at least 20 days prior to the ex-dividend date for such distribution. Once we have given that notice, holders may surrender their new notes for conversion at any time until the earlier of the close of business on the business day prior to the ex-dividend date or our announcement that such distribution will not take place. A holder may not convert its new notes under this conversion provision upon the above specified corporate transactions if the holder will otherwise participate in such distribution. The "ex-dividend" date is the first date upon which a sale of the Class A common stock does not automatically transfer the right to receive the relevant distribution from the seller of the common stock to its buyer.

Conversions Upon Specified Events

If we are party to any transaction or event other than a fundamental change (including, but not limited to, any consolidation, merger or binding share exchange that does not constitute a fundamental change, but excluding changes resulting from a subdivision or combination) pursuant to which all or substantially all shares of our Class A common stock would be converted into cash, securities or other property, a holder may surrender new notes for conversion at any time from and after the date that is 30 days prior to the anticipated effective date of the transaction until the earlier of 30 days after the actual date of such transaction or the date that we announce that such transaction will not take place. We will notify holders of new notes, conversion agent and the trustee as promptly as practicable following the date we publicly announce such transaction (but in no event less than 30 days prior to the anticipated effective date of such transaction).

Notwithstanding the foregoing, new notes will not become convertible by reason of a merger, consolidation or other transaction effected with one of our direct or indirect subsidiaries for the purpose of changing our state of incorporation to any other state within the United States or the District of Columbia.

Conversion Upon a Fundamental Change or Change of Control

We will notify the holders of new notes, conversion agent and the trustee at least 30 days prior to the anticipated effective date of (i) any fundamental change, as defined below under "— Conversion Rate Adjustments — Make Whole Upon Fundamental Change," or (ii) change of control, as defined below under "— Repurchase at Option of Holders Upon a Change of Control" that we know or reasonably should know will occur (a "fundamental change or change of control conversion notice"). Holders may surrender new notes for conversion at any time beginning 30 days before the anticipated effective date of a fundamental change or change of control and until the trading day prior to the fundamental change or change of control purchase date or the date that we announce that such transaction will not take place. Our delivery of the fundamental change or change of control conversion notice will satisfy our obligation to deliver the notice regarding a fundamental change or change of control required under "— Conversion Rate Adjustments — Make Whole Upon Fundamental Change" and "— Repurchase at Option of Holders Upon a Change of Control" if it contains all the information that would otherwise be required in an issuer fundamental change notice.

If a fundamental change occurs, we will adjust the conversion rate for the new notes tendered for conversion in connection with the fundamental change transaction, as described under "— Conversion Rate Adjustments — Make Whole Upon Fundamental Change."

With respect to conversions upon specified events or upon a fundamental change or change of control as described above, as applicable, if we are a party to a consolidation, merger or binding share exchange pursuant to which all shares of our Class A common stock are exchanged for cash, securities or other property, then commencing with the effective time of such transaction any conversion of new notes and the conversion value will be based on the kind and amount of cash, securities or other property that a holder of new notes would have received if such holder had converted its new notes into our Class A common stock immediately prior to the effective time of the transaction. For purposes of the foregoing,

where a consolidation, merger or binding share exchange involves a transaction that causes our Class A common stock to be converted into the right to receive more than a single type of consideration based upon any form of shareholder election, such consideration will be deemed to be the weighted average of the amounts and types of consideration that the holders of our Class A common stock who affirmatively made such an election received in such transaction or as a result of such event.

Conversion at Maturity

Holders may surrender new notes for conversion at any time beginning ten trading days before the maturity date and until the close of business on the business day immediately preceding the maturity date. If a holder has complied with all the requirements under the indenture to convert new notes so surrendered, the conversion date with respect to such new notes shall be the maturity date.

Upon determining that the holders are or will be entitled to convert their new notes in accordance with the foregoing provisions, we will promptly issue a press release or otherwise publicly disclose this information and use our reasonable efforts to post such information on our website.

Conversion Rate Adjustments

Except as otherwise provided in the case of a fundamental change (as described in "— Make Whole Upon Fundamental Change" below) or a public acquirer fundamental change (as described in "— Fundamental Change Involving a Public Acquirer Fundamental Change" below), as applicable, the conversion rate is subject to adjustment in certain events pursuant to specified formulas, including:

(1) The payment to all holders of Class A common stock of a dividend or other distribution payable in shares of our Class A common stock. If an increase to the conversion rate is required to be made under this clause (1), the increase will be based on the following formula:

$$CR_1 = CR_0 * (S + D) / S$$

where:

CR_0	=	the conversion rate in effect immediately before the adjustment relating to such event
CR_1	=	the new conversion rate taking such event into account
S	=	the number of shares of Class A common stock outstanding at the close of business on the date fixed for determining the stockholders entitled to receive such dividend or other distribution
D	=	the number of shares of Class A common stock constituting such dividend or other distribution

(2) The issuance to all holders of Class A common stock of rights, options or warrants entitling them for a period of not more than 45 days to subscribe for or purchase Class A common stock at a price per share less than the then current market price; provided, however, that the conversion rate

will be readjusted to the extent that such rights are not exercised before expiration. If an increase is required to be made under this clause (2), the increase will be based on the following formula:

$CR_1 = CR_0 * (S + A) / (S + B)$

where:

CR_0	=	the conversion rate in effect immediately before the adjustment relating to such event
CR_1	=	the new conversion rate taking such event into account
S	=	the number of shares of Class A common stock outstanding at the close of business on the date fixed for determining the stockholders entitled to receive such rights, options or warrants
A	=	the number of shares of Class A common stock so offered for subscription or purchase
B	=	the number of shares of Class A common stock that the aggregate of the offering price of all shares of Class A common stock so offered for subscription or purchase would purchase at the current market price

(3) The subdivision, combination and reclassification of Class A common stock. If an increase or decrease is required to be made under this clause (3), a proportional adjustment will be made to the conversion rate.

(4) The distribution to all holders of Class A common stock of evidences of our indebtedness, securities, cash or other assets (excluding any dividend or distribution covered by clause (1) or (2) above, dividends and distributions paid exclusively in cash covered by clause (5) below and distributions upon special mergers or consolidations (as defined below)); provided, however, that if we distribute capital stock of, or similar equity interests in, a subsidiary or other business unit of ours, the conversion rate will be adjusted based on the market value of the securities so distributed relative to the market value of our Class A common stock, in each case based on the average closing sales prices of those securities for the 10 trading days commencing on and including the fifth trading day after the date on which "ex-dividend trading" commences for such distribution on the Nasdaq National Market or such other national or regional exchange or market on which the securities are then listed or quoted. If an adjustment is required to be made under this clause (4), the adjustment will be based on the following formula:

$CR_1 = CR_0 * A / (A - B)$

where:

CR_0	=	the conversion rate in effect immediately before the adjustment relating to such event
CR_1	=	the new conversion rate taking such event into account
A	=	the current market price per share of Class A common stock on the date fixed for determining the stockholders entitled to such distribution
B	=	the fair market value (as determined by the Company's board of directors) of the portion of such distribution applicable to one share of Class A common stock

If the fair market value of the portion of such distribution applicable to one share of Class A common stock is equal to or greater than the current market price per share of Class A common stock on the date fixed for determining the stockholders entitled to such distribution, then in lieu of the foregoing adjustment, adequate provision will be made so that each holder of new notes will have the right to receive upon conversion the portion of such distribution such holder would have received

if had such holder converted each new note on the date fixed for determination of the stockholders entitled to receive such distribution.

Notwithstanding the foregoing, if such distribution consists of capital stock of, or similar equity interests in, a subsidiary or other business unit of the Company, the conversion rate will be subject to an adjustment based on the following formula:

$CR_1 = CR_0 * (A + B) / A$

where:

CR_0	=	the conversion rate in effect immediately before the adjustment relating to such event
CR_1	=	the new conversion rate taking such event into account
A	=	the average closing sale prices of a share of Class A common stock for the 10 trading days commencing on and including the fifth trading day after the date on which "ex-dividend trading" commences for such distribution on the Nasdaq National Market or such other national or regional exchange or market on which the securities are then listed or quoted
B	=	the fair market value (as determined by the Company's board of directors) over the same period of the portion of such distribution applicable to one share of Class A common stock

(5) The distribution of cash (excluding any (i) cash portion of distributions referred to in clause (4) above, (ii) cash distributions upon special mergers or consolidations (as defined below), or (iii) dividend or distribution in connection with our liquidation, dissolution or winding up). If an increase is required to be made under this clause (5), the increase will be based on the following formula:

$CR_1 = CR_0 * (SP_0 + C) / SP_0$

where:

CR_0	=	the conversion rate in effect immediately before the adjustment relating to such event
CR_1	=	the new conversion rate taking such event into account
SP_0	=	the average of the closing sale prices of the shares of Class A common stock for the 10 consecutive trading days before the business day immediately preceding the earlier of the record date or the day before the ex-dividend date for such distribution
C	=	the amount in cash per share that the Company distributes to holders of its shares of Class A common stock in respect of such fiscal period.

An adjustment to the conversion rate made pursuant to this clause (5) shall become effective on the date immediately after the date fixed for the determination of holders of shares of common stock entitled to receive such dividend or distribution. If any dividend or distribution described in this clause (5) is declared but not so paid or made, the new conversion rate shall be readjusted to the conversion rate that would then be in effect if such dividend or distribution had not been declared.

Notwithstanding the foregoing, in the event of an adjustment to the conversion rate pursuant to clause (5), in no event will the conversion rate exceed 28.6369 shares per $1,000 principal amount of new notes. The cap on the adjustment to the conversion rate pursuant to this clause (5) remains subject to adjustment pursuant to clauses (1), (2), (3) and (4).

(6) The payment by us or one of our subsidiaries in respect of a tender offer or exchange offer for our Class A common stock which involves an aggregate consideration that, when combined with (a) any cash and the fair market value of other consideration payable in respect of any other tender offer by us or any of our subsidiaries for the Class A common stock concluded within the preceding 12 months in respect of which no adjustment has been made and (b) the aggregate amount of any all-cash distributions referred to in clause (5) above to all holders of Class A common stock made within the preceding 12 months in respect of which no adjustments have been made, exceeds 10% of our aggregate market capitalization on the date of expiration of such tender offer. If an increase is required to be made under this clause (6), the increase will be based on the following formula:

$$CR_1 = CR_0 * (A + (B * C)) / (D * C)$$

where:

CR_0	=	the conversion rate in effect immediately before the adjustment relating to such event
CR_1	=	the new conversion rate taking such event into account
A	=	the fair market value (as determined by the Company's board of directors) of the aggregate consideration payable to stockholders based on acceptance of all shares validly tendered or exchanged and not withdrawn as of the expiration of such tender or exchange offer (such shares are referred to herein as the "*purchased shares*")
B	=	the number of shares of Class A common stock outstanding at the expiration of such tender or exchange offer, less the number of purchased shares
C	=	the closing sale price of a share of Class A common stock immediately after the expiration of such tender or exchange offer
D	=	the number of shares of Class A common stock outstanding at the expiration of such tender or exchange offer, including the number of purchased shares

To the extent that we have a rights plan in effect upon conversion of the new notes into Class A common stock, you will receive, in addition to the Class A common stock, cash or a combination thereof, the rights under the rights plan unless the rights have separated from the Class A common stock at the time of conversion, in which case the conversion rate will be adjusted as if we distributed to all holders of our Class A common stock, shares of our capital stock, evidences of indebtedness or assets as described above, subject to readjustment in the event of the expiration, termination or redemption of such rights.

In the event of:

- any reclassification of our Class A common stock;
- a consolidation, merger or combination involving us; or
- a sale or conveyance to another person or entity of all or substantially all of our property and assets;

in which holders of our Class A common stock would be entitled to receive stock, other securities, other property, assets or cash for their Class A common stock that does not constitute a fundamental change (we refer to such an event as a "special merger or consolidation"), then, upon conversion of your new notes you will be entitled to receive the same type of consideration that you would have been entitled to receive if you had converted the new notes into our Class A common stock immediately before any special merger or consolidation.

If a transaction is a fundamental change, then in lieu of the foregoing conversion rate adjustments we will either adjust the conversion rate for new notes tendered for exchange in connection with such transaction as described below under "— Make Whole Upon Fundamental Change" or change the

conversion rights for the new notes as described below under "— Fundamental Change Involving a Public Acquirer Fundamental Change," as applicable. Thereafter, the conversion rate will continue to be subject to adjustment pursuant to the events and in the manner specified under "— Conversion Rate Adjustments."

You may in certain situations be deemed to have received a distribution subject to U.S. federal income tax as a dividend in the event of any taxable distribution to holders of Class A common stock or in certain other situations requiring a conversion rate adjustment. See "Material United States Federal Income Tax Considerations."

We may, from time to time, increase the conversion rate if our board of directors has made a determination that this increase would be in our best interests. Any such determination by our board will be conclusive. In addition, we may increase the conversion rate if our board of directors deems it advisable to avoid or diminish any income tax to holders of Class A common stock resulting from any stock or rights distribution.

We will not be required to make an adjustment in the conversion rate unless the adjustment would require a change of at least 1% in the conversion rate. However, we will carry forward any adjustments that are less than 1% of the conversion rate. Except as described above, we will not adjust the conversion rate for any issuance of our Class A common stock or convertible or exchangeable securities or rights to purchase our Class A common stock or convertible or exchangeable securities.

Make Whole Upon Fundamental Change

If a fundamental change (as defined below) occurs and a holder elects to convert its new notes in connection with such fundamental change pursuant to the procedures described above under "— Conversion Rights," we will increase the conversion rate for the new notes surrendered for conversion by a number of additional shares of Class A common stock (the "*additional fundamental change shares*") as described below. A conversion of new notes will be deemed for these purposes to be "in connection with" such a fundamental change if the notice of conversion of the new notes is received by the conversion agent from and including the day that is 30 business days before the anticipated effective date of the fundamental change up to and including the trading day before the effective date of the fundamental change.

The number of additional fundamental change shares will be determined by reference to the table below and is based on the date on which such fundamental change transaction becomes effective (the "*effective date*") and the price (the "*stock price*") paid per share of Class A common stock in such transaction. If the holders of shares of Class A common stock receive only cash in the fundamental change transaction, the stock price shall be the cash amount paid per share of Class A common stock. Otherwise, the stock price shall be the average of the closing sale prices of our shares of Class A common stock on the 10 consecutive trading days up to but excluding the effective date.

The stock prices set forth in the first row of the table (*i.e.*, the column headers) will be adjusted as of any date on which the conversion rate of the new notes is adjusted. The adjusted stock prices will equal the stock prices applicable immediately before such adjustment multiplied by a fraction, the numerator of which is the conversion rate immediately before the adjustment giving rise to the stock price adjustment, and the denominator of which is the conversion rate as so adjusted. In addition, the number of additional fundamental change shares will be subject to adjustment in the same manner as the conversion rate as set forth above under "— Conversion Rate Adjustments."

The following table sets forth the stock price and number of additional fundamental change shares of the Company to be received per $1,000 principal amount of new notes:

Effective Date	Stock Price													
	$34.92	$40.00	$45.00	$50.00	$55.00	$60.00	$65.00	$70.00	$80.00	$90.00	$100.00	$110.00	$120.00	$130.00
6/ /2007	8.19	4.55	3.17	2.35	1.81	1.45	1.21	1.03	0.80	0.66	0.56	0.49	0.43	0.38
12/31/2007	8.19	4.55	3.01	2.16	1.62	1.27	1.04	0.88	0.68	0.56	0.48	0.41	0.36	0.32
6/30/2008	8.19	4.55	2.85	1.96	1.42	1.08	0.87	0.72	0.55	0.46	0.39	0.34	0.30	0.26
12/31/2008	8.19	4.55	2.66	1.74	1.19	0.87	0.67	0.55	0.42	0.35	0.30	0.26	0.23	0.20
6/30/2009	8.19	4.55	2.45	1.48	0.93	0.63	0.47	0.38	0.28	0.24	0.20	0.18	0.16	0.14
12/31/2009	8.19	4.55	2.21	1.16	0.62	0.36	0.24	0.19	0.14	0.12	0.11	0.09	0.08	0.07
6/30/2010	8.19	4.55	1.95	0.75	0.23	0.05	0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00
12/31/2010	8.19	4.55	1.77	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

The exact stock prices and effective dates may not be set forth in the table, in which case:

(1) if the stock price is between two stock price amounts in the table or the effective date is between two dates in the table, the additional fundamental change shares will be determined by straight-line interpolation between the number of additional fundamental change shares set forth for the higher and lower stock price amounts and the two dates, as applicable, based on a 365-day year;

(2) if the stock price is in excess of $130.00 per share of Class A common stock (subject to adjustment), no additional fundamental change shares will be issued upon conversion; and

(3) if the stock price is less than $34.92 per share of Class A common stock (subject to adjustment), no additional fundamental change shares will be issued upon conversion.

Notwithstanding the foregoing, in no event will the conversion rate exceed 28.6369 shares per $1,000 principal amount of new notes. The cap on the adjustment to the conversion rate pursuant to a fundamental change remains subject to adjustment pursuant to clauses (1), (2), (3) and (4) above under "— Conversion Rate Adjustments."

If the fundamental change is also a "public acquirer fundamental change," as described below, then, in lieu of increasing the conversion rate as described above, we may elect to change the conversion right in the manner described under "— Fundamental Change Involving a Public Acquirer Fundamental Change."

A "*fundamental change*" will be deemed to have occurred at the time that any of the following occurs:

(A) consummation of any transaction or event (whether by means of a share exchange or tender offer applicable to shares of our voting stock, our liquidation, consolidation, recapitalization, reclassification, combination or merger or a sale, lease or other transfer of all or substantially all of our consolidated assets) or a series of related transactions or events pursuant to which all of our outstanding shares of voting stock are exchanged for, converted into or constitute solely the right to receive cash, securities or other property; provided, however, that none of the following transactions shall be deemed to be a fundamental change: (i) a transaction in which the holders of our voting stock immediately before such transaction hold, directly or indirectly, more than 50% of the total voting power in the aggregate of all our classes of shares of beneficial interest then outstanding entitled to vote generally in elections of directors immediately after such transaction; (ii) a transaction that is effected solely to change our jurisdiction of incorporation and results in a reclassification, conversion or exchange of our outstanding voting stock solely into shares of voting stock of the surviving entity or a direct or indirect parent of the surviving entity; (iii) a transaction that does not result in a reclassification, conversion, exchange or cancellation of our outstanding voting stock; or (iv) a consolidation, merger, conveyance, transfer sale, lease or other disposition with or into any of our subsidiaries (so long as such transaction is not part of a plan or series of transactions designed to or having the effect of merging or consolidating with or conveying, transferring, selling, leasing or disposing all or substantially all of our properties and assets to any other person);

(B) any "person" or "group" (as such terms are used for purposes of Sections 13(d) and 14(d) of the Exchange Act, whether or not applicable), other than any of our majority-owned subsidiaries, any employee benefit plan of ours or such subsidiary or any "permitted holder" (as defined in "— Repurchase at Option of Holders Upon a Change of Control" below), is or becomes the "beneficial owner," directly or indirectly, of more than 50% of the total voting power in the aggregate of all our classes of shares of beneficial interest then outstanding entitled to vote generally in elections of directors;

(C) during any period of 24 consecutive months after the date of original issuance of the new notes, persons who at the beginning of such 24 month period constituted our board of directors, together with any new persons whose election was approved by a vote of a majority of the persons then still comprising the board of directors who were either members of the board of directors at the beginning of such period or whose election, designation or nomination for election was previously so approved (either by a specific vote or by approval of the proxy statement issued by us on behalf of our entire Board of Directors in which such individual is named as a nominee for director), cease for any reason to constitute a majority of our board of directors; or

(D) our Class A common stock (or other common stock into which the new notes are then convertible) ceases to be listed on a national securities exchange or quoted on an established automated over-the-counter trading market in the United States.

However, a "*fundamental change*" will not be deemed to have occurred if at least 90% of the consideration (excluding cash payments for fractional shares and cash payments made pursuant to dissenters' appraisal rights) in a merger, consolidation or other transaction otherwise constituting a fundamental change consists of shares of common stock (or depositary receipts or other certificates representing common equity interests) traded on a national securities exchange or quoted on an established automated over-the-counter trading market in the United States (or will be so traded or quoted immediately following such merger, consolidation or other transaction) and as a result of the merger, consolidation or other transaction the new notes become convertible into such shares of common stock (or depositary receipts or other certificates representing common equity interests).

For purposes of these provisions "*person*" includes any syndicate or group that would be deemed to be a "person" under Section 13(d)(3) of the Exchange Act.

The definition of "fundamental change" includes a phrase relating to the sale, lease or other transfer of "all or substantially all" of our consolidated assets. There is no precise, established definition of the phrase "substantially all" under applicable law. Accordingly, the ability of a holder of new notes to require us to repurchase its new notes as a result of the sale, lease or other transfer of less than all of our consolidated assets may be uncertain.

We will have an obligation to notify holders of the new notes and the conversion agent at least 30 business days before the anticipated effective date of a fundamental change and whether we elect to increase the conversion rate as described above or to modify the conversion right as described below.

Fundamental Change Involving a Public Acquirer Fundamental Change

If the fundamental change is a "*public acquirer fundamental change*," as defined below, then we may, at our sole option, elect to change the conversion right in lieu of increasing the conversion rate applicable to new notes that are converted in connection with that public acquirer fundamental change. If we make this election, then we will adjust the conversion rate and our related conversion obligation such that, from and after the effective time of the public acquirer fundamental change, the right to convert a new note into shares of Class A common stock, cash or a combination thereof will be changed into a right to convert new notes into shares of "public acquirer common stock," as described below, still subject to the arrangements

for payment upon conversion set forth above under "— Conversion Settlement," by adjusting the conversion rate in effect immediately before the effective time by a fraction:

- the numerator of which is the fair market value (as determined in good faith by our board of directors), as of the effective time of the public acquirer fundamental change, of the cash, securities and other property paid or payable per share of our Class A common stock; and
- the denominator of which is the average of the closing sale prices per share of the public acquirer common stock for the 10 consecutive trading days commencing on, and including, the trading day immediately after the effective date of the public acquirer fundamental change.

If we elect to change the conversion right as described above, the change in the conversion right will apply to all holders from and after the effective time of the public acquirer fundamental change, and not just those holders, if any, that convert their new notes in connection with the public acquirer fundamental change.

A "*public acquirer fundamental change*" means an acquisition of us pursuant to a fundamental change in which the acquirer (or any entity that is a direct or indirect wholly owned subsidiary of the acquirer or of which the acquirer is a direct or indirect wholly owned subsidiary) has a class of common stock that is traded on a national securities exchange or that will be so traded when issued or exchanged in connection with the fundamental change. We refer to such common stock as the "*public acquirer common stock*."

We will state in the notice described under "— Make Whole Upon Fundamental Change" above whether we have elected to change the conversion right in lieu of increasing the conversion rate. With respect to each public acquirer fundamental change, we can make only one election, and we cannot change that election once we have first mailed any such notice or made any such public announcement or publication. However, if we elect to change the conversion right as described above in connection with a public acquirer fundamental change that is ultimately not consummated, then we will not be obligated to give effect to that particular election.

Repurchase at Option of Holders Upon a Change of Control

If a "change of control" (as defined below) occurs, we are required, within not more than 60 days nor less than 30 days following the occurrence of the change of control, to make an offer to purchase and shall purchase all of the outstanding new notes at a purchase price equal to 100% of the principal amount of the new notes plus accrued interest to the repurchase date.

Any portion of the principal amount of the new notes that is equal to $1,000 or an integral multiple of $1,000 may be repurchased if properly tendered and not withdrawn by the holder. Our offer to repurchase the new notes will remain open for 20 business days or until the business day before the repurchase date, whichever is later.

In order to effect the repurchase, we will mail to each holder a notice to that effect, not later than 30 days after the occurrence of the change of control. The notice will govern the terms of our offer to repurchase the new notes and will describe the procedures that the holders must follow in order to accept the offer as well as withdrawal procedures for any such repurchase notice.

A change in control, as defined in Lamar Media's bank credit facility, of us or Lamar Media Corp. gives the lenders thereunder the right to require repayment in full of any borrowings under the bank credit facility. Therefore, if a change of control occurs without the consent of the lenders, we will not be able to borrow under our bank credit facility, and we may not have other resources available to repay or refinance any indebtedness owing under our bank credit facility or to fund the repurchase of any new notes you may require us to repurchase. Our failure to comply with its obligations in the event of a change of control will constitute a default under the new notes.

If the holders exercise their right to require us to purchase the new notes, and the repurchase constitutes a "tender offer" for purposes of Rule 14e-1 under the Exchange Act; we will comply with the requirements of Rule 14e-1 as then in effect with respect to any repurchase.

A *"change of control"* means the occurrence of any of the following events:

(1) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), excluding "permitted holders" (as defined below), is or becomes the "beneficial owner" (as defined below), directly or indirectly, of more than 35% of our total voting power, but only if the "permitted holders" (A) "beneficially own" a percentage of our total voting power lower than the percentage beneficially owned by such other person or group and (B) do not have the right or ability by voting power, contract or otherwise to elect or designate for election a majority of our board of directors;

(2) we consolidate with, or merge with or into, another person or sell, assign, convey, transfer, lease or otherwise dispose of all or substantially all of our assets to any person (or any person consolidates with, or merges with or into, us), pursuant to a transaction in which our voting shares are converted into or exchanged for cash, securities or other property, except a transaction where (A) our voting shares are converted into or exchanged for voting shares of the surviving or transferee corporation (other than voting shares that mature or are redeemable for cash or debt securities before the maturity date of the new notes) and (B) immediately after such transaction no "person" or "group," excluding "permitted holders," is the "beneficial owner," directly or indirectly, of more than 50% of the total voting power of the surviving or transferee corporation;

(3) at any time during any consecutive two-year period, the following persons cease for any reason to constitute a majority of our board of directors: (A) individuals who at the beginning of such period constituted our board of directors or (B) any new directors whose election by our board of directors or whose nomination for election by our stockholders was approved by a vote of 66²/₃% of the directors then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved; or

(4) we are liquidated or dissolved or adopt a plan of liquidation.

"beneficial owner" will be determined in accordance with Rules 13d-3 and 13d-5 under the Exchange Act, and will include, with respect to any securities, any person having the right to acquire those securities, whether immediately or after the passage of time, upon the happening of an event or otherwise.

"permitted holders" means:

(1) any of Charles W. Lamar, III and Kevin P. Reilly, Sr., members of their immediate families or any lineal descendant of any of those persons and the immediate families of any lineal descendant of those persons;

(2) any trust, to the extent it is for the benefit of any of the persons listed under clause (1) above; or

(3) any person, entity or group of persons controlled by any of the persons listed under clause (1) or (2) above.

Mergers and Sales of Assets by Us

We will not consolidate with or merge into any other person or convey, transfer, sell or lease its properties and assets substantially as an entirety to any person, unless:

- the person formed by such consolidation or into or with which we are merged or the person to which its properties and assets are conveyed, transferred, sold or leased, is a corporation organized and existing under the laws of the United States, any State thereof or the District of Columbia and, if other than us, has expressly assumed all of our obligations, including the payment of the principal of, premium, if any, and interest on the new notes and the performance of the other covenants under the indenture; and

- immediately after giving effect to such transaction, no event of default, and no event which, after notice or lapse of time or both, would become an event of default, has occurred and is continuing under the indenture.

Events of Default

The following will be events of default in respect of the new notes:

(1) we fail to pay any principal of or premium, if any, on any new note when it becomes due including pursuant to an offer by us to repurchase the new notes upon a change of control;

(2) we fail to pay any interest on any new note within 30 days after it becomes due;

(3) we fail to provide notice in the event of a change of control or fundamental change;

(4) we fail to convert, following the exercise of a holder's right to convert, or deliver when due any portion of the principal amount or conversion value of a new note in accordance with the indenture;

(5) we fail to observe or perform any other covenant in the new notes or the indenture for 45 days after written notice has been sent to us by the trustee or the holders of at least 25% in aggregate principal amount of outstanding new notes;

(6) we are in default under one or more agreements, instruments, mortgages, bonds, debentures or other evidences of indebtedness under which we or our significant subsidiaries then have more than $25.0 million in outstanding indebtedness, individually or in the aggregate, and either (a) such indebtedness is already due and payable in full or (b) such default or defaults have resulted in the acceleration of the maturity of the indebtedness;

(7) any final judgment or judgments which can no longer be appealed for the payment of more than $25.0 million in money (not covered by insurance) is rendered against us or our significant subsidiaries and has not been discharged for any period of 60 consecutive days during which a stay of enforcement is not in effect; and

(8) certain events occur involving bankruptcy, insolvency or reorganization of us or our significant subsidiaries.

The trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request or direction of any of the holders, unless such holders shall have offered to the trustee reasonable indemnity. However, the holders of a majority in aggregate principal amount of the outstanding new notes will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee.

If an event of default, other than an event of default specified in clause (8) above, occurs and is continuing, then the trustee or the holders of at least 25% in aggregate principal amount of the outstanding new notes may accelerate the maturity of all new notes, in which case the entire aggregate principal amount of the new notes plus accrued interest to the date of acceleration will be immediately due and payable. At any time after such acceleration, but before a judgment or decree based on acceleration, the holders of a majority in aggregate principal amount of outstanding new notes may, under certain circumstances as set forth in the indenture, rescind and annul such acceleration if all events of default, other than the nonpayment of principal of the new notes which have become due solely by such declaration of acceleration, have been cured or waived as provided in the indenture. If an event of default specified in clause (8) occurs and is continuing, then the principal of, and accrued interest on, all of the new notes shall automatically become immediately due and payable without any declaration or other act on the part of the holders of the new notes or the trustee. For information as to waiver of defaults, see "— Modification and Waiver" below.

You will have no right to institute any proceeding with respect to the indenture or for any remedy under the indenture, unless:

- you have previously given to the trustee written notice of a continuing event of default;
- the holders of at least 25% in aggregate principal amount of the outstanding new notes have made written request, and offered reasonable indemnity, to the trustee to institute such proceeding as trustee; and
- the trustee has not received from the holders of a majority in aggregate principal amount of the outstanding new notes a direction inconsistent with such request and has failed to institute such proceeding within 60 days of such request.

Those limitations do not apply to a suit instituted by a holder for the enforcement of (a) a payment of the principal of or premium, if any, or interest on a new note on or after the respective due dates expressed in such new note or (b) of the right to convert a new note in accordance with the indenture.

We will furnish to the trustee annually a statement as to its performance of certain obligations under the indenture and as to any default in such performance.

Modification and Waiver

From time to time, we and the trustee may, without the consent of holders, amend the indenture or the new notes, or supplement the indenture, for certain specified purposes, including:

- to provide that the surviving entity following a change of control of us permitted under the indenture shall assume all of our obligations under the indenture and new notes;
- to provide for uncertificated new notes in addition to certificated new notes;
- to comply with any requirements of the SEC under the Trust Indenture Act of 1939;
- to cure any ambiguity, defect or inconsistency, or make any other change that does not adversely affect the rights of any holder; and
- to appoint a successor trustee under the indenture.

From time to time we and the trustee may, with the consent of holders of at least a majority in principal amount of the outstanding new notes, amend or supplement the indenture or the new notes, or waive compliance in a particular instance by us with any provision of the indenture or the new notes; but without the consent of each holder affected by such action, we may not modify or supplement the indenture or the new notes or waive compliance with any provision of the indenture or the new notes in order to:

- reduce the amount of new notes whose holders must consent to an amendment, supplement or waiver to the indenture or the new notes;
- reduce the rate of or change the time for payment of interest;
- reduce the principal of or premium on or change the stated maturity;
- make any new note payable in money other than that stated in the new note;
- change the amount or time of any payment required or reduce the premium payable upon any repurchase, or change the time before which no such repurchase may be made;
- waive a default on the payment of the principal of or interest on any new note, or any repurchase payment;
- impair the right of any holder to convert any new note;
- impair or adversely affect the right to bring a suit to enforce the right to receive payment on or convert any new note;

- adversely affect the right to require us to repurchase the new notes upon a change of control;
- reduce or adversely affect the right to receive the repurchase price for the new notes; or
- take any other action otherwise prohibited by the indenture to be taken without the consent of each holder affected by such action.

Notices

As long as we issue the new notes in global form, notices to be given to holders will be given to DTC, in accordance with its applicable policies as in effect from time to time. If we issue the new notes in non-global form, notices to holders will be given by mail to the addresses of the holders as they appear in the security register. Notices will be deemed to have been given three business days after the mailing of the notice. In addition, notice will be given to holders by release made to Reuters Economic Services and Bloomberg Business News.

Satisfaction, Discharge, and Defeasance

The new notes will not be subject to satisfaction, discharge or defeasance.

Governing Law

The indenture and the new notes will be governed by and construed in accordance with the laws of the State of New York.

The Trustee

The trustee or conversion agent for the holders of the new notes will be The Bank of New York Trust Company, N.A.

In case an event of default has occurred, and has not been cured, the trustee will be required to use the degree of care of a prudent person in the conduct of his own affairs in the exercise of its powers. However, the trustee will have no obligation to exercise any of its rights or powers under the indenture at the request of the holders, unless they have offered to the trustee reasonable security or indemnity.

The indenture and the Trust Indenture Act contain limitations on the rights of the trustee, should the trustee become our creditor, to obtain payments of claims in certain cases or to realize on certain property received in respect of any such claim as security or otherwise. Subject to the Trust Indenture Act, the trustee will be permitted to engage in other transactions with us or any of our affiliates. If, however, the trustee acquires any conflicting interest as described in the Trust Indenture Act, it must eliminate the conflict or resign.

Book-Entry System

DTC will act as depositary for the new notes. The new notes will be issued only as (one or more) fully-registered global notes, representing the total aggregate principal amount of the new notes, and will be deposited with the trustee as custodian for DTC, in New York, New York. The global notes will be registered in the name of Cede & Co. or other nominee of DTC, for credit to an account of a direct or indirect participant in DTC as described below.

Except as described below:

- the global notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee; and
- beneficial interests in the global notes may not be exchanged for new notes in certificated form.

Exchanges of Book-Entry New Notes for Registered, Certificated New Notes

A beneficial interest in a global note will be exchanged for a new note in registered, certificated form only if:

- DTC (A)(i) notifies Lamar Advertising that it is unwilling or unable to continue as depositary for the global note or (ii) has ceased to be a clearing agency registered under the Exchange Act, and (B) Lamar Advertising fails to appoint a successor depositary within 90 days; or
- an event of default or an event which after notice or lapse of time or both would be an event of default has occurred and is continuing in respect of the new notes.

In either case, registered, certificated new notes delivered in exchange for any global note or beneficial interests in the global note will be registered with Lamar Advertising or its agent in the names, and issued in any approved denominations, requested by or on behalf of DTC, in accordance with its customary procedures. Following any such delivery of registered, certificated new notes, transfer of a new note may be effected only be surrender of the old note and either the reissuance by Lamar Advertising of the old note to the new holder or the issuance by Lamar Advertising of a new instrument to the new holder.

The laws of some jurisdictions require that certain persons take physical delivery in definitive form of securities that they own. Those laws may impair the ability to transfer beneficial interests in a global note so long as the new notes are represented by global certificates. In addition, because DTC can act only on behalf of its participants, the ability of a person having beneficial interests in a global note to pledge such interests to persons or entities that do not participate in DTC, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

DTC

DTC has advised us that it is:

- a limited purpose trust company organized under the laws of the State of New York, and a member of the Federal Reserve System;
- a “clearing corporation” within the meaning of the Uniform Commercial Code; and
- a “clearing agency” registered pursuant to the provisions of Section 17A of the Exchange Act.

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between participants through electronic book-entry changes to the accounts of its participants. Participants include securities brokers, dealers, banks, trust companies and clearing corporations and other organizations. Some of the participants or their representatives, together with other entities, own DTC. Indirect access to the DTC system is available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly.

DTC has agreed to the foregoing procedures to facilitate transfers of interests in a global note among participants. However, DTC is under no obligation to perform or continue to perform these procedures, and may discontinue these procedures at any time. If DTC is at any time unwilling or unable to continue as depositary and a successor depositary is not appointed by us within 90 days, we will issue new notes in certificated form in exchange for global notes.

Ownership of beneficial interests in the global note will be shown on, and the transfer of those ownership interests will be effected only through, records maintained by DTC or its nominees (with respect to interests of participants) or participants (with respect to interests of persons held by such participants on their behalf).

As long as DTC, or its nominee, is the registered holder of a global note, DTC or such nominee, as the case may be, will be considered the sole owner and holder of the new notes represented by such global

note for all purposes under the indenture and the new notes. Except in the limited circumstances described in the first paragraph under "— Exchanges of Book-Entry New Notes for Registered, Certificated New Notes," owners of beneficial interests in a global note will not be entitled to have any portions of such global note registered in their names, will not receive or be entitled to receive physical delivery of new notes in definitive form and will not be considered the owners or holders of the global note, or any new notes represented by the global note, under the new notes indenture or the new notes. Accordingly, each person owning a beneficial interest in a global note must rely on the procedures of DTC and, if not a participant, those of the participant through which such person owns its interest, in order to exercise any rights of a holder under the indenture or such new note.

Payments, transfers, deliveries, exchanges and other matters relating to the beneficial interests in global notes may be subject to various policies and procedures adopted by DTC from time to time.

DTC has advised us that it will take any action permitted to be taken by a holder of new notes only at the direction of one or more participants that have accounts with DTC to which interests in the global notes are credited, and only in respect of such portion of the aggregate principal amount of the new notes as to which such participants have given such direction. However, if there is an event of default in respect of the new notes, DTC reserves the right to exchange the global notes for new notes in certificated form, and to distribute such new notes to its participants.

Neither we, nor the trustee nor any of our agent nor their agents will have any responsibility for the performance by DTC or its participants of their obligations under the rules and procedures governing DTC's operations, including maintaining, supervising or reviewing any of DTC's or such participants' records relating to, or payments made on account of, beneficial ownership interests in global notes.

Payment and Conversion

The trustee will make payments in respect of the principal of, and premium, if any, and interest on, or the repurchase price of, any global note to DTC or its nominee in its capacity as the registered holder under the indenture. Under the terms of the indenture, Lamar Advertising and the trustee will treat the persons in whose names the new notes, including the global notes, are registered as the owners of the new notes for the purpose of receiving such payments and for any other purposes.

Conversion will be effected by DTC upon notice from the holder of a beneficial interest in a global note in accordance with its rules and procedures. New notes surrendered for conversion must be accompanied by a conversion notice and any payments in respect of interest, as applicable, as described above under "— Conversion Rights."

The information in this section concerning DTC and its book-entry system has been obtained from sources that we believe to be reliable, but we do not take responsibility for its accuracy.

Calculations in Respect of the New Notes

Except as explicitly specified otherwise herein, we will be responsible for making all calculations required under the new notes. These calculations include, but are not limited to, determinations of the conversion price and conversion rate applicable to the new notes. We will make all these calculations in good faith and, absent manifest error, our calculations will be final and binding on holders of the new notes. We will provide a schedule of our calculations to the trustee, and the trustee is entitled to rely upon the accuracy of our calculations without independent verification. The trustee will forward our calculations to any holder of new notes upon request within 20 business days of the effective date of any adjustments.

MATERIAL UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of certain United States federal income tax consequences of the exchange of outstanding notes for new notes pursuant to the exchange offer, and does not purport to provide a complete analysis of all potential tax considerations. This summary is based on the Internal Revenue Code of 1986, as amended (the "Code"), administrative pronouncements, judicial decisions and final, temporary and proposed regulations, all of which are subject to change. Any such change could be applied retroactively in a way that could cause the tax consequences to differ from the consequences described below, possibly with adverse effect. This summary applies only to persons who hold the outstanding notes and the new notes as capital assets within the meaning of Section 1221 of the Code (that is, for investment purposes) and does not address the tax consequences to subsequent purchasers of the notes. This summary does not discuss all aspects of United States federal income taxation that may be relevant to holders in light of their special circumstances or to holders subject to special tax rules (such as financial institutions, insurance companies, tax-exempt organizations, dealers in securities or currencies, persons who hold the notes through a partnership or other passthrough entity, persons subject to alternative minimum tax, persons holding the notes as a part of a hedge, straddle, conversion, constructive sale or other integrated transaction, U.S. holders (as defined below) whose functional currency is not the U.S. dollar or persons who have ceased to be U.S. citizens or to be taxed as resident aliens). This summary also does not discuss any tax consequences arising under the United States federal estate and gift tax laws or the law of any state, local, foreign or other taxing jurisdiction.

You are urged to consult your own tax advisor regarding the application of U.S. federal income tax laws to your particular situation and the consequences of federal estate and gift tax laws and the laws of any state, local, foreign or other taxing jurisdiction.

As used in this summary, the term "U.S. holder" means a beneficial owner of a note that is for United States federal income tax purposes (i) an individual who is a citizen or resident of the United States, (ii) a corporation (including an entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States or of any political subdivision thereof, (iii) an estate the income of which is subject to United States federal income tax regardless of its source, or (iv) a trust, if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust or if a valid election is in place to treat the trust as a United States person.

As used in this summary, the term "non-U.S. holder" means a beneficial owner of a note (other than a partnership) that is not a U.S. holder.

If a partnership (including any entity treated as a partnership for United States federal income tax purposes) is a beneficial owner of a note, the tax treatment of a partner in that partnership will generally depend on the status of the partner and the activities of the partnership. Holders of notes that are partnerships and partners in those partnerships are urged to consult their tax advisors regarding the United States federal income tax consequences of the exchange of outstanding notes for new notes pursuant to the exchange offer.

Tax Consequences to Tendering U.S. Holders

Characterization of the Exchange

In general, the modification of a debt instrument, whether effected pursuant to an amendment of the terms of the debt instrument or an actual exchange of an existing debt instrument for a new debt instrument, will be treated for U.S. federal income tax purposes as an exchange of the existing debt instrument for a new debt instrument (a "Tax Exchange") only if there is deemed to be a "significant modification" of the existing debt instrument. A modification will be considered significant if, based on all the facts and circumstances, the legal rights and obligations under the new debt instrument differ from those under the existing debt instrument to a degree that is economically significant. There is no statutory, administrative or judicial authority that addresses the U.S. federal income tax treatment of an exchange

with the specific terms of the exchange offer. Therefore, it is not clear whether the exchange of the outstanding notes for new notes will be treated as a significant modification of the terms of the outstanding notes for U.S. federal income tax purposes. As a result, we have not obtained an opinion of counsel regarding whether the exchange will constitute a "significant modification" of the outstanding notes. Notwithstanding this lack of specific guidance, we believe and intend to take the position, that the exchange of the outstanding notes for the new notes should not constitute a significant modification of the terms of the outstanding notes, because we believe the legal rights and obligations created by the new notes do not differ from the legal rights and obligations created by the outstanding notes to a degree that is economically significant. That position is subject to uncertainty, however, and could be challenged by the IRS.

Treatment If Exchange Is Not a Tax Exchange

If, consistent with our position, the exchange of the outstanding notes for the new notes does not constitute a significant modification of the terms of the outstanding notes, the new notes will be treated as a continuation of the outstanding notes. In that case, except with respect to the receipt of the exchange fee (as discussed below), there will be no U.S. federal income tax consequences to a U.S. Holder who exchanges outstanding notes for new notes pursuant to the exchange offer, and the U.S. Holder's tax basis and holding period in the new notes will be the same as the U.S. Holder's tax basis and holding period in the outstanding notes exchanged therefor.

Treatment If Exchange is a Tax Exchange

The IRS may not agree that the exchange of outstanding notes for new notes does not result in a significant modification of the terms of the outstanding notes. If the exchange were treated as a significant modification of the outstanding notes, the tax consequences of the exchange would depend on whether the notes are considered "securities" for U.S. federal income tax purposes. We intend to take the position that the outstanding notes and the new notes will constitute securities for United States federal income tax purposes. However, the matter is not free from doubt. The determination of whether a debt instrument constitutes a security depends upon an evaluation of all of the terms and conditions of, and other facts and circumstances relating to the instrument, with the term of the instrument usually regarded as one of the most significant factors, and upon the application of numerous judicial and administrative decisions and rulings. If both the outstanding notes and the new notes constitute securities for United States federal income tax purposes, the exchange should qualify as a recapitalization (and therefore, a generally tax-free reorganization), and U.S. Holders of the outstanding notes should not recognize any gain or loss on the exchange, except with respect to the exchange fee (as discussed below). U.S. Holders should generally have a tax basis in the new notes equal to their tax basis in the outstanding notes decreased by any exchange fee received and increased by any gain recognized, and should have a holding period for the new notes that includes the holding period for the outstanding notes.

If the exchange of the outstanding notes for the new notes were not to qualify for treatment as a recapitalization, a U.S. Holder of the outstanding notes would recognize gain or loss for U.S. federal income tax purposes upon the exchange in an amount equal to the difference between (i) the U.S. Holder's adjusted tax basis in the outstanding notes and (ii) the sum of the issue price of the new notes deemed to be received in exchange therefor and any exchange fee received. Generally, a U.S. Holder's "adjusted tax basis" for an outstanding note will be equal to the cost of the note to the U.S. Holder, increased, if applicable, by any market discount (described below) previously included in income by the U.S. Holder under an election to include market discount in gross income currently as it accrues (including any market discount included in the taxable year of the exchange prior to the date of the exchange), and reduced (but not below zero) by the accrual of any amortizable bond premium which the U.S. Holder has previously elected to offset against interest payments on the note. Subject to the treatment of a portion of any gain as ordinary income to the extent of any market discount accrued on the outstanding notes and not previously included in income by the U.S. Holder, any gain or loss would be capital gain or loss and would be long-term capital gain or loss if the U.S. Holder held the outstanding notes for more than one year on the date of the exchange. The

deduction of capital losses for U.S. federal income tax purposes is subject to limitations. A U.S. Holder's holding period for a new note would commence on the date immediately following the date of the exchange, and the U.S. Holder's initial tax basis in the new note would be the issue price of the new note.

An exception to the capital gain treatment described above may apply to a U.S. Holder who purchased an outstanding note with "market discount." Subject to a statutory *de minimis* exception, market discount is the excess of the principal amount of the note over a U.S. Holder's tax basis in the note immediately after its acquisition. In general, unless a U.S. Holder has elected to include market discount in income currently as it accrues, any gain realized by the U.S. Holder on the sale, exchange or other disposition of a note having market discount will be treated as ordinary income to the extent of the market discount that has accrued (on a straight line basis or, at the election of the U.S. Holder, on a constant yield basis) while the note was held by the U.S. Holder. If the exchange qualifies as a recapitalization, however, any market discount on the outstanding notes prior to the exchange that exceeds the exchange fee would survive the exchange, although some or all of the market discount could effectively be converted into original issue discount, as described below.

If the exchange of outstanding notes for new notes were treated either as a recapitalization or a taxable exchange, the tax treatment of the new notes would depend on the "issue price" of the new notes and could differ significantly from that of the outstanding notes. If either the outstanding notes or the new notes are properly treated as traded on an established securities market within the meaning of Section 1273(b) of the Code, the issue price of the new notes would be the fair market value of the outstanding notes or the new notes, as applicable. In such case, the new notes would be issued with original issue discount if their stated redemption price at maturity (generally, the amount we are required to pay upon maturity of the new notes) exceeded their issue price, or, alternatively, would be issued with bond premium if a U.S. Holder's adjusted tax basis in the new notes exceeded their stated redemption price at maturity. If neither the outstanding notes nor the new notes are properly treated as traded on an established securities market, then because the interest rate on the new notes is less than the applicable federal rate for a debt instrument with a term equal to the term of the new notes, the issue price of the new notes would equal their "imputed principal amount." The imputed principal amount of a new note generally would equal the sum of the present values of all payments due under the new note, using a discount rate equal to the applicable federal rate in effect at the time of the exchange. In such case, a new note would be issued with original issue discount, because the issue price of the new note would be less than its stated redemption price at maturity.

Subject to a statutory *de minimis* exception, a U.S. Holder would be required to include any original issue discount in respect of the new notes in income on a constant yield to maturity basis over the term of the new notes and in advance of the receipt of cash payments attributable to such income. Subject to applicable limitations, a U.S. Holder could elect to amortize any bond premium in respect of the new notes as an offset to interest income otherwise required to be included in income in respect of the new notes during the taxable year.

Treatment of Exchange Fee

Although the matter is not free from doubt, we intend to treat the payment of the exchange fee as consideration to holders for participating in the exchange offer, and such payments will be reported to U.S. Holders and to the IRS for information reporting purposes in accordance with this treatment. Under this treatment, a U.S. Holder participating in the exchange offer will be required to include the exchange fee in ordinary income, for U.S. federal income tax purposes, in the taxable year in which the exchange fee is accrued or received in accordance with such holder's regular method of tax accounting. If the exchange of outstanding notes for new notes were treated either as a recapitalization or a taxable exchange, the exchange fee would likely be treated as additional consideration received in the exchange. If the exchange were treated as a recapitalization, as discussed above, a U.S. Holder would recognize any gain on the exchange to the extent that such gain did not exceed the exchange fee received.

Conversion of a New Note

If a U.S. Holder participating in the exchange subsequently presents a new note for conversion, and we elect to delivery solely cash to settle our conversion obligation, the U.S. Holder generally will recognize capital gain or loss equal to the difference between the amount of cash received and the U.S. Holder's adjusted tax basis in the new note. If a U.S. Holder participating in the exchange subsequently presents a new note for conversion, and we elect to deliver a combination of cash and shares of our Class A common stock to settle our conversion obligation, the U.S. federal income tax treatment is not entirely clear, because there is no statutory, administrative or judicial authority specifically addressing the tax consequences of such a payment upon conversion of a note. A U.S. Holder may be treated as exchanging the new note for Class A common stock and cash in a recapitalization for U.S. federal income tax purposes. In such case, the U.S. Holder generally would not recognize loss, but would recognize gain in an amount equal to the lesser of the gain "realized" (*i.e.*, the excess, if any, of the fair market value of the common shares received upon the exchange plus cash received over the U.S. Holder's adjusted tax basis in the new notes tendered in exchange therefor) and the cash received. The U.S. Holder's adjusted tax basis in the Class A common stock received generally would equal the adjusted tax basis of the new note, decreased by the amount of cash received, and increased by the amount of gain recognized.

Alternatively, if the exchange of a new note for cash and Class A common stock is not treated as a recapitalization, the cash payment received by a U.S. Holder may be treated as proceeds from the sale of a portion of the new note, and any Class A common stock may be treated as received upon conversion of a portion of the new note. The U.S. Holder's aggregate tax basis in the new note would be allocated pro rata between the portion of the new note treated as sold and the portion of the new note treated as converted into Class A common stock. The U.S. Holder generally would recognize capital gain or loss with respect to the portion of the new note treated as sold equal to the difference between the amount of cash received by the U.S. Holder and the U.S. Holder's adjusted tax basis in the portion of the new note treated as sold. A U.S. Holder generally would not recognize any gain or loss with respect to the portion of the new note treated as converted into Class A common stock. The U.S. Holder's tax basis in the Class A common stock would equal the tax basis allocated to the portion of the new note treated as converted into the Class A common stock. The U.S. Holder's holding period for the Class A common stock would include the U.S. Holder's holding period attributable to the new note.

If a U.S. Holder participating in the exchange subsequently presents a new note for conversion and we elect to deliver solely shares of our Class A common stock to settle our conversion obligation, the U.S. Holder generally will not recognize any gain or loss, except with respect to cash received in lieu of a fractional share of common stock. Such holder's tax basis in the Class A common stock received on conversion of the new note will be the same as such holder's adjusted tax basis in the new note at the time of conversion (reduced by any basis allocable to a fractional share interest), and the holding period for the Class A common stock received on conversion generally will include the holding period of the new note converted. Cash received in lieu of a fractional share of Class A common stock generally will be treated as a payment in exchange for the fractional share of Class A common stock. Accordingly, the receipt of cash in lieu of a fractional share of Class A common stock generally will result in gain or loss measured by the difference between the cash received for the fractional share and the U.S. Holder's adjusted tax basis in the fractional share.

The gain or loss recognized by a U.S. Holder upon conversion of a new note generally would be capital gain or loss (treated as ordinary income to the extent of accrued "market discount" not previously included in income) and would be long-term capital gain or loss if the U.S. Holder's holding period attributable to the new note exceeded one year at the time of the conversion. Long-term capital gains of non-corporate U.S. Holders are currently subject to U.S. federal income tax at a maximum rate of 15%. The deductibility of capital losses is subject to limitations.

Conversion Rate Adjustments

Holders of convertible debt instruments such as the new notes may, in some circumstances, be deemed to have received distributions of stock if the conversion rate of such instruments is adjusted or there is a failure to provide for an adjustment, to the extent the adjustment results in an increase in the holder's proportionate interest in our earnings and profits or assets. However, adjustments to the conversion rate made pursuant to a bona fide, reasonable adjustment formula which has the effect of preventing the dilution of the interest of the holders of the debt instruments generally will not be considered to result in a constructive distribution of stock. Some of the possible adjustments provided in the new notes (including without limitation, adjustments in respect of taxable dividends to our stockholders) will not qualify as being pursuant to a bona fide reasonable adjustment formula and generally will result in a constructive stock distribution. If a holder converts a new note in connection with certain fundamental changes, the adjustment to the conversion rate of the note (as described under "Description of the New Notes — Conversion Rate Adjustments — Make Whole Upon Fundamental Change") also may result in a constructive stock distribution. Any such constructive stock distributions resulting from a conversion rate adjustment will be taxable as dividends to the extent of our current and accumulated earnings and profits, even though holders may not have received any cash or property as a result of such adjustments. A holder's tax basis in the new notes generally will be increased by the amount of any constructive dividend included in taxable income In certain circumstances, it is also possible that the amendment to the new notes upon the occurrence of a public acquirer fundamental change to entitle holders to convert new notes into cash and shares of public acquirer common stock (as described under "Description of the New Notes — Conversion Rate Adjustments — Fundamental Change Involving a Public Acquirer Fundamental Change") may give rise to a taxable event. Holders should consult their own tax advisors concerning the tax consequences to them of such adjustments to the conversion rate of the new notes.

Tax Consequences to Tendering Non-U.S. Holders

Exchange of Outstanding Notes for New Notes

If the exchange were treated either as a recapitalization or a taxable exchange, non-U.S. Holders generally would not be subject to U.S. federal income tax on gain recognized in connection with such exchange unless income in respect of the notes is treated as effectively connected with the conduct of a trade or business by the non-U.S. Holder in the United States (and, if certain tax treaties apply, is attributable to a U.S. permanent establishment maintained by the non-U.S. Holder) or, in the case of a non-resident alien individual non-U.S. Holder, the non-U.S. Holder is present in the United States for 183 days or more in the year of the exchange and certain other conditions are met. In such case, the U.S. federal income tax consequences to such non-U.S. Holder would be the same as those applicable to U.S. Holders described above.

Treatment of Exchange Fee

As described above with respect to U.S. Holders, we currently intend to treat the exchange fee as consideration to holders for participating in the exchange offer. Accordingly, the exchange fee paid to a non-U.S. Holder will be treated as subject to U.S. federal withholding tax at a rate of 30% unless (i) the exchange fee is treated as effectively connected to the conduct of a trade or business by the non-U.S. Holder in the United States and the non-U.S. Holder provides a properly executed Form W-8ECI or (ii) a tax treaty either eliminates or reduces such withholding tax and the non-U.S. Holder provides a properly executed Form W-8BEN claiming treaty benefits.

Conversion Rate Adjustments

The conversion rate of the new notes is subject to adjustment in some circumstances. Any such adjustment or failure to make an adjustment could, in some circumstances, give rise to a deemed

distribution that is taxable as a dividend to non-U.S. holders or otherwise result in a taxable event. See "Tax Consequences to Tendering U.S. Holders — Conversion Rate Adjustments," above.

The preceding discussion of the material U.S. federal income tax consequences of the exchange of outstanding notes for new notes is for general information only. It is not tax advice. Investors considering the exchange of their outstanding notes for new notes pursuant to the exchange offer should consult their own tax advisors regarding the application of the U.S. federal income tax laws to their particular situations, as well as any tax consequences of the exchange offer under the U.S. federal estate or gift tax laws and foreign, state or local tax laws and tax treaties.

DESCRIPTION OF CAPITAL STOCK

Our authorized capital stock consists of (i) 175,000,000 shares of Class A common stock, $0.001 par value per share, (ii) 37,500,000 shares of Class B common stock, $0.001 par value per share, (iii) 10,000 shares of Class A preferred stock, $638 par value per share, and (iv) 1,000,000 undesignated shares of preferred stock, $0.001 par value per share, of which 5,720 shares have been designated Series AA preferred stock. The following summary of our capital stock is qualified in its entirety by reference to our certificate of incorporation, as amended, and by-laws, as amended.

Common Stock

As of May 15, 2007, there were 82,723,674 shares of Class A common stock and 15,397,865 shares of Class B common stock issued and outstanding.

Voting Rights; Conversion of Class B Common Stock

The Class A common stock and Class B common stock have the same rights and powers, except that a share of Class A common stock entitles the holder to one vote and a share of Class B common stock entitles the holder to ten votes. Except as required by Delaware law, the holders of Class A common stock and Class B common stock vote together as a single class. Each share of Class B common stock is convertible at the option of its holder into one share of Class A common stock at any time. In addition, each share of Class B common stock converts automatically into one share of Class A common stock upon the sale or other transfer of such share of Class B common stock to a person who, or entity which, is not a permitted transferee. “Permitted transferees” include (1) Kevin P. Reilly, Sr.; (2) a descendant of Kevin P. Reilly, Sr.; (3) a spouse or surviving spouse (even if remarried) of any individual named or described in (1) or (2) above; (4) any estate, trust, guardianship, custodianship, curatorship or other fiduciary arrangement for the primary benefit of any one or more of the individuals named or described in (1), (2) and (3) above; and (5) any corporation, partnership, limited liability company or other business organization controlled by and substantially all of the interests in which are owned, directly or indirectly, by any one or more of the individuals and entities named or described in (1), (2), (3) and (4) above. Furthermore, each share of Class B common stock converts automatically into one share of Class A common stock in the event the number of outstanding shares of Class B common stock falls below 10% of the total number of outstanding shares of Class A and Class B common stock taken together.

Under Delaware law, the affirmative vote of the holders of a majority of the outstanding shares of any class of common stock is required to approve any amendment to the certificate of incorporation that would increase or decrease the par value of such class, or modify or change the powers, preferences or special rights of the shares of any class so as to affect such Class Adversely.

Our certificate of incorporation, however, allows for amendments to increase or decrease the number of authorized shares of Class A common stock or Class B common stock without a separate vote of either class.

Dividends; Liquidation Rights

All of the outstanding shares of common stock are fully paid and nonassessable. In the event of our liquidation or dissolution, following any required distribution to the holders of outstanding shares of preferred stock, the holders of common stock are entitled to share pro rata in any balance of the corporate assets available for distribution to them. Because we are a holding company with no significant assets or independent operations, we can only pay dividends declared by the board of directors to the extent that cash can be upstreamed to us from our subsidiaries for this purpose. Lamar Media’s existing indentures and bank credit facility restrict the amount of dividends that may be paid to us. Subject to the preferential rights of the holders of any class of preferred stock, holders of shares of common stock are entitled to receive dividends. No dividend may be paid in cash or property on any share of either class of common stock unless simultaneously the same dividend is paid on each share of the other class of common stock. If

a stock dividend is declared, holders of a specific class of common stock will be entitled to receive only additional shares of the same class.

Other Provisions

The common stock is redeemable in the manner and on the conditions permitted under Delaware law and as may be authorized by the board of directors. Holders of common stock have no right to subscribe to new issuances of common stock. Any outstanding shares of Class A or Class B common stock, which Lamar Advertising subdivides by stock split or recapitalization, or combines by reverse stock split or otherwise, will be subdivided or combined on an equal basis.

Transfer Agent

American Stock Transfer and Trust Company serves as the transfer agent and registrar for the Class A common stock.

Series AA Preferred Stock

As of March 31, 2007, there were 5,719.49 shares of Series AA preferred stock issued and outstanding, all of which are fully paid and nonassessable.

Rank

The Series AA preferred stock ranks senior to the common stock with respect to dividends and upon our dissolution or liquidation.

Dividends

Holders of shares of Series AA preferred stock are entitled to receive distributions if declared by the board of directors out of funds legally available to make such payments, cash dividends at a rate of $15.95 per share per quarter. Dividends accrue and cumulate from the date of issuance of the shares and are paid quarterly. As of the date of this prospectus, we are current with all these quarterly dividend payments. We intend to continue paying dividends on the Series AA preferred stock.

Dissolution or Liquidation

Upon our voluntary or involuntary dissolution or liquidation, the holders of the Series AA preferred stock are entitled to receive, before any payment may be made or any assets distributed to the holders of common stock, the sum of $638 per share and any dividends accrued and unpaid on the stock. Upon any dissolution or liquidation, whether voluntary or involuntary, if the assets distributed among the holders of the Series AA preferred stock are insufficient to permit the payment to a stockholder of the full preferential amounts to which they are entitled, then all of our assets to be distributed upon dissolution or liquidation will be distributed to the holders of Series AA preferred stock before any distribution to holders of common stock. A merger or consolidation of us with or into any other corporation or corporations is not considered to be a dissolution or liquidation.

Voting Rights

Holders of Series AA preferred stock are entitled to one vote per share.

Class A Preferred Stock

We currently have authorized 10,000 shares of Class A preferred stock, none of which are issued and outstanding as of the date of this prospectus. The Class A preferred stock has substantially identical rights, preferences and privileges to the Series AA preferred stock, except that the Class A preferred stock does not have any voting rights other than as required under the General Corporation Law of the State of Delaware.

Additional Preferred Stock

We currently have authorized 994,280 shares of undesignated preferred stock, none of which were issued and outstanding as of the date of this prospectus. Under Delaware law and our certificate of incorporation, we may issue shares of undesignated preferred stock from time to time, in one or more classes or series, as authorized by our board of directors, generally without the approval of our stockholders.

Subject to limitations prescribed by Delaware law and our certificate of incorporation and by-laws, the board of directors can fix the number of shares constituting each class or series of preferred stock and the designations, powers, preferences and other rights of such series as well as the qualifications, limitations or restrictions on such powers, preferences and rights. These may include such provisions as may be desired concerning voting, redemption, dividends, dissolution or the distribution of assets, conversion or exchange, and such other subjects or matters as may be fixed by resolution of the board of directors or duly authorized committee.

Our board of directors could authorize the issuance of shares of preferred stock with terms and conditions which could have the effect of discouraging a takeover or other transaction which holders of some, or a majority, of such shares might believe to be in their best interests or in which holders of some, or a majority, of such shares might receive a premium for their shares over the then-market price of such shares.

Section 203 of the Delaware General Corporation Law

We are subject to the provisions of Section 203 of the Delaware General Corporation Law. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner. A "business combination" includes a merger, asset sale or other transaction resulting in a financial benefit to the interested stockholder. An "interested stockholder" is a person who, together with affiliates and associates, owns (or, in certain cases, within three years prior, did own) 15% or more of the corporation's voting stock. Under Section 203, a business combination between us and an interested stockholder is prohibited unless it satisfies one of the following conditions: (1) our board of directors must have previously approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder or (2) on consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of our voting stock outstanding at the time the transaction commenced (excluding, for purposes of determining the voting stock outstanding (but not the outstanding voting stock owned by the interested stockholder), shares owned by (a) persons who are directors and also officers and (b) employee stock plans, in certain instances) or (3) the business combination is approved by our board of directors and authorized at an annual or special meeting of the stockholders by the affirmative vote of at least 66$^{2}/_{3}$% of the outstanding voting stock which is not owned by the interested stockholder.

LEGAL MATTERS

The validity of the new notes and Class A common stock offered hereby will be passed upon for us by Edwards Angell Palmer & Dodge LLP, Boston, Massachusetts. Certain legal matters in connection with this offering will be passed upon for the dealer-manager by Cahill Gordon & Reindel LLP, New York, New York.

EXPERTS

The consolidated financial statements and schedules of Lamar Advertising Company and subsidiaries and Lamar Media Corp. and subsidiaries as of December 31, 2006 and 2005, and for each of the years in the three-year period ended December 31, 2006, and management's assessments of the effectiveness of internal control over financial reporting as of December 31, 2006, have been incorporated by reference herein and in the registration statement in reliance upon the reports of KPMG LLP, independent registered public accounting firm, incorporated by reference herein and upon the authority of said firm as experts in accounting and auditing.

The exchange agent for the exchange offer is:

The Bank of New York Trust Company, N.A.

By Facsimile:
Bank of New York
Corporate Trust Operations
Reorganization Unit
101 Barclay Street — 7 East
New York, N.Y. 10286
Attn: Mr. William Buckley
Fax: (212) 298-1915

By Registered or Certified Mail:
Bank of New York
Corporate Trust Operations
Reorganization Unit
101 Barclay Street — 7 East
New York, N.Y. 10286
Attn: Mr. William Buckley
Telephone: (212) 815-5788

By Hand/Overnight Delivery:
Bank of New York
Corporate Trust Operations
Reorganization Unit
101 Barclay Street — 7 East
New York, N.Y. 10286
Attn: Mr. William Buckley
Telephone: (212) 815-5788

For Confirmation by Telephone: (212) 815-5788

Questions, requests for assistance and requests for additional copies of this prospectus and related letter of transmittal may be directed to the information agent or the dealer-manager at each of their addresses set forth below:

The information agent for the exchange offer is:

The Altman Group
1200 Wall Street West
3rd Floor
Lyndhurst, NJ 07071
Holders call toll-free: (866) 416-0551
Banks and Brokers call: (201) 806-7300
Fax: (201) 460-0050

The dealer-manager for the exchange offer is:

Wachovia Capital Markets, LLC
375 Park Avenue
New York, NY 10152
(800) 367-8652 (U.S. toll-free)
(212) 214-6077 (collect)

Part II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 20. Indemnification of officers and directors.

You may request a copy of these filings at no cost, by writing or calling us at the following address: 5551 Corporate Boulevard, Baton Rouge, LA 70808, Tel: (225) 926-1000, Attention: Chief Financial Officer.

Section 145 of the Delaware General Corporation Law (the "DGCL") grants us the power to indemnify each person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that the person is or was our director, officer, employee or agent, or is or was serving at our request as a director, officer, employee or agent of another enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with any such action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to our best interests, and with respect to any criminal action or proceeding, had no reasonable cause to believe the person's conduct was unlawful, provided, however, no indemnification shall be made in connection with any proceeding brought by or in our right where the person involved is adjudged to be liable to us except to the extent approved by a court.

Our By-laws provide that any person who is made a party to any action or proceeding because such person is or was our director or officer will be indemnified and held harmless against all claims, liabilities and expenses, including those expenses incurred in defending a claim and amounts paid or agreed to be paid in connection with reasonable settlements made before final adjudication with the approval of the board of directors, if such person has not acted, or in the judgment of our shareholders or directors has not acted, with willful or intentional misconduct. The indemnification provided for in our By-laws is expressly not exclusive of any other rights to which those seeking indemnification may be entitled as a matter of law.

Our Certificate of Incorporation provides that our directors will not be personally liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director, whether or not an individual continues to be a director at the time such liability is asserted, except for liability (i) for any breach of the director's duty of loyalty to us or our stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL, relating to prohibited dividends or distributions or the repurchase or redemption of stock, or (iv) for any transaction from which the director derives an improper personal benefit.

We carry Directors' and Officers' insurance which covers our directors and officers against certain liabilities they may incur when acting in their capacity as directors or officers.

Item 21. Exhibits and financial statement schedules.

(a) See Exhibit Index immediately following the signature pages.

Item 22. Undertakings.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrants pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrants of expenses incurred or paid by a director, officer or controlling person of the registrants in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrants will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question

whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes to supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b)(3) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof;

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering;

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A (§230.430A of this chapter), shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. *Provided, however,* that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use;

(5) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof;

(6) To respond to requests for information that is incorporated by reference into the prospectus pursuant to Items 4, 10(b), 11, or 13 of this Form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request; and

(7) To supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Baton Rouge, State of Louisiana, on May 31, 2007.

LAMAR ADVERTISING COMPANY

By: /s/ Kevin P. Reilly, Jr.
Kevin P. Reilly, Jr.
President

POWER OF ATTORNEY

The undersigned, in the capacities specified below, hereby severally constitute and appoint Kevin P. Reilly, Jr. and Keith A. Istre and each of them singly, our true and lawful attorneys, with full power of substitution to them in any and all capacities, to sign any amendments to this Registration Statement on Form S-4 (including Pre- and Post-Effective Amendments), and any related Rule 462(b) registration statement or amendment thereto, and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that each of said attorneys-in-fact may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Kevin P. Reilly, Jr. Kevin P. Reilly, Jr.	Director and Principal Executive Officer	May 31, 2007
/s/ Keith A. Istre Keith A. Istre	Principal Financial and Accounting Officer	May 31, 2007
/s/ John Maxwell Hamilton John Maxwell Hamilton	Director	May 31, 2007
/s/ Robert M. Jelenic Robert M. Jelenic	Director	May 31, 2007
/s/ Stephen P. Mumblow Stephen P. Mumblow	Director	May 31, 2007
/s/ Thomas V. Reifenheiser Thomas V. Reifenheiser	Director	May 31, 2007
/s/ Anna Reilly Anna Reilly	Director	May 31, 2007
/s/ Wendell Reilly Wendell Reilly	Director	May 31, 2007

Table of Contents

INDEX TO EXHIBITS

Exhibit Number	Description	Method of Filing
1(a)	Form of Dealer Manager Agreement.	Filed herewith.
3(a)	Restated Certificate of Incorporation of the Company.	Previously filed as Exhibit 3.1 to the Company's Annual Report on Form 10-K (File No. 0-30242) filed on February 22, 2006 and incorporated herein by reference.
3(b)	Amended and Restated Bylaws of the Company.	Previously filed as Exhibit 3.3 to the Company's Quarterly Report on Form 10-Q for the period ended June 30, 1999 (File No. 0-20833) filed on August 16, 1999, and incorporated herein by reference.
4(a)	Specimen certificate for the shares of Class A common stock of the Company.	Previously filed as Exhibit 4.1 to the Company's Registration Statement on Form S-1 (File No. 333-05479), and incorporated herein by reference.
4(b)	Senior Secured Note dated as of May 19, 1993.	Previously filed as Exhibit 4.1 to the Company's Registration Statement on Form S-1 (File No. 33-59624), and incorporated herein by reference.
4(h)	Indenture dated as of September 24, 1986 relating to the Company's 8% Unsecured Subordinated Debentures.	Previously filed as Exhibit 10.3 to the Company's Registration Statement on Form S-1 (File No. 33-59624), and incorporated herein by reference.
4(i)(1)	Indenture dated May 15, 1993 relating to the Company's 11% Senior Secured Notes due May 15, 2003.	Previously filed as Exhibit 4.3 to the Company's Registration Statement on Form S-1 (File No. 33-59624), and incorporated herein by reference.
4(i)(2)	Form of Subordinated Note.	Previously filed as Exhibit 4.8 to the Registration Statement on Form S-1 (File No. 333-05479), and incorporated herein by reference.
4(i)(3)	First Supplemental Indenture dated as of July 30, 1996 relating to the Company's 11% Senior Secured Notes due May 15, 2003.	Previously filed as Exhibit 4.5 to the Company's Registration Statement on Form S-1(File No. 333-05479), and incorporated herein by reference.
4(i)(4)	Form of Second Supplemental Indenture in the form of an Amended and Restated Indenture dated as of November 8, 1996 relating to the Company's 11% Senior Secured Notes due May 15, 2003.	Previously filed as Exhibit 4.1 to the Company's Current Report on Form 8-K (File No. 1-12407) filed on November 15, 1996, and incorporated herein by reference.
4(i)(5)	Notice of Trustee dated November 8, 1996 with respect to the release of the security interest in the Trustee on behalf of the holders of the Company's 11% Senior Secured Notes due May 15, 2003.	Previously filed as Exhibit 4.2 to the Company's Current Report on Form 8-K (File No. 1-12407) filed on November 15, 1996, and incorporated herein by reference.

Exhibit Number	Description	Method of Filing
4(j)(1)	Indenture dated as of December 23, 2002 between Lamar Media, certain subsidiaries of Lamar Media, as guarantors and Wachovia Bank of Delaware, National, as trustee.	Previously filed as Exhibit 4.1 to Lamar Media's Current Report on Form 8-K (File No. 0-20833) filed on December 27, 2002, and incorporated herein by reference.
4(j)(2)	Form of 7 1/4% Notes Due 2013.	Previously filed as Exhibit 4.2 to Lamar Media's Current Report on Form 8-K (File No. 0-20833) filed on December 27, 2002, and incorporated herein by reference.
4(j)(3)	Form of Exchange Note.	Previously filed as Exhibit 4.29 to Lamar Media's Registration Statement on Form S-4 (File No. 333-102634) filed on January 21, 2003, and incorporated herein by reference.
4(j)(4)	Supplemental Indenture to the Indenture dated as of December 23, 2002 among Lamar Media, certain of its subsidiaries and Wachovia Bank of Delaware, National Association, as Trustee, dated as of June 9, 2003.	Previously filed as Exhibit 4.31 to Lamar Media's Registration Statement on Form S-4 (File No. 333-107427) filed on July 29, 2003, and incorporated herein by reference.
4(j)(5)	Supplemental Indenture to the Indenture dated December 23, 2002 among Lamar Media, certain of its subsidiaries and Wachovia Bank of Delaware, National Association, as Trustee, dated October 7, 2003.	Previously filed as Exhibit 4.1 to Lamar Media's Quarterly Report on Form 10-Q for the period ended September 30, 2003 (File No. 1-12407) filed on November 5, 2003, and incorporated herein by reference.
4(j)(6)	Supplemental Indenture to the Indenture dated as of December 23, 2002 among Lamar Media, Lamar Canadian Outdoor Company and Wachovia Bank of Delaware, National Association, as Trustee, dated as of April 5, 2004.	Previously filed as Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the period ended June 30, 2004 (File No. 0-30242) filed on August 6, 2004, and incorporated herein by reference.
4(j)(7)	Supplemental Indenture to Indenture dated as of December 23, 2002 among Lamar Media, certain of its subsidiaries and Wachovia Bank of Delaware, National Association, as Trustee, dated as of January 19, 2005.	Previously filed as Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2005 (File No. 0-30242) filed on May 6, 2005, and incorporated herein by reference.
4(j)(8)	Release of Guaranty under the Indenture dated as of December 23, 2002 between Lamar Media, certain of its subsidiaries named therein, and Wachovia Bank of Delaware, National Association, as Trustee, by the Trustee, dated as of December 30, 2005.	Previously filed as Exhibit 4.19 to Lamar Media's Annual Report on Form 10-K for fiscal year ended December 31, 2005 (File No. 1-12407) filed on March 15, 2006, and incorporated herein by reference.
4(k)(1)	Indenture dated as of June 16, 2003 between Lamar Media and Wachovia Bank of Delaware, National Association, as Trustee.	Previously filed as Exhibit 4.4 to Lamar Media's Quarterly Report on Form 10-Q for the period ended June 30, 2003 (File No. 1-12407) filed on August 13, 2003, and incorporated herein by reference.

Exhibit Number	Description	Method of Filing
4(k)(2)	First Supplemental Indenture to the Indenture dated as of June 16, 2003 between Lamar Media and Wachovia Bank of Delaware, National Association, as Trustee, dated as of June 16, 2003.	Previously filed as Exhibit 4.5 to Lamar Media's Quarterly Report on Form 10-Q for the period ended June 30, 2003 (File No. 1-12407) filed on August 13, 2003, and incorporated herein by reference.
4(k)(3)	Form of Convertible Note relating to the Outstanding Notes.	Included in Exhibit 4(k)(2).
4(k)(4)	Form of Second Supplemental Indenture to the Indenture dated as of June 16, 2003 between the Lamar Media and Bank of New York Trust Company, N.A. as Successor Trustee.	Filed herewith.
4(k)(5)	Form of Convertible Note relating to New Notes.	Included in Exhibit 4(k)(4).
4(l)(1)	Indenture dated as of August 16, 2005 between Lamar Media, the guarantors named therein, and The Bank of New York Trust Company, N.A., as trustee.	Previously filed as Exhibit 4.1 to the Company's Current Report on Form 8-K (File No. 0-30242) filed on August 18, 2005, and incorporated herein by reference.
4(l)(2)	Form of Exchange Note.	Previously filed as Exhibit 4.1 to the Company's Current Report on Form 8-K Form 8-K (1-12407) filed on August 18, 2005, and incorporated herein by reference.
4(l)(3)	First Supplemental Indenture to the Indenture dated as of August 16, 2005, among Lamar Media Corp., the Guarantors named therein and The Bank of New York Trust Company, N.A., as Trustee, dated as of December 11, 2006.	Previously filed as Exhibit 99.2 to the Company's Current Report on Form 8-K (file No. 0-30242) filed on December 14, 2006, and incorporated herein by reference.
4(l)(4)	Release of Guaranty under the Indenture dated as of August 16, 2005 between Lamar Media, the guarantors named therein, and The Bank of New York Trust Company, N.A., as Trustee, by the Trustee, dated as of December 30, 2005.	Previously filed as Exhibit 4.20 to Lamar Media's Annual Report on Form 10-K for fiscal year ended December 31, 2005 (File No. 1-12407) filed on March 15, 2006, and incorporated herein by reference.
4(m)	Indenture, dated as of August 17, 2006, between Lamar Media, the Guarantors named therein and the Bank of New York Trust Company, N.A., as trustee.	Previously filed as Exhibit 4.1 to the Company's Current Report on Form 8-K (File No. 0-30242) filed on August 18, 2006, and incorporated herein by reference.
4(m)(1)	Form of Exchange Note.	Previously filed as Exhibit 4.1 to the Company's Current Report on Form 8-K (File No. 0-30242) filed on August 18, 2006, and incorporated herein by reference.
5(a)	Opinion of Edwards Angell Palmer & Dodge LLP.	Filed herewith.
8(a)	Tax Opinion of Edwards Angell Palmer & Dodge LLP.	Filed herewith.

Exhibit Number	Description	Method of Filing
10(a)(1)*	Lamar 1996 Equity Incentive Plan, as amended, as adopted by the Board of Directors on February 23, 2006.	Previously filed as Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 0-30242) filed on February 28, 2006, and incorporated herein by reference.
10(a)(2)*	Form of Stock Option Agreement under the 1996 Equity Incentive Plan, as amended.	Previously filed as Exhibit 10.14 to the Company's Annual Report on Form 10-K for the year ended December 31, 2004 (File No. 0-30242) filed on March 10, 2005, and incorporated herein by reference.
10(b)*	2000 Employee Stock Purchase Plan.	Previously filed as Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the period ended June 30, 2000 (File No. 0-30242) filed on August 11, 2000, and incorporated herein by reference.
10(c)*	Lamar Advertising Company Non-Management Director Compensation Plan.	Previously filed as Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2005 (File No. 0-30242) filed on May 6, 2005, and incorporated herein by reference.
10(d)(1)*	Lamar Deferred Compensation Plan, as adopted on December 8, 2005.	Previously filed as Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 0-30242) filed on December 14, 2005, and incorporated herein by reference.
10(d)(2)*	Form of Trust Agreement for the Lamar Deferred Compensation Plan.	Previously filed as Exhibit 10.2 to the Company's Current Report on Form 8-K (File No. 0-30242) filed on December 14, 2005, and incorporated herein by reference.
10(e)*	Form of Restricted Stock Agreement.	Previously filed as Exhibit 10.16 of the Company's on Form 10-K for the year ended December 31, 2005 (File No. 0-30242) filed on March 15, 2006, and incorporated herein by reference.
10(f)*	Summary of Compensatory Arrangements.	Previously filed on the Current Report on Form 8-K/A (File No. 0-30242) filed on February 22, 2006, and incorporated herein by reference.
10(g)(1)	Credit Agreement dated as of March 7, 2003 between Lamar Media and the Subsidiary Guarantors party thereto, the Lenders party thereto, and JPMorgan Chase Bank, as Administrative Agent.	Previously filed as Exhibit 10.38 to Lamar Media's Registration Statement on Form S-4/A (File No. 333-102634) filed on March 18, 2003, and incorporated herein by reference.
10(g)(2)	Amendment No. 1 dated as of January 28, 2004 to the Credit Agreement dated as of March 7, 2003 between Lamar Media, the Subsidiary Guarantors a party thereto and JPMorgan Chase Bank, as administrative agent for the lenders.	Previously filed as Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2004 (File No. 0-30242) filed on May 10, 2004, and incorporated herein by reference.

Exhibit Number	Description	Method of Filing
10(g)(3)	Joinder Agreement dated as of October 7, 2003 to Credit Agreement dated as of March 7, 2003 between Lamar Media and the Subsidiary Guarantors party thereto, the Lenders party thereto, and JPMorgan Chase Bank, as Administrative Agent by Premere Outdoor, Inc.	Previously filed as Exhibit 10.1 to Lamar Media's Quarterly Report on Form 10-Q for the period ended September 30, 2003 (File No. 1-12407) filed on November 5, 2003, and incorporated herein by reference.
10(g)(4)	Joinder Agreement dated as of April 19, 2004 to Credit Agreement dated as of March 7, 2003 between Lamar Media and Lamar Canadian Outdoor Company, the Lenders party thereto and JPMorgan Chase Bank, as Administrative Agent.	Previously filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the period ended June 30, 2004 (File No. 0-30242) filed on August 6, 2004, and incorporated herein by reference.
10(g)(5)	Joinder Agreement to Credit Agreement dated as of March 7, 2003 among Lamar Media, the Subsidiary Guarantors party thereto, the Lenders party thereto and JPMorgan Chase Bank, as Administrative Agent, by certain of Lamar Media's subsidiaries, dated as of January 19, 2005.	Previously filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2005 (File No. 0-30242) filed on May 6, 2005, and incorporated herein by reference.
10(h)(1)	Credit Agreement dated as of September 30, 2005 between Lamar Media and JPMorgan Chase Bank, N.A., as Administrative Agent.	Previously filed as Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 0-30242) filed on September 30, 2005, and incorporated herein by reference.
10(h)(2)	Amendment No. 1 dated as of October 5, 2006 to the Credit Agreement dated as of September 30, 2005 between Lamar Media, the Subsidiary Guarantors named therein and JPMorgan Chase Bank, N.A., as Administrative Agent.	Previously filed as Exhibit 10.2 to the Company's Current Report on Form 8-K (File No. 0-30242) filed on October 6, 2006, and incorporated herein by reference.
10(h)(3)	Amendment No. 2 dated as of December 11, 2006 to the Credit Agreement dated as of September 30, 2005 between Lamar Media Corp., the Subsidiary Borrower named therein, the Subsidiary Guarantors named therein and JPMorgan Chase Bank, N.A., as Administrative Agent.	Previously filed as Exhibit 99.1 to the Company's Current Report on Form 8-K (file No. 0-30242) filed on December 14, 2006, and incorporated herein by reference.
10(h)(4)	Joinder Agreement to Credit Agreement dated as of September 30, 2005 among Lamar Media, the Subsidiary Guarantors party thereto, the Lenders parties thereto, and JPMorgan Chase Bank, as Administrative Agent, by Daum Advertising Company, Inc., dated as of July 21, 2006.	Previously filed as Exhibit 10.18 to Lamar Media's Form S-4 (File No. 333-138142) filed on October 23, 2006, and incorporated herein by reference.
10(i)	Tranche C Term Loan Agreement dated as of February 6, 2004 between Lamar Media, the Subsidiary Guarantors a party thereto, the Tranche C Loan Lenders a party thereto and JPMorgan Chase Bank, as administrative agent.	Previously filed as Exhibit 4.2 to the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2004 (File No. 0-30242) filed on May 10, 2004, and incorporated herein by reference.

Exhibit Number	Description	Method of Filing
10(j)	Tranche D Term Loan Agreement dated August 12, 2004 among Lamar Media, the Subsidiary Guarantors thereunder, the Lenders party thereto and JP Morgan Chase Bank, as Administrative Agent.	Previously filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2004 (File No. 0-30242) filed on November 15, 2004, and incorporated herein by reference.
10(k)	Series A Incremental Loan Agreement dated as of February 8, 2006 between Lamar Media, the Subsidiary Guarantors named therein, the Series A Incremental Lenders named therein and JPMorgan Chase Bank, N.A., as Administrative Agent for the Company.	Previously filed as Exhibit 10.15 of the Company's on Form 10-K for the year ended December 31, 2005 (File No. 0-30242) filed on March 15, 2006, and incorporated herein by reference.
10(l)	Series B Incremental Loan Agreement dated as of October 5, 2006 between Lamar Media, the Subsidiary Guarantors named therein, the Series B Incremental Lenders named therein and JPMorgan Chase Bank, N.A., as Administrative Agent for the Company.	Previously filed as Exhibit 10.1 to the Company's Current Report on Form 8-K (file No. 0-30242) filed on October 6, 2006, and incorporated herein by reference.
10(m)	Series C Incremental Loan Agreement dated as of December 21, 2006 between Lamar Media Corp., Lamar Transit Advertising Canada Ltd., the Subsidiary Guarantors named therein, the Series C Incremental Lenders and JPMorgan Chase Bank, N.A., as Administrative Agent and JPMorgan Chase Bank, N.A., Toronto Branch, acting as sub-agent of the Administrative Agent.	Previously filed as Exhibit 99.1 to the Company's Current Report on Form 8-K (file No. 0-30242) filed on December 22, 2006, and incorporated herein by reference.
10(n)	Series D Incremental Loan Agreement dated as of January 17, 2007 between Lamar Advertising of Puerto Rico., Lamar Media, the Subsidiary Guarantors named therein, the Series D Incremental Lenders and JPMorgan Chase Bank, N.A., as Administrative Agent.	Previously filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the period ended April 30, 2007 (File No. 0-30242) filed on May 10, 2007, and incorporated herein by reference.
10(o)	Series E Incremental Loan Agreement dated as of March 28, 2007 between Lamar Media, the Subsidiary Guarantors named therein, the Series E Incremental Lenders named therein and JPMorgan Chase Bank, N.A., as Administrative Agent.	Previously filed as Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 0-30242) filed on March 29, 2007 and incorporated herein by reference.
10(p)	Series F Incremental Loan Agreement dated as of March 28, 2007 between Lamar Media, the Subsidiary Guarantors named therein, the Series F Incremental Lenders named therein and JPMorgan Chase Bank, N.A., as Administrative Agent.	Previously filed as Exhibit 10.2 to the Company's Current Report on Form 8-K (File No. 0-30242) filed on March 29, 2007 and incorporated herein by reference.
12(a)	Statement regarding computation of earnings to fixed charges for the Company.	Filed herewith.
21(a)	Subsidiaries of the Company.	Filed herewith.

Exhibit Number	Description	Method of Filing
23(a)	Consent of KPMG LLP.	Filed herewith.
23(b)	Consent of Edwards Angell Palmer & Dodge LLP.	Included in Exhibit 5(a).
24(a)	Power of Attorney.	Included on signature page of this Registration Statement.
25(a)	Statement of Eligibility of Trustee on Form T-1.	Filed herewith.
99(a)	Form of Letter of Transmittal.	Filed herewith.
99(b)	Form of Notice of Guaranteed Delivery.	Filed herewith.
99(c)	Form of Letter to Registered Holders and DTC Participants Regarding the Offer to Exchange.	Filed herewith.
99(d)	Form of Letter to Beneficial Holders Regarding the Offer to Exchange.	Filed herewith.

* Denotes management contract or compensatory plan or arrangement in which the executive officers or directors of the Company participate.

Exhibit 1(a)

DEALER MANAGER AGREEMENT

May 31, 2007

Lamar Advertising Company
5551 Corporate Blvd.
Baton Rouge, Louisiana 70808

Attention: Keith Istre

Ladies and Gentlemen:

This dealer manager agreement (this "Agreement") will confirm the understanding between Lamar Advertising Company, a Delaware corporation (the "Company") and Wachovia Capital Markets, LLC ("Wachovia") pursuant to which the Company has retained Wachovia to act as the exclusive Dealer Manager (the "Dealer Manager") on the terms and subject to the conditions set forth herein, in connection with the proposed offer to exchange the outstanding 2 7/8% Convertible Notes due 2010 of the Company (the "Outstanding Notes") validly tendered in the Exchange Offer (as defined below) and not validly withdrawn for an exchange fee of $2.50 per $1,000 principal amount of Outstanding Notes (the "Cash Consideration") and new 2 7/8% Convertible Notes due 2010—Series B of the Company (the "New Notes", the New Notes and the Cash Consideration are together referred to as the "Exchange Offer Consideration"), convertible into cash, shares of its Class A common stock (the "Class A Common Stock") or a combination thereof, at the Company's election, to be issued pursuant to the terms of an indenture (the "Base Indenture") dated as of June 16, 2003, as amended by a second supplemental indenture (the "Second Supplemental Indenture") to be dated on or about the Exchange Date (as hereinafter defined) between the Company, as issuer, and The Bank of New York Trust Company, N.A., as trustee (the "Trustee"). The Base Indenture, as amended by the Second Supplemental Indenture, is hereinafter referred to as the "Indenture."

The offer to exchange listed above (such exchange offer, as amended, modified or supplemented from time to time, including any extension thereof, is hereinafter referred to as the "Exchange Offer") will be made on the terms and subject to the conditions set forth in the Prospectus, attached hereto as Exhibit A, and the Letter of Transmittal (as amended, modified or supplemented from time to time, the "Letter of Transmittal"), attached hereto as Exhibit B. The date on which the New Notes are issued pursuant to the Exchange Offer shall be referred to herein as the "Exchange Date." This agreement between the Company and the Dealer Manager as set forth herein shall hereinafter be referred to as the "Agreement," and all references to "Holders" of Outstanding Notes refer to holders of the Outstanding Notes who have validly tendered and not validly withdrawn their Outstanding Notes in the Exchange Offer.

The Registration Statement, the preliminary prospectus (as amended or supplemented, the "Preliminary Prospectus") included in the Registration Statement as first filed with the Securities and Exchange Commission (the "SEC"), the Prospectus (as defined below), the Letter of Transmittal, any related letters from the Company to beneficial owners of the Securi-

ties, securities dealers, brokers, commercial banks, trust companies and other nominees, letters for use by brokers to clients holding Outstanding Notes, any newspaper announcements, press releases, the Schedule TO (as amended or supplemented, the "Schedule TO") pursuant to Rule 14d-3 under the Exchange Act of 1934, as amended, (the " Exchange Act") and other offering materials, including any written communication filed with the SEC pursuant to Rule 425 under the Act, and information that the Company may use, prepare, file, distribute, mail, publish, approve or authorize for use in connection with the Exchange Offer, as any of them may be amended, modified or supplemented from time to time, are collectively referred to hereinafter as the "Offering Documents."

This Agreement, the New Notes and the Indenture shall be referred to collectively as the " Transaction Documents."

SECTION 1. *Engagement.* Subject to the terms and conditions set forth herein:

(a) The Company hereby retains the Dealer Manager, and subject to the terms and conditions hereof and of the Offering Documents, the Dealer Manager agrees to act, as the exclusive dealer manager to the Company in connection with the Exchange Offer until the date on which the Exchange Offer expires or is earlier terminated in accordance with its terms. The Dealer Manager will advise the Company with respect to the terms and timing of the Exchange Offer. The Dealer Manager agrees that it will not furnish written information other than the Offering Documents (defined below) to holders of Outstanding Notes in connection with the Exchange Offer without the prior consent of the Company. The Company authorizes the Dealer Manager, in accordance with its customary practices and consistent with industry practice, to communicate generally regarding the Exchange Offer with holders of Outstanding Notes and their authorized agents in connection with the Exchange Offer.

(b) The Company acknowledges that the Dealer Manager has been retained solely to provide the services set forth in this Agreement. In rendering such services, the Dealer Manager shall act as an independent contractor, and any duties of the Dealer Manager arising out of its engagement hereunder shall be owed solely to the Company. The Company also acknowledges that, except as provided in Section 1(a) hereof, (i) the Dealer Manager shall not be deemed to act as an agent of the Company or any of its affiliates (except that in any jurisdiction in which the Exchange Offer is required to be made by a registered licensed broker or dealer, it shall be deemed made by the Dealer Manager on behalf of the Company), and neither the Company nor any of its affiliates shall be deemed to act as the agent of the Dealer Manager and (ii) no securities broker, dealer, bank, trust company or nominee shall be deemed to act as the agent of the Dealer Manager or as the agent of the Company or any of its affiliates, and the Dealer Manager shall not be deemed to act as the agent of any securities broker, dealer, bank, trust company or nominee. The Dealer Manager shall not have any liability in tort, contract or otherwise to the Company or to any of the Company's affiliates for any act or omission on the part of any securities broker, dealer, bank, trust company or nominee or any other person except to the extent that such liability is finally judicially determined by a court of competent jurisdiction to have resulted from the gross negligence or the willful misconduct of the Dealer Manager.

(c) The Company acknowledges that the Dealer Manager and its affiliates are engaged in a broad range of securities activities and financial services. In the ordinary course of the Dealer Manager's business, the Dealer Manager or its affiliates (i) may at any time hold long or short positions, and may trade or otherwise effect transactions, for the Dealer Manager's own account or the accounts of customers, in debt or equity securities of the Company, its affiliates or any other company that may be involved in the transactions contemplated hereby and (ii) may at any time be providing or arranging financing and other financial services to companies that may be involved in a competing transaction. The Company acknowledges and agrees that in connection with all aspects of each transaction contemplated by this Agreement, the Company and the Dealer Manager have an arm's-length business relationship that creates no fiduciary duty on the part of the Dealer Manager, and each expressly disclaims any fiduciary relationship.

(d) The Dealer Manager agrees, in accordance with its customary practice and consistent with industry practice for investment banking concerns of national standing and in accordance with the terms of the Exchange Offer, to perform those services in connection with the Exchange Offer as are customarily performed by dealer managers and solicitation agents in connection with similar transactions of a like nature, including, without limitation, using all reasonable efforts to solicit the holders of Outstanding Notes sought to be exchanged by the Company pursuant to the Exchange Offer, communicating generally regarding the Exchange Offer with securities brokers, dealers, banks, trust companies and nominees and other Holders, and participating in meetings with, furnishing information to, and assisting the Company in negotiating with holders of Outstanding Notes.

(e) The Company shall arrange for The Bank of New York Trust Company, N.A. to act as exchange agent (the " Exchange Agent") in connection with the Exchange Offer and, as such, to advise the Dealer Manager at least daily as to such matters relating to the Exchange Offer as the Dealer Manager may request. The Company shall request The Depository Trust Company ("DTC") to provide the Dealer Manager with copies of the records or other lists showing the names and addresses of, and principal amounts of Outstanding Notes held by, the holders of such Outstanding Notes as of a recent date and shall, from and after such date, request DTC to advise the Dealer Manager from day to day during the pendency of the Exchange Offer of all transfers of such Outstanding Notes, such notification consisting of the names and addresses of the transferor and transferee of any Outstanding Notes and the date of such transfer. The Company will arrange for The Altman Group, Inc. to act as information agent and depositary (the "Information Agent") in connection with the Exchange Offer and shall direct the Information Agent to advise the Dealer Manager at least daily as to such matters relating to the Exchange Offer as the Dealer Manager may reasonably request. In addition, the Company hereby authorizes the Dealer Manager to communicate with the Information Agent with respect to matters relating to the Exchange Offer.

(f) The Company shall furnish the Dealer Manager or cause the trustee or registrar for the Outstanding Notes to furnish the Dealer Manager, as soon as practicable, with cards or lists or copies thereof showing the names of persons who were the Holders of record of Outstanding Notes as of the date or dates specified by the Dealer Manager

and the beneficial Holders of the Outstanding Notes as of such date or dates, together with their addresses and the principal amount of Outstanding Notes beneficially held by them. In addition, the Company shall update such information from time to time during the term of this Agreement as reasonably requested by the Dealer Manager, but only to the extent such information is reasonably available to the Company within the time constraints specified. The Dealer Manager agrees to use such information only in connection with the Exchange Offer and not to furnish such information to any persons except in connection with the Exchange Offer and in accordance with Section 8 hereof.

(g) The Company has prepared and filed with the SEC, under the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder (collectively, the " Act"), a registration statement on Form S-4 (Reg. No. [-]), including the Preliminary Prospectus, covering the registration of the New Notes. The term "Registration Statement," as used in this Agreement, shall mean such registration statement, including the exhibits thereto and any documents incorporated by reference therein, in the form in which it becomes effective and, in the event of any amendment or supplement thereto after the effective date of such registration statement, shall also mean such registration statement as so amended or supplemented. The final prospectus included in the Registration Statement (including any documents incorporated in the Prospectus by reference) is herein called the "Prospectus," except that if the final prospectus furnished to the Dealer Manager for use in connection with the Exchange Offer differs from the final prospectus set forth in the Registration Statement (whether or not such prospectus is required to be filed pursuant to Rule 424(b)), the term "Prospectus" shall refer to the final prospectus furnished to the Dealer Manager for such use. The terms "supplement" and "amendment" or "supplemented" and "amended" as used herein with respect to the Prospectus shall include all documents that are filed by the Company with the SEC pursuant to the Exchange Act, as amended, and the rules and regulations of the SEC promulgated thereunder and incorporated by reference into the Prospectus prior to the consummation of the Exchange Offer.

(h) The Company has prepared and filed, or agrees that prior to or on the date of commencement of the Exchange Offer (the " Commencement Date") it will file, with the SEC under the Exchange Act a tender offer statement on Schedule TO with respect to the Exchange Offer, including the required exhibits thereto and any documents incorporated by reference therein.

(i) The Offering Documents have been or will be prepared and approved by, and their accuracy and completeness are the sole responsibility of, the Company. The Company shall, to the extent permitted by law, use commercially reasonable efforts to disseminate the Offering Documents to each registered holder of any Outstanding Notes, on or as soon as practicable after the Commencement Date, pursuant to Rule 13e-4 so as to fulfill all requirements thereof as to the commencement of the Exchange Offer not later than the date hereof, under the Exchange Act and comply in all material respects with its obligations thereunder. Thereafter, to the extent practicable until the date three days prior to the expiration date of the Exchange Offer (the "Expiration Date"), the Company shall use its reasonable best efforts to cause copies of such Offering Documents and a return envelope to be mailed to each person who becomes a holder of record of any Outstanding

Notes prior to such date. The Company acknowledges and agrees that Dealer Manager may use the Offering Documents as specified herein without assuming any responsibility on its part for independent verification of any information therein and the Company represents and warrants to Dealer Manager that such Dealer Manager may rely on the accuracy and completeness of all of the Offering Documents and any other information delivered to Dealer Manager by or on behalf of the Company in connection with the Exchange Offer without assuming any responsibility for independent verification of such information or without performing or receiving any appraisal and evaluation of the assets or liabilities of the Company. The Dealer Manager agrees that it will not, without the consent of the Company, disseminate any materials for or in connection with the solicitation of the holders of Outstanding Notes other than the Offering Documents.

(j) The Company agrees to provide Dealer Manager with as many copies as it may reasonably request of the Offering Documents. The Company agrees that within a reasonable time prior to using or filing with any federal, state or other governmental or regulatory agency or instrumentality, including the National Association of Securities Dealers Inc. (the "NASD"), of any Offering Documents, it will submit copies of such materials to the Dealer Manager and its counsel and will give reasonable consideration to the Dealer Manager's and its counsel's comments, if any, thereon. The Company agrees that prior to the termination of the Exchange Offer, before amending or supplementing the Registration Statement, the Preliminary Prospectus or the Prospectus, it will furnish copies of drafts to, and consult with, the Dealer Manager and its counsel within a reasonable time in advance of filing with the SEC of any amendment or supplement to the Registration Statement, the Preliminary Prospectus, the Prospectus or the other Offering Documents. The Company shall not file any such amendment or supplement to which the Dealer Manager, after consultation with counsel, shall reasonably object, unless in the opinion of counsel to the Company, such filing is required pursuant to applicable law or regulation, in which case, such filing shall not be made until the Dealer Manager and its counsel shall have been consulted.

(k) The Company authorizes the Dealer Manager to use the Offering Documents in connection with the Exchange Offer and for such period of time as any such materials are required by law to be delivered in connection therewith. The Dealer Manager shall not have any obligation to cause any Offering Documents to be transmitted generally to the holders of Outstanding Notes.

(l) The Company agrees to advise the Dealer Manager promptly of (i) the occurrence of any event which, in the reasonable judgment of the Company or its counsel, could cause or require the Company to withdraw, rescind or modify the Offering Documents or to withdraw, rescind or terminate the Exchange Offer or would permit the Company to exercise any right not to exchange Outstanding Notes for the Exchange Offer Consideration pursuant to the Exchange Offer, (ii) its awareness of the issuance by any regulatory authority of any comment or order or the taking by any regulatory authority of any other action concerning the Exchange Offer (and, if in writing, will furnish the Dealer Manager with a copy of any such comment or order), (iii) its awareness of any material adverse developments in connection with the Exchange Offer and (iv) any other information relating to the Exchange Offer, the Offering Documents or this Agreement

which the Dealer Manager may from time to time reasonably request. In addition, if any event occurs as a result of which any Offering Documents will include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances at the time such material is delivered or is to be delivered to a Holder, not misleading, the Company shall, promptly upon becoming aware of any such event, advise the Dealer Manager of such event and, as promptly as practicable under the circumstances, prepare and furnish copies of such amendments or supplements of any such Offering Documents to the Dealer Manager, so that the statements in such Offering Documents, will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein at the time such material is delivered or is to be delivered to a Holder, not misleading, and the Dealer Manager agrees not to use the Offering Documents, in such case, until the Offering Documents are supplemented or amended.

(m) Except as otherwise required by law or regulation, the Company will not use or publish any material in connection with the Exchange Offer, other than the Offering Documents, or refer to the Dealer Manager in any such material, without the prior approval of the Dealer Manager (which shall not be unreasonably withheld). The Company, upon receiving such approval, will promptly furnish the Dealer Manager with as many copies of such approved materials as the Dealer Manager may reasonably request. The Company will promptly inform the Dealer Manager of any litigation or administrative or similar proceeding (of which it becomes aware) which is initiated or threatened with respect to the Exchange Offer. The Dealer Manager agrees that it will not make any statements in connection with the Exchange Offer other than the statements that are set forth in, or derived from, the Offering Documents without the prior consent of the Company.

(n) The Company agrees to exchange, in accordance with the terms of the Offering Documents, Exchange Offer Consideration to the Holders entitled thereto, subject to the right of the Company to withdraw or amend the Exchange Offer as stated in the Offering Documents. The Company agrees not to exchange any Outstanding Notes during the term of the Exchange Offer except pursuant to and in accordance with the Exchange Offer or as otherwise agreed in writing by the parties hereto and permitted under applicable laws and regulations.

(o) The Company will comply in all material respects with the Exchange Act, the Act and the Trust Indenture Act of 1939, as, amended, and the rules and regulations of the Commission thereunder (the " TIA"), in each case, relating to the Exchange Offer to the extent applicable.

(p) The Company agrees that any reference to the Dealer Manager in any release, communication, or other material is subject to the Dealer Manager's prior written approval (which approval will not be unreasonably withheld). If the Dealer Manager resigns prior to the dissemination of any such release, communication or material, no reference shall be made therein to the Dealer Manager despite any prior written approval that may have been given therefor, except as otherwise required by law (in which case the ap-

propriate party shall so advise the Dealer Manager in writing prior to such use and shall consult with the Dealer Manager with respect to the form and timing of disclosure).

(q) No statements made or advice rendered by the Dealer Manager in connection with the services performed by the Dealer Manager pursuant to this Agreement will be quoted by, nor will any such statements or advice be referred to, in any report, document, release or other communication, whether written or oral, prepared, issued or transmitted by, the Company or any person or entity controlling, controlled by or under common control with, the Company or any director, officer, member, manager, employee, agent or representative of any such person, without the prior written authorization of the Dealer Manager, which may be given or withheld in its sole discretion, except to the extent required by law (in which case the appropriate party shall so advise the Dealer Manager in writing prior to such use and shall consult with the Dealer Manager with respect to the form and timing of disclosure).

SECTION 2. *Compensation and Expenses.*

(a) In consideration of services provided hereunder, the Company shall pay the Dealer Manager a success fee in an amount equal to $2.00 per $1,000 principal amount of Notes exchanged in the Exchange Offer, such fees to be due and payable only in the event and at the time that the Company exchanges New Notes for Outstanding Notes validly tendered and delivered pursuant to the Exchange Offer.

(b) Whether or not any Outstanding Notes are exchanged pursuant to the Exchange Offer, the Company shall pay all reasonable expenses incurred in connection with the preparation, printing, mailing and publishing of the Offering Documents, and all amounts payable to securities dealers (including the Dealer Manager), brokers, banks, trust companies and nominees as reimbursements of their customary mailing and handling expenses incurred in forwarding the Offering Documents to their customers and all other expenses of the Company in connection with the Exchange Offer and shall reimburse the Dealer Manager for all reasonable out-of-pocket expenses incurred by the Dealer Manager in connection with its services as Dealer Manager under this Agreement including for the reasonable fees and expenses of Cahill Gordon & Reindel LLP, counsel to the Dealer Manager.

SECTION 3. *Termination.*

(a) This Agreement may be terminated by the Company or the Dealer Manager upon 10 days' prior written notice; provided, however, that the Dealer Manager will be entitled to the reimbursement of its expenses as set forth in Section 2(b) above in the event of any such termination regardless of whether or not it was the party that initiated such termination. Notwithstanding the foregoing, the Company shall not be required to reimburse the Dealer Manager for its expenses in the event that the Company terminates this Agreement solely as a result of the gross negligence or willful misconduct of the Dealer Manager. In the event that, at any time within 24 months after any termination of this Agreement by the Company, the Company (or any of its affiliates) undertakes and consummates an offer or offers in a form similar to the Exchange Offer in a transaction or series of transactions in which Wachovia did not act as the

exclusive dealer manager to the Company or its affiliate, then Wachovia will be entitled to its full fees described in Section 2 above with respect to that transaction.

(b) Subject to Section 9 hereof, this Agreement may be terminated by the Dealer Manager, at any time upon notice to the Company, if (i) at any time prior to the Exchange Date, the Exchange Offer is terminated or withdrawn by the Company for any reason, (ii) the Company does not comply in all material respects with any covenant specified in Section 1 hereof or (iii) the Company shall file with the SEC, publish, send or otherwise distribute any amendment or supplement to the Offering Documents and any such document (a) has not been previously submitted to the Dealer Manager for its and its counsel's comments or (b) has been so submitted, and the Dealer Manager or its counsel have made reasonable comments that have not been reflected in a manner reasonably satisfactory to the Dealer Manager or its counsel.

SECTION 4. *Representations and Warranties by the Company.* The Company represents and warrants to the Dealer Manager, as of the date hereof, as of each date that any Offering Documents are published, sent, given or otherwise distributed, throughout the continuance of the Exchange Offer and as of the Exchange Date, that:

(a) The Registration Statement, including the Preliminary Prospectus, has been prepared by the Company in conformity in all material respects with the requirements of the Act and has been filed with the SEC as of the Commencement Date. Such amendments to such Registration Statement, the Preliminary Prospectus and Prospectus will have been similarly prepared and filed with the SEC; and the Company will file such additional amendments to such Registration Statement, the Preliminary Prospectus and Prospectus as may hereafter be required. Copies of such Registration Statement, the Preliminary Prospectus and Prospectus, including all amendments thereto and all Incorporated Documents (as defined below), have been or, if filed after the Commencement Date, will be, delivered or made available to the Dealer Manager and its counsel. No stop order refusing or suspending the effectiveness of the Registration Statement or preventing or suspending the use of any prospectus is in effect, and no proceedings for such purpose have been instituted or are pending before or, to the best knowledge of the Company, are threatened by the SEC. The Exchange Offer satisfies the conditions for use of Form-S-4.

(b) The Schedule TO has been prepared by the Company in conformity in all material respects with the requirements of the Exchange Act and has been or will be, upon commencement of the Exchange Offer, filed with the SEC; and the Company will file such amendments to such Schedule TO as may hereafter be required. Copies of such Schedule TO, including all amendments thereto and all documents incorporated by reference therein have been or, if filed after the Commencement Date, will be, delivered or made available to the Dealer Manager and its counsel.

(c) (i) Each of the Offering Documents, including the Registration Statement, the Preliminary Prospectus, the Prospectus and the Schedule TO, comply and, as amended or supplemented, if applicable, will comply, in all material respects, with the Act, the Exchange Act and the TIA; and the documents incorporated by reference into each of the Offering Documents (collectively, the "Incorporated Documents") complied

as of the date of filing with the SEC, in all material respects with all applicable requirements of the Act and the Exchange Act; (ii) the Registration Statement, when it becomes effective, will not contain and as amended or supplemented thereafter, if applicable, will not contain, any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (iii) none of the Preliminary Prospectus, the Prospectus or the other Offering Documents (including the Incorporated Documents) at the Commencement Date and at all times at or prior to the Exchange Date contains, and, as amended or supplemented, if applicable, will contain, any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; except that the representations and warranties set forth in this paragraph 4(c) do not apply to (A) statements or omissions in the Offering Documents, including the Registration Statement, the Preliminary Prospectus or the Prospectus, or, in each case, any amendment or supplement thereto, based upon information relating to the Dealer Manager furnished to the Company in writing by the Dealer Manager expressly for use therein or (B) information which shall constitute the Statement of Eligibility under the Trust Indenture Act (Form T-1) of the Trustee under the Indenture; and (iv) there are no agreements, leases, contracts or other documents required to be described in the Prospectus or Schedule TO or to be filed as exhibits to the Registration Statement or Schedule TO which have not been so described or filed.

(d) The Incorporated Documents, at the time they were or hereafter are filed with the SEC, complied and will comply in all material respects with the requirements of the Exchange Act, and, when read together with the other information in the Preliminary Prospectus and the Prospectus, as the case may be, at the time the Registration Statement and any amendments thereto become effective and at the Commencement Date and the Exchange Date, as the case may be, will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(e) The Company has not distributed and will not distribute, prior to the later of the Exchange Date and the completion of the distribution of cash and the New Notes in exchange for the Outstanding Notes pursuant to the Exchange Offer, any offering material in connection with the Exchange Offer other than the Offering Documents.

(f) The Company has been duly incorporated and is validly existing as a corporation and in good standing under the laws of the State of Delaware and each of the Company's subsidiaries has been duly incorporated or otherwise formed and is validly existing as a corporation, partnership, limited liability company or other legal entity and in good standing under the laws of its jurisdiction of incorporation or formation and has been duly qualified as a foreign corporation or limited liability company, as the case may be, for the transaction of business in and is in good standing under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification; and is not subject to liability or disability by reason of the failure to be so qualified in any such jurisdiction, except such as would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the financial posi-

tion, members' or stockholders' equity or results of operations of the Company and its subsidiaries, taken as a whole (a " Material Adverse Effect").

(g) The Company has all necessary corporate power and authority to execute and deliver this Agreement, and to perform all its obligations hereunder and to make the Exchange Offer in accordance with its terms.

(h) The Class A Common Stock conforms in all material respects to the description thereof in the Preliminary Prospectus and will conform in all material respects to the description thereof in the Prospectus and, upon issuance, will be duly and validly authorized and issued, fully paid and non-assessable and will be issued free and clear of all liens, encumbrances, equities or claims.

(i) The Company has taken all necessary corporate action to authorize the making of the Exchange Offer and the execution, delivery and performance by the Company of this Agreement and, prior to the Exchange Date, shall have taken all necessary corporate action to authorize the exchange of cash and New Notes for the Outstanding Notes pursuant to the Exchange Offer and all other actions contemplated in the Offering Documents; and this Agreement has been duly executed and delivered by the Company and, assuming due authorization, execution and delivery by the Dealer Manager, this Agreement constitutes a valid and legally binding agreement of the Company, enforceable against the Company in accordance with its terms, except to the extent such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles and except that rights to indemnification and contribution hereunder may be limited by federal or state securities laws or public policy relating thereto.

(j) The New Notes, when and if issued, will be in the form contemplated by the Indenture, will conform in all material respects to the description thereof in the Prospectus, have been duly authorized by the Company and, when executed by the Company and authenticated by the Trustee in accordance with the provisions of the Indenture and when delivered to the exchanging Holders of Outstanding Notes in connection with the consummation of the Exchange Offer in accordance with the terms of the Offering Documents, will be duly executed, issued and delivered and will constitute valid and binding obligations of the Company, enforceable against it in accordance with their terms, and will be entitled to the benefits of the Indenture, except as may be limited by (i) bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar laws now or hereafter in effect relating to creditors' rights generally, (ii) general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the availability of specific performance or injunctive relief and the discretion of the court before which any proceeding therefor may be brought (regardless of whether such enforcement is considered in a proceeding in equity or at law), (iii) public policy considerations and (iv) with respect to any rights to indemnity and contribution, federal and state securities laws.

(k) The Second Supplemental Indenture (A) has been duly authorized, and when executed and delivered by the Company, will constitute a valid and binding obliga-

tion of the Company, enforceable against the Company in accordance with its terms, except as may be limited by (i) bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors' rights generally, (ii) general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the availability of specific performance or injunctive relief and the discretion of the court before which any proceeding therefor may be brought (regardless of whether such enforcement is considered in a proceeding in equity or at law), (iii) public policy considerations and (iv) with respect to any rights to indemnity and contribution, federal and state securities laws and (B) conforms in all material respects to the requirements of the TIA and the rules and regulations thereunder.

(l) The Company will conduct the Exchange Offer in compliance in all material respects with the Exchange Act.

(m) The financial statements, together with the related schedules and notes, contained in the Offering Documents and the Incorporated Documents present fairly, in accordance with generally accepted accounting principles (" GAAP"), the consolidated financial position, results of operations, stockholder's equity and cash flows of the Company and its subsidiaries on the basis stated therein at the respective dates or for the respective periods to which they relate; and such statements and related schedules and notes have been prepared in accordance with GAAP consistently applied throughout the periods involved, except as disclosed therein.

(n) None of the Company or any of its subsidiaries is (i) in violation of its certificate of incorporation, bylaws, certificate of formation, limited liability company agreement, partnership agreement or other organizational document, as the case may be, (ii) in default in the performance or observance of any obligation, agreement, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement, lease, license, permit or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which it or any of them is bound or to which any of their properties or assets is subject, or (iii) in violation of the terms of any franchise agreement, or any law, statute, rule or regulation or any judgment, decree or order, in any such case, of any court or governmental or regulatory agency or other body having jurisdiction over the Company or any of its subsidiaries or affiliates or any of its or their respective properties or assets except for, in the case of the foregoing clauses (ii) and (iii) such violations that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect;

(o) The execution, delivery and performance by the Company of this Agreement and the consummation by the Company of the transactions contemplated hereby do not and will not conflict with or result (or with the passage of time would result) in a breach or violation of, or constitute a default under, (i) any of the provisions of the charter or bylaws (or similar organizational documents) of the Company or any of its subsidiaries, (ii) any other note, indenture, loan agreement, mortgage or other agreement, instrument or undertaking to which the Company or any of its subsidiaries or affiliates is a party or by which any of them is bound or to which any of their properties or assets is

subject, or (iii) any law, rule or regulation or any order of any court or of any other governmental agency or instrumentality having jurisdiction over the Company or any of its subsidiaries or affiliates or any of its or their respective properties or assets except for, in the case of the foregoing clauses (ii) and (iii) such conflict, breach, violation or defaults that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(p) No consent, approval, authorization or order of any court or governmental, legislative, judicial, administrative or regulatory agency, authority or body is required for the making of the Exchange Offer, the exchange of cash and the New Notes for the Outstanding Notes pursuant to the Exchange Offer, the execution, delivery and performance of any of the Transaction Documents or the consummation of the other transactions contemplated in this Agreement, except (i) such as have been obtained on or prior the Exchange Date, and (ii) such as may be required under the Act, the Exchange Act, state securities or "Blue Sky" laws or foreign securities laws in connection with the purchase and distribution of the New Notes, and as may be required from the NASD.

(q) The outstanding shares of capital stock or other equity interests of the Company have been duly authorized and validly issued, are fully paid and nonassessable and, except as disclosed in the Preliminary Prospectus and as will be set forth in the Prospectus, free and clear of all liens, encumbrances, equities or claims. The authorized, issued and outstanding capital stock of the Company is as set forth in the Preliminary Prospectus and as will be set forth in the Prospectus; since the date indicated in the Preliminary Prospectus and as will be set forth in the Prospectus, except as disclosed in the Preliminary Prospectus and as will be set forth in the Prospectus or changes occurring in the ordinary course of business, there has been no material change in the consolidated capitalization of the Company (other than changes in outstanding common stock resulting from subsequent issuances, if any, pursuant to the Exchange Offer or pursuant to employee or director benefit plans, including deferred compensation plans, dividend reinvestment and stock purchase or stock option plans, in each case existing on the date hereof).

(r) Except as disclosed in the Preliminary Prospectus and as will be set forth in the Prospectus, (i) there are no outstanding securities convertible into or exchangeable for, or warrants, rights or options issued by the Company to purchase, any shares of the capital stock of the Company, (ii) there are no statutory, contractual, preemptive or other rights to subscribe for or to purchase any Class A Common Stock and (iii) there are no restrictions upon transfer of Class A Common Stock pursuant to the Company's certificate of incorporation or bylaws.

(s) Except as disclosed in the Preliminary Prospectus and as will be set forth in the Prospectus, the Company has not taken any action designed to, or likely to have the effect of, terminating the registration of Class A Common Stock under the Exchange Act or delisting shares of Class A Common Stock from the Nasdaq Global Select Market, and the Company has not received any notification that the SEC or the NASD is contemplating terminating such registration or listing. The Company has complied in all material

respects with the applicable requirements of the Nasdaq Global Select Market for maintenance or inclusion of the shares of Class A Common Stock thereon.

(t) The statements in the Preliminary Prospectus and as will be set forth in the Prospectus under the heading “Description of Material Indebtedness”, “Description of Capital Stock”, “Description of the New Notes” and “Material United States Federal Income Tax Considerations” insofar as they purport to describe the provisions of the laws, documents and arrangements referred to therein, are accurate in all material respects.

(u) The Transaction Documents conform or will conform in all material respects to the descriptions thereof in the Offering Documents.

(v) Other than as set forth in the Preliminary Prospectus and as will be set forth in the Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or of which any property of the Company or any of its subsidiaries is the subject which, if determined adversely with respect to the Company or any of its subsidiaries, would, individually or in the aggregate, have a Material Adverse Effect; and, to the Company’s knowledge and, except as disclosed in the Preliminary Prospectus and as will be set forth in the Prospectus, no such proceedings are threatened or contemplated by governmental authorities or threatened by others.

(w) None of the Company or any of its subsidiaries has sustained since the date of the latest audited financial statements that will be included in the Preliminary Prospectus and the Prospectus any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any court or governmental action, order or decree, otherwise than as set forth or contemplated in the Preliminary Prospectus and as will be set forth in the Prospectus, except for such events as would not reasonably be expected to have a Material Adverse Effect; and, since the respective dates as of which information is given in the Preliminary Prospectus and the Prospectus, there has not been any change in the capital stock or limited liability company interests or long-term debt of the Company or any of its subsidiaries or any change or development that would reasonably be expected to have a Material Adverse Effect, otherwise than as set forth or contemplated in the Preliminary Prospectus and as will be set forth in the Prospectus.

(x) Each of the Company and its subsidiaries carries insurance (including, without limitation, self-insurance) in such amounts and covering such risks as in the reasonable determination of the Company is adequate for the conduct of its business and the value of its properties.

(y) There is no strike, labor dispute, slowdown or work stoppage with the employees of any of the Company or its subsidiaries which is pending or, to the Company’s knowledge, threatened which would, individually or in the aggregate, have a Material Adverse Effect.

(z) The Company is not, nor after giving effect to the Exchange Offer will be, an “investment company” or any entity “controlled” by an “investment company” as such

terms are defined in the U.S. Investment Company Act of 1940, as amended (the " Investment Company Act ").

(aa) Prior to the date hereof, none of the Company or any of its affiliates has taken any action which is designed to or which has constituted or which might have been expected to cause or result in stabilization or manipulation of the price of any security of the Company in connection with the Exchange Offer.

(bb) KPMG LLP, who has certified the annual financial statements that will be included in the Prospectus, is a firm of independent public accountants as required by the Act and the rules and regulations of the SEC thereunder, based upon representations by such firm to the Company.

(cc) Except as described in the Preliminary Prospectus and as will be set forth in the Prospectus, the Company and its subsidiaries have obtained all consents, approvals, orders, certificates, licenses, permits, franchises and other authorizations of and from, and have made all declarations and filings with, all governmental and regulatory authorities, all self-regulatory organizations and all courts and other tribunals legally necessary to own, lease, license and use its respective properties and assets and to conduct their respective businesses in the manner described in the Preliminary Prospectus and as will be set forth in the Prospectus, except to the extent that the failure to so obtain, declare or file would not, individually or in the aggregate, have a Material Adverse Effect.

(dd) Each of the Company and its subsidiaries has filed (or obtained currently valid extensions from filing) all necessary federal, state and foreign income and franchise tax returns required to be filed as of the date hereof and have paid all taxes shown as due thereon, except where the failure to so file such returns or so pay would not, individually or in the aggregate, have a Material Adverse Effect; and there is no tax deficiency that has been asserted against the Company or any of its subsidiaries (other than those which the amount or validity thereof are currently being challenged in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of the relevant entity) that could reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect.

(ee) The Company maintains a system of internal accounting controls sufficient to provide reasonable assurances that (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(ff) The Company and its subsidiaries (i) are in compliance with any and all applicable foreign, federal, state and local laws and regulations relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("Environmental Laws"), (ii) have received all permits, li-

censes or other approvals required of them under applicable Environmental Laws to conduct their respective businesses and (iii) are in compliance with all terms and conditions of any such permit, license or approval, except where such noncompliance with Environmental Laws, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals would not, individually or in the aggregate, have a Material Adverse Effect.

(gg) Immediately after the consummation of this Exchange Offer (including after giving effect to the execution, delivery and performance of this Agreement and the exchange of cash and New Notes for the Outstanding Notes), (i) the fair market value of the assets of the Company, on a consolidated basis with its subsidiaries, exceeds and will exceed its liabilities, on a consolidated basis with its subsidiaries; (ii) the present fair saleable value of the assets of the Company, on a consolidated basis with its subsidiaries, exceeds and will exceed its liabilities, on a consolidated basis with its subsidiaries; (iii) the Company, on a consolidated basis with its subsidiaries, is and will be able to pay its debts, on a consolidated basis with its subsidiaries, as such debts respectively mature or otherwise become absolute or due; and (iv) the Company, on a consolidated basis with its subsidiaries, does not have and will not have unreasonably small capital with which to conduct its respective operations.

(hh) Since the end the Company's most recent audited fiscal year, there has been no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting. The Company is not aware of any material weakness in the Company's internal control over financial reporting (whether or not remediated).

(ii) Neither the Company nor any of its subsidiaries has sustained since the date of the latest audited financial statements included or incorporated by reference in the Preliminary Prospectus and the Prospectus, as the case may be, any material loss or interference with its business material to the Company and its subsidiaries considered as a whole, otherwise than as set forth or contemplated in the Preliminary Prospectus and the Prospectus, as the case may be; and, since the date as of which information is given in the Preliminary Prospectus and the Prospectus, as the case may be, there has not been (x) any increase, or any known development involving a prospective increase in the Company' consolidated reserve for losses and loss adjustment expense, (y) any change in the authorized capital stock of the Company or any of its Subsidiaries that are significant subsidiaries within the meaning of Rule 405 of the Securities Act ("Significant Subsidiaries") or any increase in the consolidated short-term or long-term debt of the Company or (z) any Material Adverse Effect.

(jj) There is, and has been, no failure on the part of the Company or its subsidiaries, or to the Company's knowledge, any of their directors or officers, in their capacities as such, to comply with any provision of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith, including, without limitation, Section 402 related to loans and Sections 302 and 906 related to certifications.

(kk) The statistical and market-related data that are included in the Preliminary Prospectus and will be included in the Prospectus are based on or derived from sources that the Company believes to be reliable and accurate.

(ll) On or prior to the Commencement Date, the Company will have made appropriate arrangements, to the extent applicable, with DTC to allow for the book-entry movement of the tendered notes representing the Outstanding Notes between depository participants and the Exchange Agent.

(mm) There are no contracts, agreements or understandings between the Company and any person granting such person the right to require the Company to include any securities held by such person in the Registration Statement.

The representations and warranties set forth in this Section 4 shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of any Dealer Manager Indemnified Person (as defined in Section 7) or (ii) any termination, expiration or cancellation of this Agreement.

SECTION 5. *Conditions and Obligations.* The obligation of Wachovia to act as Dealer Manager hereunder shall at all times be subject, in its discretion, to the conditions that:

(a) For the period from and after effectiveness of this Agreement and prior to the Exchange Date: (i) the Company shall have filed the Registration Statement with the SEC not later than the date hereof and the Registration Statement shall become effective prior to the Exchange Date; and (ii) no stop order refusing or suspending the effectiveness of the Registration Statement or any post-effective amendment shall have been issued or be in effect and no proceedings for such purpose shall have been instituted or threatened by the SEC.

(b) All representations and warranties of the Company contained herein or in any certificate or writing delivered hereunder at all times during the Exchange Offer shall be true and correct.

(c) The Company at all times during the Exchange Offer shall have performed, in all material respects, all of its obligations hereunder required as of such time to have been performed by it.

(d) Counsel of the Company, shall have delivered to the Dealer Manager an opinion, prior to the Commencement Date and on the Exchange Date, substantially in the form of Exhibit C hereto.

(e) No stop order, restraining order or injunction has been issued by the SEC or any court, and no litigation shall have been commenced or threatened before the SEC or any court, with respect to (i) the making or the consummation of the Exchange Offer, (ii) the execution, delivery or performance by the Company of this Agreement or (iii) any of the transactions in connection with, or contemplated by, the Offering Documents which the Dealer Manager after consultation with its legal counsel and in good faith believes makes it inadvisable for the Dealer Manager to continue to render services pursu-

ant hereto and it shall not have otherwise become unlawful under any law or regulation, federal, state or local, for the Dealer Manager so to act, or continue so to act, as the case may be.

(f) At the Exchange Date, there shall have been delivered to the Dealer Manager, on behalf of the Company, a certificate of the Chairman, Chief Executive Officer or President of the Company and the Chief Financial Officer of the Company, dated the Exchange Date, and stating that the representations and warranties set forth in Section 4 hereof are true and accurate as if made on such Exchange Date.

(g) At the Commencement Date and at the Exchange Date, the Company shall have requested and caused KPMG LLP to furnish to the Dealer Manager, comfort letters, dated respectively as of the Commencement Date and as of the Exchange Date, in form and substance reasonably satisfactory to the Dealer Manager.

(h) The Company shall have advised the Dealer Manager promptly of (i) the occurrence of any event which, could cause the Company to withdraw, rescind or modify the Offering Documents, to withdraw, rescind or terminate the Exchange Offer or would permit the Company to exercise any right not to exchange cash and New Notes for the Outstanding Notes under the Exchange Offer, (ii) its awareness of the issuance by any regulatory authority of any comment or order or the taking of any other action concerning the Exchange Offer (and, if in writing, will have furnished the Dealer Manager with a copy thereof), (iii) its awareness of any material litigation or administrative or similar proceeding which is initiated or threatened in writing with respect to the Exchange Offer and (iv) any other information relating to the Exchange Offer, the Offering Documents or this Agreement which the Dealer Manager may from time to time reasonably request.

(i) At the Exchange Date, the Company shall have obtained all consents, approvals, authorizations and orders of, and shall have duly made all registrations, qualifications and filings with, any court or regulatory authority or other governmental agency or instrumentality required in connection with the making and consummation of the Exchange Offer and the execution, delivery and performance of this Agreement.

(j) At the Commencement and at the Exchange Date, the Company shall have obtained good standing certificates for the Company and each of the material subsidiaries listed on Exhibit D.

(k) On or prior to the Exchange Date, the Company and the Trustee shall have entered into the Second Supplemental Indenture.

SECTION 6. *Covenants of the Company*.

(a) The Company will use its commercially reasonable efforts to cause the Registration Statement, and any amendment thereof, to become effective as soon as possible but no later than the Exchange Date; to promptly advise the Dealer Manager in writing (i) of the receipt of any comments of, or requests for additional or supplemental information from, the SEC relating to the Exchange Offer, including in relation to the Registration Statement, any prospectus or any other Offering Documents, (ii) of the time and date of any filing of any post-effective

amendment to the Registration Statement, any amendment or supplement to any prospectus (other than any amendment or supplement resulting solely from the incorporation by reference of any report filed under the Exchange Act) or any amendment to or additional Offering Documents, (iii) of the time and date that any post-effective amendment to the Registration Statement becomes effective, and (iv) of (A) the issuance by the SEC of any stop order suspending the effectiveness of the Registration Statement or any post-effective amendment thereto, (B) any order preventing or suspending the use of any prospectus or any other Offering Documents, (C) the occurrence of any event which would cause the Company to withdraw, rescind, terminate or modify the Exchange Offer or would permit the Company to exercise any right not to accept Outstanding Notes tendered pursuant to the Exchange Offer, or (D) any proceedings to remove, suspend or terminate from listing or quotation the New Notes or the Class A Common Stock from any securities exchange upon which the relevant securities are listed for trading or included or designated for quotation, or of the threatening or initiation of any proceedings for any of such purposes. Additionally, the Company agrees that it shall comply with the provisions of Rule 424(b), as applicable, under the Securities Act.

(b) The Company will comply in all material respects with the Act, the Exchange Act and the Trust Indenture Act in connection with the Exchange Offer, the Offering Documents and the transactions contemplated hereby and thereby, as applicable. If, at any time when the Preliminary Prospectus or the Prospectus, as the case may be, is required by the Act or the Exchange Act to be delivered in connection with the Exchange Offer, any event shall occur or condition shall exist as a result of which it is necessary, in the reasonable opinion of counsel for the Dealer Manager or counsel for the Company, to amend the Registration Statement or amend or supplement the Preliminary Prospectus or the Prospectus, as the case may be, or any other Offering Documents in order that such Prospectus or such other Offering Documents will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements in the Prospectus or such other Offering Documents, in the light of the circumstances under which they were made, not misleading or if, in the reasonable opinion of either such counsel, it shall be necessary to amend the Registration Statement or amend or supplement the Prospectus or any other Offering Documents to comply with the requirements of the Act or Exchange Act, the Company will promptly prepare, file with the SEC, subject to Section 1(k) hereof, and furnish, at its own expense, to the Dealer Manager and to the dealers (whose names and addresses will be furnished to the Company by the Dealer Manager) by which Outstanding Notes may have been tendered for exchange, such amendment or supplement as may be necessary to correct such untrue statement or omission or to make the Registration Statement or the Prospectus or such other Offering Documents comply with such requirements.

(c) The Company will make generally available to its security holders and to the Dealer Manager an earnings statement covering a twelve-month period beginning not later than the first day of the Company's fiscal quarter next following the effective date of the Registration Statement that satisfies the provisions of Section 11(a) of the Act and the rules and regulations of the SEC thereunder.

(d) The Company will not amend or supplement the Offering Documents, other than by filing documents under the Exchange Act that are incorporated by reference therein, without the prior consent of the Dealer Manager (which consent will not be unreasonably withheld or delayed); *provided*, *however*, that, prior to the earlier of the Exchange Date or the

date of termination of the Exchange Offer, the Company will not file any document under the Exchange Act that is incorporated by reference in the Offering Documents unless, a reasonable time prior to such proposed filing, the Company has furnished the Dealer Manager with a copy of such document for its review and have provided the Dealer Manager with a reasonable opportunity to review such materials and provide comments to the Company. The Company will promptly advise the Dealer Manager when any document filed under the Exchange Act that is incorporated by reference in the Offering Documents shall have been filed with the SEC.

(e) Prior to the issuance of the New Notes, the Company will use commercially reasonable efforts to obtain the registration or qualification of the New Notes under the securities or Blue Sky laws of such U.S. jurisdictions as may be required for the consummation of the Exchange Offer. The Company will promptly advise the Dealer Manager of the receipt by the Company of any notification with respect to the suspension of the qualification of the New Notes for sale in any U.S. jurisdiction or the initiation or threatening of any proceeding for such purpose.

(f) The Company will cooperate with the Dealer Manager and use its best efforts to permit the New Notes to be eligible for clearance and settlement through DTC.

SECTION 7. *Indemnification.* In consideration of the engagement hereunder, the Company shall indemnify and hold the Dealer Manager harmless to the extent set forth in Annex A hereto, which provisions are incorporated by reference herein and constitute a part hereof.

SECTION 8. *Confidentiality.* The Dealer Manager shall use all information provided to it by or on behalf of the Company hereunder solely for the purpose of providing the services which are the subject of this Agreement and the transactions contemplated hereby and shall treat confidentially all such information, provided that nothing herein shall prevent the Dealer Manager from disclosing any such information (i) pursuant to a requirement of applicable law or regulation or the order or request of any court or administrative, regulatory or similar proceeding, (ii) upon the request of any regulatory authority having jurisdiction over the Dealer Manager or any of its affiliates, (iii) to the extent that such information becomes publicly available (which shall include the mailing or delivery of the Offering Documents to holders of the Outstanding Notes) other than by reason of disclosure by the Dealer Manager in violation of this Section 8, and (iv) to its employees, legal counsel, independent auditors and other experts or agents (its "Representatives"), as well as its affiliates as set forth in Section 14(c), in each case, who need to know such information in connection with the transactions contemplated hereby and are informed of the confidential nature of such information. The Dealer Manager shall be responsible for compliance by its Representatives with this Section 8. Notwithstanding anything to the contrary contained herein, Wachovia and the Company shall be permitted to disclose to any person the tax treatment and tax structure of any transaction contemplated by this Agreement (including any materials, opinions or analyses relating to such tax treatment or tax structure, but without disclosure of identifying information or, except to the extent relating to such tax structure or tax treatment, any nonpublic commercial or financial information); provided, however, that if such transaction is not consummated for any reason, the provisions of this sentence shall cease to apply with respect to such transaction.

SECTION 9. *Survival.* The agreements contained in this Section 9, in Sections 2, 3, 7, 8, 10, 11 and 12 and Annex A hereof hereto and the representatives and warranties of the Company set forth in Section 4 hereof shall survive any termination, expiration or cancellation of this Agreement, any completion of the engagement provided by this Agreement or any investigation made on behalf of the Company, the Dealer Manager or any Indemnified Person and shall survive the termination of the Exchange Offer.

SECTION 10. *GOVERNING LAW; JURISDICTION.* THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS TO BE PERFORMED WHOLLY WITHIN THE STATE OF NEW YORK. THE PARTIES HERETO CONSENT TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK AND THE FEDERAL COURTS LOCATED IN THE BOROUGH OF MANHATTAN, CITY OF NEW YORK IN ANY ACTION OR PROCEEDING RELATED TO THIS AGREEMENT (EXCEPT THAT A JUDGMENT OBTAINED IN SUCH COURTS MAY BE ENFORCED IN ANY JURISDICTION).

SECTION 11. *Notices.* Except as otherwise expressly provided in this Agreement, whenever notice is required by the provisions of this Agreement to be given, such notice shall be in writing addressed as follows and shall be deemed given when received:

If to the Company:

Lamar Advertising Company
5551 Corporate Blvd.
Baton Rouge, Louisiana 70808
Attention: General Counsel

with a copy to:

Edwards Angell Palmer & Dodge LLP
111 Huntington Avenue
Boston, MA 02199
Attention: Stacie S. Aarestad, Esq.

If to the Dealer Manager:

Wachovia Capital Markets, LLC
301 South College Street
Charlotte, NC 28202
Attention: [ ]

with a copy to:

Cahill Gordon & Reindel LLP
80 Pine Street
New York, NY 10005
Fax: 212-269-5420
Attention: James J. Clark

SECTION 12. *Advertisements.* The Company agrees that after the date on which the transactions contemplated by the Offering Documents are consummated, the Dealer Manager shall have the right to place advertisements in financial and other newspapers and journals at its own expense describing its services to the Company hereunder, subject to the Company's prior approval, which approval shall not be unreasonably withheld or delayed.

SECTION 13. *Exclusivity*. For so long as Wachovia is acting as the Dealer Manager for the Exchange Offer, the Company and its affiliates shall not directly or indirectly initiate or participate in any discussion or other contacts with the Holders, or solicit any inquiries or indications from Holders, concerning the Exchange Offer, except through Wachovia.

SECTION 14. *Miscellaneous.*

(a) This Agreement contains the entire agreement between the parties relating to the subject matter hereof and supersedes all oral statements and prior writings with respect thereto. This Agreement may not be amended or modified except by a writing executed by each of the parties hereto. Section headings herein are for convenience only and are not a part of this Agreement.

(b) This Agreement is solely for the benefit of the Company, the Dealer Manager, the Dealer Manager Indemnified Persons and their respective successors, heirs and assigns, and no other person shall acquire or have any rights under or by virtue of this Agreement.

(c) The Dealer Manager may (subject to and in accordance with Section 8 hereof) share any information or matters relating to the Company, the Exchange Offer and the transactions contemplated hereby with its affiliates and such affiliates may likewise share information relating to the Company with the Dealer Manager. The Dealer Manager shall be responsible for compliance by its affiliates with the terms of this Agreement.

(d) If any term, provision, covenant or restriction contained in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable or against public policy, the remainder of the terms, provisions, covenants and restrictions contained herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated. The Company and the Dealer Manager shall endeavor in good faith negotiations to replace the invalid, void or unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, void or unenforceable provisions.

(e) This Agreement shall not be assignable by any party hereto without the prior written consent of the other parties hereto, and any such attempted assignment shall be void

and of no effect; provided, however, that nothing contained in this paragraph shall prohibit the Dealer Manager from making an assignment to a wholly owned subsidiary.

(f) This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which, taken together, will constitute one and the same instrument.

[The remainder of this page intentionally left blank.]

If the foregoing correctly sets forth our understanding, please indicate your acceptance of the terms hereof by signing in the appropriate space below and returning to the Dealer Manager the enclosed duplicate originals hereof, whereupon this letter shall become a binding agreement between us.

Very truly yours,

WACHOVIA CAPITAL MARKETS, LLC

By: _____
Name:
Title:

Accepted and agreed to
as of the date first written above:

LAMAR ADVERTISING COMPANY

By: _____
Name:
Title:

[Form of Company Counsel Opinion]

(a) The Company is validly existing as a corporation and in good standing under the laws of the State of Delaware with corporate power and authority to conduct its business as described in the Offering Documents. The Company has all corporate power and authority to execute and deliver this Agreement and perform its obligations hereunder and to consummate the Exchange Offer in accordance with their respective terms.

(b) The Company has duly taken all necessary corporate action to authorize the making and consummation of the Exchange Offer and the execution, delivery and performance by the Company of this Agreement, the New Notes and the Indenture.

(c) This Agreement has been duly executed and delivered by the Company, and assuming the due authorization, execution and delivery of this Agreement by the Dealer Manager, this Agreement constitutes a legal, valid and binding obligation of the Company, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity) and except that rights to indemnification and contribution thereunder may be limited by federal or state securities laws or public policy relating thereto.

(d) The Indenture (i) has been duly executed and delivered by the Company, and assuming the due authorization, execution and delivery of this Agreement by the Trustee, constitutes a legal, valid and binding obligation of the Company, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity) and except that rights to indemnification and contribution thereunder may be limited by federal or state securities laws or public policy relating thereto and (ii) conforms in all material respects to the requirements of the Trust Indenture Act of 1939, as amended (the "TIA"), and the rules and regulations thereunder.[1]

[1] This opinion to be given on the Exchange Date only.

(e) The New Notes have been duly executed and delivered by the Company, and assuming the due authorization, execution and delivery by the Trustee in accordance with the terms of the Indenture and when delivered to the exchanging Holders of Outstanding Notes in connection with the consummation of the Exchange Offer in accordance with the terms of the Offering Documents, will constitute legal, valid and binding obligations of the Company, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity) and except that rights to indemnification and contribution thereunder may be limited by federal or state securities laws or public policy relating thereto.[2]

(f) The execution and delivery of the Dealer Manager Agreement and the making of the Exchange Offer by the Company on the terms and conditions specified in the Registration Statement: (i) do not and will not violate (I) the charter or bylaws of the Company, (II) the Indenture or (III) any document filed by the Company with the Securities and Exchange Commission as an exhibit to the Company's Form 10-K for the year ended December 31, 2006 or to any Form 10-Q or Form 8-K filed on or after January 1, 2007; and (ii) do not and will not violate any existing law, regulation, or "rule" (assuming compliance with all applicable state securities laws), judgment, injunction, order or decree known to us and applicable to the Company or any of its subsidiaries or any of their respective properties.

(g) To the best of our knowledge and other than as set forth in the Registration Statement, there are no legal or governmental proceedings pending to which the Company or any of their subsidiaries is party or of which any property of the Company or any of their subsidiaries is the subject, of a character required to be disclosed in a registration statement on Form S-4, which is not disclosed in the Registration Statement; and, to our knowledge and other than as set forth in the Registration Statement, no such proceedings are overtly threatened by governmental authorities or by others.

(h) The issue of the New Notes and the compliance by the Company with all the provisions of the New Notes and the Offering Documents and the consummation of the transactions therein contemplated will not result in a violation of the provisions of the certificate of incorporation or by-laws of the Company.

(i) The execution and delivery of the Dealer Manager Agreement and the making of the Exchange Offer by the Company on the terms and conditions specified in the

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2 This opinion to be given on the Exchange Date only.

Registration Statement or referred to therein do not and will not violate Regulation 14D under the Exchange Act.

(j) Insofar as the statements set forth in the Registration Statement under the captions “Description of Material Indebtedness” and “Description of Capital Stock” purport to describe specific provisions of the documents referred to therein, such statements present in all material respects an accurate summary of such provisions. To the extent that the statements set forth in the Registration Statement under the caption “Material United States Federal Income Tax Considerations” purport to describe specific provisions of the Internal Revenue Code, such statements present in all material respects an accurate summary of such provision.

(k) Assuming the accuracy of the representations and warranties of the Company and compliance by it with the agreements set forth in the Dealer Manager Agreement and the limitations and restrictions contained in the Registration Statement and the Letter of Transmittal, no consent, approval, authorization or other order of, or registration or filing with, any court, regulatory body, administrative agency or other governmental body, agency, or official is required on the part of the Company or any of its subsidiaries in connection with the making of the Exchange Offer, the exchange of the New Notes and cash for the Outstanding Notes pursuant to the Exchange Offer or the execution and delivery of, and performance by the Company of its obligations under, the Dealer Manager Agreement, except such as may be required under the Securities Act and applicable state securities laws.

(l) None of the Company or its subsidiaries is, or will be after giving effect to the transactions contemplated by the Registration Statement, required to be registered as an investment company under the Investment Company Act of 1940, as amended.

In connection with the above opinion, we have reviewed (a) the Registration Statement, including the information incorporated therein by reference as updated or superseded as provided therein, [(b)] the preliminary prospectus forming a part thereof (the “Preliminary Prospectus”) [and (c) the final prospectus forming a part thereof (the “ Prospectus”)]. We have participated in conferences with officers and other representatives of the Company, representatives of the independent auditors of the Company, the Dealer Manager and counsel for the Dealer Manager and others in the course of the preparation by the Company of the Registration Statement, the Preliminary Prospectus and the Prospectus, at which conference the contents of the Registration Statement, the Preliminary Prospectus and the Prospectus and related other matters were discussed. Although we did not independently undertake to verify the accuracy, completeness or fairness of the statements set forth in the Registration Statement, the Preliminary Prospectus and the Prospectus and are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statement, the Preliminary Prospectus and the Prospectus, no facts have come to our attention that lead us to believe that the Registration Statement, the Preliminary Prospectus and Prospectus, as of their respective dates and the date hereof, and the Incorporated Documents as of their respective filing dates and the date hereof, contain any untrue

statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, it being understood that we express no opinion or belief with respect to the financial statements and the Schedules or other financial data included or incorporated by the reference therein.

Material Subsidiaries

1. Lamar Media Corp.
2. The Lamar Company, LLC
3. Lamar Texas Limited Partnership
4. Lamar Central Outdoor, LLC

Indemnification and Contribution

The Company shall indemnify and hold harmless the Dealer Manager, its affiliates and their respective officers, directors, employees, agents and controlling persons (each, an "Indemnified Party") from and against any and all losses, claims, damages, liabilities and expenses whatsoever (collectively, "Losses") to which any such Indemnified Party may become subject, caused by, relating to, arising out of or based upon:

(a) any untrue statement or alleged untrue statement of a material fact contained in the Offering Documents or in any amendment or supplement to any of the foregoing, or the omission or alleged omission to state therein a material fact necessary in order to make the statement therein, in the light of the circumstances under which they were made, not misleading, except, in the case of this clause (a), with respect solely to information relating to the Dealer Manager Information (as defined below);

(b) any actions taken or omitted to be taken by an Indemnified Party pursuant to the Agreement or with the consent of the Company or in conformity with actions taken or omitted to be taken by the Company;

(c) any breach by the Company of any representation or warranty or failure to comply with any of the agreements set forth in the Agreement; or

(d) the transactions contemplated by the Agreement or the performance by the Dealer Manager of its obligations thereunder or services contemplated thereby, or any pending or threatened action, claim, litigation, investigation (including, without limitation, any governmental or regulatory investigation) or proceedings relating to the foregoing (each and collectively, "Proceedings"), except, in the case of this clause (c), to the extent such Losses are found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted solely from gross negligence or willful misconduct of such Indemnified Party, regardless of whether any such Indemnified Party is a party thereto, and to reimburse such Indemnified Party for any reasonable legal or other reasonable out-of-pocket expenses as they are incurred by such Indemnified Party in connection with the investigation of, preparation for or defense of any pending or threatened claim or any action or proceeding arising therefrom, whether or not such claim, action or proceeding is initiated or brought by or on behalf of the Company.

As used herein, the term "Dealer Manager Information" shall mean the written information furnished by or on behalf of Wachovia relating to Wachovia in its role as Dealer Manager to the Company by the Dealer Manager expressly for use in the Offering Documents, which in this case, shall be solely the name and address of the Dealer Manager as provided on the back cover of the Preliminary Prospectus and Prospectus, as the case may be.

No Indemnified Party shall have any liability to the Company or any officer, director, counsel, agent, employee or affiliate thereof in connection with the services rendered pursuant to the Agreement except for any liability for Losses that are found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted solely from such Indemnified Party's gross negligence or willful misconduct.

In case any Proceeding shall be brought or asserted against any Indemnified Party with respect to which indemnity may be sought from the Company hereunder, such Indemnified Party shall promptly notify the Company in writing; provided that (a) the failure to give such notice shall not relieve the Company of its obligations pursuant to this Annex A unless and only to the extent it is found in a final, non-appealable judgment by a court of competent jurisdiction that such failure to give notice results in the loss or compromise of any material rights or defenses of the Company, and (b) such failure to notify the Company will not relieve the Company from any liability which it may have to such Indemnified Party otherwise than on account of this Annex A. Upon receiving such notice, the Company will be entitled to participate in any such Proceeding and to assume at its sole expense the defense thereof, with counsel reasonably satisfactory to such Indemnified Party, and, after written notice from the Company to such Indemnified Party of its election so to assume the defense thereof (which notice shall be delivered no later than 15 business days after receipt of the notice from the Indemnified Party of such Proceeding), the Company shall not be liable to such Indemnified Party hereunder for legal expenses of other counsel subsequently incurred by such Indemnified Party in connection with the defense thereof (other than reasonable costs of investigation) unless (i) the Company shall not have employed counsel reasonably satisfactory to such Indemnified Party to represent such Indemnified Party within a reasonable time after notice of commencement of the Proceedings, (ii) the Company agrees in writing to pay such fees and expenses, (iii) the Company fails to assume such defense within the 15 business days specified above, or (iv) the named parties to any such Proceeding (including any impleaded parties) include both such Indemnified Party and the Company or its affiliates and such Indemnified Party shall have reasonably concluded that there may be legal defenses available to it which are different from or additional to those available to the Company or its affiliates (in which case, if such Indemnified Party notifies the Company, in writing, the Company shall not have the right to assume the defense thereof); it being understood, however, that the Company shall not, in connection with any one such Proceeding or separate but substantially similar or related Proceedings arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of attorneys (in addition to any local counsel) at any time for all Indemnified Parties, which firm shall be designated in writing by the Dealer Manager.

The Company shall not, without the prior written consent of the Dealer Manager, settle, compromise or consent to the entry of any judgment in any Proceeding in respect of which indemnification has been sought pursuant to this Annex A, unless such settlement, compromise or consent includes an unconditional release from the party bringing such Proceeding of each Indemnified Party from all liability arising out of such Proceeding and does not include a statement as to an admission of fault, culpability or failure to act by or on behalf of any In-

demnified Party. The Company shall not be liable for any settlement of any Proceeding effected by an Indemnified Party without the Company's written consent but if settled with such consent, the Company agrees, subject to the provisions of this Annex A, to indemnify the Indemnified Party from and against any loss, damage or liability by reason of such settlement.

If for any reason the foregoing indemnification is held unenforceable or otherwise unavailable to any Indemnified Party or insufficient to hold it harmless (other than in accordance with the terms of this Annex A), then the Company shall contribute to the amount paid or payable by such Indemnified Party as a result of such Loss in such proportion as is appropriate to reflect (a) the relative benefits received by the Company or any subsidiary or any parent thereof, on the one hand, and such Indemnified Party on the other hand, or (b) if (but only if) the allocation provided by clause (a) above is unenforceable, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (a) but also the relative fault of the Company or any subsidiary or parent thereof, on the one hand, and such Indemnified Party on the other hand, as well as any relevant equitable considerations. The Company agrees that for the purposes of this paragraph the relative benefits to the Company or any subsidiary or any parent thereof (including their affiliates, officers, directors, employees, agents and controlling persons), on the one hand, and the Dealer Manager (including their affiliates, officers, directors, employees, agents and controlling persons), on the other hand, shall be deemed to be in the same proportion as (i) the greater of (x) the aggregate principal amount of all the Notes subject to the Offer and (y) the maximum possible consideration proposed to be offered by the Company in connection with the Offer bears to (ii) the fee actually paid to the Dealer Manager pursuant to this Agreement. The relative fault of the Company, on the one hand, and the Indemnified Party, on the other hand, relating to an untrue or alleged untrue statement of material fact or the omission or alleged omission to state a material fact shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by, or relating to, the Company or its affiliates or the Indemnified Parties and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. Notwithstanding the foregoing, to the extent permitted by applicable law, in no event shall the Indemnified Parties be liable under the foregoing indemnity, reimbursement and contribution provisions in an amount in excess of the fees actually received by the Dealer Manager under this Agreement.

The indemnity, reimbursement and contribution obligations of the Company under this Annex A shall be in addition to any liability which the Company may otherwise have to an Indemnified Party at common law or otherwise, and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Company and any such Indemnified Party. No investigation or failure to investigate by any Indemnified Party shall impair the foregoing indemnification and contribution agreement or any right an Indemnified Party may have.

Capitalized terms used but not defined in this Annex A have the meanings assigned to such terms in the Agreement.

Exhibit 4(k)(4)

LAMAR ADVERTISING COMPANY

and

THE BANK OF NEW YORK TRUST COMPANY, N.A.,
as Trustee with respect to such series of Securities as shall
be designated from time to time pursuant to the terms hereof

SECOND SUPPLEMENTAL INDENTURE
Dated as of June [ ], 2007

Supplement to Indenture dated as of June 16, 2003

TABLE OF CONTENTS

SECOND SUPPLEMENTAL INDENTURE, dated as of June [ ], 2007 by and between LAMAR ADVERTISING COMPANY, a Delaware corporation, as issuer (the " *Company*"), and THE BANK OF NEW YORK TRUST COMPANY, N.A., a trust company organized under the laws of Delaware, as Trustee under the Indenture (as hereinafter defined) (the "*Trustee*").

RECITALS

WHEREAS, the Company and Wachovia Bank of Delaware, National Association, as prior trustee, as of June 16, 2003 entered into an Indenture (as supplemented hereby, the " *Indenture*", all capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Indenture) providing for the issuance by the Company of Securities from time to time;

WHEREAS, pursuant to Section 7.8 of the Indenture, the Trustee replaced Wachovia Bank of Delaware, National Association as trustee under the Indenture;

WHEREAS, the Company has previously issued under the Indenture a series of Securities, designated as its 2-7/8% Convertible Notes due 2010 (the " *Original Notes*"), in an aggregate principal amount of $287,500,000;

WHEREAS, the Company desires to issue an additional Series of Securities under the Indenture, and has duly authorized the creation and issuance of such securities and the execution and delivery of this Second Supplemental Indenture to modify the Indenture and provide certain additional provisions as hereinafter described;

WHEREAS, the Company and the Trustee deem it advisable to enter into this Second Supplemental Indenture for the purposes of establishing the terms of such Series of Securities;

WHEREAS, Section 2.2 of the Indenture provides that a supplemental indenture may be entered into by the Company to establish the form or terms of the issuance of any Securities within a Series;

WHEREAS, the execution and delivery of this Second Supplemental Indenture has been authorized by a Board Resolution;

WHEREAS, concurrent with the execution hereof, the Company has delivered a Board Resolution and an Officers' Certificate; and

WHEREAS, all things necessary to make this Second Supplemental Indenture a valid agreement of the Company in accordance with its terms have been done, and the execution and delivery thereof have been in all respects duly authorized by the parties hereto.

NOW, THEREFORE, THIS SECOND SUPPLEMENTAL INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Securities by the Holders thereof, it is mutually agreed, for the equal and proportionate benefit of all Holders of the Notes (as hereinafter defined), as follows:

ARTICLE 1.

CREATION OF THE NOTES

Section 1.1 Designation of Series.

Pursuant to the terms hereof and Sections 2.1 and 2.2 of the Indenture, the Company hereby creates a Series of Securities designated as the "2-7/8% Convertible Notes due 2010—Series B" (the "Notes"), which Notes shall be deemed "Securities" for all purposes under the Indenture.

Section 1.2 Form of Notes.

The definitive form of the Notes shall be substantially in the form set forth in Exhibit A attached hereto, which is incorporated herein and made part hereof. The Stated Maturity of the Notes shall be December 31, 2010.

Section 1.3 Limit on Amount of Series.

The Notes shall not exceed U.S.$287,500,000 in aggregate principal amount, and may, upon the execution and delivery of this Second Supplemental Indenture or from time to time thereafter, be executed by the Company and delivered to the Trustee for authentication, and the Trustee shall thereupon authenticate and deliver said Notes upon a Company Order and delivery of an Officers' Certificate and Opinion of Counsel as contemplated by Section 2.3 of the Indenture.

Section 1.4 Interest.

The Notes shall bear interest at a rate of 2-7/8% per annum, payable semi-annually. The Interest Payment Dates for the Notes shall be June 30 and December 31 of each year, commencing June 30, 2007, with interest payable in Dollars to Holders in whose names the Notes are registered at the close of business on June 15 or December 15 of each year, as the case may be (each, a "Record Date"), or, if such Record Date is not a Business Day, at the close of business of the immediately succeeding Business Day.

Section 1.5 Certificate of Authentication.

The Trustee's certificate of authentication to be borne on the Notes shall be substantially as provided in the Form of Note attached hereto as Exhibit A.

Section 1.6 No Sinking Fund.

No sinking fund will be provided with respect to the Notes.

Section 1.7 Issuance in Global Form.

The Notes shall be issued as one or more Global Securities, representing the aggregate principal amount of the Notes, and shall be deposited with the Trustee as custodian for the Depositary. The Notes shall be registered in the name of Cede & Co., or another nominee of the Depositary.

Section 1.8 Discharge of Indenture; Defeasance.

The Notes shall not be subject to the provisions of Article 9 of the Indenture.

Section 1.9 Other Terms of Notes.

The other terms of the Notes shall be as expressly set forth in Articles 2, 3, 4, 5, 6 and 7 hereof and Exhibit A hereto.

Section 1.10 Conversion Agent.

The Company hereby appoints the Trustee as the conversion agent (the " *Conversion Agent*") for the Notes and authorizes the Conversion Agent, in such capacities, to take such actions on its behalf and to exercise such powers as are delegated to the Conversion Agent, in such capacities by the terms hereof, together with such actions and powers as are reasonably incidental thereto.

The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Second Supplemental Indenture as a whole and not to any particular Article, Section or other subdivision.

ARTICLE 2.

CONVERSION OF NOTES

Section 2.1 Conversion Right.

(a) Subject to and upon compliance with the provisions of this Article 2, at the option of the Holder thereof, any Note or any portion of the principal amount thereof which is $1,000 or an integral multiple of $1,000, and which has not previously been repurchased pursuant to Article 3 hereof, may be converted, as set forth in Section 2.2, only upon the following circumstances:

(i) on any Business Day in any calendar quarter commencing at any time after September 30, 2007, but only during such calendar quarter, if the Closing Sale Price of the Common Stock for at least 20 Trading Days in a period of 30 consecutive Trading Days ending on the last Trading Day of the preceding calendar quarter is more than 160% of the Conversion Price during such period (the "*Closing Price Condition*");

(ii) on any Business Day during the five Business Day period after any five consecutive Trading Day period in which the Trading Price per $1,000 principal amount of Notes for each day of that period was less than 98% of the product of the Closing Sale Price of our Common Stock and the then Conversion Rate (the "*Trading Price Condition*");

(iii) upon the occurrence of a specified corporate transaction set forth in Section 2.13 hereof; or

(iv) at any time beginning ten Trading Days before the Stated Maturity and until the close of business on the Business Day immediately preceding the Stated Maturity.

(b) In the case of (i) the Closing Price Condition, the Conversion Agent shall determine at the beginning of each calendar quarter commencing at any time after September 30, 2007, whether the Notes are convertible as a result of the price of Common Stock and notify the Company and the Trustee, to the extent the Trustee is not also serving as the Conversion Agent, and (ii) the Trading Price Condition, the Trustee shall have no obligation to determine the Trading Price of the Notes unless the Company has requested such determination; and the Company shall have no obligation to make such request unless a Holder of the Notes provides the Company with reasonable evidence that the Trading Price per $1,000 principal amount of Notes would be less than 98% of the product of the Closing Sale Price of Common Stock and the then Conversion Rate; *provided, however*, at such time, the Company shall instruct the Trustee to determine the Trading Price of the Notes beginning on the next Trading Day and on each successive Trading Day until the Trading Price per $1,000 principal amount of Notes is greater than 98% of the product of the Closing Sale Price of Common Stock and the Conversion Rate.

(c) Such conversion right shall commence on the date of original issuance of the Notes, and shall expire at the close of business on the Business Day immediately preceding the Stated Maturity. A Note in respect of which a Holder has delivered a Repurchase Notice pursuant to Section 3.1 hereof may be converted only if such notice is withdrawn in accordance with the terms of such section, unless the Company defaults in the payment of the Change of Control Repurchase Price.

(d) If any of the events described in clause (a) hereof occurs, Holders may surrender any Notes for conversion pursuant to Section 2.4 hereof. Upon determining that Holders of Notes are or will be entitled to convert their Notes in accordance with this Section 2.1, the Company will promptly issue a press release or otherwise publicly disclose this information and use its reasonable efforts to post such information on the Company's website.

Section 2.2 Conversion Consideration and Settlement.

(a) Upon surrendering any Notes for conversion, the Holder of such Notes shall receive, in respect of each $1,000 principal amount of Notes, at the Company's election:

(i) a number of shares of Class A Common Stock of the Company, $0.001 par value per share (the " *Common Stock*"), equal to the Conversion Rate, in addition to cash in lieu of fractional shares, if applicable;

(ii) cash in an amount equal to the Conversion Value; or

(iii) for all days of the Conversion Period, (A) a fixed amount in cash specified by us divided by 20 *or* an amount in cash representing the percentage that the Company elects of the Daily Conversion Value Amount (in each case, the "*specified cash amount*"), and (B) a number of whole shares, in addition to cash in lieu of fractional shares, per $1,000 principal amount of Notes equal to the sum of the Daily Share Amounts for all of the Trading Days in the Conversion Period;

provided however, at any time on or prior to the 11 th Trading Day preceding the Stated Maturity, the Company may irrevocably elect to satisfy in cash its conversion obligation with respect to the principal amount of the Notes to be converted after the date of such election, with any remaining amount to be satisfied in shares of Common Stock (the "*Cash Payment of Principal Election*"), for each $1,000 principal amount of Notes surrendered for conversion, as follows:

(A) where the Conversion Value is less than or equal to $1,000, the settlement amount shall be an amount in cash equal to such Conversion Value, or

(B) where the Conversion Value is greater than $1,000, the settlement amount shall be computed as if the Company had elected to settle a portion of its conversion obligation pursuant to paragraph (a)(iii) of this Section 2.2, with a specified cash amount equal to $1,000.

The Company shall treat all Holders converting on the same day in the same manner. The Company shall not, however, have any obligation to settle its conversion obligations arising on different days in the same manner.

(b) (i) In the case of Sections 2.2 (a)(i) and (iii), the Company shall inform the Holders through the Trustee of the method it chooses to satisfy its obligation upon conversion (x) in respect of Notes tendered for conversion during the period beginning 10 Trading Days preceding the Stated Maturity and ending one Trading Day preceding the Stated Maturity, 11 Trading Days preceding the Stated Maturity, and if a Holder has complied with all the requirements hereunder for Notes so surrendered, the Conversion Date with respect to such Notes shall be the Stated Maturity; and (y) in all other cases, no later than two Trading Days following the Conversion Date.

(ii) In the case of Sections 2.2 (a)(ii) and (iii), the Company shall specify the amount to be satisfied in cash as a percentage of the conversion obligation or as a fixed dollar amount, and the settlement shall occur on the third Trading Day following the final Trading Day of the Conversion Period.

(iii) In the case of Section 2.2 (a)(i), the settlement shall occur as soon reasonably practicable after the third Trading Day following the Conversion Date.

(iv) In the case of a Cash Payment of Principal Election, the Company shall notify, by written notice, the Trustee, the Conversion Agent and the Holders in the manner provided in Section 10.2 of the Indenture.

(c) Upon surrender of a Note for conversion, the Holder shall deliver to the Company cash equal to the amount that the Company is required to deduct and withhold under applicable law in connection with such conversion; *provided*, *however*, that if the Holder does not deliver such cash, the Company may deduct and withhold from the consideration otherwise deliverable to such Holder the amount required to be deducted and withheld under applicable law.

Section 2.3 Conversion Rate and Conversion Trigger Price .

The rate at which shares of Common Stock shall be delivered upon conversion (such rate as in effect from time to time and on any date including any adjustments pursuant to Section 2.6 in effect on such date, the " *Conversion Rate*") shall be initially 20.4518 shares of Common Stock for each $1,000 principal amount of Notes. The Conversion Rate shall be adjusted in certain instances as provided in Section 2.6 hereof. All calculations under this Article 2 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be.

Section 2.4 Exercise of Conversion Right .

To convert a Note, a Holder must (a) complete and manually sign the Conversion Notice or a facsimile of the Conversion Notice on the back of the Note if certificated (or Holders may obtain copies of the required form of the Conversion Notice from the Conversion Agent) and deliver such notice to the Conversion Agent in accordance with the notice provisions set forth in Section 10.2 of the Indenture, (b) if the Notes are in certificated form, surrender the Note to the Conversion Agent, (c) furnish appropriate endorsements and transfer documents if required by the Registrar or the Conversion Agent, (d) pay any transfer or similar tax, if required, and (e) if required, pay funds equal to the interest payable on the next Interest Payment Date or pursuant to Section 2.2(c). In the case of a Global Note, the Conversion Notice shall be completed by a Depositary participant on behalf of the beneficial holder. Anything herein to the contrary notwithstanding, in the case of Global Notes, Conversion Notices may be delivered and such Notes may be surrendered for conversion in accordance with the applicable procedures of the Depositary as in effect from time to time.

Notes surrendered for conversion during the period from the close of business on any Record Date immediately preceding any Interest Payment Date to the opening of business on such Interest Payment Date shall be accompanied by payment in immediately available funds or other funds acceptable to the Company of an amount equal to the interest payable on such Interest Payment Date on the principal amount of Notes being surrendered for conversion; *provided*, *however*, that no such payment need be made if (1) we have specified a repurchase date following a Change of Control or a Fundamental Change that is during such period or (2) only to the extent of overdue interest, any overdue interest exists at the time of conversion with respect to such note. No payment or adjustment shall be made upon any conversion on account of any interest accrued on the Notes surrendered for conversion from the Interest Payment Date preceding

the day of conversion, or on account of any dividends on the Common Stock issued upon conversion. In addition, Holders shall not be entitled to receive any dividends payable to holders of Common Stock as of any record date before the close of business on the applicable conversion date. Notes shall be deemed to have been converted immediately prior to the close of business on the day of surrender of such Notes for conversion in accordance with the foregoing provisions and comply with the other foregoing provisions, and at such time the rights of the Holders of such Notes as Holders shall cease, and the Person or Persons entitled to receive the Common Stock issuable upon conversion shall be treated for all purposes as the record holder or holders of such Common Stock at such time. As promptly as practicable on or after the conversion date, the Company shall issue and shall deliver to the Trustee at its Corporate Trust Office and the Conversion Agent a certificate or certificates for the number of full shares of Common Stock issuable upon conversion, together with payment in lieu of any fraction of a share thereof, as provided in Section 2.5 hereof, and the Trustee shall forward such certificate or certificates at the addresses set forth in the written notices sent to the Company by the Holders electing to convert their Notes.

Section 2.5 Fractions of Common Stock Shares.

No fractional shares of Common Stock shall be issued upon conversion of the Notes. If more than one Note shall be surrendered for conversion at one time by the same Holder, the number of full shares which shall be issuable upon conversion thereof shall be computed on the basis of the principal amount of the Notes so surrendered. Instead of any fractional share of Common Stock which would otherwise be issuable upon conversion of any Note or Notes, the Company shall pay a cash adjustment in respect of such fraction in an amount equal to the same fraction of the Closing Sale Price on the Trading Day prior to the date of the date of the conversion of the Notes (determined by the Company in accordance with the following paragraph) per share of Common Stock.

Section 2.6 Adjustment of Conversion Rate.

(1) In case at any time after the date of the issuance of the Notes, the Company shall pay to all holders of Common Stock a dividend or other distribution payable in shares of its Common Stock, the Conversion Rate in effect at the opening of business on the day following the date fixed for the determination of stockholders entitled to receive such dividend or other distribution shall be increased by multiplying such Conversion Rate by a fraction of which:

(i) the numerator shall be the sum of the number of shares of Common Stock outstanding at the close of business on the date fixed for determining the stockholders entitled to receive such dividend or other distribution, plus the number of shares of Common Stock constituting such dividend or other distribution and

(ii) the denominator shall be the number of shares of Common Stock outstanding at the close of business on the date fixed for determining the stockholders entitled to receive such dividend or other distribution,

such increase to become effective immediately after the opening of business on the day following the date fixed for such determination. For the purposes of this paragraph (1), the number of shares of Common Stock at any time outstanding shall not include shares held in the treasury of the Company but shall include shares issuable in respect of scrip certificates issued in lieu of fractions of shares of Common Stock. The Company will not pay any dividend or make any distribution on shares of Common Stock held in the treasury of the Company. If any dividend or distribution of the type described in this paragraph (1) of Section 2.6 is declared but not so paid or made, the Conversion Rate shall again be adjusted to the Conversion Rate that would then be in effect if such dividend or distribution had not been declared.

(2) Subject to paragraph 9 of this Section 2.6, in case at any time after the date of the issuance of the Notes, the Company shall issue rights, options or warrants to all holders of its Common Stock (other than any rights, options or warrants that by their terms will also be issued to any Holder upon conversion of a Note into Common Stock without any action required by the Company or any other person) entitling them (for a period ending within forty-five (45) days after the date fixed for the determination of stockholders entitled to receive such rights or warrants) to subscribe for or purchase shares of Common Stock at a price per share less than the then current market price per share (determined as provided in paragraph (10) of this Section 2.6) of the Common Stock on the date fixed for the determination of stockholders entitled to receive such rights, options or warrants (other than pursuant to a dividend reinvestment plan), the Conversion Rate in effect at the opening of business on the day following the date fixed for such determination shall be increased by multiplying such Conversion Rate by a fraction of which:

(i) the numerator shall be the sum of the number of shares of Common Stock outstanding at the close of business on the date fixed for determining the stockholders entitled to receive such rights, options or warrants, plus the number of shares of Common Stock so offered for subscription or purchase and

(ii) the denominator shall be the number of shares of Common Stock outstanding at the close of business on the date fixed for determining the stockholders entitled to receive such rights, options or warrants plus the number of shares of Common Stock that the aggregate of the offering price of all shares of Common Stock so offered for subscription or purchase would purchase at the current market price.

Such adjustment shall be successively made whenever any such rights or warrants are issued, and shall become effective immediately after the opening of business on the day following the date fixed for such determination. To the extent that all shares of Common Stock are not delivered after the expiration of such rights, options or warrants, the Conversion Rate shall be readjusted to the Conversion Rate that would then be in effect had the adjustments made upon the issuance of such rights, options or warrants been made on the basis of delivery of only the number of shares of Common Stock actually delivered. If such rights, options or warrants are not so issued, the Conversion Rate shall again be adjusted to be the Conversion Rate that would then be in effect if such date fixed for the determination of stockholders entitled to receive such rights, options or warrants had not been fixed. In determining whether any rights or warrants entitle the holders to subscribe for or purchase shares of Common Stock at less than such current market

price, and in determining the aggregate offering price of such shares of Common Stock, there shall be taken into account any consideration received by the Company for such rights, options or warrants and any amount payable on exercise or conversion thereof, the value of such consideration, if other than cash, to be determined by the Board of Directors. For the purposes of this paragraph (2), the number of shares of Common Stock at any time outstanding shall not include shares held in the treasury of the Company but shall include shares issuable in respect of scrip certificates issued in lieu of fractions of shares of Common Stock. The Company will not issue any rights, options or warrants in respect of shares of Common Stock held in the treasury of the Company.

(3) In case at any time after the date of the issuance of the Notes, outstanding shares of Common Stock shall be subdivided into a greater number of shares of Common Stock, the Conversion Rate in effect at the opening of business on the day following the day upon which such subdivision becomes effective shall be proportionately increased, and, conversely, in case outstanding shares of Common Stock shall be combined into a smaller number of shares of Common Stock, the Conversion Rate in effect at the opening of business on the day following the day upon which such combination becomes effective shall be proportionately reduced, such reduction or increase, as the case may be, to become effective immediately after the opening of business on the day following the day upon which such subdivision or combination becomes effective.

(4) In case at any time after the date of the issuance of the Notes, the Company shall, by dividend or otherwise, distribute to all holders of its Common Stock, shares of any class of its capital stock, evidences of its indebtedness or other assets (including securities, but excluding any rights, options or warrants referred to in paragraph (2) of this Section 2.6, any dividend or distribution paid exclusively in cash, any dividend or distribution referred to in paragraph (1) of this Section 2.6 and distributions upon a Special Merger or Consolidation), the Conversion Rate shall be adjusted by multiplying the Conversion Rate in effect immediately prior to the close of business on the date fixed for the determination of stockholders entitled to receive such distribution by a fraction of which:

(i) the numerator shall be the current market price per share (determined as provided in paragraph (10) of this Section 2.6) of the Common Stock on the date fixed for determining the stockholders entitled to such distribution and

(ii) the denominator shall be the current market price per share of Common Stock on the date fixed for determining the stockholders entitled to such distribution minus the fair market value (as determined by the Board of Directors) of the portion of such distribution applicable to one share of Common Stock,

such adjustment to become effective immediately prior to the opening of business on the day following the date fixed for the determination of stockholders entitled to receive such distribution; *provided*, *however*, that if the then fair market value (as so determined) of the portion of the shares of capital stock, assets or evidences of indebtedness so distributed applicable to one share of Common Stock is equal to or greater than the current market price per share (determined as

provided in paragraph (10) of this Section 2.6) on the date fixed for the determination of stockholders entitled to receive such distribution, in lieu of the foregoing adjustment, adequate provision shall be made so that each Holder shall have the right to receive upon conversion the amount of shares of capital stock, assets or evidences of indebtedness such Holder would have received had such Holder converted each Note on the date fixed for determination of stockholders entitled to receive such distribution. If such dividend or distribution is not so paid or made, the Conversion Rate shall again be adjusted to be the Conversion Rate that would then be in effect if such dividend or distribution had not been declared if the Board of Directors determines the fair market value of any distribution for purposes of this paragraph (4) by reference to the actual or when issued trading market for any securities comprising such distribution, it must in doing so consider the prices in such market over the same period used in computing the current market price per share pursuant to paragraph (10) of this Section 2.6.

Notwithstanding the foregoing, if the shares of capital stock, assets or evidences of indebtedness distributed by the Company to all holders of its Common Stock consist of capital stock of, or similar equity interests in, a Subsidiary or other business unit of the Company, the Conversion Rate shall be increased so that the same shall be equal to the rate determined by multiplying the Conversion Rate in effect on the date fixed for determination of stockholders entitled to receive such distribution with respect to such distribution by a fraction of which:

(i) the numerator shall be the sum of (x) the average Closing Sale Price of one share of Common Stock over the ten consecutive Trading Day period (the " *Spinoff Valuation Period*") commencing on and including the fifth Trading Day after the date on which "ex-dividend trading" commences on the Common Stock on the Nasdaq National Market System or such other national or regional exchange or market on which the Common Stock is then listed or quoted and (y) the fair market value (as so determined by the Board of Directors) over the Spinoff Valuation Period of the portion of shares of capital stock, assets or evidences of indebtedness so distributed applicable to one share of Common Stock; and

(ii) the denominator shall be the average Closing Sale Price of one share of Common Stock over the Spinoff Valuation Period,

such adjustment to become effective immediately prior to the opening of business on the day following the date fixed for the determination of stockholders entitled to receive such distribution; *provided*, *however*, that the Company may in lieu of the foregoing adjustment make adequate provision so that each Holder shall have the right to receive upon conversion the amount of shares of capital stock, assets or evidences or indebtedness such Holder would have received had such Holder converted each Note on the date fixed for determination of stockholders entitled to receive such distribution.

(5) In case the Company shall, by dividend or otherwise, distribute to all holders of its Common Stock cash (excluding (x) any distribution in connection with the liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, (y) any cash portions of distributions referred to in paragraph (4) of this Section 2.6, and (z) cash distributions upon a

Special Merger or Consolidation to which paragraph (7) of this Section 2.6 applies) then, in such case, the Conversion Rate shall be increased so that the same shall equal the rate determined by multiplying the Conversion Rate in effect immediately prior to the close of business on the record date fixed for determination of stockholders entitled to receive such distribution by a fraction of which,

(i) the numerator shall be the sum of the average of the Closing Sale Price of the shares of Common Stock for the 10 consecutive Trading Days before the Business Day immediately preceding the earlier of the record date or the day before the Ex-dividend Date for such distribution, plus the amount in cash per share that the Company distributes to Holders of its shares of Common Stock in respect of such fiscal period, and

(ii) the denominator shall be the sum of the average of the Closing Sale Price of the shares of Common Stock for the 10 consecutive Trading Days before the Business Day immediately preceding the earlier of the record date or the day before the Ex-dividend Date for such distribution,

such adjustment to be effective immediately prior to the opening of business on the day following such record date; *provided*, *however*, that if the portion of the cash so distributed applicable to one share of Common Stock is equal to or greater than the current market price (determined as provided in paragraph (10) of this Section 2.6) on such record date, in lieu of the foregoing adjustment, adequate provision shall be made so that each Holder shall have the right to receive upon conversion the amount of cash such Holder would have received had such Holder converted each Note on such record date. If such distribution is not so paid or made, the Conversion Rate shall again be adjusted to be the Conversion Rate that would then be in effect if such distribution had not been declared. If any adjustment is required to be made as set forth in this paragraph (5) of this Section 2.6 as a result of a distribution that is a quarterly dividend, such adjustment shall be based upon the amount by which such distribution exceeds the amount of the quarterly cash dividend permitted to be excluded pursuant hereto. If an adjustment is required to be made as set forth in this paragraph (5) of this Section 2.6 as a result of a distribution that is not a quarterly dividend, such adjustment shall be based upon the full amount of the distribution. Notwithstanding the foregoing, in the event of an adjustment to the Conversion Rate pursuant to this paragraph (5), in no event will the Conversion Rate exceed 28.6369 shares per $1,000 principal amount of Notes. The cap on the adjustment to the Conversion Rate pursuant to this paragraph (5) remains subject to adjustment pursuant to paragraphs (1), (2), (3) and (4) of this Section 2.6.

(6) In case at any time after the date of the issuance of the Notes, a tender or exchange offer made by the Company or any Subsidiary for all or any portion of the Common Stock shall expire and such tender or exchange offer (as amended upon the expiration thereof) shall require the payment to stockholders (based on the acceptance (up to any maximum specified in the terms of the tender or exchange offer) of Purchased Shares (as defined below)) of an aggregate consideration having a fair market value (as determined by the Board of Directors, whose determination shall be conclusive and described in a Board Resolution filed with the Trustee) that combined together with:

(A) the aggregate of the cash plus the fair market value (as determined by the Board of Directors, whose determination shall be conclusive and described in a Board Resolution filed with the Trustee), as of the expiration of such tender or exchange offer, of consideration payable in respect of any other tender or exchange offer, by the Company or any Subsidiary for all or any portion of the Common Stock expiring within the 12 months preceding the expiration of such tender or exchange offer and in respect of which no adjustment pursuant to this paragraph (6) has been made, and

(B) the aggregate amount of any distributions to all holders of the Company's Common Stock made exclusively in cash within 12 months preceding the expiration of such tender or exchange offer and in respect of which no adjustment pursuant to paragraph (5) of this Section 2.6 has been made,

exceeds 10% of the product of (I) the current market price per share of the Common Stock (determined as provided in paragraph (10) of this Section 2.6) as of the last time (the "Expiration Time") tenders or exchanges could have been made pursuant to such tender or exchange offer (as it may be amended), times (II) the number of shares of Common Stock outstanding (including any tendered or exchanged shares) on the Expiration Time, then, and in each such case, immediately prior to the opening of business on the day after the date of the Expiration Time, the Conversion Rate shall be increased so that the same shall equal the rate determined by multiplying the Conversion Rate in effect immediately prior to the Expiration Time by a fraction,

(i) the numerator of which shall be the sum of (x) the fair market value (as determined by the Board of Directors, whose determination shall be conclusive and described in a Board Resolution filed with the Trustee) of the aggregate consideration payable to stockholders based on the acceptance (up to any maximum specified in the terms of the tender or exchange offer) of all shares validly tendered or exchanged and not withdrawn as of the Expiration Time (the shares deemed so accepted up to any such maximum, being referred to as the "*Purchased Shares*") and (y) the product of the number of shares of Common Stock outstanding (less any Purchased Shares) at the Expiration Time and the Closing Sale Price of a share of Common Stock on the trading day next succeeding the Expiration Time, and

(ii) the denominator of which shall be the number of shares of Common Stock outstanding (including any tendered or exchanged shares) at the Expiration Time multiplied by the Closing Sale Price of a share of Common Stock on the Trading Day next succeeding the Expiration Time,

such adjustment to become effective immediately prior to the opening of business on the day following the Expiration Time. If the Company is obligated to purchase shares pursuant to any such tender or exchange offer, but the Company is permanently prevented by applicable law from effecting any such purchases or all such purchases are rescinded, the Conversion Rate shall again be adjusted to be the Conversion Rate that would then be in effect if such tender or exchange offer had not been made.

To the extent the Company shall have in effect any shareholder rights plan, upon conversation of its Notes, each Holder will receive in addition to shares of Class A Common Stock, cash or a combination thereof, as provided in Section 2.2, the rights under such rights plan unless such rights have been separated from the Class A Common Stock, subject to readjustment in the event of the expiration, termination or redemption of such rights.

(7) (a) In the event of a Special Merger or Consolidation, then, upon conversion of Notes, the Holder will be entitled to receive the same type of consideration that such Holder would have been entitled to receive if the Holder had converted its Notes into Common Stock immediately before any Special Merger or Consolidation.

(b) In the case of (i) a distribution of securities other than Common Stock to all Holders of Common Stock, the effective date of such reclassification shall be deemed to be "the date fixed for the determination of stockholders entitled to receive such distribution" and "the date fixed for such determination" within the meaning of paragraph (4) of this Section 2.6, and (ii) a subdivision or combination, as the case may be, the effective date of such reclassification shall be deemed to be "the day upon which such subdivision becomes effective" or "the day upon which such combination becomes effective", as the case may be, and "the day upon which such subdivision or combination becomes effective" within the meaning of paragraph (3) of this Section 2.6.

(8) In the case of a Fundamental Change, solely upon receipt by the Conversion Agent of any Holder's Conversion Notice pursuant to Section 2.4 hereof, from and including the day that is 30 Business Days before the anticipated Effective Date of the Fundamental Change up to and including the Trading Day before the Effective Date of the Fundamental Change, the Company will increase the Conversion Rate for the Notes surrendered for conversion by a number of additional shares of Common Stock (the "*Additional Fundamental Change Shares*") determined in accordance with this paragraph (8); *provided, however*, that if the Holders of Common Stock receive only cash in the Fundamental Change transaction, the stock price shall be the cash amount paid per share of Common Stock. The following table sets forth the hypothetical increase in the Conversion Rate, expressed as a number of Additional Fundamental Change Shares issuable per $1,000 principal amount of Notes as a result of a Fundamental Change that occurs in the corresponding period:

	Stock Price													
Effective date	**$34.92**	**$40.00**	**$45.00**	**$50.00**	**$55.00**	**$60.00**	**$65.00**	**$70.00**	**$80.00**	**$90.00**	**$100.00**	**$110.00**	**$120.00**	**$130.00**
6/__/2007	8.19	4.55	3.17	2.35	1.81	1.45	1.21	1.03	0.80	0.66	0.56	0.49	0.43	0.38
12/31/2007	8.19	4.55	3.01	2.16	1.62	1.27	1.04	0.88	0.68	0.56	0.48	0.41	0.36	0.32
6/30/2008	8.19	4.55	2.85	1.96	1.42	1.08	0.87	0.72	0.55	0.46	0.39	0.34	0.30	0.26
12/31/2008	8.19	4.55	2.66	1.74	1.19	0.87	0.67	0.55	0.42	0.35	0.30	0.26	0.23	0.20
6/30/2009	8.19	4.55	2.45	1.48	0.93	0.63	0.47	0.38	0.28	0.24	0.20	0.18	0.16	0.14
12/31/2009	8.19	4.55	2.21	1.16	0.62	0.36	0.24	0.19	0.14	0.12	0.11	0.09	0.08	0.07
6/30/2010	8.19	4.55	1.95	0.75	0.23	0.05	0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00
12/31/2010	8.19	4.55	1.77	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

The stock price paid per share of Common Stock in a Fundamental Change transaction (the *"Stock Price"*) shall be the average of the Closing Sale Prices of Common Stock on the 10 con-

secutive Trading Days up to but excluding the date on which the Fundamental Change transaction becomes effective (the " *Effective Date*").

The Stock Prices set forth in the first row of the table will be adjusted as of any date on which the Conversion Rate of the Notes is adjusted. The adjusted Stock Prices will equal the Stock Prices applicable immediately before such adjustment multiplied by a fraction, the numerator of which is the Conversion Rate immediately before the adjustment giving rise to the Stock Price adjustment, and the denominator of which is the Conversion Rate as so adjusted. In addition, the number of additional fundamental change shares will be subject to adjustment pursuant to this Section 2.6.

The exact Stock Prices and Effective Dates may not be set forth in the table, in which case:

(a) if the Stock Price is between two Stock Price amounts in the table or the Effective Date is between two dates in the table, the additional fundamental change shares will be determined by straight-line interpolation between the number of additional fundamental change shares set forth for the higher and lower stock price amounts and the two dates, as applicable, based on a 365-day year;

(b) if the Stock Price is in excess of $130.00 per share of Common Stock (subject to adjustment), no additional fundamental change shares will be issued upon conversion; and

(c) if the Stock Price is less than $34.92 per share of Common Stock (subject to adjustment), no additional fundamental change shares will be issued upon conversion.

Notwithstanding the foregoing, in no event will the Conversion Rate exceed 28.6369 shares per $1,000 principal amount of Notes. The cap on the adjustment to the Conversion Rate pursuant to a Fundamental Change remains subject to adjustment pursuant to paragraphs (1), (2), (3) and (4) of this Section 2.6.

If the Fundamental Change is also a Public Acquirer Fundamental Change, then, in lieu of increasing the Conversion Rate pursuant to this paragraph (8), the Company may elect to change the Conversion Rate pursuant to paragraph (9).

(9) If the Fundamental Change is a Public Acquirer Fundamental Change, the Company may, at its sole option, elect to change the Conversion Rate pursuant to this paragraph (9), in lieu of increasing the Conversion Rate applicable to Notes that are converted in connection with the Public Acquirer Fundamental Change. If the Company makes this election, then the Conversion Rate will be adjusted and the Company's related conversion obligation such that, from and after the Effective Date of the Public Acquirer Fundamental Change, the right to convert a Note pursuant to Section 2.2 (a) will be changed into a right to convert Notes into shares of Public Acquirer Common Stock still subject to Section 2.2 (a), by adjusting the Conversion Rate in effect immediately before the effective time by a fraction of which:

(i) the numerator is the fair market value (as determined in good faith by the Board of Directors), as of the Effective Date of the Public Acquirer Fundamental Change, of the cash, securities and other property paid or payable per share of Common Stock, and,

(ii) the denominator is the average of the Closing Sale Prices per share of the Public Acquirer Common Stock for the 10 consecutive Trading Days commencing on, and including, the Trading Day immediately after the Effective Date of the Public Acquirer Fundamental Change.

If the Company elects to change the Conversion Rate pursuant to this paragraph (9), the change in the Conversion Rate will apply to all Holders from and after the Effective Date of the Public Acquirer Fundamental Change, and not just those Holders, if any, that convert their Notes in connection with the Public Acquirer Fundamental Change. If the Company elects to change the Conversion Rate as described above in connection with a Public Acquirer Fundamental Change that is not consummated, than the Company will not be obligated to effect such election.

(10) For the purpose of any computation under paragraphs (2), (4), (5) or (6) of this Section 2.6, the current market price per share of Common Stock on any date shall be deemed to be the average of the daily Closing Sale Prices of the Common Stock for the five consecutive Trading Days selected by the Company commencing not more than ten Trading Days before, and ending not later than the earlier of, the day in question and the day before the "ex" date with respect to the issuance or distribution requiring such computation. For purposes of this paragraph, the term "ex" date, when used with respect to any issuance or distribution, means the first date on which the Common Stock trades regular way in the applicable securities market or on the applicable securities exchange without the right to receive such issuance or distribution.

(11) No adjustment in the Conversion Rate shall be required unless such adjustment (plus any adjustments not previously made by reason of this paragraph (11)) would require an increase or decrease of at least 1.0% in the Conversion Rate; *provided*, *however*, that any adjustments which by reason of this paragraph (11) are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under this paragraph (11) shall be made to the nearest whole cent.

(12) The Company may make such increases in the Conversion Rate, in addition to those required by this Section 2.6, as it considers to be advisable in order to avoid or diminish any income tax to any holders of shares of Common Stock resulting from any dividend or distribution of stock or issuance of rights or warrants to purchase or subscribe for stock or from any event treated as such for income tax purposes or for any other reasons. The Company shall have the power to resolve any ambiguity or correct any error in this paragraph (12) and its actions in so doing shall be final and conclusive.

(13) To the extent permitted by applicable law, the Company from time to time may increase the Conversion Rate by any amount for any period of time if the period is at least 20 days, the increase is irrevocable during such period, and the Board of Directors shall have made

a determination that such increase would be in the best interests of the Company, which determination shall be conclusive. Whenever the Conversion Rate is increased pursuant to the preceding sentence, the Company shall give notice of the increase to the Holders in the manner provided for in Section 10.2 of the Indenture at least 15 days prior to the date the increased Conversion Rate takes effect, and such notice shall state the increased Conversion Rate and the period during which it will be in effect.

(14) In the event that this Article 2 requires adjustments to the Conversion Rate under more than one of Sections 2.6(1), 2.6(2), 2.6(4) or 2.6(5) hereof, and the record dates for the distributions giving rise to such adjustments shall occur on the same date, then such adjustments shall be made by applying, first, the provisions of Section 2.6(4), second, the provisions of Section 2.6(5), third, the provisions of Section 2.6(1) and, fourth, the provisions of Section 2.6(2). After an adjustment to the Conversion Rate under this Article 2, any subsequent event requiring an adjustment under this Article 2 shall cause an adjustment to the Conversion Rate as so adjusted. Whenever successive adjustments to the Conversion Rate are called for pursuant to this Article 2, such adjustments shall be made to the provisions of Section 2.6(10) hereof as may be necessary or appropriate to effectuate the intent of this Article 2 and to avoid unjust or inequitable results as determined in good faith by the Board of Directors.

Section 2.7 Notice of Adjustments of Conversion Rate.

Whenever the Conversion Rate is adjusted as herein provided: (a) the Company shall compute the adjusted Conversion Rate in accordance with Section 2.6 hereof and shall prepare an Officers' Certificate, one of the signatories of which shall be the Treasurer or Chief Financial Officer of the Company, setting forth the adjusted Conversion Rate (certified by the Company's independent public accountants or other certified public accountant) and showing in reasonable detail the facts upon which such adjustment is based, and such certificate shall forthwith be filed with the Trustee at each office or agency maintained for the purpose of conversion of Securities pursuant to Section 2.4 hereof; and (b) a notice stating that the Conversion Rate has been adjusted and setting forth the adjusted Conversion Rate shall forthwith be required, and as soon as practicable after it is required, such notice shall be given by the Company to the Trustee and all Holders in the manner provided for in Section 10.2 of the Indenture. In the case of a Fundamental Change, or Public Acquirer Fundamental Change, as the case may be, the Company shall notify Holders of the Notes and the Conversion Agent at least 30 Business Days before the anticipated Effective Date of a Fundamental Change (the "*Fundamental Change Notice*") and indicate whether the election to increase the Conversion Rate pursuant to Section 2.6 (8) or (9).

The Trustee shall not be deemed to have notice of any change in the Conversion Rate unless and until it receives the Officers' Certificate provided for in the foregoing clause (a) setting forth such change.

Section 2.8 Notice of Certain Corporate Action .

In case:

(a) the Company shall declare a dividend or make any other distribution that would require any adjustment pursuant to Section 2.6 hereof;

(b) the Company shall authorize the granting to the holders of its Common Stock of rights or warrants to subscribe for or purchase any shares of capital stock of any class or of any other rights;

(c) of any reclassification of the Common Stock of the Company, or of any consolidation or merger to which the Company is a party and for which approval of any stockholders of the Company is required or that is otherwise subject to Section 2.13 hereof, or of the conveyance, lease, sale or transfer of all or substantially all of the assets of the Company; or

(d) of the voluntary or involuntary dissolution, liquidation or winding up of the Company,

then the Company shall cause to be filed at each office or agency maintained for the purpose of conversion of Securities pursuant to Section 2.4 hereof, and shall cause to be mailed to all Holders at their last addresses as they shall appear in the register for the Securities, at least 20 days prior to the applicable record or effective date hereinafter specified, a notice (which notice shall also be sent by release to Reuters Economic Services and Bloomberg Business News as set forth in Section 10.2 of the Indenture) stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, rights or warrants, or, if a record is not to be taken, the date as of which the holders of Common Stock of record to be entitled to such dividend, distribution, rights or warrants are to be determined, or (y) the date on which such reclassification, consolidation, merger, share exchange, conveyance, lease, sale, transfer, dissolution, liquidation or winding up is expected to become effective, and the date as of which it is expected that holders of Common Stock of record shall be entitled to exchange their shares of Common Stock for securities, cash or other property deliverable upon such reclassification, consolidation, merger, share exchange, conveyance, lease, sale, transfer, dissolution, liquidation or winding up. Neither the failure to give such notice nor any defect therein shall affect the legality or validity of the proceedings described in clauses (a) through (d) of this Section 2.8. If at the time the Trustee shall not be the Conversion Agent, a copy of such notice shall also forthwith be filed by the Company with the Trustee. The Company shall cause to be filed at the Corporate Trust Office and each office or agency maintained for the purpose of conversion of Notes pursuant to Section 2.4 of the Indenture, and shall cause to be provided to all Holders in accordance with Section 10.2 of the Indenture, notice of any tender offer by the Company or any Subsidiary for all or any portion of the Common Stock at or about the time that such notice of tender offer is provided to the public generally.

Section 2.9 Company to Reserve Common Stock.

The Company shall at all times reserve and keep available, free from preemptive rights, out of its authorized but unissued Common Stock, for the purpose of effecting the conversion of Notes, the full number of shares of Common Stock then issuable upon the conversion of all outstanding Notes.

Section 2.10 Taxes on Conversions.

The Company will pay any and all taxes that may be payable in respect of the issue or delivery of shares of Common Stock on conversion of Notes pursuant hereto. The Company shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of shares of Common Stock in a name other than that of the Holder of the Note or Notes to be converted, and no such issue or delivery shall be made unless and until the Person requesting such issue has paid to the Company the amount of any such tax, or has established to the satisfaction of the Company that such tax has been paid.

Section 2.11 Covenant as to Common Stock.

The Company covenants that all shares of Common Stock which may be issued upon conversion of Notes will upon issue be fully paid and nonassessable and, except as provided in Section 2.10 hereof, the Company will pay all taxes, liens and charges with respect to the issue thereof.

The Company will endeavor promptly to comply with all Federal and state securities laws regulating the issuance and delivery of shares of Common Stock upon conversion of Notes, if any, and will use its best efforts to list or cause to have quoted all such shares of Common Stock on each United States national securities exchange or over-the-counter or other domestic market on which the Common Stock is then listed or quoted.

Section 2.12 Cancellation of Converted Securities.

All Notes delivered for conversion shall be delivered to the Trustee to be canceled by or at the direction of the Trustee, which shall dispose of the same as provided in Section 2.13 of the Indenture.

Section 2.13 Provisions in Case Certain Corporate Transactions.

(a) In the case of a Dividend Event, the Company shall deliver written notice of such Dividend Event (a " *Dividend Event Notice*") by first-class mail, postage prepaid, not later than the 20th day prior to the Ex-dividend Date for such Dividend Event to the Trustee, the Conversation Agent and the Holders in the manner provided in Section 10.2 of the Indenture;

(b) In the case of any transaction or event other than a Fundamental Change (including, but not limited to, any consolidation, merger or binding share exchange that does not constitute a Fundamental Change, but excluding changes resulting from a subdivision or combination)

pursuant to which all or substantially all shares of Common Stock would be converted into cash, securities or other property, a Holder may surrender Notes for conversion at any time from and after the date that is 15 days prior to the anticipated effective date of such transaction or event, until the earlier of (i) 15 days after the actual date of such transaction or event, or (ii) the date that the Company announces that such transaction or event will not take place; *provided*, *however*, Notes will not become convertible by reason of a merger, consolidation or other transaction effected with one of the Company's direct or indirect subsidiaries for the purpose of changing its state of incorporation to any other state within the United States or the District of Columbia. In the case of such transaction or event, the Company shall deliver notice as soon as practicable following the public announcement of such transaction or event, but not later than the 15th day prior to the anticipated effective date of such transaction or event, to the Trustee, the Conversion Agent and the Holders in the manner required by Section 10.2 of the Indenture; or

(c) In the case of a Fundamental Change or a Change of Control, Holders may surrender Notes for conversion at any time beginning 15 days before the anticipated effective date of a Fundamental Change or Change of Control, until (i) the Trading Day prior to the Fundamental Change or Change of Control Purchase Date or (ii) the date that the Company announces that such transaction will not take place. In the case of a Fundamental Change or a Change of Control, the Company shall deliver written notice by first-class mail, postage prepaid, not later than the 15th day prior to the anticipated effective date of the Fundamental Change or Change of Control that the Company knows or reasonably should know will occur, to the Trustee, the Conversion Agent and the Holders in the manner required by Section 10.2 of the Indenture. If the notice delivered under this Section 2.13(c) contains all the information required to be delivered pursuant to Sections 2.7 in respect of a Fundamental Change or in a Change of Control Notice then no additional notice under Section 2.7 or a Change of Control Notice shall be required.

(d) With respect to conversions upon subsections (b) and (c) above, if the Company is a party to a consolidation, merger or binding share exchange pursuant to which all shares of Common Stock are exchanged for cash, securities or other property, then commencing with the effective time of such transaction, any conversion of Notes and the Conversion Value will be based on the kind and amount of cash, securities or other property that a Holder would have received if such Holder had converted its Notes into Common Stock immediately prior to the effective time of the transaction. For purposes of this Section 2.15(d), where a consolidation, merger or binding share exchange involves a transaction that causes Common Stock to be converted into the right to receive more than a single type of consideration based upon any form of shareholder election, such consideration will be deemed to be the weighted average of the amounts and types of consideration that the holders of Common Stock who affirmatively made such an election received in such transaction or as a result of such event.

If this Section 2.13 applies to any event or occurrence, paragraph (5) of Section 2.6 shall not apply.

Section 2.14 Right of Holders to Convert.

The limitations set forth in Section 6.6 of the Indenture shall not apply to the right of a Holder to bring a suit for the enforcement of such Holder's right to convert Notes pursuant to this Article 2.

Section 2.15 Certain Definitions.

For purposes of this Article 2:

(1) the term "Closing Sale Price" of Common Stock on any date means the Closing Sale Price per share (or if no Closing Sale Price is reported, the average of the average bid and the average asked prices) on that date as reported by the NASDAQ Global Select Market or, if Common Stock is not listed on the NASDAQ Global Select Market, as reported in composite transactions for the principal U.S. securities exchange on which Common Stock is traded. In the absence of such quotations, the Company shall be entitled to determine the Closing Sale Price on the basis of such quotations as it considers appropriate. Closing Sale Price shall be determined without reference to extended or after hours trading.

(2) the term "Conversion Date", with respect to a Note, means the date on which the Holder of such Note complied with all requirements of this Indenture to convert such Note.

(3) the term "Conversion Period" means the 20 consecutive trading-day period commencing on the third Trading Day following the Conversion Date.

(4) the term "*Conversion Price*" means, per share of Common Stock at any time, $1,000 divided by the Conversion Rate.

(5) the term "Conversion Value" for each $1,000 principal amount of Notes is equal to the sum of the Daily Conversion Value Amounts for all of the Trading Days in the Conversion Period.

(6) the term "Daily Conversion Value Amount" for each $1,000 principal amount of Notes and each Trading Day in the Conversion Period is the amount equal to the Closing Sale Price of Common Stock on such Trading Day multiplied by the Conversion Rate in effect on such Trading Day divided by 20.

(7) the term "Daily Share Amount" means, for each $1,000 principal amount of Notes and each Trading Day in the Conversion Period, a number of shares (but in no event less than zero) determined by the following formula:

Daily Conversion Value Amount – specified cash amount

Closing Sale Price of Common Stock on such Trading Day

(8) the term "*Dividend Event*" means if the Company elects to (a) distribute to all Holders of Common Stock certain rights entitling them to purchase, for a period expiring within 45 days of the date of issuance, Common Stock, or securities convertible into Common Stock, at less than, or having a conversion price per share less than, the Closing Sale Price of our Common Stock on the Trading Day immediately preceding the declaration date for such distribution, or (b) distribute to all Holders of Common Stock the Company's assets, cash, debt securities or certain rights to purchase the Company's securities, which distribution has a per share value as determined by the Company's Board of Directors exceeding 15% of the Closing Sale Price of Common Stock on the Trading Day immediately preceding the declaration date for such distribution.

(9) the term "Ex-dividend Date" means the first date upon which a sale of the Common Stock does not automatically transfer the right to receive the relevant distribution from the seller of the Common Stock to its buyer.

(10) a "Fundamental Change" will be deemed to have occurred at the time that any of the following occurs:

(A) consummation of any transaction or event (whether by means of a share exchange or tender offer applicable to the Company's shares of voting stock, a liquidation, consolidation, recapitalization, reclassification, combination or merger of the Company or a sale, lease or other transfer of all or substantially all of the consolidated assets of the Company) or a series of related transactions or events pursuant to which all of the outstanding shares of voting stock of the Company are exchanged for, converted into or constitute solely the right to receive cash, securities or other property; provided, however, that none of the following transactions shall be deemed to be a Fundamental Change: (i) a transaction in which the holders of the Company's voting stock immediately before such transaction hold, directly or indirectly, more than 50% of the total voting power in the aggregate of all classes of shares of beneficial interest of the Company then outstanding entitled to vote generally in elections of directors immediately after such transaction; (ii) a transaction that is effected solely to change the Company's jurisdiction of incorporation and results in a reclassification, conversion or exchange of our outstanding voting stock solely into shares of voting stock of the surviving entity or a direct or indirect parent of the surviving entity; (iii) a transaction that does not result in a reclassification, conversion, exchange or cancellation of the Company's outstanding voting stock; or (iv) a consolidation, merger, conveyance, transfer sale, lease or other disposition with or into any of the Company's subsidiaries (so long as such transaction is not part of a plan or series of transactions designed to or having the effect of merging or consolidating with

or conveying, transferring, selling, leasing or disposing all or substantially all of the Company's properties and assets to any other person);

(B) any "person" or "group" (as such terms are used for purposes of Sections 13(d) and 14(d) of the Exchange Act, whether or not applicable), other than any majority-owned subsidiary of the Company, any employee benefit plan of the Company or such subsidiary or any Permitted Holder (as defined in Section 3.2 hereof), is or becomes the "beneficial owner," directly or indirectly, of more than 50% of the total voting power in the aggregate of all classes of shares of beneficial interest of the Company then outstanding entitled to vote generally in elections of directors;

(C) during any period of 24 consecutive months after the date of original issuance of the Notes, persons who at the beginning of such 24 month period constituted the Board of Directors, together with any new persons whose election was approved by a vote of a majority of the persons then still comprising the Board of Directors who were either members of the Board of Directors at the beginning of such period or whose election, designation or nomination for election was previously so approved (either by a specific vote or by approval of the proxy statement issued by the Company on behalf of the entire Board of Directors in which such individual is named as a nominee for director), cease for any reason to constitute a majority of the Board of Directors; or

(D) the Common Stock (or other common stock into which the Notes are then convertible) ceases to be listed on a national securities exchange or quoted on an established automated over-the-counter trading market in the United States.

However, a Fundamental Change will not be deemed to have occurred if at least 90% of the consideration (excluding cash payments for fractional shares and cash payments made pursuant to dissenters' appraisal rights) in a merger, consolidation or other transaction otherwise constituting a Fundamental Change consists of shares of common stock (or depositary receipts or other certificates representing common equity interests) traded on a national securities exchange or quoted on an established automated over-the-counter trading market in the United States (or will be so traded or quoted immediately following such merger, consolidation or other transaction) and as a result of the merger, consolidation or other transaction the Notes become convertible into such shares of common stock (or depositary receipts or other certificates representing common equity interests).

(11) the term "person" includes any syndicate or group that would be deemed to be a "person" under Section 13(d)(3) of the Exchange Act.

(12) the term "Public Acquirer Common Stock" means a class of common stock of an acquirer (or any entity that is a direct or indirect wholly owned subsidiary of the acquirer or of which the acquirer is a direct or indirect wholly owned subsidiary) in a Public Acquirer Fundamental Change, that is traded on a national securities exchange or that will be so traded when issued or exchanged in connection with the Fundamental Change.

(13) the term "Public Acquirer Fundamental Change" means an acquisition of the Company pursuant to a Fundamental Change in which the acquirer (or any entity that is a direct or indirect wholly owned subsidiary of the acquirer or of which the acquirer is a direct or indirect wholly owned subsidiary) has a class of common stock that is traded on a national securities exchange or that will be so traded when issued or exchanged in connection with the Fundamental Change.

(14) the term "Special Merger or Consolidation" means the occurrence of (i) any reclassification of Common Stock; (ii) a consolidation, merger or combination involving the Company; or (iii) a sale or conveyance to another person or entity of all or substantially all of the Company's property and assets, in which holders of Common Stock would be entitled to receive stock, other securities, other property, assets or cash for their Common Stock, which occurrence does not constitute a Fundamental Change.

(15) "*Trading Day*" means, in respect of any securities exchange or securities market, each Monday, Tuesday, Wednesday, Thursday and Friday, other than any day on which securities are not traded on the applicable securities exchange or in the applicable securities market.

(16) the term "Trading Price" means, on any date of determination, the average of the secondary market bid quotations obtained by the Trustee for $2,000,000 principal amount of the Notes at approximately 3:30 p.m., New York City time, on such determination date from three nationally recognized securities dealers selected by the Company; *provided* that if three such bids cannot reasonably be obtained by the Trustee, but two such bids are obtained, then the average of the two bids shall be used, and if only one such bid can reasonably be obtained by the Trustee, that one bid shall be used. If the Trustee cannot reasonably obtain at least one bid for $2,000,000 principal amount of the Notes from a nationally recognized securities dealer, then the trading price per $1,000 principal amount of Notes will be deemed to be less than 98% of the product of the Closing Sale Price of Common Stock and the Conversion Rate.

ARTICLE 3.

REPURCHASE OF NOTES AT THE OPTION OF THE HOLDERS UPON A CHANGE OF CONTROL

Pursuant to Section 2.2(8) of the Indenture, so long as any of the Notes are outstanding, the following provisions shall be applicable to the Notes:

Section 3.1 Repurchase at Option of Holders upon Change of Control .

(a) Upon the occurrence of a Change of Control (the date of such occurrence, the "Change of Control Date"), the Company shall notify the Holders of the Notes in writing of such occurrence in accordance with paragraph (b) below, and shall make an offer to purchase (a "Change of Control Offer"), and shall purchase, on a Business Day (a "Change of Control Pur-

chase Date") not more than 60 nor less than 30 days following the Change of Control Date all, but not less than all, of the then outstanding Notes at a purchase price in cash equal to 100% of the principal amount thereof plus accrued interest, if any, to the Change of Control Purchase Date (the "Change of Control Purchase Price").

(b) Notice of a Change of Control Offer (a "Change of Control Notice") shall be sent, by first-class mail, postage prepaid, by the Company not later than the 30th day after the Change of Control Date to the Holders of the Notes at their last registered addresses with a copy to the Trustee and the Paying Agent (and shall also be given by release made to Reuters Economic Services and Bloomberg Business News as provided in Section 10.2 of the Indenture). The Change of Control Offer shall remain open from the time of mailing for at least 20 Business Days and until 5:00 p.m., New York City time, on the Business Day before the Change of Control Purchase Date. The Change of Control Notice, which shall govern the terms of the Change of Control Offer, shall include such disclosures as are required by law and shall state:

(i) that the Change of Control Offer is being made pursuant to this Section 3.1 and that any portion of the principal amount of Notes that is equal to $1,000 or an integral multiple thereof, validly tendered into the Change of Control Offer and not withdrawn, will be accepted for payment;

(ii) the cash purchase price (including the amount of accrued interest, if any) for each Note, the Change of Control Purchase Date and the date on which the Change of Control Offer expires;

(iii) that any Note not tendered for payment will continue to accrue interest in accordance with the terms thereof;

(iv) that, unless the Company shall default in the payment of the purchase price, any Note accepted for payment pursuant to the Change of Control Offer shall cease to accrue interest after the Change of Control Purchase Date;

(v) that Holders electing to have Notes purchased pursuant to a Change of Control Offer will be required to surrender their Notes to the Paying Agent at the address (in the Borough of Manhattan, The City of New York) specified in the Change of Control Notice prior to 5:00 p.m., New York City time, on the Business Day prior to the Change of Control Purchase Date and must complete any form of letter of transmittal proposed by the Company and reasonably acceptable to the Trustee and the Paying Agent;

(vi) that Holders of Notes will be entitled to withdraw their election if the Paying Agent receives, not later than 5:00 p.m., New York City time, on the Business Day prior to the Change of Control Purchase Date, a facsimile transmission or letter setting forth the name of the Holder, the principal amount of Notes the Holder delivered for purchase, the Note certificate number (if any) and a statement that such Holder is withdrawing its election to have such Notes purchased;

(vii) that Holders whose Notes are purchased only in part will be issued Notes equal in principal amount to the unpurchased portion of the Notes surrendered;

(viii) the instructions that Holders must follow in order to tender their Notes; and

(ix) information concerning the business of the Company, the most recent annual and quarterly reports of the Company filed with the SEC pursuant to the Exchange Act (or, if the Company is not then permitted to file any such reports with the SEC, the comparable reports prepared pursuant to Section 4.2 of the Indenture), a description of material developments in the Company's business, information with respect to pro forma historical financial information after giving effect to such Change of Control and such other information concerning the circumstances and relevant facts regarding such Change of Control Offer as would be material to a Holder of Notes in connection with the decision of such Holder as to whether or not it should tender Notes pursuant to the Change of Control Offer.

(c) To exercise a repurchase right pursuant to this Section 3.1, a Holder shall deliver to the Trustee a written notice (a "Repurchase Notice") of such Holder's exercise of such right, in accordance with the terms and conditions set forth in the Change of Control Notice. Upon receipt by the Trustee of a Repurchase Notice, the Holder of the Note in respect of which such Repurchase Notice was given shall (unless such Purchase Notice or Repurchase Notice is withdrawn) thereafter be entitled to receive solely the Change of Control Purchase Price with respect to such Note. Notes in respect of which a Repurchase Notice has been given by the Holder thereof may not be converted into shares of Common Stock on or after the date of the delivery of such Repurchase Notice, unless such Repurchase Notice has first been validly withdrawn in the manner provided for in the foregoing paragraph (b)(vi) (unless the Company has defaulted in the payment of the Change of Control Purchase Price).

(d) On the Change of Control Purchase Date, the Company shall

(i) accept for payment Notes or portions thereof validly tendered pursuant to the Change of Control Offer,

(ii) deposit with the Paying Agent (no later than 10:00 A.M. EST on the Change of Control Purchase Date) money, in immediately available funds, sufficient to pay the purchase price of all Notes or portions thereof so tendered and accepted, and

(iii) deliver to the Trustee the Notes so accepted together with an Officers' Certificate setting forth the Notes or portions thereof tendered to and accepted for payment by the Company.

The Paying Agent shall promptly mail or deliver to the Holders of Notes so accepted payment in an amount equal to the purchase price, and the Trustee shall promptly authenticate and mail or deliver to such Holders a new Note equal in principal amount to any unpurchased portion to the

Notes surrendered; *provided*, *however*, that each such new Note shall be issued in an original principal amount in denominations of $1,000 and integral multiples thereof. Any Notes not validly tendered and not accepted by the Company shall be promptly mailed or delivered by the Company to the Holder thereof. The Company will publicly announce the results of the Change of Control Offer not later than the first Business Day following the Change of Control Purchase Date.

(e) In the event that a Change of Control occurs and the holders of Notes exercise their right to require the Company to purchase Notes, if such purchase constitutes a "tender offer" for purposes of Rule 14e-1 under the Exchange Act at that time, the Company will comply with the requirements of Rule 14e-1 as then in effect with respect to such repurchase.

Section 3.2 Certain Definitions.

For purposes of this Article 3:

(1) the term "Change of Control" means the occurrence of any of the following events:

(a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), excluding Permitted Holders, is or becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that a person or group shall be deemed to have "beneficial ownership" of all securities that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time, upon the happening of an event or otherwise), directly or indirectly, of more than 35% of the total voting power of all Voting Stock of the Company; *provided*, *however*, that the Permitted Holders (i) "beneficially own" (as so defined) a lower percentage of such total voting power with respect to the Voting Stock than such other person or "group" and (ii) do not have the right or ability by voting power, contract or otherwise to elect or designate for election a majority of the Board of Directors of the Company;

(b) the Company consolidates with, or merges with or into, another person or sells, assigns, conveys, transfers, leases or otherwise disposes of all or substantially all of its assets to any person, or any person consolidates with, or merges with or into, the Company, in any such event pursuant to a transaction in which the outstanding Voting Stock of the Company is converted into or exchanged for cash, securities or other property, other than any such transaction where (i) the Voting Stock of the Company is converted into or exchanged for Voting Stock (other than Disqualified Capital Stock) of the surviving or transferee corporation and (ii) immediately after such transaction no "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), excluding Permitted Holders, is the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that a person or group shall be deemed to have

"beneficial ownership" of all securities that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time, upon the happening of an event or otherwise), directly or indirectly, of more than 50% of the total voting power of all Voting Stock of the surviving or transferee corporation;

(c) at any time during any consecutive two-year period, individuals who at the beginning of such period constituted the Board of Directors of the Company (together with any new directors whose election by such Board of Directors or whose nomination for election by the stockholders of the Company was approved by a vote of at least 66-2/3% of the directors then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the Board of Directors of the Company then in office; or

(d) the Company is liquidated or dissolved or adopts a plan of liquidation;

(2) the term "Permitted Holders" means:

(a) any of Charles W. Lamar, III and Kevin P. Reilly, Sr., members of their immediate families or any lineal descendant of any of those persons and the immediate families of any lineal descendant of those persons;

(b) any trust, to the extent it is for the benefit of any of the persons listed under (a) above; or

(c) any person, entity or group of persons controlled by any of the persons listed under (a) or (b) above; and

(3) the term "Voting Stock" means, with respect to any Person, securities of any class or classes of Capital Stock in such Person entitling the holders thereof to vote under ordinary circumstances in the election of members of the Board of Directors or other governing body of such Person.

(4) the term "Disqualified Capital Stock" means any Capital Stock which, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof, in whole or in part, before the Stated Maturity of the Notes, for cash or securities constituting Indebtedness.

ARTICLE 4.

EVENTS OF DEFAULT

Section 4.1 Additional Events of Default.

Pursuant to Sections 2.2 (18) and 6.1(8) of the Indenture, so long as any of the Notes are outstanding, the following shall be an Event of Default with respect to the Notes, in addition to the Events of Default contained in Section 6.1 of the Indenture:

(1) The Company fails to give a Change of Control Notice in accordance with Section 3.1(b) hereof, or defaults in the payment of the Change of Control Purchase Price.

(2) The Company fails to give a Fundamental Change Notice in accordance with Section 2.7 hereof.

(3) The Company fails to convert, or deliver when due, any portion of the principal amount or conversion value of a Note following the exercise by the Holder of such Note of the right to convert such Note into Common Stock pursuant to and in accordance with Article 2 hereof.

ARTICLE 5.

AMENDMENTS, SUPPLEMENTS AND WAIVERS

Section 5.1 With Consent of Holders.

Pursuant to Sections 2.2 (and subject to Section 8.4) of the Indenture, so long as any of the Notes are outstanding, without the consent of each Securityholder affected, an amendment, supplement or waiver, including a waiver pursuant to Section 6.4 of the Indenture, may not (in addition to the events described in paragraphs (1) through (9) of the Indenture):

(1) make any change that impairs or adversely affects the right to convert any Security into Common Stock;

(2) impair or adversely affect the right of a Holder to institute suit for the enforcement of any payment with respect to, or conversion of, the Notes;

(3) make any change that adversely affects the right to require the Company to repurchase the Notes upon a Change of Control pursuant to and in accordance with Article 3 hereof; or

(4) reduce or impair or adversely affect the right of a Holder to receive the Change of Control Purchase Price.

ARTICLE 6.

MISCELLANEOUS

Section 6.1 Application of Second Supplemental Indenture.

Each and every term and condition contained in the Second Supplemental Indenture that modifies, amends or supplements the terms and conditions of the Indenture shall apply only to the Notes created hereby and not to any future series of Notes established under the Indenture. Except as specifically amended and supplemented by, or to the extent inconsistent with, this Second Supplemental Indenture, the Indenture shall remain in full force and effect and is hereby ratified and confirmed.

Section 6.2 Effective Date.

This Second Supplemental Indenture shall be effective as of the date first above written and upon the execution and delivery hereof by each of the parties hereto.

Section 6.3 Counterparts.

This Second Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Second Supplemental Indenture to be duly executed by their respective officers hereunto duly authorized, all as of the day and year first above written.

LAMAR ADVERTISING COMPANY

By: _____
Name:
Title:

Attest:

_____
Name:
Title:

THE BANK OF NEW YORK TRUST
COMPANY, N.A., as Trustee

By: _____
Name:
Title:

Attest:

_____
Name:
Title:

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On the ___day of _____,___, before me personally came _____, to me known, who, being by me duly sworn, did depose and say that he is the _____ of _____, one of the corporations described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation; and that he signed his name thereto by authority of the Board of Directors.

_____

Exhibit A

[FORM OF FACE OF NOTE]

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF THE DEPOSITARY OR A NOMINEE OF THE DEPOSITARY. THIS SECURITY IS EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITARY OR ITS NOMINEE ONLY IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY, BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH A SUCCESSOR DEPOSITARY.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (" *DTC*"), TO ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

LAMAR ADVERTISING COMPANY

2-7/8% Convertible Note due 2010—Series B

No. _____ $_____

CUSIP No.

LAMAR ADVERTISING COMPANY, a corporation duly organized and existing under the laws of the State of Delaware (herein called the "Company", which term includes any successor Person under the Indenture hereinafter defined), for value received, hereby promises to pay to CEDE & CO., or registered assigns, the principal sum of $___(_____ Dollars) on December 31, 2010, and to pay interest thereon from June [ ], 2007 or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi annually on June 30 and December 31 in each year, commencing June 30, 2007, at the rate of 2-7/8% per annum, until the principal hereof is paid or made available for payment.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the Person in whose name this Note is registered at the close of business on the regular record date for such interest, which shall be the 15th of June or 15th of December, as the case may be, next preceding such Interest Payment Date or, if such record date is not a Business Day, at the close of business of the immediately

succeeding Business Day. A "*Business Day*" shall mean any day other than a Saturday, Sunday, a federally recognized holiday or a day on which banking institutions are not authorized or required by law or executive order to be open in the State of New York. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such regular record date and shall be paid to the Person in whose name this Note is registered at the close of business on a subsequent special record date, which date shall be the fifteenth day next preceding the date fixed by the Company for the payment of defaulted interest or the next succeeding Business Day if such date is not a Business Day. At least 15 days before the special record date, the Company shall mail or cause to be mailed to each Holder, with a copy to the Trustee, a notice that states the special record date, the payment date, and the amount of defaulted interest, and interest payable on such defaulted interest, if any, to be paid.

Payments of principal of and interest on this Note and any additional payments due hereunder shall be made at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, The City of New York, State of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts. Interest may, at the option of the Company, be paid either (i) by check mailed to the registered address of the Person entitled thereto; *provided*, *however*, that a Holder of Notes with an aggregate principal amount in excess of $2,000,000 shall, at the written election (timely made and containing appropriate wire transfer information) of such Holder, be paid by wire transfer of immediately available funds or (ii) by transfer to an account maintained by such Person located in the United States; *provided*, *however*, that payment to the Depositary will be made by wire transfer of immediately available funds to the account of the Depositary or its nominee.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof or an authenticating agent appointed by the Company, by manual signature, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed and delivered under its corporate seal.

Dated:

LAMAR ADVERTISING COMPANY

By: _____
Name:
Title:

By: _____
Name:
Title:

This is one of the Securities of the Series designated therein referred to in the within-mentioned Indenture.

Dated:

THE BANK OF NEW YORK TRUST
COMPANY, N.A., as Trustee

By: _____
Authorized Signatory

[FORM OF REVERSE OF NOTE]

This Note is one of a duly authorized issue of securities of the Company (herein called the " *Notes*"), issued and to be issued in one or more series under an Indenture, dated as of June 16, 2003 (as supplemented by a Second Supplemental Indenture, dated as of June [ ], 2007, the "*Indenture*"), between the Company and The Bank of New York Trust Company, N.A., as Trustee (herein called the " *Trustee*", which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee, and the Holders of the Notes and of the terms upon which the Notes are, and are to be, authenticated and delivered. This Note is one of the series designated on the face hereof as "2-7/8% Convertible Notes due 2010—Series B", limited in aggregate principal amount to $287,500,000. All terms used in this Note which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

No sinking fund is provided for the Notes.

Subject to and upon compliance with the provisions of the Indenture, any Note (or any portion of the principal amount thereof which is $1,000 or an integral multiple of $1,000) that has not previously been repurchased, is convertible at the option of the Holder thereof, to the extent permitted by Article 2 of the Second Supplemental Indenture into cash, shares of fully paid and nonassessable shares of Class A common stock of the Company, $0.001 par value per share (the "*Common Stock*"), or a combination of both as provided in Section 2.2 of the Second Supplemental Indenture at an initial conversion rate (calculated to the nearest 1/100 of a share) of 20.4518 shares of Common Stock for each $1,000 principal amount of Note, or at the current adjusted conversion rate if an adjustment has been made as provided in the Indenture. A Note or portion thereof in respect of which the Holder has delivered a Repurchase Notice may be converted only if such notice is withdrawn in accordance with the terms of the Indenture, unless the Company has defaulted in the payment of the Change of Control Purchase Price. To convert this Note the Holder must (a) complete and manually sign the Conversion Notice or a facsimile of the Conversion Notice on the back of the Note and deliver such notice to the Conversion Agent, (b) surrender the Note to a Conversion Agent, (c) furnish appropriate endorsements and transfer documents if required by the Registrar or the Conversion Agent, (d) pay any transfer or similar tax, if required and (e) if required, pay funds equal to the interest payable on the next interest payment date. In the case of a Global Note, the Conversion Notice shall be completed by a DTC participant on behalf of the beneficial holder. Notes surrendered for conversion during the period from the close of business on any Record Date immediately preceding any Interest Payment Date to the opening of business on such Interest Payment Date shall be accompanied by payment in immediately available funds or other funds acceptable to the Company of an amount equal to the interest payable on such Interest Payment Date on the principal amount of Notes being surrendered for conversion; *provided*, *however*, that no such payment need be made if (1) we have specified a repurchase date following a Change of Control that is during such period or (2) only to the extent of overdue interest, any overdue interest exists at the time of conversion with respect to such note. No payment or adjustment shall be made upon any conversion on account of any interest accrued hereon from the Interest Payment Date immediately preceding the day of

conversion, or on account of any dividends on the Common Stock issued on conversion hereof. In addition, the Holders shall not be entitled to receive any dividends payable to holders of Common Stock as of any record date before the close of business on the conversion date. No fractional shares will be issued on conversion, but instead of any fractional interest (calculated to the nearest 1/100th of a share) the Company shall pay a cash adjustment as provided in the Indenture.

The Indenture provides that in the event of (i) certain types of reclassification or changes of the outstanding shares of Common Stock, (ii) any consolidation, merger or combination of the Company with another Person as a result of which holders of Common Stock shall be entitled to receive stock, other securities or other property or assets (including cash) with respect to or in exchange for such Common Stock, or (iii) any sale or conveyance of all or substantially all of the properties and assets of the Company to any other Person as a result of which holders of Common Stock shall be entitled to receive stock, other securities or other property or assets (including cash) with respect to or in exchange for such Common Stock, then the Company or the successor or purchasing Person, as the case may be, shall execute with the Trustee a supplemental indenture (which shall comply with the Trust Indenture Act as in force at the date of execution of such supplemental indenture) providing that this Note shall be convertible into the kind and amount of shares of stock, other securities or other property or assets (including cash) receivable upon such reclassification, change, consolidation, merger, combination, sale or conveyance by a holder of a number of shares of Common Stock issuable upon conversion of such Note (assuming, for such purposes, a sufficient number of authorized shares of Common Stock are available to convert all such Notes) immediately prior to such reclassification, change, consolidation, merger, combination, sale or conveyance assuming such holder of Common Stock did not exercise his rights of election, if any, as to the kind or amount of stock, other securities or other property or assets (including cash) receivable upon such reclassification, change, consolidation, merger, combination, sale or conveyance (*provided*, *however*, that, if the kind or amount of stock, other securities or other property or assets (including cash) receivable upon such reclassification, change, consolidation, merger, combination, sale or conveyance is not the same for each share of Common Stock in respect of which such rights of election shall not have been exercised (a "nonelecting share"), the kind and amount of stock, other securities or other property or assets (including cash) receivable upon such reclassification, change, consolidation, merger, combination, sale or conveyance for each non-electing share shall be deemed to be the kind and amount so receivable per share by a plurality of the non-electing shares).

Upon the occurrence of a Change of Control, the Company shall notify the Holders of the Notes of such occurrence by delivering a Change of Control Notice, and shall make a Change of Control Offer, and shall purchase, on a Business Day not more than 60 nor less than 30 days following the Change of Control Date (a "*Change of Control Purchase Date*") all, but not less than all, of the then outstanding Notes at a purchase price in cash equal to 100% of the principal amount thereof plus accrued interest, if any, to the Change of Control Purchase Date (the "*Change of Control Purchase Price*"). The Change of Control Offer shall remain open from the time of mailing for at least 20 Business Days and until 5:00 p.m., New York City time, on the Business Day prior to the Change of Control Purchase Date. To exercise its repurchase right, a Holder shall deliver to the Trustee a written a Repurchase Notice, in accordance with the terms

and conditions set forth in the Change of Control Notice. Upon receipt by the Trustee of a Repurchase Notice, the Holder of the Note in respect of which such Repurchase Notice was given shall (unless such Repurchase Notice is withdrawn) thereafter be entitled to receive solely the Change of Control Purchase Price with respect to such Note and, unless the Company has defaulted in the payment of the Change of Control Purchase Price, any Note accepted for payment pursuant to the Change of Control Offer shall cease to accrue interest after the Change of Control Purchase Date. Holders of Notes will be entitled to withdraw their election if the Paying Agent receives, not later than 5:00 p.m., New York City time, on the Business Day prior to the Change of Control Purchase Date. Notes in respect of which a Repurchase Notice has been given by the Holder thereof may not be converted into shares of Common Stock on or after the date of the delivery of such Repurchase Notice, unless such Repurchase Notice has first been validly withdrawn in the manner provided for in the Indenture (unless the Company has defaulted in the payment of the Change of Control Purchase Price). Holders electing to have Notes purchased pursuant to a Change of Control Offer will be required to surrender their Notes to the Paying Agent at the address (in the Borough of Manhattan, The City of New York) specified in the Change of Control Notice prior to 5:00 p.m., New York City time, on the Business Day prior to the Change of Control Purchase Date and must complete any form of letter of transmittal proposed by the Company and reasonably acceptable to the Trustee and the Paying Agent. Any portion of the principal amount of Notes that is equal to $1,000 or an integral multiple thereof, validly tendered into the Change of Control Offer and not withdrawn, will be accepted for payment.

In the event of repurchase or conversion of this Note in part only, a new Note or Notes for the unrepurchased or unconverted portion hereof will be issued in the name of the Holder hereof upon the cancellation thereof.

If an Event of Default with respect to the Notes shall occur and be continuing, the principal of all the Notes may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Notes under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in principal amount of the Notes at the time outstanding. The Indenture also contains provisions permitting the Holders of no less than a majority in principal amount of the Notes at the time outstanding, on behalf of the Holders of all the Notes, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued in exchange herefor or in lieu hereof whether or not notation of such consent or waiver is made upon this Note or such other Note.

As provided in and subject to the provisions of the Indenture, the Holder of this Note shall not have the right to institute any proceeding with respect to the Indenture or for the appointment of a receiver or trustee or for any other remedy thereunder, unless such Holder shall have previously given the Trustee written notice of a continuing Event of Default, the Holders of

not less than 25% in principal amount of the outstanding Notes shall have made written request to the Trustee to institute proceedings in respect of such Event of Default as Trustee and offered the Trustee reasonable indemnity and the Trustee shall not have received from the Holders of a majority in principal amount of the outstanding Notes a direction inconsistent with such request, and shall have failed to institute any such proceeding, for 60 days after receipt of such notice, request and offer of indemnity. The foregoing shall not apply to any suit instituted by the Holder of this Note for the enforcement of any payment of principal hereof or interest hereon on or after the respective due dates expressed herein or for the enforcement of the right to convert this Note as provided in the Indenture.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest on this Note at the times, places and rate, and in the coin or currency, herein prescribed or to convert this Note as provided in the Indenture.

The Notes are issuable only in registered form without coupons in denominations of $1,000 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, the Notes are exchangeable for a like aggregate principal amount of Notes of a different authorized denomination, as requested by the Holder surrendering the same.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note is registrable on the security register maintained by the Registrar, upon surrender of this Note for registration of transfer at the office or agency of the Company in any place where the principal of and any interest on this Note are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Registrar duly executed by, the Holder thereof or his attorney duly authorized in writing, and thereupon one or more Notes, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees by the Registrar.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to recover any tax or other governmental charge payable in connection therewith.

Prior to due presentation of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name Note is registered, as the owner thereof for all purposes, whether or not such Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

A director, officer, employee, stockholder or incorporation, as such, of the Company shall not have any liability (except in the case of bad faith or willful misconduct) for any obligations of the Company under the Notes or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creations. Each Holder by accepting a Note waives and releases all such liability. Such waiver and release are part of the consideration for the issuance of the Notes.

THE INDENTURE AND THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AS APPLIED TO CONTRACTS MADE AND PERFORMED WITHIN THE STATE OF NEW YORK WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW.

ABBREVIATIONS

The following abbreviations, when used in the inscription of the face of this Note, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	–	as tenants in common
TEN ENT	–	as tenants by the entireties (Cust)
JT TEN	–	as joint tenants with right of survivorship and not as tenants in common
UNIF GIFT MIN ACT	–	Uniform Gifts to Minors Act

Additional abbreviations may also be used though not in the above list.

ELECTION OF HOLDER TO REQUIRE REPURCHASE
UPON A CHANGE OF CONTROL

(1) Pursuant to Article 3 of the Second Supplemental Indenture dated June [ ], 2007 to the Indenture, the undersigned hereby acknowledges receipt of a notice from the Company of a Change of Control Offer and requests and instructs the Company to repurchase this Note, or the portion hereof (which is $1,000 in principal amount or an integral multiple of $1,000) below designated, as of the Change of Control Purchase Date pursuant to the terms and conditions specified in such Article 3.

(2) The undersigned hereby directs the Trustee or the Company to pay to the undersigned an amount in cash equal to 100% of the principal amount to be repurchased (as set forth below), plus interest accrued to the Change of Control Purchase Date, as provided in the Indenture.

(3) The undersigned elects (check one):

o to withdraw this notice with respect to the following Notes:

Principal amount:_____

Certificate numbers:_____

o to receive cash in respect of the entire Change of Control Purchase Price with respect to the Notes that are subject to this notice.

Notice: If the Holder fails to make an election, the Holder shall be deemed to have elected to receive cash in respect of the entire Change of Control Purchase Price for all Notes subject to this notice.

Dated:_____

_____

_____

Signature(s)

Signature(s) must be guaranteed by an Eligible Guarantor Institution with membership in an approved signature guarantee program pursuant to Rule 17Ad 15 under the Securities Exchange Act of 1934.

_____

Signature Guaranteed

Security certificate number:

Principal amount to be repurchased (if less than all):
$_____

Remaining principal amount after repurchase:
$_____

_____
Social Security or Other Taxpayer
Identification Number

CONVERSION NOTICE

The undersigned Holder of this Note hereby irrevocably exercises the option to convert this Note, or any portion of the principal amount hereof (which is $1,000 in principal amount or an integral multiple of $1,000), below designated, into cash, shares of fully paid and nonassessable shares of Class A common stock of the Company, $0.001 par value per share (the "*Common Stock*"), or a combination of both as provided in Section 2.2 of the Second Supplemental Indenture, in accordance with the terms of the Indenture referred to in this Note, and directs that such shares, together with a check in payment for any fractional share and any Notes representing any unconverted principal amount hereof, be issued and delivered to and be registered in the name of the undersigned unless a different name has been indicated below. If shares of Common Stock or any portion of this Note not converted are to be registered in the name of a Person other than the undersigned, (a) the undersigned will pay all transfer taxes payable with respect thereto and (b) signature(s) must be guaranteed by an Eligible Guarantor Institution with membership in an approved signature guarantee program pursuant to Rule 17Ad 15 under the Securities Exchange Act of 1934.

Dated:_____

_____

_____

Signature(s)

If shares or Notes are to be registered in the name of a Person other than the Holder, please print such Person's name and address:

_____

Name

_____

Address

_____

Social Security or Other Taxpayer Identification Number

_____

[Signature Guaranteed]

If only a portion of the Notes is to be converted, please indicate:

1. Principal amount to be converted:

   $_____

2. Principal amount and denomination of Notes representing unconverted principal amount to be issued:

   $_____

FORM OF ASSIGNMENT

For value received _____hereby sell(s), assign(s) and transfer(s) unto ___[also insert social security or other identifying number of assignee] the within Note, and hereby irrevocably constitutes and appoints _____as attorney to transfer the said Note on the books of the Company, with full power of substitution in the premises.

Dated:_____

_____

Signature(s)

Signature(s) must be guaranteed by an Eligible Guarantor Institution with membership in an approved signature guarantee program pursuant to Rule 17Ad 15 under the Securities Exchange Act of 1934.

EDWARDS ANGELL PALMER & DODGE LLP
111 Huntington Avenue Boston, MA 02199 617.239.0100 fax 617.227.4420 eapdlaw.com

Exhibit 5(a)

May 31, 2007

Lamar Advertising Company
5551 Corporate Boulevard
Baton Rouge, Louisiana 70808

Ladies and Gentlemen:

We are rendering this opinion in connection with the Registration Statement on Form S-4 (the " Registration Statement") filed by Lamar Advertising Company, a Delaware corporation (the " Company") with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), on or about the date hereof relating to the offer to exchange up to $287,500,000 aggregate principal amount of the Company's 2 7/8% Convertible Notes due 2010—Series B, convertible into (at the Company's option) cash, shares of Class A common stock, $0.001 par value of the Company (the "Class A common stock") or a combination thereof, (the " New Notes") and an exchange fee for up to $287,500,000 aggregate principal amount of the Company's outstanding 2 7/8% Convertible Notes due 2010 (the " Outstanding Notes"). The Outstanding Notes were issued by the Company under an indenture dated as of June 16, 2003 (the " Indenture") and a First Supplemental Indenture dated as of June 16, 2003 between the Company and The Bank of New York Trust Company, N.A. (the "Trustee"), as successor trustee to Wachovia Bank of Delaware, National Association. The New Notes will be issued pursuant to the Indenture and a Second Supplemental Indenture between the Company and the Trustee, the form of which is filed as an exhibit to the Registration Statement. The New Notes are to be offered and exchanged in the manner described in the Registration Statement (the "Exchange Offer").

We have acted as your counsel in connection with the preparation of the Registration Statement and are familiar with the proceedings of the Board of Directors of the Company in connection with the authorization, issuance and exchange of the New Notes. We have made such other examination as we consider necessary to render this opinion. We have relied as to certain matters on information obtained from public officials, officers of the Company and other sources believed by us to be responsible. The opinions rendered herein are limited to the law of the State of New York, the Delaware General Corporation Law (including the applicable provisions of the Delaware Constitution and reported judicial decisions interpreting these laws) and the federal laws of the United States.

Our opinions set forth below are subject to bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws of general applicability relating to or affecting

creditors' rights and remedies and to general principles of equity (whether considered in a proceeding in equity or at law).

Based on the foregoing we are of the opinion that:

1. The Company is validly existing as a corporation and in good standing under the laws of the State of Delaware and has the corporate power and authority to execute and deliver the New Notes and the Second Supplemental Indenture and to perform its obligations thereunder.

2. The New Notes have been duly authorized by all necessary corporate action of the Company, and when the Registration Statement has become effective under the Securities Act and the New Notes have been duly executed, authenticated and delivered in accordance with the Indenture and the Second Supplemental Indenture against receipt of the Outstanding Notes surrendered in the exchange therefor in accordance with the terms of the Exchange Offer, the New Notes will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms.

3. The shares of Class A common stock that may be issuable upon conversion of the New Notes have been duly authorized, and when issued upon conversion of the New Notes in accordance with the terms of the Indenture, the Second Supplemental Indenture and the New Notes, will be validly issued, fully paid and nonassessable.

To the extent that the obligations of the Company under the Indenture or the Second Supplemental Indenture may be dependent upon such matters, we assume for purposes of this opinion that the Trustee is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization; that the Trustee is duly qualified to engage in the activities contemplated by the Indenture and the Second Supplemental Indenture; that the Indenture was and the Second Supplemental Indenture will be duly authorized, executed and delivered by the Trustee and will constitute the valid and binding obligation of the Trustee enforceable against the Trustee in accordance with its terms; that the Trustee will be in compliance, with respect to acting as a trustee under the Indenture and Second Supplemental Indenture, with all applicable laws and regulations; and that the Trustee has the requisite organizational and legal power and authority to perform its obligations under the Indenture.

We hereby consent to the filing of this opinion as part of the Registration Statement and to the reference to our firm under the caption “Legal Matters” in the prospectus filed as a part thereof.

Very truly yours,

/s/ Edwards Angell Palmer & Dodge LLP

Edwards Angell Palmer & Dodge LLP

EDWARDS ANGELL PALMER & DODGE LLP
111 Huntington Avenue Boston, MA 02199 617.239.0100 fax 617.227.4420 eapdlaw.com

May 31, 2007

Lamar Advertising Company
5551 Corporate Boulevard
Baton Rouge, Louisiana 70808

Ladies and Gentlemen:

We have acted as counsel to Lamar Advertising Company (the "Company"), a Delaware corporation, in connection with the preparation and filing of the registration statement on Form S-4 (the "Registration Statement") of which this exhibit is a part relating to the proposed offer to exchange a new series of 2 7/8% convertible notes due 2010 (the "New Notes") and an exchange fee for all outstanding 2 7/8% convertible notes due 2010 (the "Outstanding Notes"). This opinion is being rendered pursuant to the requirements of Item 21(a) of Form S-4 under the Securities Act of 1933, as amended.

In preparing this opinion, we have examined and relied upon (i) the preliminary prospectus included in the Registration Statement (the "Prospectus"), (ii) the First Supplemental Indenture, dated as of June 16, 2003, establishing the terms of the Outstanding Notes, (iii) the Second Supplemental Indenture, a form of which is an exhibit to this Registration Statement, establishing the terms of the New Notes, and (iv) such other documents as we have deemed necessary or appropriate in order to enable us to render this opinion. In our examination of documents, we have assumed the authenticity of original documents, the accuracy of copies, the genuineness of signatures and the legal capacity of signatories.

In rendering this opinion, we have assumed without investigation or verification that the representations and statements set forth in the Prospectus and the other documents referred to herein are true, correct and complete in all material respects. We have further assumed that all of the obligations imposed by any such documents on the parties thereto have been and will continue to be performed or satisfied in accordance with their terms. Any inaccuracy in, or breach of, any of the aforementioned statements, representations or assumptions could adversely affect our opinion.

Our opinion is based on existing provisions of the Internal Revenue Code of 1986, as amended, Treasury Regulations, judicial decisions and rulings and other pronouncements of the Internal Revenue Service (the "IRS") as in effect on the date of this opinion, all of which are subject to change (possibly with retroactive effect) or reinterpretation. No assurances can be given that a change in the law on which our opinion is based or the interpretation thereof will not occur or that such change will not affect the opinion expressed herein. Our opinion is not

binding upon either the IRS or any court. Thus, no assurances can be given that a position taken in reliance on our opinion will not be challenged by the IRS or rejected by a court.

Based upon and subject to the foregoing, the discussion in the Prospectus under the heading "Material United States Federal Income Tax Considerations," subject to the limitations and qualifications described therein, constitutes our opinion insofar as its sets forth the United States federal income tax consequences to holders of Outstanding Notes of the exchange of Outstanding Notes for New Notes.

This opinion is being provided to you solely for use in connection with the Registration Statement, and this opinion letter may not be used, circulated, quoted, or otherwise referred to for any other purpose. We hereby consent to the filing of this opinion as an exhibit to the Registration Statement.

Very truly yours,

/s/ Edwards Angell Palmer & Dodge LLP

Edwards Angell Palmer & Dodge LLP

Exhibit 12(a)

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES (1)

The following table sets forth Lamar Advertising's ratio of earnings to fixed charges for the periods indicated.

	YEARS ENDED DECEMBER 31,					MARCH 31,	
(dollars in thousands)	2002	2003	2004	2005	2006	2007	2006
Net income (loss)	(36,328)	(39,755)	13,155	41,779	43,899	8,839	1,540
Income tax (benefit) expense	(19,694)	(23,573)	11,305	31,899	34,227	6,779	1,177
Fixed charges	158,084	142,545	127,933	147,069	173,889	47,463	39,110
Earnings	102,062	79,217	152,393	220,747	252,015	63,081	41,827
Interest expense, net	112,404	93,285	75,584	89,160	111,644	30,755	23,630
Rents under leases representative of an interest factor (1/3)	45,315	48,895	51,984	57,544	61,880	16,617	15,389
Preferred dividends	365	365	365	365	365	91	91
Fixed charges	158,084	142,545	127,933	147,069	173,889	47,463	39,110
Ratio of earnings to fixed charges (2)	0.6x	0.6x	1.2x	1.5x	1.5x	1.3x	1.1x

(1) The ratio of earnings to fixed charges is defined as earnings divided by fixed charges. For purposes of this ratio, earnings is defined as net income (loss) before income taxes and cumulative effect of a change in accounting principle and fixed charges. Fixed charges is defined as the sum of interest expense, preferred stock dividends and the component of rental expense that we believe to be representative of the interest factor for those amounts.

(2) For the years ended December 31, 2002 and 2003, earnings were insufficient to cover fixed charges by $56.0 million and $63.3 million, respectively.

Exhibit 21(a)

Subsidiaries as of May 31, 2007

EXACT NAME OF SUBSIDIARY AS SPECIFIED IN ITS CHARTER	STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION
Lamar Media Corp.	Delaware
American Signs, Inc.	Washington
Canadian TODS Limited	Nova Scotia, Canada
Colorado Logos, Inc.	Colorado
Delaware Logos, L.L.C.	Delaware
Florida Logos, Inc.	Florida
Georgia Logos, L.L.C.	Georgia
Interstate Logos, L.L.C.	Louisiana
Kansas Logos, Inc.	Kansas
Kentucky Logos, LLC	Kentucky
Lamar Advantage GP Company, LLC	Delaware
Lamar Advantage Holding Company	Delaware
Lamar Advantage LP Company, LLC	Delaware
Lamar Advantage Outdoor Company, L.P.	Delaware
Lamar Advertising Company	Delaware
Lamar Advertising of Colorado Springs, Inc.	Colorado
Lamar Advertising of Kentucky, Inc.	Kentucky
Lamar Advertising of Louisiana, L.L.C.	Louisiana
Lamar Advertising of Michigan, Inc.	Michigan
Lamar Advertising of Oklahoma, Inc.	Oklahoma
Lamar Advertising of Penn, LLC	Delaware
Lamar Advertising of Puerto Rico, Inc.	Puerto Rico
Lamar Advertising of South Dakota, Inc.	South Dakota
Lamar Advertising of Youngstown, Inc.	Delaware
Lamar Advertising Southwest, Inc.	Nevada
Lamar Air, L.L.C.	Louisiana
Lamar Benches, Inc.	Oklahoma
Lamar Canadian Outdoor Company	British Columbia, Canada
Lamar Central Outdoor, LLC	Delaware
Lamar DOA Tennessee Holdings, Inc.	Delaware
Lamar DOA Tennessee, Inc.	Delaware
Lamar Electrical, Inc.	Louisiana
Lamar Florida, Inc.	Florida
Lamar I-40 West, Inc.	Oklahoma
Lamar Obie Corporation	Delaware
Lamar OCI North Corporation	Delaware
Lamar OCI South Corporation	Mississippi
Lamar Ohio Outdoor Holding Corp.	Ohio
Lamar Oklahoma Holding Company, Inc.	Oklahoma
Lamar Pensacola Transit, Inc.	Florida
Lamar T.T.R., L.L.C.	Arizona
Lamar Tennessee, L.L.C.	Tennessee
Lamar Texas General Partner, Inc.	Louisiana
Lamar Texas Limited Partnership	Texas
Lamar Transit Advertising Canada Ltd.	British Columbia, Canada

EXACT NAME OF SUBSIDIARY AS SPECIFIED IN ITS CHARTER	STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION
LC Billboard L.L.C.	Delaware
Maine Logos, L.L.C.	Maine
Michigan Logos, Inc.	Michigan
Minnesota Logos, Inc.	Minnesota
Mississippi Logos, L.L.C.	Mississippi
Missouri Logos, LLC	Missouri
Nebraska Logos, Inc.	Nebraska
Nevada Logos, Inc.	Nevada
New Jersey Logos, L.L.C.	New Jersey
New Mexico Logos, Inc.	New Mexico
O. B. Walls, Inc.	Oregon
Obie Billboard, LLC	Oregon
Ohio Logos, Inc.	Ohio
Oklahoma Logos, L.L.C.	Oklahoma
Outdoor Marketing Systems, Inc.	Pennsylvania
Outdoor Marketing Systems, L.L.C.	Pennsylvania
Outdoor Promotions West, LLC	Delaware
Premere Outdoor, Inc.	Illinois
QMC Transit, Inc.	Puerto Rico
South Carolina Logos, Inc.	South Carolina
Tennessee Logos, Inc.	Tennessee
Texas Logos, L.P.	Texas
The Lamar Company, L.L.C.	Louisiana
TLC Farms, L.L.C.	Louisiana
TLC Properties II, Inc.	Texas
TLC Properties, Inc.	Louisiana
TLC Properties, L.L.C.	Louisiana
Triumph Outdoor Holdings, LLC	Delaware
Triumph Outdoor Rhode Island, LLC	Delaware
Utah Logos, Inc.	Utah
Virginia Logos, LLC	Virginia
Washington Logos, L.L.C.	Washington

Exhibit 23(a)

Consent of Independent Registered Public Accounting Firm

The Boards of Directors of
Lamar Advertising Company
and Lamar Media Corp.:

We consent to the use of our reports dated February 28, 2007, with respect to the consolidated balance sheets of Lamar Advertising Company and subsidiaries and Lamar Media Corp. and subsidiaries as of December 31, 2006 and 2005, and the related consolidated statements of operations, stockholders' equity and comprehensive income, and cash flows for each of the years in the three-year period ended December 31, 2006, and all related financial statement schedules, management's assessments of the effectiveness of internal control over financial reporting as of December 31, 2006, and the effectiveness of internal control over financial reporting as of December 31, 2006, incorporated by reference herein and to the reference to our firm under the heading "Experts" in the prospectus.

Our reports for the year ended December 31, 2006 refer to a change in the method of accounting for share-based payments and quantifying errors.

/s/ KPMG LLP

New Orleans, Louisiana
May 31, 2007

Exhibit 25(a)

FORM T-1

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE
ELIGIBILITY OF A TRUSTEE PURSUANT TO
SECTION 305(b)(2) |__|

THE BANK OF NEW YORK TRUST COMPANY, N.A.
(Exact name of trustee as specified in its charter)

(State of incorporation if not a U.S. national bank)	95-3571558 (I.R.S. employer identification no.)
700 South Flower Street Suite 500 Los Angeles, California (Address of principal executive offices)	90017 (Zip code)

Lamar Advertising Company

(Exact name of obligor as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**72-1449411** (I.R.S. employer identification no.)
5551 Corporate Boulevard **Baton Rouge, Louisiana** (Address of principal executive offices)	**70808** (Zip code)

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2 7/8% Convertible Notes Due 2010- Series B

(Title of Indenture Securities)

1. General information. Furnish the following information as to the trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Comptroller of the Currency United States Department of the Treasury	Washington, D.C. 20219
Federal Reserve Bank	San Francisco, California 94105
Federal Deposit Insurance Corporation	Washington, D.C. 20429

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the "Act") and 17 C.F.R. 229. 10(d)

1. A copy of the articles of association of The Bank of New York Trust Company, N.A. (Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121948).
2. A copy of certificate of authority of the trustee to commence business. (Exhibit 2 to Form T-1 filed with Registration Statement No. 333-121948).
3. A copy of the authorization of the trustee to exercise corporate trust powers. (Exhibit 3 to Form T-1 filed with Registration Statement No. 333-121948).
4. A copy of the existing by-laws of the trustee. (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-121948).

6. The consent of the trustee required by Section 321(b) of the Act. (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-121948).

7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the trustee, The Bank of New York Trust Company, N.A., a banking association organized and existing under the laws of the United States of America, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of Jacksonville, and State of Florida, on the 31 day of May, 2007.

THE BANK OF NEW YORK TRUST COMPANY, N.A.

By: /s/ Christie Leppert
Name: Christie Leppert
Title: Assistant Vice President

EXHIBIT 7

Consolidated Report of Condition of
THE BANK OF NEW YORK TRUST COMPANY, N.A.
of 700 South Flower Street, Suite 200, Los Angeles, CA 90017

At the close of business March 31, 2007, published in accordance with Federal regulatory authority instructions.

	Dollar Amounts in Thousands
ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	2,391
Interest-bearing balances	0
Securities:	
Held-to-maturity securities	40
Available-for-sale securities	65,083
Federal funds sold and securities purchased under agreements to resell:	
Federal funds sold	48,400
Securities purchased under agreements to resell	54,885
Loans and lease financing receivables:	
Loans and leases held for sale	0
Loans and leases, net of unearned income	0
LESS: Allowance for loan and lease losses	0
Loans and leases, net of unearned income and allowance	0
Trading assets	0
Premises and fixed assets (including capitalized leases)	8,755
Other real estate owned	0
Investments in unconsolidated subsidiaries and associated companies	0
Not applicable	
Intangible assets:	
Goodwill	924,236
Other Intangible Assets	270,030
Other assets	143,616
Total assets	$ 1,517,436
LIABILITIES	
Deposits:	
In domestic offices	1,691
Noninterest-bearing	1,691

	Dollar Amounts in Thousands
Interest-bearing	0
Not applicable	
Federal funds purchased and securities sold under agreements to repurchase:	
Federal funds purchased	0
Securities sold under agreements to repurchase	0
Trading liabilities	0
Other borrowed money:	
(includes mortgage indebtedness and obligations under capitalized leases)	118,691
Not applicable	
Not applicable	
Subordinated notes and debentures	0
Other liabilities	126,416
Total liabilities	246,798
Minority interest in consolidated subsidiaries	0
EQUITY CAPITAL	
Perpetual preferred stock and related surplus	0
Common stock	1,000
Surplus (exclude all surplus related to preferred stock)	1,121,520
Retained earnings	148,100
Accumulated other comprehensive income	18
Other equity capital components	0
Total equity capital	1,270,638
Total liabilities, minority interest, and equity capital (sum of items 21, 22, and 28)	1,517,436

I, Karen Bayz, Vice President of the above-named bank do hereby declare that the Reports of Condition and Income (including the supporting schedules) for this report date have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true to the best of my knowledge and belief.

Karen Bayz) Vice President

We, the undersigned directors (trustees), attest to the correctness of the Report of Condition (including the supporting schedules) for this report date and declare that it has been examined by us and to the best of our knowledge and belief has been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true and correct.

Michael K. Klugman, President)
Frank P. Sulzberger, MD) Directors (Trustees)
Michael F. McFadden, MD)

LETTER OF TRANSMITTAL

LAMAR ADVERTISING COMPANY

Tender of

Any and All Outstanding 2.875% Convertible Notes Due 2010

In Exchange For

2.875% Convertible Notes Due 2010-Series B

and an Exchange Fee

Registered Under the Securities Act of 1933

Pursuant to the preliminary prospectus dated May 31, 2007 and any amendments or supplements thereto

THE EXCHANGE OFFER WILL EXPIRE AT MIDNIGHT, NEW YORK CITY TIME, ON JUNE 27, 2007, UNLESS EXTENDED (SUCH TIME AND DATE, AS THE SAME MAY BE EXTENDED FROM TIME TO TIME, THE "EXPIRATION DATE"). TENDERS MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION DATE.

The Exchange Agent is:

THE BANK OF NEW YORK TRUST COMPANY, N.A.

By Mail, Hand Delivery or Overnight Courier:

The Bank of New York Trust Company, N.A.
c/o The Bank of New York
Corporate Trust Operations
Reorganization Unit
101 Barclay Street-7 East
New York, N.Y. 10286
Attn: Mr. William Buckley

By Facsimile Transmission:
The Bank of New York Trust Company, N.A.
c/o The Bank of New York
Fax: (212)-298-1915
Attn: Mr. William Buckley

For Information or Confirmation by Telephone:

The Bank of New York Trust Company, N.A.
c/o The Bank of New York
Telephone: (212)-815-5788
Attn: Mr. William Buckley

DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE OR TRANSMISSION TO A FACSIMILE NUMBER OTHER THAN THE ONE LISTED ABOVE WILL NOT CONSTITUTE VALID DELIVERY TO THE EXCHANGE AGENT.

The instructions set forth in this Letter of Transmittal (the "Letter of Transmittal") should be read carefully before this Letter of Transmittal is completed. The undersigned acknowledges that he, she or it has received the preliminary prospectus, dated May 31, 2007 and any amendments or supplements thereto (the "Prospectus"), of Lamar Advertising Company., a Delaware corporation (the "Company"), and this Letter of Transmittal, which together constitute the Company's offer (the "Exchange Offer") to exchange an aggregate principal amount of up to $287,500,000 of its 2.875% Convertible Notes due 2010-Series B (the "New Notes") and an exchange fee of $2.50 for each $1,000 principal amount for an equal principal amount of its outstanding 2.875% Convertible Notes due 2010 (the "Old Notes"). The Old Notes were issued pursuant to an Indenture and a First Supplemental Indenture, each dated as of June 16, 2003 between the Company and Wachovia Bank of Delaware, National Association, as Trustee. Recipients of the Prospectus should read the requirements described in the Prospectus with respect to eligibility to participate in the Exchange Offer. Capitalized terms used but not defined herein have the meaning given to them in the Prospectus. In the event of any conflict between the Letter of Transmittal and the Prospectus, the Prospectus shall govern. All terms and conditions contained in this Prospectus are deemed to be incorporated into and form a part of this Letter of Transmittal. Therefore, you are urged to read the Prospectus carefully.

Please read this entire letter of transmittal carefully before completing.

This Letter of Transmittal is to be used by a holder of Old Notes if:

- certificates representing tendered Old Notes are to be forwarded herewith; or
- a tender is made pursuant to the guaranteed delivery procedures in the section of the Prospectus entitled "The Exchange Offer — Guaranteed Delivery Procedures."

Holders that are tendering by book-entry transfer to the exchange agent's account at the Depository Trust Company ("DTC") can effect the tender through the Automated Tender Offer Program ("ATOP") for which the Exchange Offer will be eligible. DTC participants that are accepting the Exchange Offer must transmit their acceptance to DTC which will verify the acceptance and execute a book-entry delivery to the exchange agent's account at DTC. DTC will then send an agent's message forming part of a book-entry transfer in which the participant agrees to be bound by the terms of the Letter of Transmittal (an "Agent's Message") to the exchange agent for its acceptance. Transmission of the Agent's Message by DTC will satisfy the terms of the Exchange Offer as to execution and delivery of a Letter of Transmittal by the participant identified in the Agent's Message.

In order to complete this Letter of Transmittal properly, a holder of Old Notes must:

- complete the box entitled, "Description of Old Notes Tendered";
- if appropriate, provide the information relating to guaranteed delivery, Special Issuance Instructions and Special Delivery Instructions;
- sign the Letter of Transmittal by completing the box entitled "Sign Here To Tender Your Old Notes in the Exchange Offer"; and
- complete IRS Form W-9.

Each holder of Old Notes should carefully read the detailed instructions below prior to completing the Letter of Transmittal.

Holders of Old Notes who desire to tender their Old Notes for exchange and whose Old Notes are not immediately available or who cannot deliver their Old Notes, this Letter of Transmittal and all other documents required hereby to the exchange agent or complete the procedures for book-entry transfer on or prior to the Expiration Date, must tender the Old Notes pursuant to the guaranteed delivery procedures set forth in the section of the Prospectus entitled "The Exchange Offer — Guaranteed Delivery Procedures." See Instruction 2 to this Letter of Transmittal. **Delivery of documents to DTC does not constitute delivery to the exchange agent. Delivery of this Letter of Transmittal to an address or transmission of instructions via a facsimile number other than as set forth herein will not constitute valid delivery.** In order to ensure participation in the Exchange Offer, Old Notes must be properly tendered prior to the Expiration Date.

Holders of Old Notes who wish to tender their Old Notes for exchange must complete columns (1) and (2) in the box below entitled "Description of Old Notes Tendered," and sign the box below entitled "Sign Here To Tender Your Old Notes in the Exchange Offer." If only those columns are completed, such holder of Old Notes will have tendered for exchange all Old Notes listed in column (2) below. If the holder of Old Notes wishes to tender for exchange less than all of such Old Notes, column (3) must be completed in full. In such case, such holder of Old Notes should refer to Instruction 5.

The Exchange Offer may be extended, terminated or amended, as provided in the Prospectus. During any such extension of the Exchange Offer, all Old Notes previously tendered and not withdrawn pursuant to the Exchange Offer will remain subject to the Exchange Offer. The Exchange Offer is scheduled to expire at Midnight, New York City time, on May 31, 2007, unless extended by the Company, in its sole discretion.

Only registered holders are entitled to tender their Old Notes for exchange in the Exchange Offer. Any financial institution that is a DTC participant and whose name appears on a security position listing as the record owner of the Old Notes and who wishes to make book-entry delivery of Old Notes as described above must complete and execute a participant's letter (which will be distributed to participants by DTC) instructing DTC's nominee to tender such Old Notes for exchange. Persons who are beneficial owners of Old Notes but are not registered holders and who seek to tender Old Notes should:

- contact the registered holder of such Old Notes and instruct such registered holder to tender on his, her or its behalf;
- obtain and include with this Letter of Transmittal, Old Notes properly endorsed for transfer by the registered holder or accompanied by a properly completed bond power from the registered holder, with signatures on the endorsement or bond power guaranteed by a firm that is a member of a registered national securities exchange, a member of the National Association of Securities Dealers, Inc., a commercial bank or trading company having an office in the United States or certain other eligible guarantors (each, an "Eligible Institution"); or
- effect a record transfer of such Old Notes from the registered holder to such beneficial owner and comply with the requirements applicable to registered holders for tendering Old Notes prior to the Expiration Date.

See the section entitled "The Exchange Offer— Procedures for Tendering" in the Prospectus.

The undersigned hereby tenders for exchange the Old Notes described in the box below entitled "Description of Old Notes Tendered" pursuant to the terms and conditions described in the Prospectus and this Letter of Transmittal.

DESCRIPTION OF OLD NOTES TENDERED			
Name(s) and Address(es) of registered holder(s) (Please fill in, if blank)	**(1) Certificate Number(s)***	**(2) Aggregate Principal Amount of Old Notes Represented by Certificate(s)**	**(3) Principal Amount of Old Notes Tendered for Exchange****
		Total Principal Amount Tendered:	

* Need not be completed if Old Notes are being tendered by book-entry transfer.
** Unless otherwise indicated in column (3), any tendering holder will be deemed to have tendered the entire principal amount represented by the Old Notes indicated in column (2). See Instruction 5. The minimum permitted tender is $1,000 in principal, or face, amount of Old Notes at maturity. All other tenders must be in integral multiples of $1,000.

New Notes will be issued by deposit in book-entry form with the Exchange Agent. Accordingly, holders who anticipate tendering other than through DTC are urged to contact promptly a bank, broker or other intermediary (that has the capability to hold securities custodially through DTC) to arrange for receipt of any New Notes to be delivered pursuant to the Exchange Offer and to obtain the information necessary to provide the required DTC participant and account information in this Letter of Transmittal.

If we consummate the Exchange Offer, the New Notes will be issued in exchange for old notes on or about the third business day following the Expiration Date.

o **CHECK HERE IF TENDERED OLD NOTES ARE ENCLOSED HEREWITH.**

o **CHECK HERE IF TENDERED OLD NOTES ARE BEING DELIVERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY AND COMPLETE THE FOLLOWING (FOR USE BY ELIGIBLE INSTITUTIONS ONLY):**

Name(s) of Registered Holder(s)_____

Window Ticket Number (if any)_____

Date of Execution of Notice of Guaranteed Delivery_____

Name of Institution that guaranteed delivery_____

o **CHECK HERE IF YOU ARE A BROKER-DEALER AND WISH TO RECEIVE 10 ADDITIONAL COPIES OF THE PROSPECTUS AND 10 COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO. COMPLETE THE FOLLOWING:**

Name_____

Delivery address:_____

SIGNATURES MUST BE PROVIDED BELOW.
PLEASE READ THE ACCOMPANYING INSTRUCTIONS BELOW CAREFULLY.

Ladies and Gentlemen:

Upon the terms and subject to the conditions of the Exchange Offer, the undersigned hereby tenders to the Company for exchange the Old Notes indicated above. Subject to, and effective upon, acceptance for purchase of the Old Notes tendered herewith, the undersigned hereby tenders, assigns, transfers and exchanges to the Company all right, title and interest in and to all such Old Notes tendered for exchange hereby.

The undersigned hereby irrevocably constitutes and appoints the exchange agent as the true and lawful agent and attorney-in-fact of the undersigned (with full knowledge that the exchange agent also acts as agent of the Company) with respect to such Old Notes, with full power of substitution and resubstitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to:

- deliver certificates representing such Old Notes, or transfer ownership of such Old Notes on the account books maintained by DTC, together, in each such case, with all accompanying evidences of transfer and authenticity to the Company;
- present and deliver such Old Notes for transfer on the books of the Company; and
- receive all benefits or otherwise exercise all rights and incidents of beneficial ownership of such Old Notes, all in accordance with the terms of the Exchange Offer.

The undersigned understands that validly tendered Old Notes (or defectively tendered Old Notes with respect to which the Company has waived such defect) will be deemed to have been accepted by the Company, as and when the Company gives oral or written notice thereof to the Exchange Agent. The undersigned understands that subject to the terms and conditions hereof and in the Prospectus, Old Notes properly tendered and accepted (and not validly withdrawn) in accordance with such terms and conditions will be exchanged for New Notes. The undersigned understands that, under certain circumstances, the Company may not be required to accept any of the Old Notes tendered (including such Old Notes tendered after the Expiration Date). If any Old Notes are not accepted for exchange for any reason (or if Old Notes are validly withdrawn), such unexchanged (or validly withdrawn) Old Notes will be returned without expense to the undersigned's account at DTC or such other account as designated herein pursuant to the book-entry transfer procedures described in the Prospectus as promptly as practicable after the expiration or termination of the Exchange Offer.

The undersigned represents and warrants that it has full power and authority to tender, exchange, assign and transfer the Old Notes and to acquire New Notes issuable upon the exchange of such tendered Old Notes, and that, when the same are accepted for exchange, the Company will acquire good and unencumbered title to the tendered Old Notes, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim. The undersigned also warrants that it will, upon request, execute and deliver any additional documents deemed by the exchange agent or the Company to be necessary or desirable to complete the exchange, assignment and transfer of tendered Old Notes or transfer ownership of such Old Notes on the account books maintained by the book-entry transfer facility.

The undersigned additionally represents, warrants and agrees that:

(1) it and any Beneficial Owner(s) on whose behalf the undersigned is acting will not sell, pledge, hypothecate or otherwise encumber or transfer any Old Notes tendered hereby from the date of this Letter of Transmittal and agrees that any purported sale, pledge, hypothecation or other encumbrance or transfer will be void of no effect.

(2) in evaluating the Exchange Offer and in making its decision whether to participate therein by tendering its Old Notes, the undersigned or the Beneficial Owner on whose behalf the undersigned is acting has made its own independent appraisal of the matters referred to in the Prospectus, herein and in any related communications and is not relying on any statement, representation or warranty, express or implied, made to such holder by the Company, the

Information Agent, the Exchange Agent, the Dealer Manager or any other party, other than those contained in the Prospectus (as amended or supplemented to the Expiration Date).

(3) the submission of this Letter of Transmittal or agent's message to the Exchange Agent shall, subject to holder's ability to withdraw its tender prior to the Withdrawal Deadline, and subject to the terms and conditions of the Exchange Offer generally, constitute the irrevocable appointment of the Exchange Agent as its attorney and agent, and an irrevocable instruction to such attorney and agent to complete and execute all or any form(s) of transfer and other document(s) at the discretion of such attorney and agent in relation to the Old Notes tendered hereby in favor of the Company or such other person or persons as it may direct and deliver such form(s) of transfer and other document(s) in the attorney's and/or agent's discretion and the certificate(s) and to execute all such other documents and to do all such other acts and things as may be in the opinion of such attorney or agent necessary or expedient for the purpose of, or in connection with, the acceptance of the Exchange Offer, and to vest in the Company or its nominees such Old Notes.

(4) it acknowledges that (a) none of the Company, the Information Agent, the Exchange Agent, the Dealer Manager, the trustee, or any person acting on behalf of any of the foregoing has made any statement, representation or warranty, express or implied, to it with respect to the Company or the offer, issuance or sale of any New Notes, other than the information included in the Prospectus (as amended or supplemented to the Expiration Date), and (b) any information it desires concerning the Company and the New Notes or any other matter relevant to its decision to purchase the New Notes (including a copy of the Prospectus) is or has been made available to it.

(5) it and any Beneficial Owner on whose behalf the undersigned is acting (a) is able to act on its own behalf for itself in the transaction contemplated by the Prospectus, (b) has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its prospective investment in the New Notes, and (c) has the ability to bear the economic risks of its prospective investment in the New Notes and can afford the complete loss of such investment; and

(6) it understands that the Company, the Information Agent, the Exchange Agent, the Dealer Manager and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of the acknowledgements, representations and agreements made by it pursuant to its submission of this Letter of Transmittal are, at any time prior to the consummation of the Exchange Offer, no longer accurate, it shall promptly notify the Company and the Dealer Manager. If it is acquiring the New Notes to be exchanged for the Old Notes tendered hereby from the Company, for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

By tendering, each holder of Old Notes represents that the New Notes acquired in the exchange will be obtained in the ordinary course of such holder's business, that such holder has no arrangement with any person to participate in the distribution of such New Notes, that such holder is not an "affiliate" of the Company within the meaning of Rule 405 under the Securities Act and that such holder is not participating in, and does not intend to participate in, a distribution of the New Notes. The undersigned also acknowledges that this Exchange Offer is being made by the Company based upon the Company's understanding of an interpretation by the staff of the Securities and Exchange Commission (the "Commission") as set forth in no-action letters issued to third parties, that the New Notes issued in exchange for the Old Notes pursuant to the Exchange Offer may be offered for resale, resold and otherwise transferred by holders thereof, without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that: (i) such holders are not "affiliates" of the Company within the meaning of Rule 405 under the Securities Act; (ii) such New Notes are acquired in the ordinary course of such holder's business; and (iii) such holders are not engaged in, and do not intend to engage in, a distribution of the New Notes and have no arrangement or understanding with any person to participate in the distribution of

the New Notes. However, the staff of the Commission has not considered the Exchange Offer in the context of a request for a no-action letter, and there can be no assurance that the staff of the Commission would make a similar determination with respect to the Exchange Offer as in other circumstances. Any broker-dealer and any holder who has an arrangement or understanding with any person to participate in the distribution of New Notes may not rely on the applicable interpretations of the staff of the Commission. Consequently, these holders must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any secondary resale transaction.

If the undersigned is a broker-dealer, it acknowledges that the Commission considers broker-dealers that acquired Old Notes directly from the Company, but not as a result of market-making activities or other trading activities, to be making a distribution of the New Notes. If the undersigned is not a broker-dealer, the undersigned represents that it is not engaged in, and does not intend to engage in, a distribution of New Notes. If the undersigned is a broker-dealer that will receive New Notes for its own account in exchange for Old Notes acquired by it as a result of market-making activities or other trading activities, it acknowledges that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such New Notes; however, by so acknowledging and delivering a prospectus, the undersigned will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

All authority conferred or agreed to be conferred pursuant to this Letter of Transmittal and every obligation of the undersigned hereunder shall be binding upon the successors, assigns, heirs, executors, administrators, trustees in bankruptcy, and personal and legal representatives of the undersigned and shall not be affected by, and shall survive, the death or incapacity of the undersigned. Old Notes properly tendered may be withdrawn at any time prior to the Expiration Date in accordance with the terms of this Letter of Transmittal.

The Exchange Offer is subject to certain conditions, each of which may be waived or modified by the Company, in whole or in part, at any time and from time to time, as described in the Prospectus under the caption "The Exchange Offer—Conditions to the Exchange Offer." The undersigned recognizes that as a result of such conditions, the Company may not be required to accept for exchange, or to issue New Notes in exchange for, any of the Old Notes properly tendered hereby. In such event, the tendered Old Notes not accepted for exchange will be returned to the undersigned without cost to the undersigned at the address shown below the undersigned's signature(s) unless otherwise indicated under "Special Issuance Instructions" below.

The undersigned understands that all Old Notes tendered hereby may be withdrawn at any time prior to the Expiration Date. After the Expiration Date, tenders may not be withdrawn, except under the limited circumstances described in the Prospectus.

Unless otherwise indicated in the box entitled "Special Issuance Instructions" below, please issue the New Notes in the name of the undersigned or, in the case of a book-entry delivery of Old Notes, please credit the book-entry account indicated above maintained at DTC, Euroclear or Clearstream. Similarly, unless otherwise indicated under the box entitled "Special Delivery Instructions" below, please send the New Notes (and, if applicable, substitute certificates representing Old Notes for any portion of any Old Notes not exchanged) to the undersigned at the address shown above in the box entitled "Description of Old Notes Tendered." Similarly, unless otherwise indicated under "Special Delivery Instructions," please mail any certificates representing Old Notes not tendered or not accepted for exchange (and accompanying documents, as appropriate) to the address(es) of the holder(s) appearing under "Description of Old Notes Tendered." The undersigned recognizes that the Company does not have any obligation pursuant to the Special Issuance Instructions, to transfer any Old Notes from the name of the holder thereof if the Company does not accept for exchange any of the Old Notes so tendered or if such transfer would not be in compliance with any transfer restrictions applicable to such Old Notes.

SPECIAL ISSUANCE INSTRUCTIONS
(SEE INSTRUCTIONS 1, 6, 7 AND 8)

To be completed ONLY if (i) certificates for Old Notes not tendered and/or New Notes are to be issued and the exchange fee is to be paid in the name of someone other than the person(s) whose signature(s) appear(s) on this Letter of Transmittal, or (ii) Old Notes tendered by book-entry transfer which are not exchanged are to be returned by credit to an account maintained at DTC, Euroclear or Clearstream other than the account indicated above.

ISSUE TO:

Name(s): _____
(Please Print)

Address: _____
(Include Zip Code)

(Complete Accompanying Substitute Form W-9)

_____
(Taxpayer Identification or Social Security Number)

Credit unexchanged Old Notes delivered by book-entry transfer to the DTC, Euroclear or Clearstream account set forth below:

_____
(Account Number)

SPECIAL DELIVERY INSTRUCTIONS
(SEE INSTRUCTIONS 1, 6, 7 AND 8)

To be completed ONLY if certificates for Old Notes not tendered and/or New Notes and exchange fee are to be sent to someone other than the person(s) shown in the box entitled "Description of Old Notes Tendered" in this Letter of Transmittal.

MAIL TO:

Name(s): _____
(Please Print)

Address: _____
(Include Zip Code)

(Complete Accompanying Substitute Form W-9)

_____
(Taxpayer Identification or Social Security Number)

SIGN HERE TO TENDER YOUR OLD NOTES IN THE EXCHANGE OFFER

(The following must be signed by the registered holder(s) of Old Notes exactly as name(s) appear(s) on certificate(s) representing the Old Notes or on a security position listing or by person(s) authorized to become registered holder(s) by certificates and documents transmitted herewith.)

Signature(s) of holder(s) of Old Notes: _____

Dated: _____

Area Code and Telephone Number: _____

(If signature is by an attorney-in-fact, executor, administrator, trustee, guardian, officer of a corporation or other person acting in a fiduciary or representative capacity, please provide the following information and see Instruction 6.)

(Please Type or Print)

Capacity (Full Title): _____

Name(s): _____

Address: _____
(Include Zip Code)

Area Code and Telephone Number: _____

Tax Identification or Social Security No.: _____

GUARANTEE OF SIGNATURE(S)
(If required—see Instructions 1 and 6)

Authorized Signature: _____

Name: _____
(Please Type or Print)

Title: _____

Name of Firm: _____

Address: _____
(Include Zip Code)

Area Code and Telephone Number: _____

Dated: _____

IMPORTANT: COMPLETE AND SIGN THE IRS FORM W-9 IN THIS LETTER OF TRANSMITTAL

INSTRUCTIONS
Forming Part of the Terms and Conditions of the Exchange Offer

1. *Guarantee of Signatures.* Signatures on this Letter of Transmittal need not be guaranteed if the Old Notes tendered hereby are tendered:

- by the registered holder(s) of Old Notes thereof (including any participant in DTC, Euroclear or Clearstream whose name appears in a security position listing as the owner of the old Notes), unless such holder has completed either the box entitled "Special Issuance Instructions" or the box entitled "Special Delivery Instructions" above; or
- for the account of a firm that is an Eligible Institution.

In all other cases, all signatures on this Letter of Transmittal must be guaranteed by an Eligible Institution. An Eligible Institution is defined as a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office or correspondent in the United States or an institution that is a recognized member in good standing of a Medallion Signature Guarantee Program recognized by the exchange agent (i.e., the Securities Transfer Agent's Medallion Program, the Stock Exchange's Medallion Program and the New York Stock Exchange's Medallion Signature Program).

Any beneficial owner of Old Notes who is not the registered holder (and is not a Euroclear, Clearstream or DTC Participant), and who seeks to tender Old Notes for exchange should:

- contact the registered holder(s) of such Old Notes and instruct such registered holder(s) to tender on such beneficial owner's behalf;
- obtain and include with this Letter of Transmittal, Old Notes properly endorsed for transfer by the registered holder(s) or accompanied by a properly completed bond power from the registered holder(s) with signatures on the endorsement or bond power guaranteed by an Eligible Institution; or
- effect a record transfer of such Old Notes from the registered holder(s) to such beneficial owner and comply with the requirements applicable to registered holder(s) for tendering Old Notes for exchange prior to the Expiration Date. See Instruction 6.

2. *Delivery of this Letter of Transmittal and Certificates for Old Notes or Book-Entry Confirmations; Guaranteed Delivery Procedures.* A holder of Old Notes may tender the same by (i) properly completing and signing this Letter of Transmittal or a facsimile thereof (all references in the Prospectus to the Letter of Transmittal shall be deemed to include a facsimile thereof) and delivering the same, together with the certificate or certificates, if applicable, representing the Old Notes being tendered and any required signature guarantees and any other documents required by this Letter of Transmittal, to the exchange agent at its address set forth above on or prior to the Expiration Date, or (ii) complying with the procedure for book-entry transfer described below, or (iii) complying with the guaranteed delivery procedures described below. Old Notes tendered hereby must be in denominations of principal, or face, amount of $1,000 at maturity and any integral multiple thereof.

This Letter of Transmittal is to be completed by registered holder(s) if certificates representing Old Notes are to be forwarded herewith. All physically delivered Old Notes, as well as a properly completed and duly executed Letters of Transmittal (or manually signed facsimile thereof) and any other required documents, must be received by the exchange agent at its address set forth on the cover of this Letter of Transmittal prior to the Expiration Date or the tendering holder must comply with the guaranteed delivery procedures set forth below. Delivery of the documents to DTC does not constitute delivery to the exchange agent.

THE METHOD OF DELIVERY OF THIS LETTER OF TRANSMITTAL, THE OLD NOTES AND ALL OTHER REQUIRED DOCUMENTS, OR BOOK-ENTRY TRANSFER AND TRANSMISSION OF AN AGENT'S MESSAGE BY OR ON BEHALF OF A DTC, EUROCLEAR OR CLEARSTREAM PARTICIPANT, ARE AT THE ELECTION AND RISK OF THE TENDERING HOLDERS. INSTEAD OF DELIVERY BY MAIL, IT IS RECOMMENDED THAT HOLDERS USE AN OVERNIGHT OR HAND DELIVERY SERVICE. IF DELIVERY

IS BY MAIL, HOLDERS ARE ENCOURAGED TO USE PROPERLY INSURED REGISTERED MAIL, RETURN RECEIPT REQUESTED. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ASSURE TIMELY DELIVERY TO THE EXCHANGE AGENT BEFORE THE EXPIRATION DATE. EXCEPT AS OTHERWISE PROVIDED BELOW, DELIVERY WILL BE DEEMED MADE WHEN ACTUALLY RECEIVED OR CONFIRMED BY THE EXCHANGE AGENT. NO LETTER OF TRANSMITTAL OR OLD NOTES SHOULD BE SENT TO THE COMPANY, DTC, EUROCLEAR OR CLEARSTREAM. HOLDERS MAY REQUEST THEIR RESPECTIVE BROKERS, DEALERS, COMMERCIAL BANKS, TRUST COMPANIES OR NOMINEES TO EFFECT THE TENDERS FOR SUCH HOLDERS. SEE "THE EXCHANGE OFFER" SECTION OF THE PROSPECTUS.

The exchange agent will make a request to establish an account with respect to the Old Notes at DTC, Euroclear and Clearstream for purposes of the Exchange Offer promptly after the date of the Prospectus. Any financial institution that is a participant in DTC's system may make book-entry delivery of Old Notes by causing DTC to transfer such Old Notes into the exchange agent's account at DTC in accordance with DTC's Automated Tender Offer Program ("ATOP") procedures for such transfer. Any participant in Euroclear or Clearstream may make book-entry delivery of Old Notes by causing Euroclear or Clearstream to transfer such Old Notes into the exchange agent's account in accordance with established Euroclear or Clearstream procedures for transfer. However, although delivery of Old Notes may be effected through book-entry transfer at DTC, Euroclear or Clearstream, an Agent's Message (as defined in the next paragraph) in connection with a book-entry transfer and any other required documents, must, in any case, be transmitted to and received by the exchange agent at the address specified on the cover page of this Letter of Transmittal on or prior to the Expiration Date or the guaranteed delivery procedures described below must be compiled with.

A Holder may tender Old Notes that are held through DTC by transmitting its acceptance through DTC's ATOP, for which the transaction will be eligible, and DTC will then edit and verify the acceptance and send an Agent's Message to the exchange agent for its acceptance. The term "Agent's Message" means a message transmitted by DTC, Euroclear or Clearstream to, and received by, the exchange agent and forming part of the book-entry confirmation, which states that DTC, Euroclear or Clearstream has received an express acknowledgment from the participant tendering the Old Notes that such participant has received the Letter of Transmittal and agrees to be bound by the terms of the Letter of Transmittal, and that the Company may enforce such agreement against such participant. Delivery of an Agent's Message will also constitute an acknowledgment from the tendering DTC, Euroclear or Clearstream participant that the representations and warranties set forth in this Letter of Transmittal are true and correct.

Holders of Old Notes held through Euroclear or Clearstream are required to use book-entry transfer pursuant to the standard operating procedures of Euroclear or Clearstream to accept the Exchange Offer and to tender their Old Notes. A computer-generated message must be transmitted to Euroclear or Clearstream in lieu of a Letter of Transmittal, in order to tender the Old Notes in the Exchange Offer.

DELIVERY OF THE AGENT'S MESSAGE BY DTC, EUROCLEAR OR CLEARSTREAM WILL SATISFY THE TERMS OF THE EXCHANGE OFFER AS TO EXECUTION AND DELIVERY OF A LETTER OF TRANSMITTAL BY THE PARTICIPANT IDENTIFIED IN THE AGENT'S MESSAGE. DTC PARTICIPANTS MAY ALSO ACCEPT THE EXCHANGE OFFER BY SUBMITTING A NOTICE OF GUARANTEED DELIVERY THROUGH ATOP.

A holder who desires to tender Old Notes for exchange, but

- the certificates representing the holder's Old Notes are not immediately available;
- time will not permit this Letter of Transmittal, certificates representing Old Notes or other required documents to reach the exchange agent prior to the Expiration Date; or
- the procedures for book-entry transfer cannot be completed prior to the Expiration Date;

may tender their Old Notes for exchange in accordance with the guaranteed delivery procedures set forth in the Prospectus under the caption "The Exchange Offer — Guaranteed Delivery Procedures."

Pursuant to the guaranteed delivery procedures:

(a) such tender must be made by or through an Eligible Institution, as defined above;

(b) prior to the Expiration Date, the exchange agent must have received from such Eligible Institution a properly completed and duly executed Notice of Guaranteed Delivery (by facsimile, mail or hand delivery) substantially in the form provided by the Company setting forth the name(s) and address(es) of the registered holder(s) of such Old Notes, the certificate number(s) and the principal amount of Old Notes being tendered for exchange and stating that the tender is being made thereby and guaranteeing that, within three (3) New York Stock Exchange trading days after the Expiration Date, a properly completed and duly executed Letter of Transmittal, or a facsimile thereof, together with certificates representing the Old Notes (or confirmation of book-entry transfer of such Old Notes into the exchange agent's account with DTC and an Agent's Message) and any other documents required by this Letter of Transmittal and the instructions hereto, will be deposited by such Eligible Institution with the exchange agent; and

(c) this Letter of Transmittal or a facsimile thereof, properly completed together with duly executed certificates for all physically delivered Old Notes in proper form for transfer (or confirmation of book-entry transfer of such Old Notes into the exchange agent's account with DTC as described above) and all other required documents must be received by the exchange agent within three (3) New York Stock Exchange trading days after the expiration of the exchange offer.

All tendering holders, by execution of this Letter of Transmittal, waive any right to receive any notice of the acceptance of their Old Notes for exchange.

3. *Inadequate Space.* If the space provided in the box entitled "Description of Old Notes Tendered" above is inadequate, the certificate numbers and principal amounts of Old Notes tendered should be listed on a separate signed schedule affixed hereto.

4. *Withdrawal of Tenders*. A tender of Old Notes may be withdrawn at any time prior to the Expiration Date. For a withdrawal to be effective:

- the exchange agent must receive a written notice of withdrawal, which may be by telegram, telex, facsimile transmission or letter, at the address set forth above; or
- for DTC, Euroclear or Clearstream participants, holders must comply with their respective standard operating procedures for electronic tenders and the exchange agent must receive an electronic notice of withdrawal from DTC, Euroclear or Clearstream.

Any notice of withdrawal must:

- specify the name of the person having tendered the Old Notes to be withdrawn (the "Depositor");
- identify the Old Notes to be withdrawn (including the certificate number or numbers and principal amount of such Old Notes);
- include a statement that the Depositor is withdrawing his election to have such Old Notes exchanged;
- be signed by the Depositor in the same manner as the original signature on the Letter of Transmittal by which such Old Notes were tendered or as otherwise described above (including any required signature guarantees);
- specify the name in which any such Old Notes are to be registered, if different from that of the Depositor; and
- if the Old Notes have been tendered under the book-entry procedures, specify the name and number of the participant's account at DTC, Euroclear or Clearstream to be credited, if different from that of the Depositor.

The exchange agent will return the properly withdrawn Old Notes without cost to the holder promptly following receipt of notice of withdrawal. All questions as to the validity of notices of

withdrawals, including time of receipt, will be determined by the Company, in its sole discretion, and such determination will be final and binding on all parties.

Any Old Notes so withdrawn will be deemed not to have been validly tendered for exchange for purposes of the Exchange Offer. Any Old Notes which have been tendered for exchange but which are not exchanged for any reason will be returned to the holder thereof without cost to such holder (or, in the case of Old Notes tendered by book-entry transfer into the exchange agent's account at the book-entry transfer facility pursuant to the book-entry transfer procedures described above, such Old Notes will be credited to an account with such book-entry transfer facility specified by the holder) promptly after withdrawal, rejection of tender or termination of the Exchange Offer. Properly withdrawn Old Notes may be retendered by following one of the procedures described under the caption "The Exchange Offer — Procedures for Tendering" in the Prospectus at any time prior to the Expiration Date.

5. *Partial Tenders (Not Applicable To Holders Of Old Notes Who Tender By Book-Entry Transfer).* Tenders of Old Notes will be accepted only in integral multiples of $1,000 principal, or face, amount at maturity. If a tender for exchange is to be made with respect to less than the entire principal, or face, amount of any Old Notes, fill in the principal amount of Old Notes *which* are tendered for exchange in column (3) of the box entitled "Description of Old Notes Tendered," as more fully described in the footnotes thereto. In the case of a partial tender by a holder, a new certificate, in fully registered form, for the remainder of the principal, or face, amount of the Old Notes, will be sent to the holder of Old Notes (unless otherwise indicated in the boxes entitled "Special Issuance Instructions" or "Special Delivery Instructions" above) promptly after the expiration or termination of the Exchange Offer.

6. *Signatures on This Letter of Transmittal; Bond Powers and Endorsements*. If this Letter of Transmittal is signed by the registered holder(s) of the Old Notes tendered for exchange hereby, the signature(s) must correspond exactly with the name(s) as written on the face of the certificate(s) without alteration, enlargement or any change whatsoever. If any of the Old Notes tendered hereby are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal.

If any tendered Old Notes are registered in different names on several certificates, it will be necessary to complete, sign and submit as many separate copies of this Letter of Transmittal and any necessary or required documents as there are names in which certificates are held.

If this Letter of Transmittal or any certificates or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and submit proper evidence of its authority to so act satisfactory to the Company, unless waived by the Company, in its sole discretion.

If this Letter of Transmittal is signed by the registered holder(s) of the Old Notes listed and transmitted hereby, no endorsements of certificates or separate bond powers are required unless certificates for Old Notes not tendered or not accepted for exchange are to be issued or returned in the name of a person other than the registered holder(s) thereof. Signatures on such certificates must be guaranteed by an Eligible Institution (unless signed by an Eligible Institution).

If this Letter of Transmittal is signed by a person other than the registered holder(s) of the Old Notes, the certificates representing such Old Notes must be properly endorsed for transfer by the registered holder or be accompanied by a properly completed bond power from the registered holder, in either case signed by such registered holder(s) exactly as the name(s) of the registered holder(s) of the Old Notes appear(s) on the certificates. Signatures on the endorsement or bond power must be guaranteed by an Eligible Institution (unless signed by an Eligible Institution).

7. *Transfer Taxes.* Except as set forth in this Instruction 7, the Company will pay or cause to be paid any transfer taxes applicable to the exchange of Old Notes pursuant to the Exchange Offer. If, however, New Notes are to be delivered to, or are to be issued in the name of, any person other than the registered holder of the Old Notes tendered hereby, or if tendered Old Notes are registered in the name of any person other than the person signing this Letter of Transmittal, or if a transfer tax is imposed for any reason other than the exchange of Old Notes pursuant to the Exchange Offer, then the amount of any transfer taxes (whether imposed on the registered holder(s) or any other persons) will be payable by the tendering holder. If satisfactory evidence of the payment of such taxes or exemption therefrom is not

submitted with this Letter of Transmittal, the amount of such transfer taxes will be billed directly to such tendering holder.

8. *Special Issuance and Delivery Instructions.* If the New Notes are to be issued or if any Old Notes not tendered or not accepted for exchange are to be issued or sent to a person other than the person(s) signing this Letter of Transmittal or to an address other than that shown above, the appropriate boxes on this Letter of Transmittal should be completed. In the *case* of the issuance in a different name, the employer identification or social security number of the person named must also be indicated. Holders tendering Old Notes by book-entry transfer may request that Old Notes not accepted for exchange be credited to such account maintained at DTC, Euroclear or Clearstream as such holder may designate.

9. *Irregularities.* All questions as to the forms of all documents and the validity of (including time of receipt) and acceptance of the tenders and withdrawals of Old Notes will be determined by the Company, in its sole discretion, which determination shall be final and binding. Alternative, conditional or contingent tenders will not be considered valid. The Company reserves the absolute right to reject any or all tenders of Old Notes that are not in proper form or the acceptance of which would, in its sole opinion, be unlawful. The Company also reserves the right to waive, in its sole discretion, any defects or irregularities as to any particular Old Notes. The Company's interpretations of the form and procedures for tendering Old Notes in the Exchange Offer (including the instructions in this Letter of Transmittal) will be final and binding. Any defect or irregularity in connection with tenders of Old Notes must be cured within such time as the Company determines, unless waived by the Company, in its sole discretion. Tenders of Old Notes shall not be deemed to have been made until all defects or irregularities have been waived by the Company or cured. Neither the Company, the exchange agent nor any other person will be under any duty to give notice of any defects or irregularities in tenders of Old Notes, or will incur any liability to registered holders of Old Notes for failure to give such notice.

10. *Waiver of Conditions.* To the extent permitted by applicable law, the Company reserves the right to waive, in its sole discretion, any and all conditions to the Exchange Offer as described under "The Exchange Offer — Conditions to the Exchange Offer" in the Prospectus, and accept for exchange any Old Notes tendered.

11. *Tax Identification Number and Backup Withholding.* Federal income tax law generally requires that a tendering holder whose Old Notes are accepted for exchange or such holder's assignee (in either case, the "Payee"), provide the Company (as payor) with such Payee's correct Taxpayer Identification Number ("TIN") on an IRS Form W-9 or otherwise establish a basis for exemption from backup withholding. Where the Payee is an individual, the Payee's TIN is his or her social security number. If the Company is not provided with the correct TIN or an adequate basis for an exemption, such Payee may be subject to a $50 penalty imposed by the Internal Revenue Service (the "IRS") and backup withholding on all reportable payments made after the exchange. The backup withholding rate is 28%. If withholding results in an overpayment of taxes, a refund may be obtained from the IRS.

To prevent backup withholding, each Payee must provide its correct TIN by completing the "IRS Form W-9" (attached), certifying that the TIN provided is correct (or that such Payee is awaiting a TIN) and that:

- the Payee is exempt from backup withholding;
- the Payee has not been notified by the IRS that such Payee is subject to backup withholding as a result of a failure to report all interest or dividends; or
- the IRS has notified the Payee that such Payee is no longer subject to backup withholding.

If the Payee does not have a TIN, such Payee should consult the attached instructions for IRS Form W-9 (the "W-9 Instructions") for instructions on applying for a TIN, write "Applied For" in the space for the TIN in Part 1 of the IRS Form W-9, and sign and date the IRS Form W-9 and complete the Certificate of Awaiting Taxpayer Identification Number set forth herein. If the Payee writes "Applied For" on the IRS Form W-9, backup withholding will nevertheless apply to all reportable payments made to such Payee. If the Payee furnishes its TIN to the Company within 60 days, however, any amounts so withheld shall be refunded to such Payee. If, however, the Payee has not provided the Company with its TIN within

such 60-day period, the Company will remit such previously retained amounts to the IRS as backup withholding. *Note:* Writing "Applied For" on the form means that the Payee has already applied for a TIN or that such Payee intends to apply for one in the near future.

If Old Notes are held in more than one name or are not in the name of the actual owner, consult the W-9 Instructions for information on which TIN to report.

Certain Payees (including, among others, all corporations and certain foreign individuals) are not subject to these backup withholding and reporting requirements ("Exempt Payees"). To prevent possible erroneous backup withholding, Exempt Payees must still complete the IRS Form W-9, check the "Exempt from backup withholding" box in the line following the business name, and sign and date the form. See the W-9 Instructions for additional instructions. In order for a nonresident alien or foreign entity to qualify as exempt, such person must submit a completed appropriate Form W-8, which can be obtained from the exchange agent.

12. *Mutilated, Lost, Stolen or Destroyed Old Notes.* Any holder whose Old Notes have been mutilated, lost, stolen or destroyed should contact the exchange agent at the address or telephone number set forth on the cover of this Letter of Transmittal for further instructions.

13. *Requests for Assistance or Additional Copies.* Requests for assistance or for additional copies of the Prospectus, this Letter of Transmittal, the Notice of Guaranteed Delivery and the Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 may be directed to the exchange agent at its address set forth on the cover of this Letter of Transmittal.

IMPORTANT: THIS LETTER OF TRANSMITTAL, TOGETHER WITH CERTIFICATES FOR TENDERED OLD NOTES AND ALL OTHER REQUIRED DOCUMENTS, WITH ANY REQUIRED SIGNATURE GUARANTEES AND ALL OTHER REQUIRED DOCUMENTS MUST BE RECEIVED BY THE EXCHANGE AGENT PRIOR TO THE EXPIRATION DATE.

Form **W-9**
(Rev. November 2005)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do not send to the IRS.

Name (as shown on your income tax return)

Business name, if different from above.

Check appropriate box: o Individual/Sole proprietor o Corporation o Partnership o Other ► .....

o Exempt from backup withholding

Address (number, street, and apt. or suite no.)

City, state, and ZIP code

Requester's name and address (optional)

List account number(s) here (optional)

Print or type
See Specific Instructions on page 2.

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note: If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number

— —

or

Employer identification number

—

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

Certification Instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here **Signature of U.S. person ►** **Date ►**

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.**U.S. person.** Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

In 3 above, if applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note: If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income. The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).
Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments (after December 31, 2002). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 4 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are except from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules regarding partnerships* on page 1.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINS. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your social security card on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line. Check the appropriate box for your filing status (sole proprietor, corporation, etc.), then check the box for "Other" and enter "LLC" in the space provided.

Other entities. Enter your business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note: You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note: If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
2. The United States or any of its agencies or instrumentalities,
3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,
7. A foreign central bank of issue,
8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,

9. A futures commission merchant registered with the Commodity Futures Trading Commission,

10. A real estate investment trust,

11. An entity registered at all times during the tax year under the Investment Company Act of 1940,

12. A common trust fund operated by a bank under section 584(a),

13. A financial institution,

14. A middleman known in the investment community as a nominee or custodian, or

15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over $600 required to be reported and direct sales over $5,000.[1]	Generally, exempt recipients 1 through 7[2]

[1] See Form 1099-MISC. Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding; medical and health care payments, attorneys' fees, and payments for services paid by a Federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see *Limited liability company* (LLC) on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note: See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form on-line at *www.socialsecurity.gov*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to Apply For an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/businesses* and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting *www.irs.gov* or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: *A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.*

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:		Give name and SSN of:
1.	Individual	The individual
2.	Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account [1]
3.	Custodian account of a minor (Uniform Gift to Minors Act)	The minor [2]
4.	a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee [1]
	b. So-called trust account that is not a legal or valid trust under state law	The actual owner [1]
5.	Sole proprietorship or single-owner LLC	The owner [3]
For this type of account:		**Give name and EIN of:**
6.	Sole proprietorship or single-owner LLC	The owner [3]
7.	A valid trust, estate, or pension trust	Legal entity [4]
8.	Corporate or LLC electing corporate status on Form 8832	The corporation
9.	Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10.	Partnership or multi-member LLC	The partnership
11.	A broker or registered nominee	The broker or nominee
12.	Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use your SSN.

[4] List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules regarding partnerships* on page 1.

Note. *If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.*

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

The Information Agent for the offer is:

The Altman Group, Inc.
1200 Wall Street West
3rd Floor
Lyndhurst, NJ 07071
Holders call toll-free: (866) 416-0551
Banks and Brokers call: (201) 806-7300
Fax: (201) 460-0050

Exhibit 99(b)

NOTICE OF GUARANTEED DELIVERY
LAMAR ADVERTISING COMPANY
Tender of
Any and All Outstanding 2.875% Convertible Notes Due 2010
In Exchange For
2.875% Convertible Notes Due 2010 — Series B
and an Exchange Fee
Registered Under the Securities Act of 1933

Pursuant to the preliminary prospectus dated May 31, 2007 and any amendments or supplements thereto

THE EXCHANGE OFFER WILL EXPIRE AT MIDNIGHT, NEW YORK CITY TIME, ON JUNE 27, 2007, UNLESS EXTENDED (SUCH TIME AND DATE, AS THE SAME MAY BE EXTENDED FROM TIME TO TIME, THE "EXPIRATION DATE"). TENDERS MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION DATE.

The Exchange Agent is:

THE BANK OF NEW YORK TRUST COMPANY, N.A.

By Mail, Hand Delivery or Overnight Courier:
The Bank of New York Trust Company, N.A.
c/o The Bank of New York
Corporate Trust Operations
Reorganization Unit
101 Barclay Street — 7 East
New York, N.Y. 10286
Attn: Mr. William Buckley

By Facsimile Transmission:
The Bank of New York Trust Company, N.A.
c/o The Bank of New York
Fax: (212)-298-1915
Attn: Mr. William Buckley

For Information or Confirmation by Telephone:
The Bank of New York Trust Company, N.A.
c/o The Bank of New York
Telephone: (212)-815-5788
Attn: Mr. William Buckley

DELIVERY OF THIS NOTICE OF GUARANTEED DELIVERY TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE OR TRANSMISSION TO A FACSIMILE NUMBER OTHER THAN THE ONE LISTED ABOVE WILL NOT CONSTITUTE VALID DELIVERY TO THE EXCHANGE AGENT.

This Notice of Guaranteed Delivery is being provided in connection with the offer (the "Exchange Offer") by Lamar Advertising Company (the "Company") to exchange new 2.875% Convertible Notes due 2010-Series B (the "New Notes") and an exchange fee of $2.50 for each $1,000 principal amount for all of its outstanding 2.875% Convertible Notes due 2010 (the "Old Notes").

This form is not to be used to guarantee signatures. If a signature on the Letter of Transmittal is required to be guaranteed by an "Eligible Institution" under the instructions thereto, such signature guarantee must appear in the applicable space provided in the Letter of Transmittal.

As set forth in the preliminary prospectus, dated May 31, 2007 and any amendments or supplements thereto (the "Prospectus") of the Company and in the accompanying letter of transmittal and instructions thereto (the "Letter of Transmittal"), this form or one substantially equivalent hereto must be used to accept the Exchange Offer if (1) the Letter of Transmittal or any other documents required thereby cannot be delivered to the exchange agent on or prior to the Expiration Date, (2) certificates of Old Notes are not immediately available, or (3) the procedures for book-entry transfer cannot be completed on or prior to the Expiration Date. This form may be delivered by mail or hand delivery or transmitted via facsimile to the exchange agent as set forth above. In addition, in order to utilize the guaranteed delivery procedures to tender Old Notes pursuant to the Exchange Offer, a completed, signed and dated Letter of Transmittal (or facsimile thereof) must also be received by the exchange agent on or prior to the Expiration Date. See "The Exchange Offer — Procedures for Tendering" in the Prospectus. Capitalized terms used but not defined herein shall have the meaning given to them in the Prospectus.

This form is not to be used to guarantee signatures. If a signature on the Letter of Transmittal is required to be guaranteed by an "Eligible Institution" under the instructions thereto, such signature guarantee must appear in the applicable space provided in the Letter of Transmittal.

Ladies and Gentlemen:

The undersigned hereby tender(s) to the Company upon the terms and subject to the conditions set forth in the Prospectus and the related Letter of Transmittal (receipt of which is hereby acknowledged), the principal, or face, amount of Old Notes specified below pursuant to the guaranteed delivery procedures set forth in the Prospectus under the caption "The Exchange Offer — Guaranteed Delivery Procedures." By so tendering, the undersigned does hereby make, at and as of the date hereof, the representations and warranties of a tendering holder of Old Notes set forth in the Letter of Transmittal.

The undersigned understands that tenders of Old Notes pursuant to the Exchange Offer may not be withdrawn after the Expiration Date. Tenders of Old Notes may be withdrawn prior to the Expiration Date as provided in the Prospectus.

All authority conferred or agreed to be conferred by this Notice of Guaranteed Delivery shall not be affected by, and shall survive, the death or incapacity of the undersigned, and every obligation of the undersigned under this Notice of Guaranteed Delivery shall be binding upon the heirs, executors, administrators, trustees in bankruptcy, personal and legal representatives, successors and assigns of the undersigned.

PLEASE SIGN AND COMPLETE

Principal Amount of Old Notes Tendered:*	**Certificate Number(s) (if available):**

*Must be in denominations of principal, or face, amount of $1,000 at maturity or any integral multiple thereof. If Old Notes will be delivered by book-entry transfer:

Name of Tendering Institution: _____

PLEASE SIGN HERE

x _____ _____

x _____ _____

Signature(s) of Owner(s) or authorized Signatory — Date

Address: _____

Area Code and Telephone Number: _____

This Notice of Guaranteed Delivery must be signed by the registered holder(s) of the Old Notes exactly as their name(s) appear on certificate(s) for the Old Notes or, if tendered by a participant in one of the book-entry transfer facilities, exactly as such participant's name appears on a security position listing as the owner of Old Notes, or by person(s) authorized to become registered holder(s) by endorsements and documents transmitted with this Notice of Guaranteed Delivery. If the signature above is by a trustee, executor, administrator, guardian, attorney-in-fact, officer or other person acting in a fiduciary or representative capacity, such person must set forth the following information and furnish evidence of his or her authority as provided in the Letter of Transmittal:

Please print name(s) and address(es)

Name(s): _____

_____

_____

Capacity: _____

Address: _____

GUARANTEE OF DELIVERY
(NOT TO BE USED FOR SIGNATURE GUARANTEE)

The undersigned, a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office or correspondent in the United States or an "eligible guarantor institution," within the meaning of Rule 17Ad-15 under the Exchange Act, (each, an "Eligible Institution"), hereby (i) represents that the above-named persons are deemed to own the Old Notes tendered hereby, (ii) represents that such tender of Old Notes is being made by guaranteed delivery and (iii) guarantees that the Old Notes tendered hereby in proper form for transfer or confirmation of book-entry transfer of such Old Notes into the exchange agent's account at the book-entry transfer facility, pursuant to the procedures set forth in "The Exchange Offer — Guaranteed Delivery Procedures" section of the Prospectus, in each case together with a properly completed and duly executed Letter of Transmittal (or manually signed facsimile thereof) with any required signature guarantees and any other documents required by the Letter of Transmittal, will be received by the exchange agent at its address set forth above within three New York Stock Exchange trading days after the date of execution hereof.

The Eligible Institution that completes this form must communicate the guarantee to the exchange agent and must deliver the Letter of Transmittal and Old Notes to the exchange agent within the time period shown herein.

Name of Firm: _____

Name of Authorized Signatory: _____

Authorized Signature: _____

Title: _____

Address: _____
(Zip Code)

Area Code and Telephone Number: _____

Date: _____

Letter to Registered Holders and DTC Participants
Regarding the Offer to Exchange

LAMAR ADVERTISING COMPANY

Tender of
Any and All Outstanding 2.875% Convertible Notes Due 2010
In Exchange For
2.875% Convertible Notes Due 2010 — Series B
and an Exchange Fee
Registered Under the Securities Act of 1933

Pursuant to the preliminary prospectus dated May 31, 2007 and any amendments or supplements thereto

THE EXCHANGE OFFER WILL EXPIRE AT MIDNIGHT, NEW YORK CITY TIME, ON JUNE 27, 2007, UNLESS EXTENDED (SUCH TIME AND DATE, AS THE SAME MAY BE EXTENDED FROM TIME TO TIME, THE "EXPIRATION DATE"). TENDERS MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION DATE.

To Registered Holders and Depositary Trust Company Participants:

Lamar Advertising Company (the "Company") is offering to exchange (the "Exchange Offer"), upon and subject to the terms and conditions set forth in the preliminary prospectus, dated May 31, 2007 and any amendments or supplements thereto (the "Prospectus"), and the enclosed Letter of Transmittal (the "Letter of Transmittal"), its 2.875% Convertible Notes due 2010-Series B and an exchange fee of $2.50 for each $1,000 principal amount for its outstanding 2.875% Convertible Notes due 2010 (the "Old Notes").

We are requesting that you contact your clients for whom you hold Old Notes regarding the Exchange Offer. For your information and for forwarding to your clients for whom you hold Old Notes registered in your name or in the name of your nominee, or who hold Old Notes registered in their own names, we are enclosing the following documents:

1. Preliminary Prospectus, dated May 31, 2007;

2. The Letter of Transmittal for your use and for the information of your clients;

3. A Notice of Guaranteed Delivery to be used to accept the Exchange Offer if certificates for Old Notes are not immediately available or time will not permit all required documents to reach the exchange agent prior to the Expiration Date, or if the procedure for book-entry transfer cannot be completed on a timely basis;

4. A form of letter which may be sent to your clients for whom you hold Old Notes registered in your name or the name of your nominee, with space provided for obtaining such clients' instructions with regard to the Exchange Offer; and

5. IRS Form W-9 (Request for Taxpayer Identification Number and Certification) with Instructions.

The Company will not pay any fee or commission to any broker or dealer or to any other person (other than the exchange fee and the fee to the exchange agent) for the Exchange Offer. The Company will pay all transfer taxes, if any, applicable to the exchange of Old Notes pursuant to the Exchange Offer, on the transfer of Old Notes to it, except as otherwise provided in Instruction 7 of the Letter of Transmittal. The Company may reimburse brokers, dealers,

commercial banks, trust companies and other nominees for their reasonable out-of-pocket expenses incurred in forwarding copies of the Prospectus, Letter of Transmittal and related documents to the beneficial owners of the Old Notes and in handling or forwarding tenders for exchange.

To participate in the Exchange Offer, a duly executed and properly completed Letter of Transmittal (or facsimile thereof), with any required signature guarantees and any other required documents, should be sent to the exchange agent and certificates representing the Old Notes should be delivered to the exchange agent, all in accordance with the instructions set forth in the Letter of Transmittal and the Prospectus.

If holders of Old Notes wish to tender, but it is impracticable for them to forward their certificates for Old Notes prior to the expiration of the Exchange Offer or to comply with the book-entry transfer procedures on a timely basis, a tender may be effected by following the guaranteed delivery procedures described in the Prospectus under "The Exchange Offer — Guaranteed Delivery Procedures."

Any inquiries you may have with respect to the Exchange Offer, or requests for additional copies of the enclosed materials, should be directed to the exchange agent or information agent, at their respective address and telephone number set forth on the front and back covers of the Letter of Transmittal.

Very truly yours,

LAMAR ADVERTISING COMPANY

NOTHING HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL APPOINT OR CONSTITUTE YOU OR ANY OTHER PERSON AS AN AGENT OF THE COMPANY OR THE EXCHANGE AGENT, OR AUTHORIZE YOU OR ANY OTHER PERSON TO USE ANY DOCUMENT OR MAKE ANY STATEMENTS ON BEHALF OF EITHER OF THEM WITH RESPECT TO THE EXCHANGE OFFER, EXCEPT FOR STATEMENTS EXPRESSLY MADE IN THE PROSPECTUS OR THE LETTER OF TRANSMITTAL.

Enclosures

Exhibit 99(d)

Letter to Beneficial Holders Regarding the Offer to Exchange

LAMAR ADVERTISING COMPANY

Tender of
Any and All Outstanding 2.875% Convertible Notes Due 2010
In Exchange For
2.875% Convertible Notes Due 2010 — Series B
and an Exchange Fee
Registered Under The Securities Act of 1933

Pursuant to the preliminary prospectus dated May 31, 2007 and any amendments or supplements thereto

THE EXCHANGE OFFER WILL EXPIRE AT MIDNIGHT, NEW YORK CITY TIME, ON JUNE 27, 2007, UNLESS EXTENDED (SUCH TIME AND DATE, AS THE SAME MAY BE EXTENDED FROM TIME TO TIME, THE "EXPIRATION DATE"). TENDERS MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION DATE.

To Our Clients:

Enclosed for your consideration is a preliminary prospectus, dated May 31, 2007 and any amendments or supplements thereto (the "Prospectus"), and a Letter of Transmittal (the "Letter of Transmittal"), relating to the offer (the "Exchange Offer") of Lamar Advertising Company (the "Company") to exchange its 2.875% Convertible Notes due 2010-Series B (the "New Notes") and an exchange fee of $2.50 for each $1,000 principal amount for its outstanding 2.875% Convertible Notes due 2010 (the "Old Notes"), upon the terms and subject to the conditions described in the Prospectus.

This material is being forwarded to you as the beneficial owner of the Old Notes held by us in your account but not registered in your name. A tender of such Old Notes may only be made by us as the holder of record and pursuant to your instructions.

Accordingly, we request instructions as to whether you wish us to tender on your behalf the Old Notes held by us for your account, pursuant to the terms and conditions set forth in the Prospectus and the Letter of Transmittal.

Your instructions should be forwarded to us as promptly as possible in order to permit us to tender the Old Notes on your behalf in accordance with the provisions of the Exchange Offer. The Exchange offer will expire at Midnight, New York City time, on June 27, 2007, unless extended by the Company (the "Expiration Date"). Any Old Notes tendered pursuant to the Exchange Offer may be withdrawn at any time before the Expiration Date.

The Exchange Offer is not conditioned upon any minimum number of Old Notes being tendered.

Your attention is directed to the following:

1. The Exchange Offer is for any and all Old Notes.

2. The Exchange Offer is subject to certain conditions set forth in the Prospectus in the section captioned "The Exchange Offer — Conditions to the exchange offer."

3. The Exchange Offer expires at Midnight, New York City time, on the Expiration Date.

IF YOU WISH TO TENDER YOUR OLD NOTES, PLEASE SO INSTRUCT US BY COMPLETING, SIGNING AND RETURNING TO US THE INSTRUCTION FORM ON THE BACK OF THIS LETTER. The Letter of Transmittal is furnished to you for information only and may not be used directly by you to tender Old Notes.

If we do not receive written instructions in accordance with the procedures presented in the Prospectus and the Letter of Transmittal, we will not tender any of the Old Notes in your account. Unless a specific contrary instruction is given in the space provided, your signature(s) hereon shall constitute an instruction to us to tender all the Old Notes held by us for your account.

Please carefully review the enclosed material as you consider the Exchange Offer.

INSTRUCTIONS WITH RESPECT TO
THE EXCHANGE OFFER

The undersigned acknowledge(s) receipt of this letter and the enclosed material referred to therein relating to the Company's Exchange Offer.

This will instruct you, the registered holder, with respect to tendering in the Exchange Offer, the Old Notes held by you for the account of the undersigned, upon and subject to the terms and conditions set forth in the Prospectus and the Letter of Transmittal.

Please tender the Old Notes held by you for my account as indicated below:

The aggregate principal, or face, amount at maturity of Old Notes held by you for the account of the undersigned is (fill in amount)

$ of 2.875% Convertible Notes due 2010.

With respect to the Exchange Offer, the undersigned hereby instructs you (check appropriate box):

o To TENDER the following Old Notes held by you for the account of the undersigned (insert principal, or face, amount at maturity of Old Notes to be tendered (if any)) (must be $1,000 or any integral multiple thereof):

$ of 2.875% Convertible Notes due 2010.

By instructing you to tender the amount of Old Notes given above, you are authorized to make, on behalf of the undersigned, the representations and warranties contained in the Letter of Transmittal that are to be made with respect to the undersigned as beneficial owner of the Old Notes.

o NOT to TENDER any Old Notes held by you for the account of the undersigned.

SIGN HERE

Name of beneficial owner(s) (please print): _____

Signature(s): _____

Address: _____

Telephone Number: _____

Taxpayer Identification or Social Security Number: _____

Date: _____