

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

CITADEL BROADCASTING CORPORATION, *et al.*,

Debtors.

)
) Chapter 11
)
) Case No. 09-11742 (BRL)
)
) Jointly Administered
)

SOLICITATION AND TABULATION PROCEDURES

The following procedures (the “*Solicitation Procedures*”) are adopted with respect to (a) the distribution of Ballots and other solicitation materials relating to the Plan and (b) the return and tabulation of Ballots and Master Ballots.

I. Definitions

- A. Plan** means the *Joint Plan of Reorganization of Citadel Broadcasting Corporation and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code*, dated February 3, 2010 [Docket No. ____].
- B. Ballots** means the forms of ballots used to vote for or against the Plan, attached as **Exhibit 3** to the Disclosure Statement Order, approved by the Court in the Disclosure Statement Order.
- C. Beneficial Owner** means a beneficial owner of the 1.875% Notes and/or the 8% Notes (collectively, the “*Notes*”).
- D. Confirmation Hearing** means the hearing to be held by the Bankruptcy Court on Confirmation of the Plan pursuant to section 1128(a) of the Bankruptcy Code, as such hearing may be continued from time to time.
- E. Confirmation Hearing Notice** means the notice setting forth (a) the Voting Deadline; (b) the time fixed for filing objections to confirmation of the Plan, and the manner in which such objections shall be filed; (c) the time, date and place for the Confirmation Hearing and (d) instructions for obtaining copies of the Plan, Disclosure Statement and related documents, attached to the Disclosure Statement Order as **Exhibit 7**.
- F. Confirmation Objection Deadline** means no later than [____], 2010 at 5:00 p.m. (Prevailing Eastern Time).
- G. Disclosure Statement** means the *Disclosure Statement for the Debtors’ Joint Plan of Reorganization of Citadel Broadcasting Corporation and Its Debtor*

Affiliates Pursuant to Chapter 11 of the Bankruptcy Code, filed on February 3, 2010 [Docket No. ____].

- H. Disclosure Statement Order** means the *Order (I) Approving the Debtors' Disclosure Statement; (II) Establishing a Record Date for Voting on the Debtors' Joint Plan of Reorganization; (III) Approving Solicitation Packages and Procedures for the Distribution Thereof; (IV) Approving the Forms of Ballots and Manners of Notice; (V) Establishing Procedures for Voting on the Plan; and (VI) Establishing Notice and Objection Procedures for Confirmation of the Plan*, entered on _____, 2010 [Docket No. ____].
- I. Master Ballot** means a form of ballot, substantially in the form attached as **Exhibit 4** to the Disclosure Statement Order, approved by the Court in the Disclosure Statement Order, submitted by a Nominee on behalf of one or more Beneficial Owners.
- J. Nominees** means the brokers, banks, dealers or other agents, or nominees for certain Beneficial Owners of the Notes as identified in the Plan, for purposes of soliciting votes on the Plan.
- K. Notice of Non-Voting Impaired Status** means the notice the Holders of Claims in Class 5 and Holders of Interests in Class 8 (together, the “***Non-Voting Impaired Classes***”) who are deemed to reject the Plan will receive. A copy of the Notice of Non-Voting Impaired Status is attached to the Disclosure Statement Order as **Exhibit 5**.
- L. Notice of Non-Voting Unimpaired Status** means the notice of non-voting status that the Holders of Claims and Interests in Classes 1, 2, 6 and 7 (together, the “***Non-Voting Unimpaired Classes***”) who are deemed to accept the Plan will receive. A copy of the Notice of Non-Voting Unimpaired Status is attached to the Disclosure Statement Order as **Exhibit 6**.
- M. Ownership Certification** means a written certification, in form attached to the Ballots as **Exhibit A**, for the purpose of enabling Reorganized Citadel to determine the level of direct and indirect voting and equity interests of a Claims Holder in accordance with 47 U.S.C. § 310(b), as interpreted and applied by the FCC. A copy of the Ownership Certification is attached to the Disclosure Statement Order substantially in the form of **Exhibit 8**.
- N. Record Amount** means the amount of Notes Claims held as of the Record Date.
- O. Record Date** means [____], 2010, the date set for purposes of determining which Holders of Claims are entitled to receive Solicitation Packages and, where applicable, vote on the Plan.
- P. Solicitation Packages** means, and will consist of: (i) the Disclosure Statement Order (excluding the exhibits thereto, but including a copy of these Solicitation Procedures); (ii) the Confirmation Hearing Notice; (iii) the

Disclosure Statement (with the Plan annexed thereto as **Exhibit A**, and all other exhibits); (iv) either a form of Ballot and/or Master Ballot, as appropriate, together with a return envelope; and (v) such other materials as the Court may direct.

- Q. Solicitation Date** means the date by which the Debtors will complete distribution of the Solicitation Packages, which shall be no later than seven days after the Disclosure Statement Order is entered.
- R. Tabulation Rules** means the rules set forth herein for the temporary allowance of Claims solely for the purposes of voting to accept or reject the Plan.
- S. Voting and Claims Agent** means the Debtors' voting and claims agent, Kurtzman Carson Consultants LLC.
- T. Voting Deadline** means no later than [____], 2010 at 5:00 p.m. (Prevailing Eastern Time), the date set by the Court as the deadline for receipt of Ballots and Master Ballots by the Voting and Claims Agent.

All other capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Plan or Disclosure Statement, as appropriate.

II. Publication of Confirmation Hearing Notice:

- A.** The Debtors shall use their reasonable efforts to publish a notice substantially in the form of the Confirmation Hearing Notice not less than 28 calendar days before the Confirmation Objection Deadline, once each in the national editions of *The Wall Street Journal* and *USA Today*.
- B.** Additionally, the Confirmation Hearing Notice will be posted electronically at <http://www.kccllc.net/citadel>.

III. Distribution of Solicitation Packages:

- A. Solicitation Packages.** The Debtors shall distribute Solicitation Packages to the Voting Classes (as defined in the Disclosure Statement Motion) by the Solicitation Date.
- B. Duplicate Claims.** With respect to any creditor in a Voting Class who has filed duplicate Claims against the Debtors (whether against the same or multiple Debtors), which are classified under the Plan in the same Class, the Debtors shall provide to such creditor only one Solicitation Package and one Ballot for voting their Claims with respect to that class.
- C. Other Solicitation Materials.** The Debtors shall distribute or cause to be distributed the Solicitation Package (excluding ballots) by the Solicitation Date to: (i) the U.S. Trustee; (ii) counsel for the Committee; (iii) counsel to the agent under the Debtors' prepetition secured term loan; (iv) the IRS; (v) the SEC; (vi)

the FCC; (vii) the Office of the Attorney General in all of the states in which the Debtors operate; and (viii) all other parties in interest that have filed requests for notice pursuant to Bankruptcy Rule 2002 in the Debtors' chapter 11 cases.

- D. Procedures for Nominees.** Each Nominee shall (i) forward the Solicitation Package to each Beneficial Owner for voting and include a return envelope provided by and addressed to the Nominee so that the Beneficial Owner may timely return the completed beneficial owner ballot to the Nominee; (ii) upon receipt of the Ballots, summarize the individual votes of its respective Beneficial Owners on the Master Ballot; and (iii) submit the Master Ballot and Ownership Certifications to the Voting and Claims Agent by the Voting Deadline.
- E. Notices of Non-Voting Status.** The Debtors shall mail the appropriate Notice of Non-Voting Status to the Holders of Claims and Interests not entitled to accept or reject the Plan pursuant to sections 1126(f) or 1126(g) of the Bankruptcy Code.

IV. Determination of Amount of Claims for Voting Purposes.

Solely for purposes of voting to accept or reject the Plan, and not for the purpose of making distributions on account of a Claim, and without prejudice to the rights of the Debtors or any other party in interest in any other context, each Claim within a Class of Claims entitled to vote to accept or reject the Plan shall be temporarily allowed in an amount equal to the amount of such Claim as set forth in a timely filed Proof of Claim, or, if no Proof of Claim was filed, the amount of such Claim as set forth in the Schedules, in accordance with, and subject to, the Tabulation Rules described below.

V. General Tabulation Rules.

- A.** A Claim that is not contingent, unliquidated or disputed, for which a Proof of Claim has been filed, which is not listed on the Schedules and no objection to such Claim has been filed on or before the Voting Deadline, shall be temporarily allowed in an amount equal to the amount of such Claim as set forth in the Proof of Claim, or, if no Proof of Claim was filed, the amount of such Claim as set forth in the Schedules, in accordance with, and subject to, the Tabulation Rules described below.
- B.** Holders of Claims that are listed in the Schedules in an amount greater than zero, with the exception of those claims that are scheduled as contingent, unliquidated or disputed (excluding such claims that have been superseded by a timely-filed Proof of Claim) shall be temporarily allowed for voting purposes.
- C.** A Claim for which a Proof of Claim has been filed and asserts both a liquidated and unliquidated amount, shall be temporarily allowed for voting purposes, subject to the other tabulation rules set forth herein, only in the liquidated amount of such Claim.

- D.** A Claim that by its terms is listed as wholly contingent, unliquidated or disputed, based on a filed Proof of Claim, shall be temporarily allowed for voting purposes only in an amount equal to one dollar (\$1.00).
- E.** If the Debtors have served and filed an objection to a Claim at least ten days before the Voting Deadline, such Claim shall, subject to the procedures set forth in paragraph 38 of the Motion, be temporarily allowed for voting purposes in an amount equal to the undisputed amount of such Claim, if any, as set forth in such objection.
- F.** Notwithstanding any other Tabulation Rule, if a Claim has been estimated or otherwise allowed for voting purposes by order of the Court, such Claim will be allowed temporarily for voting purposes only in the amount so estimated or allowed by the Court.
- G.** A Claim for which the Claim Holder identifies a Claim amount on its Ballot that is different than the amount otherwise calculated in accordance with the Tabulation Rules, shall be allowed temporarily for voting purposes in the amount calculated in accordance with the Tabulation Rules.
- VI. Allowed Claims.** Notwithstanding any other Tabulation Rule, a Claim that is deemed allowed in accordance with the Plan shall be allowed for voting purposes in the deemed allowed amount set forth in the Plan.
- VII. Rejection Damages Claims.** Any Claim filed as a protective Claim for rejection damages related to an Executory Contract or an Unexpired Lease shall be temporarily disallowed for voting purposes, and to the extent that such Claim is solely for rejection damages, any related Ballot shall not be counted as having voted for or against the Plan.
- VIII. Return of Ballots By Voting Deadline.** For a vote to accept or reject the Plan to be counted, all required information on the Ballot must be completed, the Ballot must be executed and the completed Ballot must be returned as directed on the Ballot so that it (or the Master Ballot) is actually received no later than [____], 2010 at 5:00 p.m. (Prevailing Eastern Time) by the Voting and Claims Agent at Kurtzman Carson Consultants LLC at either: (a) Citadel Broadcasting Ballot Processing, c/o Kurtzman Carson Consultants, 2335 Alaska Avenue, El Segundo, CA 90245 or (b) with respect to Master Ballots, Citadel Broadcasting Master Ballot Processing, c/o Kurtzman Carson Consultants, LLC, 1230 Avenue of the Americas, 7th Floor, New York, New York 10020.
- IX. Ballots Excluded.** A Ballot or Master Ballot will not be counted if any of the following applies to the Ballot or Master Ballot, subject to the Debtors' right to waive such defects in accordance with these Solicitation Procedures:

 - A.** The Ballot and Master Ballot is received by the Voting and Claims Agent after the Voting Deadline.
 - B.** The Ballot partially rejects and partially accepts the Plan.

- C. The Ballot or Master Ballot is received by facsimile, e-mail or any other electronic means.
 - D. The Ballot or Master Ballot is not timely received by the Voting and Claims Agent, but is sent to the Debtors, any indenture trustee or agent, or the Debtors' financial or legal advisors.
- X. General Tabulation Procedures and Assumptions.** The following tabulation procedures for Ballots and Master Ballots shall be utilized:
- A. Creditors (including Beneficial Holders of Claims in Voting Classes) must vote all of their Claims in a particular Class either to accept or reject the Plan and may not split their votes with respect to such Claims within a particular Class.
 - B. The method of delivery of the Ballots and Master Ballots to be sent to the Voting and Claims Agent is at the election and risk of each Holder of a Claim and (if applicable) Nominee, and will be deemed made only when the original executed Ballot or Master Ballot is actually received by the Voting and Claims Agent.
 - C. If multiple Ballots are received from, or on behalf of, an individual Holder of a Claim with respect to the same Claim before the Voting Deadline, the latest dated Ballot timely received will be deemed to reflect the intent of such Holder and to supersede and revoke any prior Ballot with respect to such Claim.
 - D. If a Ballot is signed by a trustee, executor, administrator, guardian, attorney-in-fact, attorney-at-law or other person acting in a fiduciary or representative capacity, such person shall be required to indicate such capacity when signing, and the Debtors may request proper evidence prior to accepting such Ballot.
 - E. The Debtors, in their sole discretion, subject to any contrary order of the Court, may waive any defect in any Ballot or Master Ballot at any time, whether before or after the Voting Deadline.
 - F. Any Holder of a Claim entitled to vote who has delivered a valid Ballot may withdraw such vote solely in accordance with Bankruptcy Rule 3018(a).
 - G. Subject to any contrary order of the Court, the Debtors reserve the absolute right to reject any and all Ballots or Master Ballots not in proper form, the acceptance of which would, in the opinion of the Debtors or their counsel, not be in accordance with these Solicitation Procedures or the Bankruptcy Code.
 - H. Unless waived by the Debtors pursuant to section (E) above, or as ordered by the Court, any defects or irregularities in connection with the deliveries of the Ballots or Master Ballots must be cured by the Voting Deadline, and unless otherwise ordered by the Court, delivery of such Ballots or Master Ballots will not be deemed to have been made until such irregularities have been cured or waived.

- I. Except as may be provided by Local Bankruptcy Rule 3018-1(b) and unless otherwise ordered by the Court, with respect to a Ballot or Master Ballot received before the Voting Deadline, neither the Debtors, nor any other person or entity, will be under any duty to provide notification of defects or irregularities with respect to deliveries of Ballots or Master Ballots nor will any of them incur liabilities for failure to provide such notification.

XI. Additional Procedures for Class 4 General Unsecured Claims

- A. The Ballots that will be sent to the Holders of the General Unsecured Notes Claims will contain an option for Holders who vote to accept the Debtors' Plan to either receive (a) Cash in an amount equal to 5% of the Allowed amount of such Holder's General Unsecured Claim, in an aggregate amount not to exceed \$2,000,000 (the "***General Unsecured Claims Cash Cap***") or (b) a Pro Rata share of the Unsecured Claims Equity Distribution.
- B. The Cash option available to Holders of Class 4 Claims shall be distributed among electing Holders in inverse order of the respective dollar amounts of Allowed Claims (i.e., first to the smallest General Unsecured Claim and last to the largest General Unsecured Claim).
- C. Once the General Unsecured Claims Cash Cap is exhausted, any electing Holders that did not receive Cash shall be treated like all non-electing Holders and receive their Pro Rata share of the Unsecured Claim Equity Distribution.
- D. The Holders of General Unsecured Notes Claims that vote to accept the Plan but do not make an election to receive either Cash or a Pro Rata share of the New Common Stock or that do not submit a vote will be deemed to have elected to receive Cash.
- E. All Holders of General Unsecured Claims must complete and submit an Ownership Certification to the Voting and Claims Agent. The Holders of General Unsecured Claims who do not complete and submit an Ownership Certification may receive Special Warrants in lieu of New Common Stock (in the absence of the Cash election or exhaustion of the General Unsecured Claims Cash Cap).

XII. Additional Procedures for Master Ballots and Ballots cast by Nominees and Beneficial Owners.

- A. Tabulation Rules for Master Ballots and Ballots Cast by Nominees and Beneficial Owners:
 - 1. With respect to the tabulation of Master Ballots and Ballots cast by Nominees and Beneficial Owners, for purposes of voting, the amount that will be used to tabulate acceptance or rejection of the Plan will be the Record Amount, and the following additional rules will apply to the tabulation of Master Ballots and Ballots cast by Nominees and Beneficial Owners:

- (i) Votes cast by Beneficial Owners through Nominees will be applied against the positions held by such Nominees in the Notes as of the Record Date, as evidenced by the record and depository listings. Votes submitted by a Nominee will not be counted in excess of the Record Amount of such securities held by such Nominee.
- (ii) If conflicting votes or “over-votes” are submitted by a Nominee, the Debtors will attempt to reconcile discrepancies with the Nominees.
- (iii) If over-votes on a Master Ballot are not reconciled before the preparation of the vote certification, the Debtors will apply the votes to accept and to reject the Plan in the same proportion as the votes to accept and reject the Plan submitted on the Master Ballot that contained the over-vote, but only to the extent of the Nominee’s position in the Notes.
- (iv) For purposes of tabulating votes, each Beneficial Owner will be deemed to have voted only the principal amount of its Notes, although the Voting and Claims Agent may be asked to adjust such principal amount to reflect the claim amount, including prepetition interest.
- (v) A single Nominee may complete and deliver to the Voting and Claims Agent multiple Master Ballots. Votes reflected on multiple Master Ballots will be counted, except to the extent they are duplicative of other Master Ballots. If two or more Master Ballots are inconsistent, the latest dated Master Ballot received before the Voting Deadline will, to the extent of such inconsistency, supersede and revoke any prior Master Ballot.

XIII. Additional Procedures for Senior Claims.

- A.** The Senior Agent shall provide to the Voting and Claims Agent no later than four business days after the Record Date a copy of its register listing the name, address and Claim amount of each Holder of a Senior Claim as of the Record Date (the “*Class 3 Voting Information*”). The Voting and Claims Agent shall be obligated to and shall maintain the confidentiality of the Class 3 Voting Information (including by removing the Class 3 Voting Information from any certificates or affidavits of service and aggregating the votes of such Holders in any report of the voting of such Holders without listing the Class 3 Voting Information).
- B.** All Holders of Class 3 Senior Claims must complete and submit the Ownership Certification with their Ballot to the Voting and Claims Agent. The Holders of

the Class 3 Senior Claims who do not complete and submit an Ownership Certification may receive Special Warrants in lieu of New Common Stock.

XIV. Transferred Claim Procedures.

- A. Pre-Record Date Transfers.** With respect to a transferred Claim, if the Holder of such Claim is entitled to vote with respect to the Plan, the transferee shall be entitled to receive a Solicitation Package and cast a Ballot on account of such Claim only if (a) all actions necessary to effectuate the transfer of the Claim, pursuant to Bankruptcy Rule 3001(e), have been completed by the Record Date or (b) the transferee files and the Court has docketed by the Record Date (i) the documentation required by Bankruptcy Rule 3001(e) to evidence the transfer and (ii) a sworn statement of the transferor supporting the validity of the transfer.
- B. Post-Record Date Transfers.** In the event a Claim is transferred after the Record Date, the transferee of such Claim shall be bound by any vote made by the Holder of such Claim as of the Record Date.

XV. 3018(a) Motions. To the extent a creditor would like to object to Citadel's or one of the Debtor Subsidiaries' chapter 11 plans but not to each of the 50 chapter 11 plans, such creditor will be required to file a motion under Bankruptcy Rule 3018 seeking relief from the Solicitation Procedures.

- A.** If any claimant or interest holder seeks to challenge the allowance of its Claim for voting purposes in accordance with the Tabulation Rules, such claimant or interest holder must file with the Court (with a copy to chambers) a motion (a "**Rule 3018 Motion**") for an order pursuant to Bankruptcy Rule 3018(a) temporarily allowing such Claim in a different amount for purposes of voting to accept or reject the Plan on or before the tenth day after the later of (a) service of the Confirmation Hearing Notice or (b) service of notice of an objection, if any, to such Claim. A hearing on any Rule 3018 Motions filed will be held before the Court no later than five days before the Voting Deadline. In accordance with Bankruptcy Rule 3018, as to any creditor filing such a motion, such creditor's Ballot should not be counted in an amount other than that provided by the Tabulation Procedures unless temporarily allowed by the Court in another amount for voting purposes.