HEARING DATE AND TIME: February 1, 2018 at 10:00 a.m. (Eastern Time)
OBJECTION DEADLINE: January 25, 2018 at 4:00 p.m. (Eastern Time)

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	:	**Chapter 11**
CUMULUS MEDIA INC., *et al.*,	:	**Case No. 17-13381 (SCC)**
Debtors.[1]	:	**(Jointly Administered)**

NOTICE OF FILING OF REVISED DISCLOSURE STATEMENT RELATING TO THE FIRST AMENDED JOINT PLAN OF REORGANIZATION OF CUMULUS MEDIA INC. AND ITS DEBTOR AFFILIATES PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE AND RELATED REDLINE

PLEASE TAKE NOTICE that, on January 18, 2018, the debtors and debtors in possession (collectively, the "Debtors") filed the *Disclosure Statement for First Amended Joint Plan of Reorganization of Cumulus Media Inc. and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 303] (the "Disclosure Statement").

PLEASE TAKE FURTHER NOTICE that the Debtors hereby file a revised version of the *Disclosure Statement for First Amended Joint Plan of Reorganization of Cumulus Media Inc. and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* (the "Revised Disclosure Statement") attached hereto as **Exhibit A**.

[1] The last four digits of Cumulus Media Inc.'s tax identification number are 9663. Because of the large number of Debtors in these chapter 11 cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at http://dm.epiq11.com/cumulus. The location of the Debtors' service address is: 3280 Peachtree Road, N.W., Suite 2200, Atlanta, Georgia 30305.

PLEASE TAKE FURTHER NOTICE that a redline comparison reflecting the variations between the Disclosure Statement and the Revised Disclosure Statement is attached hereto as **Exhibit B**.

PLEASE TAKE FURTHER NOTICE that Exhibit G (*Principal Terms and Conditions of First Lien Exit Facility*) to the Revised Disclosure Statement is annexed hereto as **Exhibits C**.

PLEASE TAKE FURTHER NOTICE that copies of the Motion as well as copies of all documents filed in these chapter 11 cases are available free of charge by visiting http://dm.epiq11.com/cumulus or by calling (844) 429-1668 within the United States or Canada or, outside of the United States or Canada, by calling +1 (503) 597-5529. You may also obtain copies of any pleadings by visiting the Court's website at http://www.nysb.uscourts.gov in accordance with the procedures and fees set forth therein.

Dated: January 31, 2018
New York, New York

PAUL, WEISS, RIFKIND, WHARTON
& GARRISON LLP

/s/ Paul M. Basta

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Debtors in Possession

EXHIBIT A

REVISED DISCLOSURE STATEMENT

THIS IS NOT A SOLICITATION OF VOTES TO ACCEPT OR REJECT THE PLAN IN ACCORDANCE WITH BANKRUPTCY CODE SECTION 1125 AND WITHIN THE MEANING OF BANKRUPTCY CODE SECTION 1126. THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED BY THE COURT. THIS DISCLOSURE STATEMENT WILL BE SUBMITTED TO THE COURT FOR APPROVAL. THE INFORMATION IN THIS DISCLOSURE STATEMENT IS SUBJECT TO CHANGE.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	**Chapter 11**
CUMULUS MEDIA INC., *et al.*,	**Case No. 17-13381 (SCC)**
Debtors.[1]	**(Jointly Administered)**

DISCLOSURE STATEMENT FOR FIRST AMENDED JOINT PLAN OF REORGANIZATION OF CUMULUS MEDIA INC. AND ITS DEBTOR AFFILIATES PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

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Counsel for Debtors and Debtors in Possession

Dated: January 31, 2018

[1] The last four digits of Cumulus Media Inc.'s tax identification number are 9663. Because of the large number of Debtors in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at http://dm.epiq11.com/cumulus. The location of the Debtors' service address is: 3280 Peachtree Road, N.W., Suite 2200, Atlanta, Georgia 30305.

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EXHIBITS

[2] On January 4, 2018, the Debtors filed the *Debtors' Motion for Entry of an Order Approving (A) the Adequacy of the Disclosure Statement; (B) Solicitation and Notice Procedures with Respect to Confirmation of the Joint Plan of Reorganization of Cumulus Media Inc. and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code; (C) the Form of Ballots and Notices in Connection Therewith; (D) the Scheduling of Certain Dates with Respect Thereto; and (E) Related Relief* [ECF No. 176] (the "Disclosure Statement Motion"). As of the filing of this Disclosure Statement, the Disclosure Statement Motion has not yet been approved. The Debtors will include a copy of the Disclosure Statement Order (as defined herein) in the Solicitation Package.

I. INTRODUCTION

A. Overview

Cumulus Media Inc. and certain of its affiliates, as debtors and debtors in possession in the above-captioned cases (collectively, the "Debtors" and together with their non-debtor affiliates, the "Company" or "Cumulus Media") are sending you this document and the accompanying materials (this "Disclosure Statement") because you are a creditor that may be entitled to vote to approve the *First Amended Joint Plan of Reorganization of Cumulus Media Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code*, dated January 31, 2018, as the same may be amended from time to time [ECF No. [●]] (the "Plan"). The Plan is attached hereto as Exhibit A.

All capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Plan or Disclosure Statement Order, as applicable. To the extent that a definition of a term in the text of this Disclosure Statement and the definition of such term in the Plan are inconsistent, the definition included in the Plan controls and governs.

The Debtors are soliciting your vote to approve the Plan (the "Solicitation") *ONLY* upon the Bankruptcy Court (i) approving this Disclosure Statement as containing adequate information, and (ii) approving the solicitation of votes as being in compliance with sections 1125 and 1126(b) of the Bankruptcy Code.

The Plan is the final step of the Company's balance sheet restructuring. Among other benefits, the Plan:

- Reduces the Company's pro forma indebtedness by $1.039 billion versus its existing capital structure;
- Capitalizes the Company with favorable debt terms, including an extended maturity date; and
- Has the support of the requisite majorities of the Debtors' prepetition secured lenders, the Debtors' largest creditor constituency.

Through the restructuring, the Debtors expect to create a sustainable capital structure that positions Cumulus Media for success in the demanding radio broadcasting industry. The Plan's deleveraging of the Debtors' balance sheet affords the Company a "fresh start" and provides a foundation for the long-term sustainability of the Company's businesses for the benefit of its employees and customers.

The Plan provides for the treatment of Allowed Claims against, and Interests in, the Debtors as follows (the securities issuable under the Plan are referred to in this Disclosure

Statement as "New Common Stock" and the "Special Warrants," and, collectively, the "New Securities"):[3]

- Secured Claims under the Debtors' Credit Agreement. Each Holder of an Allowed Credit Agreement Claim will receive its *pro rata* share and interest in: (i) $1.3 billion in principal amount of first lien term loans (the "First Lien Exit Facility"); and (ii) 83.5% of the issued and outstanding amount of the New Securities, subject to dilution on account of the Management Incentive Plan (the "Term Loan Lender Equity Pool").

- General Unsecured Claims of $20,000 or Less. Subject to certain conditions, including that the Allowed Convenience Claims do not exceed $2 million in the aggregate, each Holder of an Allowed Convenience Claim—that is, a Holder of a General Unsecured Claim of $20,000 or less or a Holder of an Allowed General Unsecured Claim in a greater amount who voluntarily elects to reduce its Claim to $20,000—will receive Cash in an amount equal to 100% of its Allowed Convenience Claim.

- Senior Notes Claims and Other General Unsecured Claims. Each Holder of an Allowed Senior Notes Claim and each Holder of an Allowed General Unsecured Claim (which does not include Allowed Convenience Claims) will receive its *pro rata* share and interest in 16.5% of the issued and outstanding amount of the New Securities, subject to dilution on account of the Management Incentive Plan (the "Unsecured Creditor Equity Pool").

- Cumulus Media Inc. Common Stock and Warrants. All warrants and common stock of all classes of Cumulus Media Inc. will be cancelled and discharged, and Holders of such Interests will not receive any distribution on account thereof.

The Plan does not provide for the substantive consolidation of any of the Debtors' estates. The Chapter 11 Cases have been consolidated for procedural purposes only and are being jointly administered pursuant to an order of the Bankruptcy Court. Accordingly, the Plan constitutes a separate plan of reorganization for each Debtor in the Chapter 11 Cases.

ONLY HOLDERS OF CREDIT AGREEMENT CLAIMS (CLASS 3), CONVENIENCE CLAIMS (CLASS 4), SENIOR NOTES CLAIMS (CLASS 5), AND GENERAL UNSECURED CLAIMS (CLASS 6) ARE ENTITLED TO VOTE ON THE PLAN AND ARE BEING SOLICITED UNDER THIS DISCLOSURE STATEMENT.

[3] The narrative contained herein is for descriptive purposes only. To the extent of any inconsistency between the Disclosure Statement and the Plan, the Plan governs.

RECOMMENDATION BY THE BOARD AND CREDITOR SUPPORT

The board of directors of Cumulus Media Inc. (the "Board"), and the board of directors of each of its Debtor affiliates, have approved the transactions contemplated by the Plan and recommend that all creditors whose votes are being solicited submit ballots to **accept** the Plan.

Holders of approximately 71% in outstanding principal amount of the Credit Agreement Claims entitled to vote on the Plan have already committed, subject to certain terms and conditions, including the filing of this Disclosure Statement, to vote in favor of the Plan pursuant to a Restructuring Support Agreement.[4]

COMMITTEE STATEMENT

The Official Committee of Unsecured Creditors appointed in the Chapter 11 Cases (the "Committee") believes that the Total Enterprise Value estimated by the Debtors is materially lower than the enterprise value of the Reorganized Debtors that the Bankruptcy Court may determine following the presentation of evidence at the hearing to consider confirmation of the Plan. The Official Committee of Unsecured Creditors recommends that all creditors submit ballots to **reject** the Plan.

The Debtors vigorously dispute the Committee's position and will present evidence at the Plan confirmation hearing supporting the Debtors' estimated Total Enterprise Value.

VOTING DEADLINE:
5:00 P.M. PREVAILING EASTERN TIME ON MARCH 23, 2018

(unless extended by the Debtors)

BENEFICIAL HOLDERS WHO HOLD THEIR CLAIMS THROUGH VOTING NOMINEES MUST RETURN SUCH BENEFICIAL HOLDER BALLOTS TO THEIR RESPECTIVE VOTING NOMINEES AS SOON AS POSSIBLE TO ALLOW SUFFICIENT TIME FOR VOTING NOMINEES TO VALIDATE AND INCLUDE THEIR VOTES ON A MASTER BALLOT AND RETURN SUCH MASTER BALLOTS TO THE VOTING AND CLAIMS AGENT ON OR BEFORE THE PLAN VOTING DEADLINE.

FOR YOUR VOTE TO BE COUNTED, THE MASTER BALLOT SUBMITTED ON YOUR BEHALF MUST BE ACTUALLY RECEIVED BY THE VOTING AND CLAIMS AGENT ON OR BEFORE THE PLAN VOTING DEADLINE.

IF YOU HOLD YOUR CLAIMS DIRECTLY, YOU MUST RETURN YOUR COMPLETED BALLOT TO THE VOTING AND CLAIMS AGENT ON OR BEFORE THE PLAN VOTING DEADLINE.

[4] A copy of the Restructuring Support Agreement is attached as Exhibit D to the *Declaration of John F. Abbot in Support of Chapter 11 Petition and First Day Motions* [ECF No. 17] (the "First Day Declaration").

THE DEBTORS ARE PROVIDING THE INFORMATION IN THIS DISCLOSURE STATEMENT TO HOLDERS OF CLAIMS FOR THE PURPOSE OF SOLICITING VOTES TO ACCEPT OR REJECT THE PLAN. NOTHING IN THIS DISCLOSURE STATEMENT MAY BE RELIED UPON OR USED BY ANY ENTITY FOR ANY PURPOSE OTHER THAN TO DETERMINE HOW TO VOTE ON THE PLAN. BEFORE DECIDING WHETHER TO VOTE FOR OR AGAINST THE PLAN, EACH HOLDER ENTITLED TO VOTE SHOULD CAREFULLY CONSIDER ALL OF THE INFORMATION IN THIS DISCLOSURE STATEMENT, INCLUDING ALL ATTACHED EXHIBITS AND DOCUMENTS INCORPORATED INTO THIS DISCLOSURE STATEMENT, AS WELL AS THE RISK FACTORS DESCRIBED IN ARTICLE XI OF THIS DISCLOSURE STATEMENT.

UPON CONFIRMATION OF THE PLAN, THE NEW SECURITIES DESCRIBED IN THIS DISCLOSURE STATEMENT WILL BE ISSUED WITHOUT REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), ANY STATE SECURITIES LAWS ("BLUE SKY LAWS"), OR ANY SIMILAR U.S. FEDERAL, STATE OR LOCAL LAWS TO PERSONS RESIDENT OR OTHERWISE LOCATED IN THE UNITED STATES IN RELIANCE ON THE EXEMPTION SET FORTH IN SECTION 1145 OF THE BANKRUPTCY CODE.

NO NEW SECURITIES TO BE ISSUED PURSUANT TO THE PLAN HAVE BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "SEC") OR BY ANY STATE SECURITIES COMMISSION OR SIMILAR PUBLIC, GOVERNMENTAL OR REGULATORY AUTHORITY. THIS DISCLOSURE STATEMENT HAS NOT BEEN FILED FOR APPROVAL WITH THE SEC OR ANY STATE AUTHORITY, AND NEITHER THE SEC NOR ANY STATE AUTHORITY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DISCLOSURE STATEMENT OR UPON THE MERITS OF THE PLAN. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE IN THE UNITED STATES. NEITHER THIS SOLICITATION NOR THIS DISCLOSURE STATEMENT CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY SECURITIES IN ANY STATE OR JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED.

THIS DISCLOSURE STATEMENT CONTAINS "FORWARD-LOOKING STATEMENTS." SUCH STATEMENTS CONSIST OF ANY STATEMENT OTHER THAN A RECITATION OF HISTORICAL FACT AND CAN BE IDENTIFIED BY THE USE OF FORWARD-LOOKING TERMINOLOGY SUCH AS "MAY," "EXPECT," "ANTICIPATE," "ESTIMATE" OR "CONTINUE" OR THE NEGATIVE THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. THE DEBTORS CONSIDER ALL STATEMENTS REGARDING ANTICIPATED OR FUTURE MATTERS TO BE FORWARD-LOOKING STATEMENTS.

THE READER IS CAUTIONED THAT ALL FORWARD-LOOKING STATEMENTS ARE NECESSARILY SPECULATIVE AND THERE ARE CERTAIN RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL EVENTS OR RESULTS TO DIFFER MATERIALLY FROM THOSE PRESENTED IN SUCH FORWARD-

LOOKING STATEMENTS, INCLUDING BUT NOT LIMITED TO RISKS AND UNCERTAINTIES RELATING TO:

- any future effects as a result of the pendency of the Chapter 11 Cases;
- the Debtors' liquidity and financial outlook;
- reductions in the Debtors' revenue from market pressures, increased competition or otherwise;
- the Debtors' ability to attract, motivate and/or retain their employees necessary to operate competitively in the Debtors' industry;
- changes in interest rates;
- the Debtors' ability to effectively manage costs;
- the Debtors' ability to drive and manage growth;
- the popularity of radio as a broadcasting and advertising medium;
- changing consumer tastes;
- industry conditions, including existing competition and future competitive technologies;
- the impact of general economic and political conditions in the United States or in specific markets in which the Debtors currently do business;
- cancellation, disruptions or postponements of advertising schedules in response to national or world events;
- the Debtors' ability to generate revenues from new sources, including digital initiatives;
- the impact of regulatory rules or proceedings that may affect the Debtors' business from time to time;
- loss of affiliation agreements;
- disruptions or security breaches of the Debtors' information technology infrastructure;
- the future write off of any material portion of the Debtors' FCC broadcast licenses;
- the Debtors' ability from time to time to renew one or more of their broadcast licenses;

- the Debtors' ability to generate sufficient cash flows to service or refinance debt and other obligations post-emergence;
- the implementation of the Restructuring Transactions; and
- the Company's success at managing the foregoing risks.

STATEMENTS CONCERNING THESE AND OTHER MATTERS ARE NOT GUARANTEES OF THE REORGANIZED DEBTORS' FUTURE PERFORMANCE. THERE ARE RISKS, UNCERTAINTIES, AND OTHER IMPORTANT FACTORS THAT COULD CAUSE THE REORGANIZED DEBTORS' ACTUAL PERFORMANCE OR ACHIEVEMENTS TO BE DIFFERENT FROM THOSE THEY MAY PROJECT, AND THE DEBTORS UNDERTAKE NO OBLIGATION TO UPDATE THE PROJECTIONS MADE HEREIN, EXCEPT AS MAY BE REQUIRED BY APPLICABLE LAW. THE LIQUIDATION ANALYSIS, PROJECTIONS AND OTHER INFORMATION CONTAINED HEREIN AND ATTACHED HERETO ARE ESTIMATES ONLY, AND THE VALUE OF THE PROPERTY DISTRIBUTED TO HOLDERS OF ALLOWED CLAIMS MAY BE AFFECTED BY MANY FACTORS THAT CANNOT BE PREDICTED. THEREFORE, ANY ANALYSES, ESTIMATES OR RECOVERY PROJECTIONS MAY OR MAY NOT TURN OUT TO BE ACCURATE. FOR MORE INFORMATION REGARDING THE FACTORS THAT MAY CAUSE ACTUAL RESULTS TO DIFFER FROM THOSE PRESENTED IN THE FORWARD-LOOKING STATEMENTS, PLEASE REFER TO ARTICLE XI – CERTAIN RISK FACTORS TO BE CONSIDERED OF THIS DISCLOSURE STATEMENT AND "ITEM 1A – RISK FACTORS" OF THE ANNUAL REPORT ON FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2016 OF CUMULUS MEDIA INC., FILED WITH THE SEC.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED PURSUANT TO SECTION 1125 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3016 AND IS NOT NECESSARILY IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER SIMILAR LAWS.

THE DEBTORS RECOMMEND THAT POTENTIAL RECIPIENTS OF ANY NEW SECURITIES PURSUANT TO THE PLAN CONSULT THEIR OWN LEGAL COUNSEL CONCERNING THE SECURITIES LAWS GOVERNING THE TRANSFERABILITY OF ANY SUCH SECURITIES.

NO LEGAL OR TAX ADVICE IS PROVIDED TO YOU BY THIS DISCLOSURE STATEMENT. THE DEBTORS URGE EACH HOLDER OF A CLAIM TO CONSULT WITH ITS OWN ADVISORS WITH RESPECT TO ANY LEGAL, FINANCIAL, SECURITIES, TAX OR BUSINESS ADVICE IN REVIEWING THIS DISCLOSURE STATEMENT, THE PLAN AND EACH OF THE PROPOSED TRANSACTIONS CONTEMPLATED THEREBY. FURTHER, THE BANKRUPTCY COURT'S APPROVAL OF THE ADEQUACY OF DISCLOSURES CONTAINED IN THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL OF THE MERITS OF THE PLAN OR A GUARANTEE BY THE

BANKRUPTCY COURT OF THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN.

THIS DISCLOSURE STATEMENT CONTAINS, AMONG OTHER THINGS, SUMMARIES OF THE PLAN, CERTAIN STATUTORY PROVISIONS, CERTAIN EVENTS IN THE DEBTORS' CHAPTER 11 CASES, AND CERTAIN DOCUMENTS RELATED TO THE PLAN THAT ARE ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE OR THAT MAY BE FILED LATER WITH THE PLAN SUPPLEMENT. ALTHOUGH THE DEBTORS BELIEVE THAT THESE SUMMARIES ARE FAIR AND ACCURATE, THESE SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY TO THE EXTENT THAT THE SUMMARIES DO NOT SET FORTH THE ENTIRE TEXT OF SUCH DOCUMENTS OR STATUTORY PROVISIONS OR EVERY DETAIL OF SUCH EVENTS. IN THE EVENT OF ANY CONFLICT, INCONSISTENCY OR DISCREPANCY BETWEEN A DESCRIPTION IN THIS DISCLOSURE STATEMENT AND THE TERMS AND PROVISIONS OF THE PLAN OR ANY OTHER DOCUMENTS, THE PLAN OR SUCH OTHER DOCUMENTS WILL GOVERN AND CONTROL FOR ALL PURPOSES. EXCEPT AS OTHERWISE SPECIFICALLY NOTED, FACTUAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAS BEEN PROVIDED BY THE DEBTORS' MANAGEMENT. THE DEBTORS DO NOT REPRESENT OR WARRANT THAT THE INFORMATION CONTAINED HEREIN OR ATTACHED HERETO IS WITHOUT ANY MATERIAL INACCURACY OR OMISSION.

IN PREPARING THIS DISCLOSURE STATEMENT, THE DEBTORS RELIED ON FINANCIAL DATA DERIVED FROM THE DEBTORS' BOOKS AND RECORDS, AND ON VARIOUS ASSUMPTIONS REGARDING THE DEBTORS' BUSINESS. THE DEBTORS' MANAGEMENT HAS REVIEWED THE FINANCIAL INFORMATION PROVIDED IN THIS DISCLOSURE STATEMENT. ALTHOUGH THE DEBTORS HAVE USED THEIR REASONABLE BUSINESS JUDGMENT TO ENSURE THE ACCURACY OF THE FINANCIAL INFORMATION CONTAINED IN, OR INCORPORATED BY REFERENCE INTO, THIS DISCLOSURE STATEMENT, THIS DISCLOSURE STATEMENT HAS NOT BEEN AUDITED (UNLESS OTHERWISE EXPRESSLY PROVIDED HEREIN) AND NO REPRESENTATIONS OR WARRANTIES ARE MADE AS TO THE ACCURACY OF THE FINANCIAL INFORMATION CONTAINED HEREIN OR ASSUMPTIONS REGARDING THE DEBTORS' BUSINESS AND ITS FUTURE RESULTS AND OPERATIONS. THE DEBTORS EXPRESSLY CAUTION READERS NOT TO PLACE UNDUE RELIANCE ON ANY FORWARD-LOOKING STATEMENTS CONTAINED HEREIN.

NONE OF THIS DISCLOSURE STATEMENT, THE PLAN, THE CONFIRMATION ORDER, OR THE PLAN SUPPLEMENT WAIVES ANY RIGHTS OF THE DEBTORS WITH RESPECT TO THE HOLDERS OF CLAIMS OR INTERESTS PRIOR TO THE EFFECTIVE DATE. RATHER, THIS DISCLOSURE STATEMENT SHALL CONSTITUTE A STATEMENT MADE IN SETTLEMENT NEGOTIATIONS RELATED TO POTENTIAL CONTESTED MATTERS, POTENTIAL ADVERSARY PROCEEDINGS AND OTHER PENDING OR THREATENED LITIGATION OR ACTIONS.

NO RELIANCE SHOULD BE PLACED ON THE FACT THAT A PARTICULAR LITIGATION CLAIM OR PROJECTED OBJECTION TO A PARTICULAR CLAIM IS OR IS NOT IDENTIFIED IN THIS DISCLOSURE STATEMENT. EXCEPT AS PROVIDED UNDER THE PLAN, THE DEBTORS OR THE REORGANIZED DEBTORS MAY SEEK TO INVESTIGATE, FILE AND PROSECUTE CLAIMS AND CAUSES OF ACTION AND MAY OBJECT TO CLAIMS AFTER CONFIRMATION OR THE EFFECTIVE DATE OF THE PLAN IRRESPECTIVE OF WHETHER THIS DISCLOSURE STATEMENT IDENTIFIES ANY SUCH CLAIMS OR OBJECTIONS TO CLAIMS ON THE TERMS SPECIFIED IN THE PLAN.

UNLESS OTHERWISE EXPRESSLY NOTED, THE DEBTORS ARE GENERALLY MAKING THE STATEMENTS AND PROVIDING THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT AS OF THE PETITION DATE WHERE FEASIBLE. ALTHOUGH THE DEBTORS MAY SUBSEQUENTLY UPDATE THE INFORMATION IN THIS DISCLOSURE STATEMENT, THE DEBTORS HAVE NO AFFIRMATIVE DUTY TO DO SO. HOLDERS OF CLAIMS REVIEWING THIS DISCLOSURE STATEMENT SHOULD NOT INFER THAT, AT THE TIME OF THEIR REVIEW, THE FACTS SET FORTH HEREIN HAVE NOT CHANGED SINCE THIS DISCLOSURE STATEMENT WAS SENT. INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION, MODIFICATION OR AMENDMENT. THE DEBTORS RESERVE THE RIGHT TO FILE AN AMENDED OR MODIFIED PLAN AND RELATED DISCLOSURE STATEMENT FROM TIME TO TIME, SUBJECT TO THE TERMS OF THE RESTRUCTURING SUPPORT AGREEMENT.

THE DEBTORS HAVE NOT AUTHORIZED ANY ENTITY TO GIVE ANY INFORMATION ABOUT OR CONCERNING THE PLAN OTHER THAN THAT WHICH IS CONTAINED IN THIS DISCLOSURE STATEMENT. THE DEBTORS HAVE NOT AUTHORIZED ANY REPRESENTATIONS CONCERNING THE DEBTORS OR THE VALUE OF THEIR PROPERTY OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT.

HOLDERS OF CLAIMS ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN MUST RELY ON THEIR OWN EVALUATION OF THE COMPANY AND THEIR OWN ANALYSES OF THE TERMS OF THE PLAN IN DECIDING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN. IMPORTANTLY, PRIOR TO DECIDING WHETHER AND HOW TO VOTE ON THE PLAN, EACH HOLDER OF A CLAIM IN A VOTING CLASS SHOULD REVIEW THE PLAN IN ITS ENTIRETY AND CONSIDER CAREFULLY ALL OF THE INFORMATION IN THIS DISCLOSURE STATEMENT AND ANY EXHIBITS HERETO.

IF THE PLAN IS CONFIRMED BY THE BANKRUPTCY COURT AND THE EFFECTIVE DATE OCCURS, ALL HOLDERS OF CLAIMS AND INTERESTS (INCLUDING THOSE HOLDERS OF CLAIMS AND INTERESTS WHO DO NOT SUBMIT BALLOTS TO ACCEPT OR REJECT THE PLAN, WHO VOTE TO REJECT THE PLAN, OR WHO ARE NOT ENTITLED TO VOTE ON THE PLAN) AGAINST THE DEBTORS WILL BE BOUND BY THE TERMS OF THE PLAN AND THE TRANSACTIONS CONTEMPLATED THEREBY.

NOTWITHSTANDING ANY RIGHTS OF APPROVAL PURSUANT TO THE RESTRUCTURING SUPPORT AGREEMENT OR OTHERWISE AS TO THE FORM OR SUBSTANCE OF THIS DISCLOSURE STATEMENT, THE PLAN OR ANY OTHER DOCUMENT RELATING TO THE TRANSACTIONS CONTEMPLATED THEREUNDER, NONE OF THE CREDITORS WHO HAVE EXECUTED THE RESTRUCTURING SUPPORT AGREEMENT, OR THEIR RESPECTIVE REPRESENTATIVES, MEMBERS, FINANCIAL OR LEGAL ADVISORS OR AGENTS, HAS INDEPENDENTLY VERIFIED THE INFORMATION CONTAINED HEREIN, TAKES ANY RESPONSIBILITY THEREFOR, OR SHOULD HAVE ANY LIABILITY WITH RESPECT THEREWITH, AND NONE OF THE FOREGOING ENTITIES OR PERSONS MAKES ANY REPRESENTATIONS OR WARRANTIES WHATSOEVER CONCERNING THE INFORMATION CONTAINED HEREIN.

THE CONFIRMATION AND EFFECTIVENESS OF THE PLAN ARE SUBJECT TO CERTAIN MATERIAL CONDITIONS PRECEDENT DESCRIBED HEREIN AND SET FORTH IN ARTICLE IX OF THE PLAN. THERE IS NO ASSURANCE THAT THE PLAN WILL BE CONFIRMED, OR, IF CONFIRMED, THAT THE CONDITIONS REQUIRED TO BE SATISFIED FOR THE PLAN TO BECOME EFFECTIVE WILL BE SATISFIED (OR WAIVED).

ALL EXHIBITS TO THIS DISCLOSURE STATEMENT ARE INCORPORATED INTO AND ARE A PART OF THIS DISCLOSURE STATEMENT AS IF SET FORTH IN FULL HEREIN.

B. Who Is Entitled to Vote

Under the Bankruptcy Code, only holders of claims or interests in "impaired" classes are entitled to vote on the plan (unless, for reasons discussed in more detail below, such holders are deemed to reject the plan pursuant to section 1126(g) of the Bankruptcy Code). Under section 1124 of the Bankruptcy Code, a class of claims or interests is deemed to be "impaired" unless (i) the plan leaves unaltered the legal, equitable, and contractual rights to which such claim or interest entitles the holder thereof or (ii) notwithstanding any legal right to an accelerated payment of such claim or interest, the plan, among other things, cures all existing defaults (other than defaults resulting from the occurrence of bankruptcy events) and reinstates the maturity of such claim or interest as it existed before the default.

There are four (4) creditor groups entitled to vote on the Plan whose acceptances of the Plan are being solicited: Credit Agreement Claims (Class 3), Convenience Claims (Class 4), Senior Notes Claims (Class 5), and General Unsecured Claims (Class 6).

THE PLAN PROVIDES THAT THE FOLLOWING HOLDERS OF CLAIMS AND INTERESTS ARE DEEMED TO HAVE GRANTED THE RELEASES IN THE PLAN:

- all Holders of Claims and Interests that are deemed Unimpaired and presumed to accept the Plan;
- all Holders of Claims and Interests who vote to accept the Plan;

- all Holders of Claims and Interests entitled to vote on the Plan who abstain from voting on the Plan and do not elect on their Ballot to opt-out of the Third-Party Release;

- all Holders of Claims and Interests entitled to vote on the Plan who vote to reject the Plan but do not elect on their Ballot to opt-out of the Third-Party Release; and

- all other Holders of Claims and Interests who are deemed to reject the Plan and do not elect to opt-out of the Third-Party Release.

The Debtors have concluded that the Third-Party Release in the Plan is justified in light of the facts and circumstances of these Chapter 11 Cases. However, certain parties have objected to or may object to the Third-Party Release and the Bankruptcy Court may find that such releases cannot be approved. The Debtors dispute the assertion that the releases are impermissible and will address these challenges at the Confirmation Hearing. For a more detailed discussion of such objections, *see* Article VI.E of this Disclosure Statement.

C. Estimated Recoveries under the Plan

The table below summarizes (i) the treatment of Claims and Interests under the Plan; (ii) which Classes are impaired by the Plan; (iii) which Classes are entitled to vote on the Plan; and (iv) the estimated recoveries for Holders of Claims and Interests. The table is qualified in its entirety by reference to the full text of the Plan. For a more detailed summary of the terms and provisions of the Plan, *see* Article VI of this Disclosure Statement. The estimated recoveries for Holders of Claims and Interests is based on the total distributable value available under the Plan which comprises (a) the Total Enterprise Value of the Debtors set forth in Exhibit C attached to this Disclosure Statement, and (b) the pre-tax net proceeds of a certain land sale in the Company's Washington, D.C. market as further described in Article III.A.2 of this Disclosure Statement. The projected recovery for Holders of Claims does not account for any dilution on account of the Management Incentive Plan. The Committee believes that actual recoveries will likely be lower than the projected range as a result of dilution by the Management Incentive Plan.

The estimated recoveries set forth below may change based upon changes in the amount of Claims that are filed and "Allowed" as well as other factors related to the Debtors' business operations and general economic conditions. The Claims Bar Date for filing Proofs of Claim has not yet passed and the estimates of the amounts of Allowed Convenience Claims and Allowed General Unsecured Claims contained herein are based on the Debtors' books and records and good faith estimates. Similarly, any change in the number, identity, or timing of rejected Executory Contracts and Unexpired Leases, and treatment of unliquidated contingent Claims, among other changes, could have a material impact on both the amount of Allowed General Unsecured Claims and recoveries for Holders of Allowed General Unsecured Claims and Holders of Allowed Senior Notes Claims.

THE PROJECTED RECOVERIES SET FORTH IN THE TABLE BELOW ARE ESTIMATES ONLY AND THEREFORE ARE SUBJECT TO MATERIAL CHANGE. FOR A COMPLETE DESCRIPTION OF THE DEBTORS' CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS, REFERENCE SHOULD BE MADE TO THE PLAN.

Class	Claims and Interests	Status & Voting Rights	Estimated Amount of Claims	Distribution [% recovery]
1	Priority Non-Tax Claims	*Status*: Unimpaired Not Entitled to Vote (Presumed to Accept)	N/A[Note 1]	Except to the extent that a Holder of an Allowed Priority Non-Tax Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, settlement, compromise, release and discharge of each Allowed Priority Non-Tax Claim, each Holder of an Allowed Priority Non-Tax Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, in the discretion of the applicable Debtor or Reorganized Debtor, with the consent of the Term Lender Group, either: (i) payment in full in Cash; or (ii) Reinstatement of such Allowed Priority Non-Tax Claim. 100% [Note 1]
2	Other Secured Claims	*Status*: Unimpaired Not Entitled to Vote (Presumed to Accept)	N/A [Note 1]	Except to the extent that a Holder of an Allowed Other Secured Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Other Secured Claim, each Holder of an Allowed Other Secured Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, in the discretion of the applicable Debtor or Reorganized Debtor, with the consent of the Term Lender Group, either: (i) payment in full in Cash; (ii) Reinstatement of such Allowed Other Secured Claim; or (iii) delivery of the collateral securing any such Allowed Other Secured Claim and payment of any interest required under section 506(b) of the Bankruptcy Code. 100% [Note 1]

Class	Claims and Interests	Status & Voting Rights	Estimated Amount of Claims	Distribution [% recovery]
3	Credit Agreement Claims	*Status*: Impaired Entitled to Vote	$1,735,266,265.78 Note 2	Except to the extent that a Holder of an Allowed Credit Agreement Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Credit Agreement Claim, each Holder of an Allowed Credit Agreement Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, its Pro Rata share of and interest in (i) the First Lien Exit Facility, and (ii) the Term Loan Lender Equity Distribution; *provided*, that the Debtors and the Term Lender Group may determine, in their reasonable discretion to provide, at the election of a Holder of an Allowed Credit Agreement Claim, that such Holder may elect to receive its Pro Rata share of the Term Loan Lender Equity Distribution in the form of Restricted Stock issued in an amount of value equal to the Pro Rata share of the Term Loan Lender Equity Distribution such Holder would otherwise receive pursuant to this section; *provided, further*, that notwithstanding anything herein to the contrary, the distribution of the Term Loan Lender Equity Distribution shall be made pursuant to, and subject to the terms and conditions of, the Equity Allocation Mechanism. 87.3% - 97.8% Note 2
4	Convenience Claims	*Status*: Impaired Entitled to Vote	$2,000,000 Note 3	Except to the extent that a Holder of an Allowed Convenience Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Convenience Claim, each Holder of an Allowed Convenience Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, Cash in an amount equal to 100% of the Allowed Convenience Claim; *provided*, that Cash distributions to Holders of Allowed Convenience Claims shall not, in the aggregate, exceed the Convenience Class Cap without the prior written consent of the Term Lender Group; *provided, further*, that if the aggregate amount of Allowed Convenience Claims exceeds the Convenience Class Cap and the Term Lender Group does not consent to an increase in the Convenience Class Cap, then each Holder of an Allowed Convenience Claim shall receive Cash in an amount equal to its Pro Rata share of the Convenience Class Cap. "*Convenience Claim*" means a General Unsecured Claim that is either (a) in an amount that is equal to or less than $20,000 or (b) in an amount that is greater than $20,000, but with respect to which the Holder of such General Unsecured Claim voluntarily and irrevocably reduces the aggregate amount of such Claim to $20,000 pursuant to a valid election by the Holder of such General Unsecured Claim made on its Ballot on or before the Plan Voting Deadline. 100% Note 3

Class	Claims and Interests	Status & Voting Rights	Estimated Amount of Claims	Distribution [% recovery]
5	Senior Notes Claims	*Status*: Impaired Entitled to Vote	$637,314,444.44 Note 4	Except to the extent that a Holder of an Allowed Senior Notes Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Senior Notes Claim, each Holder of an Allowed Senior Notes Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, its Pro Rata share of the Unsecured Creditor Equity Distribution. The Unsecured Creditor Equity Distribution shall be allocated Pro Rata to Holders of Allowed Claims in Classes 5 and 6, and notwithstanding anything in the Plan to the contrary, shall be made pursuant to, and subject to the terms and conditions of, the Equity Allocation Mechanism. 6.7% - 13.7% Note 4
6	General Unsecured Claims	*Status*: Impaired Entitled to Vote	$44.5 million Note 4	Except to the extent that a Holder of an Allowed General Unsecured Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed General Unsecured Claim, each Holder of an Allowed General Unsecured Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, its Pro Rata share of the Unsecured Creditor Equity Distribution. The Unsecured Creditor Equity Distribution shall be allocated Pro Rata to Holders of Allowed Claims in Classes 5 and 6, and notwithstanding anything in the Plan to the contrary, shall be made pursuant to, and subject to the terms and conditions of, the Equity Allocation Mechanism. 6.7% - 13.7% Note 4
7	Intercompany Claims	*Status*: Unimpaired / Impaired Not Entitled to Vote (Deemed to Accept or Reject)	N/A Note 1	On the Effective Date or as soon as reasonably practicable thereafter, Allowed Intercompany Claims shall be, at the option of the Debtors or the Reorganized Debtors, as applicable, with the reasonable consent of the Term Lender Group, either (i) Reinstated as of the Effective Date, or (ii) cancelled without any distribution on account of such Intercompany Claims. N/A Note 1
8	Subordinated Claims	*Status*: Impaired Not Entitled to Vote (Deemed to Reject)	N/A Note 1	Subordinated Claims shall be subordinated to all other Claims against the Debtors, shall receive no distributions on account of such Subordinated Claims, and shall be discharged. "*Subordinated Claim*" means any Claim against any Debtor that is subordinated under section 510 of the Bankruptcy Code. 0% Note 1

Class	Claims and Interests	Status & Voting Rights	Estimated Amount of Claims	Distribution [% recovery]
9	Intercompany Interests	*Status*: Impaired / Unimpaired Not Entitled to Vote (Deemed to Accept or Reject)	N/A Note 1	To preserve the Debtors' corporate structure, on the Effective Date, or as soon thereafter as reasonably practicable, all Allowed Intercompany Interests shall be, at the option of the Debtors or the Reorganized Debtors, as applicable, with the reasonable consent of the Term Lender Group, either (i) Reinstated as of the Effective Date, or (ii) cancelled without any distribution on account of such Intercompany Interests. N/A Note 1
10	Interests in Cumulus	*Status*: Impaired Not Entitled to Vote (Deemed to Reject)	N/A Note 1	On the Effective Date, all Allowed Interests in Cumulus shall be cancelled without any distribution on account of such Interests in Cumulus. "*Interests*" means any equity security in a Debtor as defined in section 101(16) of the Bankruptcy Code, including all issued, unissued, authorized, or outstanding shares of capital stock of the Debtors together with any warrants, options, or contractual rights to purchase or acquire such equity securities at any time and all rights arising with respect thereto. 0% Note 1

Notes:

Note 1: The Plan projects a 100% recovery for Holders of Allowed Priority Non-Tax Claims and Allowed Other Secured Claims, and a 0% recovery for Holders of Subordinated Claims. Such Claims will be paid in Cash, return of the Holder's collateral, or not at all, respectively. Accordingly, the Debtors have not analyzed the individual aggregate Claim amounts for these Classes for purposes of this distribution analysis. Similarly, the Debtors have not included the amounts of Intercompany Claims, Intercompany Interests or Interests in Cumulus in this analysis because the value of such Claims or Interests is either $0.00 or has otherwise been accounted for in the enterprise valuation of the Debtors.

Note 2: The Plan Allows the Credit Agreement Claims in the aggregate principal amount of $1,728,614,099.90. Together with accrued interest and unpaid commitment fees due and owing as of the Petition Date, the estimated amount of the Credit Agreement Claims totals $1,735,266,265.78. The Debtors have not adjusted such amounts for any payments made or to be made on account of adequate protection or otherwise pursuant to the Cash Collateral Order, if any. The projected recovery for Holders of Allowed Credit Agreement Claims does not account for any dilution on account of the Management Incentive Plan.

Note 3: The Debtors estimate that the total aggregate amount of Convenience Claims will total approximately $2,000,000 based on the Debtors' books and records, good faith estimates and the Debtors' reasonable assumptions regarding elections to receive Convenience Claim treatment to be made by Holders of General Unsecured Claims. The actual amount of Convenience Claims may vary based on, among other things, the actual elections made by

Holders of General Unsecured Claims and the actual Proofs of Claims filed by the Claims Bar Date, which has not yet passed. The projected 100% recovery assumes that the actual Allowed amount of Convenience Claims will not exceed the Convenience Class Cap. In the event and to the extent that the actual Allowed amount of Convenience Claims exceeds the Convenience Class Cap, and is not increased in accordance with the terms of the Plan, the recoveries of Holders of Allowed Claims will decline Pro Rata. In addition, the estimated 100% percent recovery is based on Allowed Convenience Claim Amounts of $20,000 or less, and does not purport to reflect the percent recovery a Holder of an Allowed General Unsecured Claim would receive on its Allowed General Unsecured Claim if such Holder elected to receive Convenience Class treatment. Any such calculation would necessarily result in a percent recovery on the Allowed General Unsecured Claim of less than 100%.

Note 4: The Plan Allows the Senior Notes Claims in the aggregate amount of $637,314,444.44, which is the aggregate unpaid principal and accrued interest due and owing as of the Petition Date. The Debtors estimate that the total aggregate amount of Class 6 General Unsecured Claims will total approximately $44.5 million. The Claims Bar Date for filing Proofs of Claim has not yet passed, and the estimates of Allowed General Unsecured Claims are based on the Debtors' books and records and good faith estimates. The actual amount of General Unsecured Claims will vary based on, among other things: the number of actual Claims filed and the asserted amounts of such Claims; the Debtors' decisions with respect to the assumption or rejection of Executory Contracts and Unexpired Leases; the outcome of pending litigation against the Debtors (the outcomes of which are unknowable), which may result in substantial Claims in excess of those estimated for purposes hereof; the Claims reconciliation process; and the decisions made by individual Holders of General Unsecured Claims to elect Convenience Claim treatment. Such variations may be material. The projected recoveries for (i) Holders of Allowed Senior Notes Claims and (ii) Holders of Allowed General Unsecured Claims do not account for any dilution on account of the Management Incentive Plan.

WHERE TO FIND ADDITIONAL INFORMATION: Cumulus Media Inc. currently files annual reports with, and submits other information to, the SEC. Copies of any document filed with or submitted to the SEC may be obtained by visiting the SEC website at http://www.sec.gov.

II. OVERVIEW OF THE COMPANY'S OPERATIONS

A. Overview

The Debtors comprise the operating business of the Company. Cumulus Media is a leader in the radio broadcasting industry, reaching 245 million people each week through its owned-and-operated stations, Westwood One network affiliates and numerous digital channels, with a combination of local programming and nationally syndicated sports, news and entertainment content. The Company divides its business operations into two segments: (i) the radio station segment (the "Radio Station Group"), which owns and operates 446 radio stations across the country; and (ii) the radio network segment ("Westwood One"), which syndicates

content and services to approximately 8,000 other radio stations (the "Station Affiliates").[5] The Radio Station Group's radio stations serve 90 different "markets" (*i.e.*, geographical areas that typically include a city or combination of cities). These markets are located across 36 states and the District of Columbia.

Westwood One is one of the largest radio networks in the country by number of Station Affiliates. Westwood One produces, syndicates, and distributes owned content and services, as well as content and services produced in partnership with third parties to the radio market, including to competitors of the Debtors' owned and operated radio stations. Westwood One sells its content to the Station Affiliates in exchange for which it primarily receives commercial air time, which Westwood One then aggregates to sell to national advertisers. To a lesser extent, Westwood One receives cash in exchange for syndicated content. Westwood One also purchases advertising inventory on radio stations for cash compensation, which it then aggregates with other advertising inventory for sale to national advertisers.

Additional information about the Company's operations, capital structure, and financial position are set forth in the First Day Declaration, which is incorporated herein (together with the exhibits appended thereto) by reference as if fully set forth herein.

B. The Radio Industry

Radio broadcasting companies derive their primary revenue from the sale of advertising time to local, regional and national spot advertisers, and radio networks derive their primary revenue from the sale of advertising time to national network advertisers. Given the size and variety of its audiences, and low advertising rates compared to many other media, radio is considered an efficient, cost-effective means of reaching specifically identified demographic groups. Radio broadcasting companies and network radio companies also sell endorsements, where on-air talent serves as the voice for, and lends credibility to, a particular advertiser.

Stations are typically classified by their on-air format, such as country, rock, adult contemporary, oldies and news/talk. A station's format and style of presentation allows it to attract specific listener segments sharing certain demographic features and, then, market its broadcasting time to advertisers seeking to reach that audience. Generally, content broadcast on a radio station is either generated locally or comes from a radio network, where such content is generated centrally and syndicated to that radio station. Advertisers and their agencies use data published by audience measuring services, such as Nielsen Audio, to estimate how many people within particular geographical markets and demographics listen to specific stations.

The format of a particular station and the competitive environment generally dictates the type and amount of advertisements that a station can broadcast without jeopardizing listening levels and the resulting ratings. Although the number of advertisements broadcast during a given time period may vary, the total number of advertisements broadcast on a particular station generally does not vary significantly from year to year unless there is a specific strategy implemented to change that approach.

[5] Though referred to as "station affiliates" in the industry, the vast majority of radio stations that constitute Station Affiliates are third-party entities unrelated to the Debtors.

A station's local sales staff generates the majority of its local and regional advertising sales through direct solicitations of advertising agencies and local businesses. To generate national advertising sales, a station usually will engage a firm that specializes in soliciting radio-advertising sales on a national level. Stations may also engage directly with an internal national sales team that supports the efforts of third-party sales representatives and generates new business. National network sales representatives generally sell spots that have been received as payment for the syndication of content to a network affiliate or that have been otherwise acquired (*e.g.*, purchased for cash).

C. Cumulus Media

1. Reportable Segments

Cumulus Media operates in two reportable segments, the Radio Station Group and Westwood One. The Company centralizes the management of its overall executive, administrative and support functions, including finance, accounting, legal, human resources, marketing and information technology functions.

(a) The Radio Station Group

The Radio Station Group comprises Cumulus Media's 446 owned and operated radio stations. It provides advertisers with extensive reach to a broad set of consumers within and across 90 markets in 36 states and the District of Columbia. The Radio Station Group reaches one in five Americans weekly, hosts 440 local and national websites along with 90 digital and mobile distribution platforms, and has 6.4 million Facebook followers and 1.0 million Twitter followers. Its individual stations collectively run or participate in numerous events each year, including concerts, job fairs and talent competitions, most of which include opportunities for advertiser participation. The Radio Station Group also sells an array of digital products and services to enhance its advertisers' digital presence and access to customers.

(b) Westwood One

Westwood One offers iconic, nationally syndicated sports, news and entertainment content across an audio network of approximately 8,000 affiliated broadcast radio stations and media partners. Westwood One is one of the largest radio broadcast networks in America by number of affiliates, and is home to premium content, including the NFL, the NCAA, the Masters, the Olympics, Westwood One Backstage, the GRAMMYs, the Academy of Country Music Awards and the Billboard Music Awards. In addition, Westwood One's podcast network delivers popular network and industry personalities and programs to a rapidly growing listener base. Westwood One recently announced important data partnerships, under the OneWay brand, to increase targeting and attribution measurement, and launched the Westwood One ROI Guarantee, the first ever "return on investment" guarantee in the radio industry.

In addition to syndicating content and services in exchange for advertising time, Westwood One buys radio advertising inventory from the radio station market and seeks to resell it for a profit. Westwood One aggregates the advertising inventory that it purchases from the radio station market with inventory that it has received from Station Affiliates, and bundles that inventory in sales to advertisers who are typically, but not always, national in reach.

2. Revenue

The sale of advertising time is the Company's primary source of revenue. Local, regional and national advertiser demand affects the Company's sales of advertising time and the advertising rates it charges. Advertising demand and rates are based primarily on the ability to attract audiences in the demographic groups targeted by such advertising, as measured principally by various ratings agencies on a periodic basis.

The Company owns and operates a diverse platform in terms of format, listener base, geography, advertiser base and revenue stream. As a result, there is limited revenue dependence on any single demographic, region or industry. However, because of the high fixed cost nature of the Company's business, relatively small changes to the Company's revenue can have a more significant impact on the Company's earnings.

The Company's advertising contracts are generally short term. It generates most of its revenue from local and regional advertising, which is sold primarily by a station's sales staff. In addition to local and regional advertising revenues, the Company monetizes its available inventory in both national spot and national network sales marketplaces.

Advertising revenues vary by quarter throughout the year. As with many advertising-revenue-supported businesses, the first calendar quarter typically produces the lowest revenues of any quarter during the year, as advertising generally declines following the winter holidays. The second and fourth calendar quarters typically produce the highest revenues for the year. In addition, the Company's revenues tend to fluctuate between years, consistent with, among other things, increased advertising expenditures in even-numbered years by political candidates, political parties and special interest groups. This political spending typically is heaviest during the fourth quarter.

In addition to selling advertising for cash, the Company also utilizes trade or barter agreements to exchange advertising time for goods or services such as travel or lodging, instead of cash. The station then uses these bartered goods or services in normal course operations or as products to give away to listeners.

The Company also generates non-broadcast revenues from a variety of other sources, including revenues generated by events and digital sources, which includes advertising revenues generated from the digital streaming of Cumulus programming, website ads and podcast ads as well as the sale of third-party digital products and services to improve clients' digital presence and access to customers.

3. Sales

At the Radio Station Group, each station's local sales staff solicits advertising either directly from a local advertiser or indirectly through an advertising agency. Cumulus Media generally uses a tiered commission structure to focus its sales staff on new business development. Cumulus Media's national sales are made by an outside firm specializing in radio advertising sales on the national level, in exchange for a commission that is based on the cash receipts from the net advertising revenue generated. Regional sales, which the Company defines as sales in regions surrounding its markets to buyers that advertise in its markets, are generally

made by the Company's local sales staff and market managers. The stations' local sales staffs also sell non-broadcast radio products, such as sponsorships in connection with local events and digital products and services, including streaming advertising, email targeting, search engine optimization services and social media management, sometimes with sales support from white label vendors of those digital offerings. At Westwood One, network sales are made by an internal sales staff to agencies, working on behalf of their clients, or to advertisers directly.

4. Employees

As of the Petition Date, Cumulus Media employed 5,282 people, 3,512 of whom were employed full time. Of these employees, approximately 250 employees were covered by collective bargaining agreements. In order to protect its interests in valuable relationships and content, Cumulus Media enters into contracts with many of its on-air personalities, including, in certain instances, contracts to syndicate their content on an exclusive, or semi-exclusive, basis.

D. Local Marketing Agreements

A number of radio stations, including certain of the Company's stations, have entered into local marketing agreements ("LMA"). In a typical LMA, the licensee of a station makes available, for a fee and reimbursement of its expenses, airtime on its station to a party which supplies programming to be broadcast during that airtime, and collects revenues from advertising aired during such programming.

On January 2, 2014 (the "Commencement Date"), Merlin Media, LLC ("Merlin") and the Company entered into an LMA (the "Merlin LMA"). Under the Merlin LMA, the Company is responsible for operating two FM radio stations in Chicago, Illinois for monthly fees payable to Merlin of approximately $0.3 million, $0.4 million, $0.5 million and $0.6 million in the first, second, third and fourth years following the Commencement Date, respectively, in exchange for the Company retaining the operating profits from these radio stations. The Merlin LMA is subject to that certain Put and Call Agreement, dated as of January 2, 2014, by and among Merlin, Merlin Media License, LLC, Chicago FM Radio Assets, LLC, and Radio License Holdings LLC for WLUP-FM and WIQI(FM) (the "Put and Call Agreement").

The Plan provides that all Claims against the Debtors arising out of the Put and Call Agreement shall be deemed Subordinated Claims unless they are otherwise Allowed as General Unsecured Claims, whether by Bankruptcy Court order or otherwise.

On January 18, 2018, the Debtors filed a motion to reject the Merlin LMA and ancillary agreements, including the Put and Call Agreement. *See Debtors' Motion Pursuant to Sections 105(a) and 365(a) of the Bankruptcy Code and Bankruptcy Rules 6004 and 9014 for Authority to Reject the Merlin Agreements* [ECF No. 299].

E. Significant Ratings and Advertising Sales Contracts

The radio broadcast industry's principal ratings service is Nielsen Audio, which publishes surveys for domestic radio markets. Certain of the Debtors are parties to agreements with the Nielsen Company (US) LLC ("Nielsen Audio") under which they receive ratings data for a majority of their respective markets. On December 8, 2017, the Debtors filed a motion to

assume an omnibus amendment to their agreements with Nielsen Audio, which effects a new multi-year extension of their access to Nielsen's rating products. The Bankruptcy Court approved the Debtors' motion at the Second Day Hearing (as defined below).

The Company also engages Katz Media Group, Inc. ("Katz") as its national advertising sales agent. The national advertising agency contract with Katz contains termination provisions that, if exercised by the Company during the term of the contract, would obligate the Company to pay a termination fee to Katz, calculated based upon a formula set forth in the contract.

F. Corporate Structure

1. The Debtors' Corporate Structure

Cumulus Media Inc. is the Debtors' ultimate parent company and issuer of the publicly traded equity securities. Cumulus Media Inc. owns Cumulus Media Holdings Inc., which is also a Debtor and the issuer of the Senior Notes and the borrower under the Credit Agreement. Like its parent company, Cumulus Media Holdings Inc. is a holding company and directly or indirectly owns the Debtors' operating subsidiaries. Exhibit B attached hereto sets forth the Company's organizational structure.

The legal entities within the Company's corporate family are generally organized based on the local markets in which the Company operates (*e.g.*, NY Radio Assets, LLC operates in the New York region; Chicago Radio Assets LLC operates in the Chicago region and so on). Substantially all of the Debtors are obligors or guarantors of the prepetition funded debt. CMI Receivables Funding LLC was an obligor under the Securitization Facility (defined below). The Company terminated the Securitization Facility on November 28, 2017.

2. Non-Debtor Affiliates, Joint Ventures and Partnerships

Certain direct and indirect subsidiaries of Cumulus Media Inc. did not file for Chapter 11 relief, including eight companies who hold Federal Communications Commission (the "FCC") licenses (each FCC license, an "FCC License," and such non-debtor companies, the "Non-Debtor FCC License Holders"). None of the Non-Debtor FCC License Holders conduct any material business operations or have any employees. Moreover, even though two of the Debtors who are obligors under the Credit Agreement also hold FCC Licenses, none of the Non-Debtor FCC License Holders are obligors on the Debtors' prepetition funded debt, nor have any of the Non-Debtor FCC License Holders pledged any assets in favor of the prepetition secured lenders. The Non-Debtor FCC License Holders' direct parents are Debtors, however, who have pledged their equity interests in the Non-Debtor FCC License Holders as collateral under the Term Loan and Revolving Credit Facility (each as defined below).

In addition, the Debtors are beneficiaries of a trust that holds for divestiture certain radio assets with *de minimis* value in accordance with and pursuant to a Memorandum

Opinion and Order and Notice of Apparent Liability released by the FCC on April 4, 2007 (the "FCC Order").[6]

The Debtors also own interests in various joint ventures and partnerships, none of which filed for Chapter 11 protection. Most of the joint ventures and partnerships were created for the purposes of owning and operating physical radio assets, such as towers, antenna systems or combiner systems.

G. Directors and Officers

1. Directors.

The composition of the post-Effective Date board of directors or managers of the Reorganized Debtors will be disclosed prior to the Confirmation Hearing in accordance with section 1129(a)(5) of the Bankruptcy Code. The current members of the Board are identified below:

Mr. Jeffrey A. Marcus serves as Chairman of the Board and is a Vice-Chairman of Crestview Partners, which he joined in 2004, and is a member of the Investment Committee. Prior to joining Crestview Partners, Mr. Marcus served in various positions in the media and communications industry, including as president and chief executive officer of AMFM Inc. (formerly Chancellor Media Corporation), which at the time was the nation's second largest radio company, and as founder, chairman and chief executive officer of Marcus Cable Company, a privately-held cable company. Mr. Marcus also founded Marcus Communications, which was merged into Western Tele-Communications and renamed WestMarc Communications, of which Mr. Marcus became chief executive officer. Mr. Marcus is currently a director of Camping World Holdings, Inc. and NEP Group, Inc., and is the Chairman of Wide Open West, Inc. Mr. Marcus has also served as a director of Charter Communications, Inc., Insight Communications, Inc., OneLink Communications, Inc., Brinker International, Inc., WestMarc Communications Inc. and DS Services of America, Inc., where he served as chairman. Mr. Marcus received a Bachelor of Arts in Economics from the University of California, Berkeley.

Ms. Mary G. Berner is the Company's President and Chief Executive Officer. Ms. Berner was initially elected to the Board at the 2015 annual meeting of stockholders. Prior to being appointed as Chief Executive Officer in October 2015, Ms. Berner served as President and Chief Executive Officer of MPA – The Association of Magazine Media since September 2012. From 2007 to 2011, she served as Chief Executive Officer of Reader's Digest Association. Before that, from November 1999 until January 2006, she led Fairchild Publications, Inc., first as President and Chief Executive Officer, and then as President of Fairchild and as an officer of Condé Nast. She has also held leadership roles at Glamour, TV Guide, W, Women's Wear Daily, Every Day with Rachael Ray and Allrecipes.com. Ms. Berner has served on numerous industry and not-for-profit boards. Ms. Berner received her Bachelor of Arts degree from the College of Holy Cross (Massachusetts).

[6] Paragraph 35 of the First Day Declaration incorrectly states that the Debtors entered into a consent decree with the SEC regarding the divestiture of certain assets by the Debtors. The correct regulatory agency is the FCC and the divestiture was implemented by Citadel Broadcasting Company (n/k/a Cumulus Radio Corporation) pursuant to the FCC Order, not a consent decree.

Mr. John W. Dickey was appointed to the Board in March of 2017. In 2016, Mr. Dickey became the Chief Executive Officer of Ora TV, an on-demand digital entertainment network and production company. Previously, Mr. Dickey served as Executive Vice President of Content and Programming at Cumulus Media Inc. until September 2015, after serving as Executive Vice President since January 2000 and co-Chief Operating Officer since 2006. Mr. Dickey was part of the initial investment group in Cumulus Media Inc. and formally joined the company in 1998. Prior to Cumulus Media, Mr. Dickey served as Executive Vice President and Partner of Stratford Research since June 1988. Mr. Dickey holds a Bachelor of Arts degree from Stanford University.

Mr. Ralph B. Everett has served on the Board since July of 1998. Mr. Everett is a Senior Industry and Innovation Fellow at Georgetown University Center for Business and Public Policy. From January 2007 until his retirement in January 2014, Mr. Everett served as the President and Chief Executive Officer of the Joint Center for Political and Economic Studies, a national, nonprofit research and public policy institution. Prior to 2007, and for 18 years, Mr. Everett had been a partner with the Washington, D.C. office of the law firm Paul Hastings LLP, where he headed the firm's Federal Legislative Practice Group. Prior to his time at Paul Hastings LLP, Mr. Everett worked in the U.S. Senate for more than a decade, including serving as a staff director and chief counsel of the Committee on Commerce, Science and Transportation. In 1998, Mr. Everett was appointed by President Clinton as United States Ambassador to the 1998 International Telecommunication Union Plenipotentiary Conference. He received a J.D. from Duke University Law School, where he was named Earl Warren Legal Scholar, and he is a *Phi Beta Kappa* graduate of Morehouse College.

Ms. Jill Bright was appointed to the Board in May of 2017. Ms. Bright was recently appointed Executive Vice President of Human Resources and Administration at Sotheby's. Prior to joining Sotheby's, Ms. Bright spent more than 20 years at Condé Nast where she led the Human Resources group for many years until her appointment as Chief Administrative Officer in 2010. Prior to joining Condé Nast, Ms. Bright held senior human resources roles at American Express and Macy's. Ms. Bright currently serves on the national board of Girls Inc. In 2015, she was appointed by New York City Mayor Bill de Blasio to the Quadrennial Advisory Commission to study, evaluate, and make recommendations regarding compensation levels of elected City Officials, and in 2017 she was appointed as Mayor de Blasio's Representative to the board of the New York Public Library. Ms. Bright received her bachelor's degree from Marymount Manhattan College, where she is a member of the Board of Trustees, and her MBA from New York University's Stern School of Business.

Mr. D.J. (Jan) Baker was appointed to the Board in October of 2017. Mr. Baker retired as a partner from the international law firm of Latham & Watkins LLP in July 2017, most recently serving as that firm's Global Co-Chair of the Corporate Restructuring Practice Group. Prior to joining Latham & Watkins LLP as a partner in 2009, Mr. Baker was a partner at Skadden, Arps, Slate, Meagher & Flom LLP and, prior thereto, at Weil, Gotshal & Manges LLP. Mr. Baker's practice focused on advising public and private companies in out of court restructurings and court supervised reorganization and restructuring proceedings, regularly advising boards of directors on issues related to corporate governance and fiduciary duties. Mr. Baker is also a member of the Hastings Center, a bio-ethics institute, and various other non-

profit boards. He received an A.B., *cum laude*, from Harvard University and a J.D., *magna cum laude*, from the University of Houston Law Center.

Mr. Ross Oliver was appointed to the Board in March of 2017. Mr. Oliver is the General Counsel of Crestview Partners, which he joined in 2011. Mr. Oliver is responsible for the firm's legal and compliance functions and has nearly 20 years of experience in private equity, mergers and acquisitions, and tax as both an attorney and a certified public accountant. Mr. Oliver joined Crestview from Davis Polk & Wardwell LLP, where he focused on investment management and capital markets transactions, and previously he was a senior manager in the mergers and acquisitions group at PricewaterhouseCoopers LLP. Mr. Oliver currently serves on the board of directors of Crestview portfolio company, Arxis Capital Group LLC, and on the board of the American Investment Council, an advocacy and resource organization for the private investment industry. Mr. Oliver received a J.D., *summa cum laude,* from the University of California, Hastings, an M.S. in taxation from American University and a B.B.A., *summa cum laude*, from Eastern Michigan University.

2. Executive Officers.

The following table sets forth the names of Cumulus Media's principal executive officers and their current positions:

Name	Position
Mary G. Berner	President and Chief Executive Officer
John Abbot	Executive Vice President, Treasurer and Chief Financial Officer
Richard S. Denning	Senior Vice President, Secretary and General Counsel
Suzanne M. Grimes	Executive Vice President of Corporate Marketing, President of Westwood One

Please see Section II.B.1, above, for Ms. Berner's biography.

Mr. John Abbot is the Company's Executive Vice President, Treasurer, and Chief Financial Officer. Mr. Abbot joined Cumulus Media in July 2016, having most recently served as Executive Vice President and Chief Financial Officer of Telx Holdings Inc., a leading provider of connectivity, co-location and cloud services in the data center industry, from 2014 to 2015. Prior to his service at Telx, which was sold to Digital Realty Trust in October 2015, Mr. Abbot served as Chief Financial Officer of Insight Communications Company, Inc., a cable television business, for eight years. During the prior nine years, he worked in the Global Media and Communications Group of the Investment Banking Division at Morgan Stanley, where he was a Managing Director. Mr. Abbot began his financial career as an associate at Goldman, Sachs & Co., and prior to that served as a Surface Warfare Officer in the U.S. Navy. He received a bachelor's degree in Systems Engineering from the U.S. Naval Academy, an ME in Industrial Engineering from The Pennsylvania State University, and an MBA from Harvard Business School.

Mr. Richard S. Denning is the Company's Senior Vice President, Secretary and General Counsel. Prior to joining the Company, Mr. Denning was an attorney with Dow, Lohnes & Albertson, PLLC ("DL&A") within DL&A's corporate practice group in Atlanta,

advising a number of media and communications companies on a variety of corporate and transactional matters. Mr. Denning also spent four years in DL&A's Washington, D.C. office and has extensive experience in regulatory proceedings before the FCC. Mr. Denning has been a member of the Pennsylvania Bar since 1991, the District of Columbia Bar since 1993, and the Georgia Bar since 2000. He is a graduate of The National Law Center, George Washington University.

Suzanne M. Grimes is the Company's Executive Vice President of Corporate Marketing and President of Westwood One. Prior to joining the Company in January 2016, Ms. Grimes served as Founder and Chief Executive Officer of Jott LLC since January 2015. From December 2012 to September 2014, Ms. Grimes served as President and Chief Operating Officer of Clear Channel Outdoor North America. Prior to that, Ms. Grimes founded SMG Advisors, a consultancy for media and technology start-ups. Ms. Grimes has also held leadership roles at News Corp, Condé Nast and Reader's Digest and previously served on the Board of the Outdoor Advertising Association of America and MPA – The Association of Magazine Media. Ms. Grimes earned a Bachelor of Science degree in Business Administration from Georgetown University.

III. FINANCIAL CONDITION AND PREPETITION CAPITAL STRUCTURE

In 2016, Cumulus Media generated total consolidated operating revenues of $1.141 billion. As of the Petition Date, Cumulus Media had the following approximate outstanding funded debt obligations:

($000s)	Term Loan	Senior Notes
Principal	$1,728,614	$610,000
Accrued and Unpaid Interest (as of 11/29/17 excluding default interest)	6,652	27,314
Total Amounts Outstanding as of Petition Date:	$1,735,266	$637,314

The Company is also a party to the Revolving Credit Facility, under which no amounts were outstanding as of the Petition Date other than $170,000 in accrued and unpaid commitment fees. The Company was party to a Securitization Facility, which was terminated on November 28, 2017.

A. Amended and Restated Credit Agreement

1. Overview

On December 23, 2013, the Company entered into that certain Amended and Restated Credit Agreement (the "Credit Agreement"), among Cumulus Media Inc., Cumulus Media Holdings Inc. ("Cumulus Holdings"), as borrower, certain lenders party thereto, the Credit Agreement Agent, and certain other agents party thereto. The Credit Agreement originally consisted of a $2.025 billion term loan (the "Term Loan") maturing in December 2020, and a revolving credit facility (the "Revolving Credit Facility") that matures in December 2018 under which $200.0 million in revolving loans were available.

Term Loan borrowings and borrowings under the Revolving Credit Facility bear interest, at the option of Cumulus Holdings, based on the Base Rate (as defined below) or the London Interbank Offered Rate ("LIBOR"), plus 3.25% on LIBOR-based borrowings and 2.25% on Base Rate based borrowings. LIBOR-based borrowings are subject to a LIBOR floor of 1.0% under the Term Loan. Base Rate-based borrowings are subject to a Base Rate floor of 2.0% under the Term Loan. "Base Rate" is defined, for any day, as the rate per annum equal to the highest of: (i) the Federal Funds Rate, as published by the Federal Reserve Bank of New York, plus 1/2 of 1.0%; (ii) the prime commercial lending rate of JPMorgan Chase Bank, N.A., as established from time to time; and (iii) 30-day LIBOR plus 1.0%. At September 30, 2017, the Term Loan bore interest at 4.49% per annum.

Amounts outstanding under the Term Loan amortize at a rate of 1.0% per annum of the original principal amount of the Term Loan, payable quarterly, with the balance payable on the maturity date. The Company's Senior Notes mature on May 1, 2019. If 91 days prior to the stated maturity date of the Senior Notes (the "Springing Maturity Date") the aggregate principal amount of Senior Notes outstanding exceeds $200.0 million, the Term Loan maturity date is accelerated to the Springing Maturity Date.

Cumulus Media Inc.'s, Cumulus Holdings' and their respective restricted subsidiaries' obligations under the Credit Agreement are collateralized by a first priority lien on substantially all of Cumulus Media Inc.'s, Cumulus Holdings' and their respective restricted subsidiaries' assets (other than certain real property assets as permitted under the Credit Agreement) in which a security interest may lawfully be granted, including, without limitation, intellectual property and substantially all of the capital stock of the Company's direct and indirect domestic wholly-owned subsidiaries.

Cumulus Holdings' obligations under the Credit Agreement are guaranteed by Cumulus Media Inc. and substantially all of Cumulus Media Inc.'s restricted subsidiaries, other than Cumulus Holdings and the Non-Debtor FCC License Holders.

As of the Petition Date, approximately $1.729 billion was outstanding under the Term Loan and no amounts were outstanding under the Revolving Credit Facility.

2. Unencumbered Real Property Assets; Washington, D.C.-Area Property Sale

The Credit Agreement does not require the Debtors to grant a mortgage in favor of the Term Loan Lenders on real property assets with a value below $20 million. The Debtors own approximately 185 properties that they believe each has a value below the $20 million threshold (collectively, the "Unencumbered Real Property").[7] Based upon internal analysis, the

[7] As discussed in the *Objection of the Official Committee of Unsecured Creditors of Cumulus Media, Inc. et al., to Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Use Cash Collateral, (II) Granting Adequate Protection to Secured Parties, (III) Scheduling a Final Hearing, and (IV) Granting Related Relief* [ECF No. 120], the Committee believes that the Term Loan Lenders may not hold a perfected prepetition lien with respect to certain cash in the Debtors' bank accounts. The Debtors dispute the Committee's assertions and have stipulated that the Term Loan Lenders hold perfected prepetition liens in the Debtors' cash. To the extent that the Committee is able to establish the existence of additional unperfected

Debtors estimate that these properties could have an aggregate value of $60 million to $100 million assuming orderly sales to third parties. However, the Debtors have not completed appraisals of a significant number of the properties that comprise the Unencumbered Real Property. Formal appraisals, or estimates of value based on a liquidation or forced sale scenario, could result in materially different values for the Unencumbered Real Property.

In 2015, the Company entered into an agreement to sell certain land in the Company's Washington, D.C. market to a third party. The closing of the transaction is subject to various conditions and approvals, which remain pending. Management estimates that the pre-tax net proceeds from the sale will be approximately $75 million. The Restructuring Support Agreement requires that all of the cash proceeds of the sale of such property, net of actual out-of-pocket closing costs and applicable taxes required to be paid in Cash (and other customary reductions consistent with the definition of "Net Proceeds" in the Credit Agreement), shall be applied to prepay the First Lien Exit Facility.

B. The Senior Notes

On May 13, 2011, Cumulus Media Inc. issued $610.0 million aggregate principal amount of 7.75% senior unsecured notes due 2019 (the "Senior Notes"). Proceeds from the sale of the Senior Notes were used to, among other things, repay $575.8 million outstanding under the term loan facility under the Company's prior credit agreement.

On September 16, 2011, Cumulus Media Inc. and Cumulus Holdings entered into a supplemental indenture with the trustee under the indenture governing the Senior Notes which provided for, among other things, the: (i) assumption by Cumulus Holdings of all obligations of Cumulus Media Inc.; (ii) substitution of Cumulus Holdings for Cumulus Media Inc. as issuer; (iii) release of Cumulus Media Inc. from all obligations as original issuer; and (iv) the guarantee by Cumulus Media Inc. of all of Cumulus Holdings' obligations, in each case under the indenture and the Senior Notes.

Interest on the Senior Notes is payable on May 1 and November 1 of each year. The Senior Notes mature on May 1, 2019.

In connection with the substitution of Cumulus Holdings as the issuer of the Senior Notes, Cumulus Media Inc. also guaranteed the Senior Notes. In addition, each subsidiary of Cumulus Holdings that guarantees the indebtedness under the Credit Agreement guarantees the Senior Notes.

C. Accounts Receivable Securitization Facility

In 2013, CMI Receivable Funding LLC entered into a $50.0 million securitization facility with Wells Fargo Capital Finance ("Wells Fargo" and the facility, the "Securitization Facility"). At December 31, 2016 and 2015 there were no amounts outstanding under the Securitization Facility and the facility was terminated on November 28, 2017.

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assets, there may be additional unencumbered property available for distribution to Holders of Allowed Claims in Class 5 and Class 6.

D. Equity Interests

1. Common Stock

As of November 13, 2017, there were 1,027 holders of record of Cumulus Media Inc.'s Class A common stock and one holder of record of its Class C common stock. The number of holders of Cumulus Media Inc.'s Class A common stock does not include any estimate of the number of beneficial holders whose shares may be held of record by brokerage firms or clearing agencies. No Class B common stock has been issued or is outstanding.

On October 12, 2016, Cumulus Media Inc. effected a one-for-eight (1:8) reverse stock split (the "Reverse Stock Split"). As a result of the Reverse Stock Split, every eight shares of each class of Cumulus Media Inc.'s outstanding common stock were combined into one share of the same class of common stock, and the authorized shares of each class of its common stock were reduced by the same ratio. No fractional shares were issued in connection with the Reverse Stock Split. The number and strike price of Cumulus Media Inc.'s outstanding stock options and warrants were adjusted proportionally, as appropriate.

As of the Petition Date, Cumulus Media Inc. had the following issued and outstanding shares:

	Common Class A	Common Class C	Treasury Stock	Total
Issued	32,031,952	80,609	(2,806,187)	29,306,374
Outstanding	29,225,765	80,609	0	29,306,374

2. Warrants

In connection with various transactions, Cumulus Media Inc. issued the following warrants: (a) warrants to lenders under the Debtors' then outstanding credit agreement (the "Lender Warrants"); (b) warrants in connection with the Company's acquisition of Citadel Broadcasting Company ("Citadel") in 2011 (the "Citadel Warrants"); and (c) warrants to Crestview Radio Investors, LLC (the "Crestview Warrants") and together with the Lender and Citadel Warrants, the "Warrants"). The terms of the Warrants are described in more detail in the Company's SEC filings. As of the Petition Date, the following Warrants were outstanding:

	Lender Warrants	Citadel Warrants	Crestview Warrants
Warrants outstanding as of November 29, 2017	40,057	31,955	976,944

E. Board Investigation .

1. Creation and Purpose of the Review Committee

On October 17, 2017, the Nominating Committee of the Board entered into a written consent dated as of October 17, 2017 (the "**Written Consent**") to create the Review Committee. As provided by the Written Consent, the Review Committee was created "for the

purpose of reviewing and assessing certain releases that may be granted in connection with a possible restructuring or reorganization transaction involving the Corporation" and to make a recommendation to the Board as to whether to proceed with the grant of releases by the Company to the current and former officers, manager, directors and the Consenting Equityholders (*i.e.*, stockholders who are parties to the Restructuring Support Agreement), including as now proposed under Article VIII(D) of the Plan (the "**Company Release**"). The Nominating Committee also recommended that the size of the Review Committee be one member; that Cumulus director D. J. (Jan) Baker, who had just been appointed to the Board as an independent director and had extensive experience as a restructuring professional, be appointed as the sole member of the Review Committee; and that the Review Committee have appropriate resources and authority to discharge its responsibilities, including the ability to retain independent counsel, at the expense of the Company, to assist it in carrying out its responsibilities. On October 20, 2017, the Board unanimously adopted and approved these recommendations as well as other recommendations that the Nominating Committee set forth in its October 17, 2017 Written Consent.

2. Review Committee's Scope of Work

Pursuant to the Board's resolutions, the Review Committee began its work and on October 30, 2017 retained Young Conaway Stargatt & Taylor LLP ("**Young Conaway**") as its counsel to advise the Review Committee on legal issues and assist its review of factual information relevant to potential claims the Company may have against the officers, directors, managers and stockholders that would be released under the Company Release. After the Review Committee met with Young Conaway to devise a plan of work, Young Conaway collected from the Company thousands of pages of documents including minutes of the Board and its Liability Management Committee, Restructuring Committee, Audit Committee, Compensation Committee and Nominating Committee, as well as documents considered by the Board and its committees at their meetings, transaction documents concerning all material transactions the Company had entered into or considered, documents concerning any transactions between the Company and officers, directors, managers and stockholders, documents relating to executive and director compensation, documents concerning the Company's financial condition, and other documents relating to the governance and operation of the Company. The Review Committee and Young Conway also reviewed the Company's filings with the SEC. In its review and collection of documents, the Review Committee used a more-than six year look-back period.

The Review Committee with the assistance of Young Conaway interviewed directors Mary Berner, John Dickey, Ralph Everett, Jeffrey Marcus, and Ross Oliver, as well as former director David Tolley. The Review Committee also interviewed former director and chief executive officer Lewis Dickey. In addition, the Review Committee also interviewed the Company's officers, including its general counsel, Richard Denning, and the chief financial officer, John Abbot, and had discussions concerning background facts and information with several of the Company's outside professionals. The Company and its current personnel cooperated fully with all of the Review Committee's data collection efforts.

The Review Committee met with its counsel six times to discuss the status of the review and the information received in the course of the review and also conferred regularly with counsel about issues as they arose. The Review Committee also asked its counsel to provide it

with a written legal analysis (the "**Report**") of various transactions and any potential claims that might be asserted by the Company.

In preparing the Report, the Review Committee requested that the Company identify all current and former directors and officers of the Company in the prior six-year period and that it identify all material transactions that were entered into by the Company in that period, as well as to identify which of those transactions involved directors, officers or stockholders of the Company.

3. Recommendation

Based on the procedures and analysis described above, the Review Committee made the following recommendation to the Restructuring Committee of the Board: It is in the best interest of the Company to grant the Company Release.

The Review Committee is continuing to assess any and all potential claims. To the extent that any probative evidence supporting the existence of cognizable claims against any of the Released Parties comes to the attention of the Review Committee prior to the Confirmation Hearing, the Review Committee will supplement and amend its recommendation accordingly in advance of the hearing.

IV. KEY EVENTS LEADING TO COMMENCEMENT OF CHAPTER 11 CASES

Between 1998 and 2013, Cumulus Media completed approximately $5 billion in acquisitions to grow its network and radio station businesses, with the largest being the acquisition of Citadel in 2011. The Company struggled to develop the management and technology infrastructure required to integrate the acquired assets and to support and manage its expanding portfolio. Additionally, certain of the acquisition projections proved erroneous and a number of subsequent management decisions failed to achieve their desired results. The Company was thus unable to achieve the cash flow projections it had made to support the prices paid for those acquisitions, particularly the Citadel acquisition and the Dial Global (n/k/a Westwood One) acquisition in 2013, with the underperformance resulting in leverage levels significantly in excess of original projections. Those factors, in concert with industry pressures, also caused its performance to falter such that from 2012 through 2015 the Company experienced declining year-over-year performance in ratings, revenue and Earnings Before Interest Taxes Depreciation and Amortization ("EBITDA").

During the year ended December 31, 2015, because of the sustained declines in its operating results, the Company recorded impairment charges related to goodwill and indefinite-lived intangible assets (FCC licenses) of $549.7 million and $15.9 million, respectively. During the year ended December 31, 2016, the Company recorded additional impairment charges related to goodwill and indefinite-lived intangible assets of $568.1 million and $36.9 million, respectively.

In addition to the Company's historical underperformance, advertiser and listener demand for radio overall has been negatively impacted by the availability of content and advertising opportunities in growing digital streaming and web-based digital formats, resulting in declines in radio industry revenue and listenership. As a result of these general industry

pressures, high acquisition prices and poor performance, Cumulus Media found itself with an excessive level of debt relative to its earnings and rapidly approaching maturities on its funded debt.

In late 2015, the Company began to consider balance sheet restructuring options to address the upcoming maturities under the Credit Agreement and the Senior Notes Indenture. In particular, the springing maturity feature of the Term Loan would cause it to mature on January 30, 2019 if over $200 million of Senior Notes remained outstanding on that date. The Term Loan would otherwise mature in December 2020. The Senior Notes mature in May 2019.

On December 7, 2016, the Company announced that it had entered into a refinancing support agreement with holders of approximately 57.3% of the aggregate principal amount of the then outstanding Senior Notes in contemplation of a private exchange offer. The purpose of this exchange offer was to refinance the outstanding Senior Notes, reduce the outstanding principal amount of the Company's total funded indebtedness, and address the springing maturity, all of which the Company believed would improve its long-term financial health.

The Company launched the private exchange offer on December 12, 2016. Contemporaneously with the launch of the private exchange offer, the Company filed a complaint in the United States District Court for the Southern District of New York (the "District Court") against the Credit Agreement Agent seeking a declaratory judgment that the Company was authorized under the Credit Agreement to proceed with the refinancing contemplated by the private exchange offer and an order of specific performance requiring the Credit Agreement Agent to comply with its contractual obligations to consent to the Company's proposed refinancing. On February 24, 2017, the Company's motion for summary judgment in the District Court proceeding was denied. The Company subsequently terminated the private exchange offer and the related refinancing support agreement on March 10, 2017.

Following the termination of the private exchange offer, the Company began negotiations regarding potential consensual restructuring transactions with advisors to (and following execution of the non-disclosure agreements described below, principals of) ad hoc groups of certain of the largest Term Loan Lenders and holders of the Senior Notes (the "Term Lender Group" and the "Ad Hoc Senior Noteholder Group" respectively, and together, the "Ad Hoc Groups").

In September 2017, the Company executed non-disclosure agreements with members of the Ad Hoc Groups to further restructuring negotiations with both of the Company's major creditor constituencies. On September 26, 2017, the Company and its restructuring advisors held separate meetings with (1) certain of its holders of Senior Notes and their advisors and (2) certain of its Term Loan Lenders and their advisors. At those meetings, the Company presented the framework for what it hoped could serve as a fully consensual restructuring proposal and sought to build consensus among these constituencies regarding a restructuring transaction.

In response to the Company's proposal, each of the Ad Hoc Groups presented the Company with its own restructuring proposal during the first week of October 2017. The

Company continued to negotiate the terms of potential restructuring transactions with each of these creditor constituencies throughout October 2017 in an effort to reach consensus on, and build support for, a restructuring transaction.

On October 20, 2017, the Board appointed D.J. (Jan) Baker to the Board. Mr. Baker retired as a partner from the international law firm of Latham & Watkins LLP in July 2017, most recently serving as that firm's Global Co-Chair of the Corporate Restructuring Practice Group.

By October 30, 2017, the Company's negotiations with the Ad Hoc Senior Noteholder Group had produced a general alignment regarding material terms of a potential out-of-court restructuring transaction and, in the alternative, a potential in-court restructuring transaction both of which transactions included a reinstatement of the Term Loan and a full equitization of the Senior Notes. At the same time, the Company was also making progress with the Term Lender Group on the negotiation of an alternative to the proposed transactions with the Ad Hoc Senior Noteholder Group.

In furtherance of the Company's negotiations with both Ad Hoc Groups, on October 30, 2017, the Restructuring Committee of the Board authorized the Company to forgo the scheduled interest payment on the Senior Notes on November 1, 2017, of approximately $23.6 million and thus entered into the applicable 30-day grace period under the terms of the Senior Notes Indenture.

On November 29, 2017, the Company executed the Restructuring Support Agreement with the Consenting Term Loan Lenders, who hold approximately 71% of the Credit Agreement Claims, and Crestview Radio Investors, LLC, which, as of December 31, 2016, was Cumulus Media Inc.'s largest shareholder. In determining to execute the Restructuring Support Agreement with the Consenting Term Loan Lenders, the Debtors concluded that the Term Loan Lenders' proposal represented the best restructuring proposal available to the Debtors in light of a wide variety of factors, including but not limited to the following that: (i) the Term Loan Lenders' proposal reduced pro forma leverage by $1.039 billion compared to the then-current capital structure; (ii) the Term Loan Lenders' proposal capitalized the Company with favorable debt terms, including an extended maturity; (iii) entering into a Restructuring Support Agreement with the Term Loan Lenders enabled the Debtors to obtain a commitment from the largest creditor constituency to support a confirmable chapter 11 plan; and (iv) the Ad Hoc Senior Noteholder Group's proposal (A) involved materially less de-leveraging, and (B) had not included and gave no indication of proposing a transaction with similar de-leveraging and balance sheet improvements for the Debtors.

V. EVENTS DURING CHAPTER 11 CASES

The Debtors have been, and intend to continue, operating their businesses in the ordinary course during the Chapter 11 Cases as they had been prior to the Petition Date.

A. First Day Pleadings

On the Petition Date, the Debtors filed various motions and pleadings with the Bankruptcy Court in the form of "first day" pleadings to facilitate the Debtors' smooth transition into chapter 11.

On December 1 and December 21, 2017 (the "First Day Hearing" and the "Second Day Hearing," respectively), the Bankruptcy Court held hearings to consider the first day pleadings on an interim and final basis, respectively. The first day relief sought by the Debtors and approved by the Bankruptcy Court is summarized below.

1. Cash Collateral. On the Petition Date, the Debtors filed a motion (the "Cash Collateral Motion") [ECF No. 14] with the Bankruptcy Court to obtain authorization for the Debtors, among other things, to use the cash collateral of the Prepetition Secured Creditors (as defined therein) who have perfected liens and security interests therein (the "Cash Collateral") and to provide adequate protection to the Prepetition Secured Creditors for the use thereof.

The Debtors' ability to access and use cash collateral is essential to ensuring their continued operations during these Chapter 11 Cases. Absent access to Cash Collateral, the Debtors would not have adequate unencumbered cash on hand to pay critical operating expenses.

In consideration of the Debtors' use of the Cash Collateral, the Debtors have agreed to provide certain forms of adequate protection to the Prepetition Secured Creditors, including, among other things, (i) operation within a specified budget (subject to certain permitted variances); (ii) compliance with certain financial covenants and financial reporting requirements; (iii) payment of periodic cash payments to the Prepetition Secured Creditors; and (iv) payment of certain professional fees and expenses.

At the First Day Hearing and the Second Day Hearing, the Bankruptcy Court approved the Cash Collateral Motion on an interim [ECF No. 52] and final [ECF No. 164] basis, respectively.

2. Cash Management. On the Petition Date, the Debtors filed a motion to enable them to continue using their existing cash management system and existing bank accounts (the "Cash Management Motion") [ECF No. 13]. To lessen the impact of the Chapter 11 Cases on the Debtors' business, it is vital that the Debtors keep their cash management system in place and be authorized to pay related fees. At the First Day Hearing and the Second Day Hearing, the Bankruptcy Court approved the Cash Management Motion on an interim [ECF No. 51] and final [ECF No. 149] basis, respectively.

3. Talent. On the Petition Date, the Debtors filed a motion seeking authority to pay prepetition obligations owing to certain individuals crucial to the Debtors' broadcasting content and syndicated on-air programming business, including disc jockeys, radio personalities, and talk show and other program hosts (the "Talent Motion") [ECF No. 15]. At the First Day Hearing and the Second Day Hearing, the Bankruptcy Court approved the Talent Motion on an interim [ECF No. 50] and final [ECF No. 152] basis, respectively.

4. Customer Programs. On the Petition Date, the Debtors filed a motion seeking authority to continue to honor certain customer programs in the ordinary course after the Petition Date and to pay certain prepetition amounts in connection therewith (the "Customer Programs Motion") [ECF No. 11]. At the First Day Hearing and the Second Day Hearing, the Bankruptcy Court approved the Customer Programs Motion on an interim [ECF No. 44] and final [ECF No. 153] basis, respectively.

5. Wages. On the Petition Date, the Debtors filed a motion seeking authority to pay or otherwise honor certain employee wages and benefits, subject to certain limitations (the "Wages Motion") [ECF No. 12]. At the First Day Hearing and the Second Day Hearing, the Bankruptcy Court approved the Wage Motion on an interim [ECF No. 48] and final [ECF No. 151] basis, respectively.

6. Taxes. On the Petition Date, the Debtors filed a motion seeking authority to pay all prepetition taxes and related fees, including all taxes and fees subsequently determined upon audit, or otherwise, to be owed for periods prior to the Petition Date (the "Taxes Motion") [ECF No. 10]. At the First Day Hearing and the Second Day Hearing, the Bankruptcy Court approved the Taxes Motion on an interim [ECF No. 47] and final [ECF No. 155] basis, respectively.

7. Insurance. On the Petition Date, the Debtors filed a motion seeking authority to continue their existing insurance policies on an uninterrupted basis during the pendency of the Chapter 11 Cases and to pay all amounts arising thereunder or in connection therewith (the "Insurance Motion") [ECF No. 9]. At the First Day Hearing and the Second Day Hearing, the Bankruptcy Court approved the Insurance Motion on an interim [ECF No. 45] and final [ECF No. 154] basis, respectively.

8. Utilities. On the Petition Date, the Debtors filed a motion seeking the entry of an order (a) prohibiting certain utility companies from altering, refusing or discontinuing utility services on account of prepetition invoices, (b) determining that the Debtors have provided each utility company with "adequate assurance of payment" and (c) establishing procedures for the determination of additional Adequate Assurance (as defined therein) and authorizing the Debtors to provide such Adequate Assurance (the "Utilities Motion") [ECF No. 8]. At the Second Day Hearing, the Bankruptcy Court granted the Utilities Motion on a final basis [ECF No. 150], and adjourned one objection thereto until a later date pending its consensual resolution or further adjudication, as applicable.

9. NOL Motion. On the Petition Date, the Debtors filed a motion seeking to establish certain procedures to govern the trading in (and the ability to take worthless stock deductions with respect to) the Debtors' existing common stock to preserve the Debtors' tax attributes, including net operating losses (the "NOL Motion") [ECF No. 22]. At the First Day Hearing and the Second Day Hearing, the Bankruptcy Court approved the NOL Motion on an interim [ECF No. 41] and final [ECF No. 156] basis, respectively.

B. Procedural and Administrative Motions

To facilitate the smooth administration of the Chapter 11 Cases, the Debtors sought, and the Bankruptcy Court granted, the following procedural and administrative orders: (a) joint administration of the Chapter 11 Cases for procedural purposes [ECF No. 40], (b) appointment of Epiq Bankruptcy Solutions, LLC as claims/noticing agent [ECF No. 42], (c) additional time to file statements of financial affairs and schedules of assets and liabilities [ECF No. 46]; (d) waiver of requirement to file the list of creditors on the Petition Date [ECF No. 43]; (e) waiver of requirement to file the list of equity holders [ECF No. 49]; and (f) implementing certain notice and case management procedures [ECF No. 73] (such procedures, the "Case Management Procedures").

1. Ordinary Course Professionals. In the Debtors' ordinary course of business, they employ professionals to render a wide variety of services related to matters such as corporate counseling, litigation, compliance, tax and accounting matters, intellectual property, real estate and other services for the Debtors in relation to issues that have a direct and significant impact on the Debtors' day-to-day operations. To maintain the uninterrupted functioning of the Debtors in these Chapter 11 Cases, it is essential that the Debtors continue the employment of these ordinary course professionals. Accordingly, on December 7, 2017, the Debtors filed a motion authorizing procedures for the retention and compensation of these ordinary course professionals and authorization to compensate such professionals without the need to file individual fee applications (the "Ordinary Course Professionals Motion") [ECF No. 81], which the Court granted at the Second Day Hearing [ECF No. 162].

2. Retention Applications. The Debtors filed the following applications to retain certain professionals to facilitate the Debtors' discharge of their duties as debtors-in-possession under the Bankruptcy Code, all of which the Bankruptcy Court granted at the Second Day Hearing:

- Paul, Weiss, Rifkind, Wharton & Garrison LLP as attorneys for the Debtors [ECF Nos. 77, 157];
- Epiq Bankruptcy Solutions, LLC ("Epiq") as administrative agent (the "Voting and Claims Agent") [ECF Nos. 78, 158];
- PJT Partners, Inc. ("PJT") as the Debtors' investment banker [ECF Nos. 79, 159]; and
- Alvarez & Marsal North America, LLC ("A&M") as financial advisor to the Debtors [ECF Nos. 80. 160].

The Debtors also filed an application to retain KPMG as tax compliance and tax consultants to the Debtors [ECF No. 183].

3. Interim Compensation Procedures. On December 7, 2017, the Debtors filed a motion to establish a process for the monthly allowance and payment of compensation and the reimbursement of expenses for those professionals whose services are authorized by the

Bankruptcy Court (the "Interim Compensation Procedures Motion") [ECF No. 82]. The Bankruptcy Court granted the Interim Compensation Motion on a final basis at the Second Day Hearing [ECF No. 161].

C. Other Motions

1. Motion to Assume Certain Rating Products Agreements. The Debtors rely on products and services provided by Nielsen Audio and certain of its affiliates, including rating products and related analytical tools. On December 8, 2017, the Debtors filed a motion to assume certain amended agreements with Nielsen Company (US), LLC, eXelate, Inc., and Nielsen Audio, Inc. [ECF No. 86] (the "Nielsen Assumption Motion"), which the Bankruptcy Court granted at the Second Day Hearing [ECF No. 163].

2. Motion Seeking Approval of the Confirmation Schedule. On December 7, 2017, the Debtors filed a motion proposing a schedule of important discovery briefing dates and deadlines, and other governing protocols and procedures, related to confirmation of the Plan [ECF No. 76] (the "Litigation Scheduling Motion"), which the Bankruptcy Court granted at the Second Day Hearing [ECF No. 148].

3. First Omnibus Rejection Motion. On January 18, 2018, the Debtors filed an omnibus motion seeking to reject certain executory contracts which were no longer economically viable or necessary to the Debtors' operations. [ECF No. 298].

4. Incentive Compensation Motion. On January 18, 2018, the Debtors filed a motion seeking approval to continue certain ordinary course incentive compensation programs and to pay certain claims related to such programs [ECF No. 300].

D. Appointment of Committee

On December 11, 2017, William K. Harrington, United States Trustee for Region 2, appointed a seven-member Official Committee of Unsecured Creditors of Cumulus Media Inc. and its affiliated Debtors pursuant to section 1102(a) of the Bankruptcy Code [ECF No. 96] (as may be reconstituted from time to time, the "Committee"). The initial members of the Committee are:

- Enticent, LLC dba Triton Digital
- U.S. Bank National Association
- AG Super Fund, LP
- Ivy High Income Fund
- EJS Investment Holdings LLC
- Screen Actors Guild-American Federation of Television & Radio Artists
- Caitlin Ferrari c/o Marlborough Law Firm PC

On or about December 11, 2017, the Committee retained Akin Gump Strauss Hauer & Feld LLP as its legal counsel. On December 12, 2017, the Committee retained Moelis & Company as its financial advisor.

Since its appointment, the Committee and its advisors have been reviewing the Plan, the valuation on which the Plan is based and the fairness of the distributions proposed under the Plan. The Committee is also in the process of investigating the prepetition liens and claims of the Term Loan Lenders.

While the Committee's investigations are ongoing, the Committee does not currently believe that the distribution scheme set forth in the Plan is appropriate under the circumstances or complies with the Bankruptcy Code.

The Debtors vigorously dispute the Committee's views. The Debtors maintain that the Plan provides Holders of Claims with the best recoveries possible and that the Plan complies with all aspects of the Bankruptcy Code and should be approved.

E. Timetable for Chapter 11 Cases

The Restructuring Support Agreement includes certain milestones that relate to the occurrence of key events in the Chapter 11 Cases. Although the Debtors will request that the Bankruptcy Court grant the relief described below by the applicable dates, there can be no assurance that the Bankruptcy Court will grant such relief:

#	Milestone	Applicable Date
1	Debtors commence Chapter 11 Cases	November 30, 2017 (Milestone met)
2	The Bankruptcy Court shall enter an Order approving the Cash Collateral Motion on an interim basis	December 4, 2017 (Milestone met)
3	The Debtors shall have filed the Plan and Disclosure Statement	December 9, 2017 (Milestone met)
4	The Bankruptcy Court shall enter an Order approving the Cash Collateral Motion on a final basis	December 29, 2017 (Milestone met)
5	The Bankruptcy Court shall enter an Order approving the Disclosure Statement Motion on a final basis	February 27, 2018
6	The Bankruptcy Court shall enter the Confirmation Order	April 28, 2018
7	The Effective Date shall occur	May 28, 2018

VI. SUMMARY OF CHAPTER 11 PLAN

This Article VI summarizes the Plan. This summary is qualified in its entirety by reference to the Plan.

A. Chapter 11 Plan

THE FOLLOWING SUMMARIZES SOME OF THE SIGNIFICANT ELEMENTS OF THE PLAN. THIS DISCLOSURE STATEMENT IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE MORE DETAILED INFORMATION SET FORTH IN THE PLAN.

1. Classification and Treatment of Administrative Claims, Claims and Interests Under the Plan

(a) General. Only administrative expenses, claims and equity interests that are "allowed" may receive distributions under a chapter 11 plan. An "allowed" administrative expense, claim or equity interest simply means that the debtors agree, or in the event of a dispute, that the Bankruptcy Court determines, that the administrative expense, claim or equity interest, including the amount thereof, is in fact a valid obligation of, or equity interest in, the Debtors.

The Bankruptcy Code also requires that, for purposes of treatment and voting, a chapter 11 plan divide the different claims against, and equity interests in, the Debtors into separate classes based upon their legal nature. Claims of a substantially similar legal nature are usually classified together, as are equity interests of a substantially similar legal nature. Because an entity may hold multiple claims and/or equity interests which give rise to different legal rights, the holders of such claims and/or equity interests may find themselves as members of multiple classes of claims and/or equity interests.

Under a chapter 11 plan, the separate classes of claims and equity interests must be designated either as "impaired" (altered by the plan in any way) or "unimpaired" (unaltered by the plan). If a class of claims or interests is "impaired," the Bankruptcy Code affords certain rights to the holders of such claims or interests, such as the right to vote on the plan (unless the plan provides for no distribution to the holder, in which case, the holder is deemed to reject the plan), and the right to receive an amount under the chapter 11 plan that is not less than the value that the holder would receive if the debtor were liquidated under chapter 7.

Under section 1124 of the Bankruptcy Code, a class of claims or interests is "impaired" unless, with respect to each claim or interest of such class, the plan (i) does not alter the legal, equitable or contractual rights of the holders of such claims or interests or (ii) notwithstanding the holders' right to receive accelerated payment of such claims or interests after the occurrence of a default, cures all defaults (other than those arising from, among other things, the debtor's insolvency or the commencement of a bankruptcy case), reinstates the maturity of the claims or interests in the class, compensates the holders of such claims or interests for any damages incurred as a result of their reasonable reliance upon any acceleration rights and does not otherwise alter their legal, equitable or contractual rights.

Pursuant to sections 1122 and 1123 of the Bankruptcy Code, set forth below is a designation of Classes of Claims and Interests. All Claims and Interests, except for Administrative Claims and Priority Tax Claims, are classified in the Classes set forth in Article III of the Plan. A Claim or Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Interest qualifies within the description of such other Classes. A Claim against a Debtor also is classified in a particular Class for the purpose of receiving distributions pursuant to the Plan only to the extent that such Claim is an Allowed Claim in that Class and has not been paid, released, or otherwise satisfied before the Effective Date. With respect to the treatment of all Claims and Interests as set forth in Article III.C of the Plan, the consent rights of the Term Lender Group to settle or otherwise compromise Claims are as set forth in the Restructuring Support Agreement, some of which are set forth in the applicable Plan provisions.

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims (which include Accrued Professional Compensation Claims), Priority Tax Claims and statutory fees have not been classified, although the treatment for such Claims is set forth below.

(b) Unclassified Claims. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, statutory fees and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims and Interests set forth in Article III of the Plan.

(i) Administrative Claims. Except with respect to Administrative Claims that are Accrued Professional Compensation Claims, and except to the extent that a Holder of an Allowed Administrative Claim and the applicable Debtor(s) agree to less favorable treatment with respect to such Holder, each Holder of an Allowed Administrative Claim shall, be paid in full in Cash on the later of: (a) on or as soon as reasonably practicable after the Effective Date if such Administrative Claim is Allowed as of the Effective Date; (b) on or as soon as reasonably practicable after the date such Administrative Claim is Allowed; and (c) the date such Allowed Administrative Claim becomes due and payable, or as soon thereafter as is practicable; *provided, however,* that Allowed Administrative Claims that arise in the ordinary course of the Debtors' business shall be paid in the ordinary course of business (or as otherwise approved by the Bankruptcy Court) in accordance with the terms and subject to the conditions of any agreements governing, instruments evidencing, or other documents relating to such transactions.

(ii) Accrued Professional Compensation Claims. All final requests for payment of Accrued Professional Compensation Claims shall be Filed no later than sixty (60) calendar days after the Effective Date. Such requests shall be Filed with the Bankruptcy Court and served as required by the Interim Compensation Order and the Case Management Procedures, as applicable. The objection deadline relating to a final fee application shall be 4:00 p.m. (prevailing Eastern time) on the date that is thirty (30) calendar days after the filing of such final fee application. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and any applicable Bankruptcy Court orders, the Allowed amounts of such Accrued Professional Compensation Claims shall be determined by the Bankruptcy Court. The Allowed amount of Accrued Professional Compensation Claims owing

to the Professionals, after taking into account any prior payments, shall be paid in Cash to such Professionals from funds held in the Professional Fee Escrow Account promptly following the date when such Claims are Allowed by a Final Order. To the extent that funds held in the Professional Fee Escrow Account are unable to satisfy the Allowed amount of Accrued Professional Compensation Claims owing to the Professionals, the Reorganized Debtors shall pay such amounts within seven (7) Business Days of entry of the order approving such Accrued Professional Compensation Claims. After all Allowed Accrued Professional Compensation Claims have been paid in full, the escrow agent shall promptly return any amounts remaining in the Professional Fee Escrow Account to the Reorganized Debtors.

(iii) Priority Tax Claims. Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, settlement, release, and discharge of each Allowed Priority Tax Claim, each Holder of an Allowed Priority Tax Claim due and payable on or before the Effective Date shall receive, in the discretion of the applicable Debtor or Reorganized Debtor, with the reasonable consent of the Term Lender Group, one of the following treatments: (1) Cash in an amount equal to the amount of such Allowed Priority Tax Claim, plus interest at the rate determined under applicable nonbankruptcy law and to the extent provided for by section 511 of the Bankruptcy Code, payable on or as soon as practicable following the Effective Date; (2) Cash in an aggregate amount of such Allowed Priority Tax Claim payable in installment payments over a period of time not to exceed five years after the Petition Date, pursuant to section 1129(a)(9)(C) of the Bankruptcy Code, plus interest at the rate determined under applicable nonbankruptcy law and to the extent provided for by section 511 of the Bankruptcy Code; or (3) such other treatment as may be agreed upon by such Holder and the Debtors, in consultation with the Term Lender Group, or otherwise determined by an order of the Bankruptcy Court.

(iv) Statutory Fees. Notwithstanding anything to the contrary contained herein, on the Effective Date, the Debtors shall pay, in full in Cash, any fees due and owing to the U.S. Trustee at the time of Confirmation. Thereafter, each applicable Reorganized Debtor shall pay all U.S. Trustee fees due and owing under section 1930 of the Judicial Code in the ordinary course until the earlier of (i) the entry of a final decree closing the applicable Reorganized Debtor's Chapter 11 Case, or (ii) the Bankruptcy Court enters an order converting or dismissing the applicable Reorganized Debtor's Chapter 11 Case. Any deadline for filing Administrative Claims or Accrued Professional Compensation Claims shall not apply to U.S. Trustee fees.

(c) Classified Claims and Interests. The treatment and voting rights provided to each Class for distribution purposes is set forth below.

(i) Class 1 – Priority Non-Tax Claims. Except to the extent that a Holder of an Allowed Priority Non-Tax Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, settlement, compromise, release and discharge of each Allowed Priority Non-Tax Claim, each Holder of an Allowed Priority Non-Tax Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, in the discretion of the applicable Debtor or Reorganized Debtor, with the consent of the Term Lender Group, either: (i) payment in full in Cash; or (ii) Reinstatement of such Allowed Priority Non-Tax Claim.

Class 1 is Unimpaired by the Plan, and each Holder of a Class 1 Priority Non-Tax Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 1 Priority Non-Tax Claims are not entitled to vote to accept or reject the Plan.

(ii) Class 2 – Other Secured Claims. Except to the extent that a Holder of an Allowed Other Secured Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Other Secured Claim, each Holder of an Allowed Other Secured Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, in the discretion of the applicable Debtor or Reorganized Debtor, with the consent of the Term Lender Group, either: (i) payment in full in Cash; (ii) Reinstatement of such Allowed Other Secured Claim; or (iii) delivery of the collateral securing any such Allowed Other Secured Claim and payment of any interest required under section 506(b) of the Bankruptcy Code.

Class 2 is Unimpaired by the Plan, and each Holder of a Class 2 Other Secured Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 2 Other Secured Claims are not entitled to vote to accept or reject the Plan.

(iii) Class 3 – Credit Agreement Claims

A. Allowance: On the Effective Date, the Credit Agreement Claims shall be Allowed in the aggregate principal amount of $1,728,614,099.90, plus accrued and unpaid interest on such principal amount through the Petition Date and other amounts due and owing pursuant to the Credit Agreement and orders of the Bankruptcy Court, including such other amounts required to be paid as adequate protection under the Cash Collateral Order through and including the Effective Date, and shall not be subject to any avoidance, reductions, setoff, offset, recoupment, recharacterization, subordination (whether equitable, contractual or otherwise), counterclaims, crossclaims, defenses, disallowance, impairment, objection, or any other challenges under any applicable law or regulation by any person or entity.

B. Treatment: Except to the extent that a Holder of an Allowed Credit Agreement Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Credit Agreement Claim, each Holder of an Allowed Credit Agreement Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, its Pro Rata share of and interest in (i) the First Lien Exit Facility, and (ii) the Term Loan Lender Equity Distribution; *provided*, that the Debtors and the Term Lender Group may determine, in their reasonable discretion, to provide, at the election of a Holder of an Allowed Credit Agreement Claim, that such Holder may elect to receive its Pro Rata share of the Term Loan Lender Equity Distribution in the form of Restricted Stock issued in an amount of value equal to the Pro Rata share of the Term Loan Lender Equity Distribution such Holder would otherwise receive pursuant to this section; *provided, further*, and notwithstanding anything herein to the contrary, that the distribution of the Term Loan Lender Equity Distribution shall be made pursuant to, and subject to the terms and conditions of, the Equity Allocation Mechanism.

C. Voting: Class 3 is Impaired. Therefore, Holders of Class 3 Credit Agreement Claims are entitled to vote to accept or reject the Plan.

(iv) Class 4 – Convenience Claims. Except to the extent that a Holder of an Allowed Convenience Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Convenience Claim, each Holder of an Allowed Convenience Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, Cash in an amount equal to 100% of the Allowed Convenience Claim; *provided*, that Cash distributions to Holders of Allowed Convenience Claims shall not, in the aggregate, exceed the Convenience Class Cap without the prior written consent of the Term Lender Group; *provided*, *further*, that if the aggregate amount of Allowed Convenience Claims exceeds the Convenience Class Cap and the Term Lender Group does not consent to an increase in the Convenience Class Cap, then each Holder of an Allowed Convenience Claim shall receive Cash in an amount equal to its Pro Rata share of the Convenience Class Cap.

A "Convenience Claim" means a General Unsecured Claim that is either (a) in an amount that is equal to or less than $20,000 or (b) in an amount that is greater than $20,000, but with respect to which the Holder of such Allowed General Unsecured Claim voluntarily and irrevocably reduces the aggregate amount of such Claim to $20,000 pursuant to a valid election by the Holder of such Allowed General Unsecured Claim made on its Ballot on or before the Plan Voting Deadline.

Class 4 is Impaired. Therefore, Holders of Class 4 Convenience Claims are entitled to vote to accept or reject the Plan. Notwithstanding the foregoing, if the aggregate Allowed amount of all Allowed Convenience Claims is less than or equal to the Convenience Class Cap, then the Debtors reserve the right to assert that the Holders of Class 4 Convenience Claims are Unimpaired.

(v) Class 5 – Senior Notes Claims

A. Allowance: On the Effective Date, the Senior Notes Claims shall be Allowed in the aggregate principal amount of $610 million, (i) plus accrued and unpaid interest on such principal amount through the Petition Date, plus (ii) if Allowed by Final Order other than the Confirmation Order, accrued and unpaid interest (but excluding any amounts included in clause (i)), premiums, fees and costs and expenses, including, without limitation, attorney's fees, trustee's fees, and other professional fees and disbursements, and other obligations, in each case, solely to the extent owing under the Senior Notes Indenture.

B. Treatment for Holders of Senior Notes Claims: Except to the extent that a Holder of an Allowed Senior Notes Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Senior Notes Claim, each Holder of an Allowed Senior Notes Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, its Pro Rata share of the Unsecured Creditor Equity Distribution. The Unsecured Creditor Equity Distribution shall be allocated Pro Rata to Holders of Allowed Claims in Classes 5 and 6, and notwithstanding

anything in the Plan to the contrary, shall be made pursuant to, and subject to the terms and conditions of, the Equity Allocation Mechanism.

C. Voting: Class 5 is Impaired. Therefore, Holders of Class 5 Senior Notes Claims are entitled to vote to accept or reject the Plan.

(vi) Class 6 – General Unsecured Claims. Except to the extent that a Holder of an Allowed General Unsecured Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed General Unsecured Claim, each Holder of an Allowed General Unsecured Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, its Pro Rata share of the Unsecured Creditor Equity Distribution. The Unsecured Creditor Equity Distribution shall be allocated Pro Rata to Holders of Allowed Claims in Classes 5 and 6, and notwithstanding anything in the Plan to the contrary, shall be made pursuant to, and subject to the terms and conditions of, the Equity Allocation Mechanism.

Class 6 is Impaired. Therefore, Holders of Class 6 General Unsecured Claims are entitled to vote to accept or reject the Plan.

(vii) Class 7 – Intercompany Claims. On the Effective Date or as soon as reasonably practicable thereafter, Allowed Intercompany Claims shall be, at the option of the Debtors or the Reorganized Debtors, as applicable, with the reasonable consent of the Term Lender Group, either (i) Reinstated as of the Effective Date, or (ii) cancelled without any distribution on account of such Intercompany Claims.

Class 7 is Unimpaired or Impaired by the Plan, and each Holder of a Class 7 Intercompany Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code or rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, Holders of Class 7 Intercompany Claims are not entitled to vote to accept or reject the Plan.

(viii) Class 8 – Subordinated Claims. Subordinated Claims shall be subordinated to all other Claims against the Debtors, shall receive no distributions on account of such Subordinated Claims, and shall be discharged.

Class 8 is Impaired by the Plan, and each Holder of a Class 8 Subordinated Claim is conclusively presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, Holders of Class 8 Subordinated Claims are not entitled to vote to accept or reject the Plan.

(ix) Class 9 – Intercompany Interests. To preserve the Debtors' corporate structure, on the Effective Date, or as soon thereafter as reasonably practicable, all Allowed Intercompany Interests shall be, at the option of the Debtors or the Reorganized Debtors, as applicable, with the reasonable consent of the Term Lender Group, either (i) Reinstated as of the Effective Date, or (ii) cancelled without any distribution on account of such Intercompany Interests.

Class 9 is Unimpaired or Impaired by the Plan, and each Holder of a Class 9 Intercompany Interest is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code or rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, Holders of Class 9 Intercompany Interests are not entitled to vote to accept or reject the Plan.

(x) Class 10 – Interests in Cumulus. On the Effective Date, all Allowed Interests in Cumulus shall be cancelled without any distribution on account of such Interests in Cumulus.

Class 10 is Impaired by the Plan, and each Holder of a Class 10 Allowed Interest in Cumulus is conclusively presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, Holders of Class 10 Allowed Interests in Cumulus are not entitled to vote to accept or reject the Plan.

2. Voting of Claims.

Each Holder of a Claim in an Impaired Class that is entitled to vote on the Plan as of the record date for voting on the Plan (pursuant to Article III of the Plan) shall be entitled to vote to accept or reject the Plan as provided in the Disclosure Statement Order or any other order of the Bankruptcy Court.

3. No Substantive Consolidation. Although the Plan is presented as a joint plan of reorganization, the Plan does not provide for the substantive consolidation of the Debtors' Estates, and on the Effective Date, the Debtors' Estates shall not be deemed to be substantively consolidated for any reason. Nothing in the Plan or the Disclosure Statement shall constitute or be deemed to constitute an admission that any one or all of the Debtors is subject to or liable for any Claims against any other Debtor.

4. Sources of Consideration for Plan Distributions. The Reorganized Debtors shall fund distributions under the Plan, as applicable with the First Lien Exit Facility, the New Revolving Credit Facility (if any), the New Securities, and other Cash of the Debtors, including Cash from business operations, which shall be sufficient to make the other required payments on or after the Effective Date under the Plan and provide the Reorganized Debtors with working capital necessary to run their business. For the avoidance of doubt, the Debtors and the Reorganized Debtors will be entitled to transfer funds between and among themselves as they determine to be necessary or appropriate to enable the Reorganized Debtors to satisfy their obligations under the Plan, subject in all respects to the terms of the First Lien Exit Facility and the New Revolving Credit Facility, if any. Except as set forth herein, any changes in intercompany account balances resulting from such transfers will be accounted for and settled in accordance with the Debtors' historical intercompany account settlement practices and will not violate the terms of the Plan.

(a) First Lien Exit Facility

On the Effective Date, the Reorganized Debtors shall enter into the First Lien Exit Facility, the principal terms of which are attached as Exhibit G to this Disclosure Statement and that will be memorialized in the First Lien Exit Facility Documents. All Holders of Allowed

Credit Agreement Claims entitled to distribution hereunder shall be deemed to be a party to, and bound by, the First Lien Exit Facility Agreement, regardless of whether such Holder has executed a signature page thereto. Confirmation of the Plan shall be deemed approval of the First Lien Exit Facility and the First Lien Exit Facility Documents, as applicable, and all transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, and authorization of the Reorganized Debtors to enter into and execute the First Lien Exit Facility Documents and such other documents as may be required to effectuate the treatment afforded by the First Lien Exit Facility. On the Effective Date, all of the Liens and security interests to be granted in accordance with the First Lien Exit Facility Documents (a) shall be deemed to be granted, (b) shall be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the First Lien Exit Facility Documents, (c) shall be deemed perfected on the Effective Date, and (d) shall not be subject to recharacterization or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy law.

The Reorganized Debtors and the persons and entities granted such Liens and security interests shall be authorized to make all filings and recordings, and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests under the provisions of the applicable state, federal, or other law that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order and any such filings, recordings, approvals, and consents shall not be required), and the Reorganized Debtors shall thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable law to give notice of such Liens and security interests to third parties.

(b) New Revolving Credit Facility.

On the Effective Date, the Reorganized Debtors shall be authorized, but not directed, to enter into the New Revolving Credit Facility (if any), the terms of which will be set forth in the New Revolving Credit Facility Documents (if any). Confirmation of the Plan shall be deemed approval of the New Revolving Credit Facility and the New Revolving Credit Facility Documents, as applicable, and all transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, and authorization of the Reorganized Debtors to enter into and execute the New Revolving Credit Facility Documents (if any) and such other documents as may be required to effectuate the treatment afforded by any such New Revolving Credit Facility. On the Effective Date, if the Reorganized Debtors have obtained a New Revolving Credit Facility, all of the Liens and security interests to be granted in accordance with the New Revolving Credit Facility Documents (a) shall be deemed to be granted, (b) shall be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the New Revolving Credit Facility Documents, (c) shall be deemed perfected on the Effective Date, and (d) shall not be subject to recharacterization or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy law.

The Reorganized Debtors and the persons and entities granted such Liens and security interests shall be authorized to make all filings and recordings, and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests under the provisions of the applicable state, federal, or other law that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order and any such filings, recordings, approvals, and consents shall not be required), and the Reorganized Debtors shall thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable law to give notice of such Liens and security interests to third parties.

(c) Issuance and Distribution of New Securities

On the Effective Date, or as soon as reasonably practicable thereafter, subject to Article IV.H of the Plan, the New Securities shall be distributed to (a) Holders of Allowed Claims in Class 3, (b) Holders of Allowed Claims in Class 5, and (c) Holders of Allowed Claims in Class 6, as and if applicable. In each case, such New Securities shall be subject to dilution by any New Common Stock issued pursuant to the Management Incentive Plan. All Holders of Allowed Credit Agreement Claims, Allowed Senior Notes Claims and Allowed General Unsecured Claims entitled to distribution hereunder shall be deemed to be a party to, and bound by, the New Shareholders' Agreement, if any, regardless of whether such Holder has executed a signature page thereto. The allocation of New Securities among the Holders of Allowed Credit Agreement Claims, Allowed Senior Notes Claims, and Allowed General Unsecured Claims shall be made in accordance with the Equity Allocation Mechanism. The issuance of the New Common Stock by Reorganized Cumulus, including options, stock appreciation rights, restricted stock units, or other equity awards, if any, in connection with the Management Incentive Plan, is authorized without the need for any further corporate action and without any further action by the Holders of Claims or Interests.

All of the New Securities issued pursuant to the Plan and section 1145 of the Bankruptcy Code shall be duly authorized, validly issued, fully paid, and non-assessable. Each distribution and issuance of the New Securities under the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance.

5. Restructuring Transactions. On the Effective Date, or as soon as reasonably practicable thereafter, the Reorganized Debtors may take any and all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by or necessary to effectuate the Restructuring Transactions under and in connection with the Plan.

6. Corporate Existence. Except as otherwise provided in the Plan or any agreement, instrument, or other document incorporated in the Plan or the Plan Supplement, on the Effective Date, each Debtor shall continue to exist after the Effective Date as a Reorganized Debtor and as a separate corporation, limited liability company, partnership, or other form of entity, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form of entity, as the case may be, pursuant to the applicable law in the

jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and by-laws (or other analogous formation or governing documents) in effect before the Effective Date, except to the extent such certificate of incorporation and by-laws (or other analogous formation or governing documents) are amended by the Plan or otherwise amended in accordance with applicable law. To the extent such documents are amended, such documents are deemed to be amended pursuant to the Plan and require no further action or approval (other than any requisite filings required under applicable state or federal law).

7. FCC Licenses. The required FCC Applications shall be filed, as promptly as practicable, including the FCC Long Form Application and the Petition for Declaratory Ruling. After such filing is made, any person who thereafter acquires a Credit Agreement Claim, a Senior Notes Claim, or a General Unsecured Claim may be issued Special Warrants in lieu of any New Common Stock that would otherwise be issued to such Person under the Plan. In addition, the Debtors may, in their sole discretion, request that the Bankruptcy Court implement restrictions on trading of Claims and Interests that might adversely affect the FCC Approval process. The Debtors shall request that the FCC process the FCC Long Form Application separate and apart from the Petition for Declaratory Ruling. Regardless of whether the FCC consents to the request for separate processing, the Debtors shall diligently prosecute the FCC Applications and shall promptly provide such additional documents or information reasonably requested by the FCC in connection with its review of the FCC Applications. In the event the FCC Approval is obtained while the Petition for Declaratory Ruling remains pending, the Debtors (or Reorganized Debtors, as applicable) shall continue to diligently prosecute the Petition for Declaratory Ruling.

Due to FCC rule changes, the Debtors own one FM station more than current FCC rules permit in each of the following markets: Albany, GA; Columbia, MO; Green Bay, WI; and Toledo, OH. While the Debtors' station combinations in these four markets are currently grandfathered under FCC rules, the Debtors will be required to divest one FM station in each of these markets to a trust simultaneously with consummation of the issuance of New Securities. These mandatory divestitures will not have a material impact on the Debtors' businesses.

8. Vesting of Assets in the Reorganized Debtors. Except as otherwise provided in the Plan or any agreement, instrument, or other document incorporated in the Plan, the Plan Supplement or the Confirmation Order, on the Effective Date, pursuant to sections 1141(b) and (c) of the Bankruptcy Code, all property (including all interests, rights, and privileges related thereto) in each Estate, all Causes of Action, and any property acquired by any of the Debtors pursuant to the Plan, including Interests held by the Debtors in any non-Debtor Affiliates, shall vest in each applicable Reorganized Debtor, free and clear of all Liens, Claims, charges, encumbrances, or other interests, except for Liens securing the First Lien Exit Facility, the New Revolving Credit Facility (if any) and any Other Secured Claims that are Reinstated pursuant to the Plan. On and after the Effective Date, except as otherwise provided in the Plan or the Confirmation Order, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code, the Bankruptcy Rules or the Local Rules.

9. Cancellation of Existing Indebtedness and Securities. Except as otherwise expressly provided in the Plan, on the Effective Date, (i) the Credit Documents, the Senior Notes Indenture, the Interests in the Debtors and all notes, bonds, agreements, instruments and other documents evidencing or creating any indebtedness or obligation of the Debtors related to the Credit Documents, the Senior Notes Indenture or any Interest in the Debtors (collectively, the "Cancelled Debt and Equity Documentation") shall be deemed cancelled, discharged, and of no force or effect; and (ii) the obligations of the Debtors under or in respect of the Credit Documents, the Senior Notes Indenture, the Interests in the Debtors and all other Cancelled Debt and Equity Documentation shall be discharged. The Holders of or parties to the Credit Documents, the Senior Notes Indenture, and such other Cancelled Debt and Equity Documentation will have no rights arising from or related to the Credit Documents, the Senior Notes Indenture and such other Cancelled Debt and Equity Documentation; provided, that notwithstanding Confirmation or the occurrence of the Effective Date, any such Credit Document, Senior Notes Indenture or other Cancelled Debt and Equity Documentation that governs the rights of the Holder of a Claim or Interest shall continue in effect solely for purposes of (i) enabling Holders of Allowed Claims and Allowed Interests to receive distributions under the Plan as provided herein, and allowing each of the Credit Agreement Agent and the Senior Notes Indenture Trustee to make or direct the distributions in accordance with the Plan as provided herein; (ii) allowing the Senior Notes Indenture Trustee to enforce its rights, claims, and interests vis-à-vis any parties other than the Released Parties or any of their respective property or assets; (iii) preserving any rights of the Senior Notes Indenture Trustee to payment of fees, expenses, and indemnification obligations as against any money or property distributable to the Holders of Allowed Senior Notes Claims under the Senior Notes Indenture, including any rights to priority of payment and/or to exercise the Senior Notes Indenture Trustee charging lien; (iv) allowing the Senior Notes Indenture Trustee to enforce any obligations owed to it under the Plan; (v) allowing the Senior Notes Indenture Trustee to appear in the Chapter 11 Cases or in any proceeding in the Bankruptcy Court or any other court; and (vi) permitting the Senior Notes Indenture Trustee to perform any functions that are necessary to effectuate the foregoing; provided, further, that section 10.7 of the Credit Agreement shall continue in effect solely as between the Term Loan Lenders and the Credit Agreement Agent, and not, for the avoidance of doubt, as to any Debtor, Reorganized Debtor or any of their respective property or assets. Except for the foregoing, the Senior Notes Indenture Trustee and its agents shall be relieved of all further duties and responsibilities related to the Senior Notes Indenture and the Plan, except with respect to such other rights and obligations of the Senior Notes Indenture Trustee that, pursuant to the Senior Notes Indenture, survive the termination of such indenture. Subsequent to the performance by the Senior Notes Indenture Trustee of its obligations pursuant to the Plan, the Senior Notes Indenture Trustee and its agents shall be relieved of all further duties and responsibilities related to the Senior Notes Indenture.

10. Corporate Action. On the Effective Date, or as soon thereafter as is reasonably practicable, all actions contemplated by the Plan shall be deemed authorized and approved in all respects, including: (1) execution and entry into the First Lien Exit Facility; (2) execution and entry into the New Revolving Credit Facility (if any); (3) approval of and entry into the New Corporate Governance Documents; (4) issuance and distribution of the New Securities; (5) selection of the directors and officers for the Reorganized Debtors; (6) implementation of the Restructuring Transactions contemplated by the Plan; (7) adoption of the Management Incentive Plan; (8) adoption or assumption, if and as applicable, of the

Management Employment Agreements; and (9) all other actions contemplated by the Plan (whether to occur before, on, or after the Effective Date). All matters provided for in the Plan involving the corporate structure of the Reorganized Debtors, and any corporate action required by the Debtors or the Reorganized Debtors in connection with the Plan, shall be deemed to have occurred and shall be in effect, without any requirement of further action by the Security holders, directors, or officers of the Debtors or the Reorganized Debtors.

On or (as applicable) before the Effective Date, the appropriate officers of the Debtors or the Reorganized Debtors (as applicable) shall be authorized to issue, execute, and deliver the agreements, documents, Securities, and instruments contemplated by the Plan (or necessary or desirable to effect the transactions contemplated by the Plan) in the name of and on behalf of the Reorganized Debtors, including the New Corporate Governance Documents, the First Lien Exit Facility Documents, including the First Lien Exit Credit Agreement, the New Revolving Credit Facility Documents (if any), including the New Revolving Credit Facility Agreement, and any and all related and ancillary agreements, documents, and filings, the New Securities, and any and all other agreements, documents, securities, and instruments relating to the foregoing. The authorizations and approvals contemplated by Article IV of the Plan shall be effective notwithstanding any requirements under non-bankruptcy law.

11. New Certificates of Incorporation and New By-Laws. On or promptly after the Effective Date, the Reorganized Debtors will file their respective New Certificates of Incorporation with the applicable Secretaries of State and/or other applicable authorities in their respective states of incorporation in accordance with the corporate laws of such respective states of incorporation or formation. Pursuant to section 1123(a)(6) of the Bankruptcy Code, the New Certificates of Incorporation will prohibit the issuance of non-voting equity securities. After the Effective Date, the Reorganized Debtors may amend and restate their respective New Certificates of Incorporation and New By-Laws and other constituent documents as permitted by the laws of their respective states of incorporation and their respective New Certificates of Incorporation and New By-Laws.

12. Directors and Officers of the Reorganized Debtors. As of the Effective Date, the term of the current members of the boards of directors of each Debtor shall expire, and the New Cumulus Board and the New Subsidiary Boards, as well as the officers of each of the Reorganized Debtors, shall be appointed in accordance with the New Certificates of Incorporation and New By-Laws of each Reorganized Debtor.

The New Cumulus Board shall be composed of seven members, which shall consist of Reorganized Cumulus' President and Chief Executive Officer and six directors chosen by the Term Lender Group on the terms set forth in the Restructuring Support Agreement. The initial directors of the New Cumulus Board as of the Effective Date shall be set forth in the Plan Supplement. The initial term of the New Cumulus Board will be through the date of the 2019 annual meeting of Cumulus. The New Subsidiary Boards shall be as set forth in the Plan Supplement.

Pursuant to section 1129(a)(5) of the Bankruptcy Code, the Debtors will disclose in the Plan Supplement the identity and affiliations of any Person proposed to serve on the initial New Cumulus Board and the New Subsidiary Boards, as well as those Persons that will serve as

an officer of any of the Reorganized Debtors. To the extent any such director or officer is an "insider" as such term is defined in section 101(31) of the Bankruptcy Code, the nature of any compensation to be paid to such director or officer will also be disclosed. Each such director and officer shall serve from and after the Effective Date pursuant to the terms of the New Certificates of Incorporation, New By-Laws, and other constituent documents of the Reorganized Debtors.

13. Employee Obligations. Except as expressly otherwise provided in the Plan or the Plan Supplement, the Reorganized Debtors shall honor the Employee Obligations (i) existing and effective as of the Petition Date, (ii) that were incurred or entered into in the ordinary course of business prior to the Effective Date, and (iii) as otherwise approved by the Bankruptcy Court prior to the Effective Date, as may be amended by agreement between the beneficiaries of such Employee Obligations, on the one hand, and the Debtors or the Reorganized Debtors, as applicable, on the other hand. To the extent that any of the Employee Obligations are executory contracts, pursuant to sections 365 and 1123 of the Bankruptcy Code, each of them will be deemed assumed as of the Effective Date and assigned to the Reorganized Debtors. For the avoidance of doubt, the foregoing shall not (i) limit, diminish, or otherwise alter the Debtors' or the Reorganized Debtors', as applicable, defenses, Claims, Causes of Action, or other rights with respect to the Employee Obligations; or (ii) impair the rights of the Debtors or Reorganized Debtors, as applicable, to implement the Management Incentive Plan in accordance with its terms and conditions and to determine the Employee Obligations of the Reorganized Debtors in accordance with their applicable terms and conditions on or after the Effective Date, in each case consistent with the Plan

14. Effectuating Documents; Further Transactions. On and after the Effective Date, the Reorganized Debtors and the officers and members of the New Boards, are authorized to and may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement and further evidence the terms and conditions of the Plan, the Restructuring Transactions, the New Corporate Governance Documents, the First Lien Exit Credit Agreement, the New Revolving Credit Facility Agreement (if any) and the Securities issued pursuant to the Plan, including the New Common Stock and Special Warrants, in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorization, or consents except those expressly required pursuant to the Plan.

15. Management Incentive Plan. On and after the Effective Date, the Reorganized Debtors will implement the Management Incentive Plan, pursuant to which certain officers, directors, and employees of the Reorganized Debtors will be granted awards on terms to be disclosed in the Plan Supplement and consistent with the term sheet included as Annex C to the Restructuring Support Agreement, The Management Incentive Plan shall reserve ten percent (10%) of the New Common Stock on a fully diluted basis for the New Cumulus Board and senior management employees of the Reorganized Debtors in the form of options, restricted stock units, and other equity-based awards. A term sheet summarizing the principal terms of the Management Incentive Plan is included as Annex C to the Restructuring Support Agreement, which is appended as Exhibit D to the First Day Declaration.

The Committee continues to diligence the appropriateness of the proposed Management Incentive Plan and the New Common Stock to be set aside for management and

will raise any objections to the Management Incentive Plan, if any, in connection with the Confirmation Hearing.

16. Exemption from Certain Taxes and Fees. To the fullest extent permitted by section 1146(a) of the Bankruptcy Code, any transfers of property pursuant to the Plan shall not be subject to any stamp tax, document recording tax, conveyance fee, intangibles, or similar tax, mortgage tax, real estate transfer tax, mortgage recording tax, sales or use tax, Uniform Commercial Code filing or recording fee, regulatory filing or recording fee, or other similar tax or governmental assessment in the United States, and the Confirmation Order shall direct and be deemed to direct the appropriate state or local governmental officials or agents to forgo the collection of any such tax or governmental assessment and to accept for filing and recordation instruments or other documents pursuant to such transfers of property without the payment of any such tax or governmental assessment. Such exemption specifically applies, without limitation, to (1) the creation of any mortgage, deed of trust, Lien, or other security interest, (2) the making or assignment of any lease or sublease, (3) any Restructuring Transaction authorized by the Plan, and (4) the making or delivery of any deed or other instrument of transfer under, in furtherance of, or in connection with the Plan, including: (a) any merger agreements; (b) agreements of consolidation, restructuring, disposition, liquidation, or dissolution; (c) deeds; (d) bills of sale; or (e) assignments executed in connection with any Restructuring Transaction occurring under the Plan.

17. Indemnification Provisions. On and as of the Effective Date, the Indemnification Provisions shall be deemed assumed and irrevocable and will remain in full force and effect and survive the effectiveness of the Plan unimpaired and unaffected, and each of the Reorganized Debtors' New Certificates of Incorporation, New By-Laws, or similar organizational documents will provide for the indemnification, defense, reimbursement, exculpation, and/or limitation of liability of, and advancement of fees and expenses to the Debtors' and the Reorganized Debtors' current and former directors, officers, employees, agents, managers, attorneys, and other professionals, and such current and former directors, officers, and managers' respective Affiliates at least to the same extent as such documents of each of the respective Debtors on the Petition Date but in no event greater than as permitted by law, against any Claims or Causes of Action; *provided*, that the Reorganized Debtors shall not indemnify any such Person for any Claims or Causes of Action arising out of or related to any act or omission that is a criminal act or constitutes actual fraud, gross negligence or willful misconduct or for which indemnification is not permissible under law. None of the Reorganized Debtors shall amend and/or restate its respective New Certificate of Incorporation, New By-Laws, or similar organizational documents before, on or after the Effective Date to terminate, reduce, discharge, impair or adversely affect in any way (i) any of the Reorganized Debtors' obligations referred to in the immediately preceding sentence or (ii) the rights of such current and former directors, officers, employees, agents, managers, attorneys, and other professionals, and such current and former directors, officers, and managers' respective Affiliates referred to in the immediately preceding sentence. Notwithstanding anything to the contrary in Article VIII.D and Article VIII.E of the Plan, the Debtors' current and former officers' and directors' rights to indemnification are preserved to the extent set forth in Article IV.R of the Plan.

18. Preservation of Causes of Action. In accordance with section 1123(b) of the Bankruptcy Code, but subject to Article VIII of the Plan , the Reorganized Debtors shall

retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, including any actions specifically enumerated in the Plan Supplement, and the Reorganized Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. For the avoidance of doubt, the preservation of Causes of Action described in the preceding sentence includes, but is not limited to, the Debtors' (1) right to object to Administrative Claims, (2) right to object to other Claims, and (3) right to subordinate Claims. The Reorganized Debtors may pursue such Causes of Action, as appropriate, in accordance with the best interests of the Reorganized Debtors in their respective discretion. No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against them as any indication that the Debtors or the Reorganized Debtors will not pursue any and all available Causes of Action. The Debtors and the Reorganized Debtors expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in Article VIII of the Plan.

The Reorganized Debtors reserve and shall retain the applicable Causes of Action notwithstanding the rejection or repudiation of any Executory Contract or Unexpired Lease during the Chapter 11 Cases or pursuant to the Plan. The applicable Reorganized Debtor, through its authorized agents or representatives, shall retain and may exclusively enforce any and all such Causes of Action. The Reorganized Debtors shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Causes of Action except as otherwise expressly provided in the Plan and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order, or approval of the Bankruptcy Court.

19. Treatment of Executory Contracts and Unexpired Leases.

(a) Assumption and Rejection of Executory Contracts and Unexpired Leases. On the Effective Date, except as otherwise provided herein, all Executory Contracts or Unexpired Leases will be deemed assumed as of the Effective Date, in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, other than those Executory Contracts or Unexpired Leases that: (1) previously were assumed or rejected by the Debtors; (2) are identified on the Schedule of Rejected Executory Contracts and Unexpired Leases; or (3) are the subject of a notice of rejection or motion to reject such Executory Contracts or Unexpired Leases, as applicable, that is pending on the Effective Date, regardless of whether the requested effective date of such rejection is on or after the Effective Date. Entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of such assumptions, assumptions and assignments and the rejection of the Executory Contracts or Unexpired Leases listed on the Schedule of Rejected Executory Contracts and Unexpired Leases pursuant to sections 365(a) and 1123 of the Bankruptcy Code.

Any motions or notices to reject Executory Contracts or Unexpired Leases pending on the Effective Date shall be subject to approval by the Bankruptcy Court on or after the Effective Date by a Final Order. Each Executory Contract and Unexpired Lease assumed pursuant to Article V.A of the Plan or by any order of the Bankruptcy Court, which has not been assigned to a third party prior to the Confirmation Date or such later date as provided in Article

V.A of the Plan, shall revest in and be fully enforceable by the Debtors or the Reorganized Debtors, as applicable, in accordance with such Executory Contract and/or Unexpired Lease's terms, except as such terms are modified by the provisions of the Plan or any order of the Bankruptcy Court authorizing and providing for its assumption under applicable federal law.

To the maximum extent permitted by law, to the extent any provision in any Executory Contract or Unexpired Lease assumed pursuant to the Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption of such Executory Contract or Unexpired Lease (including, without limitation, any "change of control" provision), then such provision shall be deemed modified such that the transactions contemplated by the Plan shall not entitle the non-Debtor party thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto. Notwithstanding anything to the contrary in the Plan, the Debtors or the Reorganized Debtors, as applicable, reserve the right to alter, amend, modify, or supplement the Schedule of Rejected Executory Contracts and Unexpired Leases, including by way of adding or removing a particular Executory Contract or Unexpired Lease from the Schedule of Rejected Executory Contracts and Unexpired Leases, at any time through and including forty-five (45) calendar days after the Effective Date.

(b) Claims Based on Rejection of Executory Contracts or Unexpired Leases. Proofs of Claim with respect to Claims against any Debtor arising from the rejection of Executory Contracts or Unexpired Leases, if any, must be filed with the Bankruptcy Court or the Voting and Claims Agent by the later of (i) the applicable Claims Bar Date, and (ii) thirty (30) calendar days after notice of such rejection is served on the applicable claimant. Any Claims against any Debtor arising from the rejection of an Executory Contract or Unexpired Lease not Filed within such time shall be automatically Disallowed, forever barred from assertion and shall not be enforceable against the Debtors or the Reorganized Debtors, the Estates, or property of the foregoing parties, without the need for any objection by the Debtors or the Reorganized Debtors, as applicable, or further notice to, or action, order, or approval of the Bankruptcy Court or any other Entity, and any Claim against any Debtor arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, including any Claims against any Debtor listed on the Schedules as unliquidated, contingent or disputed. Allowed Claims arising from the rejection of the Debtors' Executory Contracts or Unexpired Leases shall be classified as General Unsecured Claims and shall be treated in accordance with Article III of the Plan.

Any and all Proofs of Claim based upon Executory Contracts or Unexpired Leases that have been assumed in the Chapter 11 Cases, including pursuant to the Confirmation Order, and for which any cure amount has been fully paid or for any $0 cures pursuant to Article V of the Plan, shall be deemed Disallowed and expunged as of the Effective Date without the need for any objection thereto or any further notice to or action, order, or approval of the Bankruptcy Court.

(c) Cure of Defaults for Assumed Executory Contract and Unexpired Leases. Any monetary defaults under any Executory Contract and Unexpired Lease to be assumed shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code by payment of the default amount in Cash on the Effective Date or as soon as reasonably practicable thereafter,

with such default amount being $0.00 if no amount is listed in the Cure Notice, subject to the limitations described below, or on such other terms as the party to such Executory Contract or Unexpired Lease may otherwise agree. In the event of a dispute regarding (1) the amount of the Cure Claim, (2) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed, if required, or (3) any other matter pertaining to assumption, the cure payments required by section 365(b)(1) of the Bankruptcy Code shall only be made following the entry of a Final Order or orders resolving the dispute and approving the assumption or by mutual agreement between the Debtors or the Reorganized Debtors, as applicable, and the applicable counterparty.

At least fourteen (14) calendar days before the Confirmation Hearing, the Debtors shall distribute, or cause to be distributed, Cure Notices of proposed assumption and proposed amounts of Cure Claims to the applicable Executory Contract or Unexpired Lease counterparties. Any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assumption or related cure amount must be Filed, served, and actually received by the Debtors, the Term Lender Group and the U.S. Trustee at least seven (7) calendar days before the Confirmation Hearing. Any such objection to the assumption of an Executory Contract or Unexpired Lease shall be heard by the Bankruptcy Court on or before the Effective Date, unless a later date is agreed between the Debtors or the Reorganized Debtors, on the one hand, and the counterparty to the Executory Contract or Unexpired Lease, on the other hand, or by order of the Bankruptcy Court. Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption or cure amount shall be deemed to have assented to such assumption and/or cure amount; *provided*, *however*, that, subject to Article X.A of the Plan, the Debtors or the Reorganized Debtors, as applicable, shall have the right to alter, amend, modify, or supplement the Schedule of Rejected Executory Contracts and Unexpired Leases, as applicable, as identified in the Plan Supplement, through and including forty-five (45) calendar days after the Effective Date.

In any case, if the Bankruptcy Court determines that the Allowed Cure Claim with respect to any Executory Contract or Unexpired Lease is greater than the amount set forth in the applicable Cure Notice, the Debtors or Reorganized Debtors, as applicable, will have the right to add such Executory Contract or Unexpired Lease to the Schedule of Rejected Executory Contracts and Unexpired Leases, in which case such Executory Contract or Unexpired Lease will be deemed rejected as the Effective Date.

Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Claims against any Debtor or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time before the date that the Debtors or Reorganized Debtors assume such Executory Contract or Unexpired Lease. Any Proofs of Claim Filed with respect to an Executory Contract or Unexpired Lease that has been assumed and cured shall be deemed Disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court.

(d) Certain Customer Agreements. To the extent that the Debtors (i) are party to any ordinary course contract, terms and conditions, insertion order or similar agreement (whether written or oral) providing for the sale by the Debtors of advertising time to a customer and (ii) such agreement (A) has not been previously rejected or assumed by order of the Bankruptcy Court, (B) is not subject to a motion to reject filed on or prior to the Effective Date, (C) is not listed on the Schedule of Rejected Executory Contracts and Unexpired Leases, and (D) has not been designated for rejection in accordance with Article V of the Plan, such contract (including any modifications, amendments, supplements, restatements or other related agreements), purchase order or similar agreement will be deemed assumed by the applicable Debtor(s) or Reorganized Debtor(s), as applicable, in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code as of the Effective Date. Unless otherwise provided in the applicable Cure Notice, the cure amount to be paid in connection with the assumption of such a customer contract shall be $0.00.

(e) Insurance Policies. All of the Debtors' insurance policies, including any directors' and officers' insurance policies, and any agreements, documents, or instruments relating thereto, are treated as and deemed to be Executory Contracts under the Plan. On the Effective Date, the Debtors shall be deemed to have assumed all insurance policies and any agreements, documents, and instruments related thereto. In addition, on and after the Effective Date, none of the Reorganized Debtors shall terminate or otherwise reduce, limit or restrict the coverage under any of the directors' and officers' insurance policies with respect to conduct occurring prior thereto, and all directors and officers of the Debtors who served in such capacity at any time prior to the Effective Date shall be entitled to the full benefits of any such directors' and officers' insurance policy for the full term of such policy regardless of whether such directors and officers remain in such positions after the Effective Date. Notwithstanding anything to the contrary in Article VIII.D and Article VIII.E of the Plan, all of the Debtors' current and former officers' and directors' rights as beneficiaries of such insurance policies are preserved to the extent set forth in Article V.D of the Plan.

(f) Indemnification Provisions. Except as otherwise provided in the Plan, on and as of the Effective Date, any of the Debtors' indemnification rights with respect to any contract or agreement that is the subject of or related to any litigation against the Debtors or Reorganized Debtors, as applicable, shall be assumed by the Reorganized Debtors and otherwise remain unaffected by the Chapter 11 Cases.

(g) Modifications, Amendments, Supplements, Restatements, or Other Agreements. Unless otherwise provided in the Plan or by separate order of the Bankruptcy Court, each Executory Contract or Unexpired Lease that is assumed, whether or not such Executory Contract or Unexpired Lease relates to the use, acquisition or occupancy of real property, shall include (i) all modifications, amendments, supplements, restatements, or other agreements made directly or indirectly by any agreement, instrument or other document that in any manner affect such Executory Contract or Unexpired Lease, and (ii) all Executory Contracts and Unexpired Leases related thereto, if any, including easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, powers, uses, reciprocal easement agreements and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated pursuant to an order of the Bankruptcy Court or under the Plan.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases and actions taken in accordance therewith (i) shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims against any Debtor that may arise in connection therewith, (ii) are not and do not create postpetition contracts or leases, (iii) do not elevate to administrative expense priority any Claims of the counterparties to such Executory Contracts and Unexpired Leases against any of the Debtors, and (iv) do not entitle any Entity to a Claim against any of the Debtors under any section of the Bankruptcy Code on account of the difference between the terms of any prepetition Executory Contracts or Unexpired Leases and subsequent modifications, amendments, supplements or restatements.

(h) Reservation of Rights. Neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on the Schedule of Rejected Executory Contracts and Unexpired Leases, nor anything contained in the Plan or the Plan Supplement, shall constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any Reorganized Debtor has any liability thereunder. If, prior to the Effective Date, there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors, or Reorganized Debtors, as applicable, shall have forty-five (45) calendar days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

(i) Nonoccurrence of Effective Date. In the event that the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code.

(j) Contracts and Leases Entered into After the Petition Date. Contracts and leases entered into after the Petition Date by any Debtor, including any Executory Contracts and Unexpired Leases assumed by such Debtor, will be performed by the applicable Debtor or Reorganized Debtor liable thereunder in the ordinary course of its business. Accordingly, such contracts and leases (including any assumed Executory Contracts and Unexpired Leases) that had not been rejected as of the date of Confirmation will survive and remain obligations of the applicable Reorganized Debtor.

20. Resolution of Disputed Claims.

(a) Allowance of Claims. After the Effective Date, each of the Debtors and the Reorganized Debtors shall have and retain any and all rights and defenses such Debtor had with respect to any Claim immediately before the Effective Date. Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases before the Effective Date (including the Confirmation Order), no Claim shall become an Allowed Claim unless and until such Claim is deemed Allowed under the Plan or the Bankruptcy Code, or the Bankruptcy Court has entered a Final Order, including the Confirmation Order (when it becomes a Final Order), in the Chapter 11 Cases allowing such Claim.

(b) Claims and Interests Administration Responsibilities. Except as otherwise specifically provided in the Plan and notwithstanding any requirements that may be imposed pursuant to Bankruptcy Rule 9019, after the Effective Date, the Reorganized Debtors shall have the sole authority: (1) to File, withdraw, or litigate to judgment objections to Claims; (2) to settle or compromise any Disputed Claim without any further notice to or action, order, or approval by the Bankruptcy Court; and (3) to administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court.

(c) Estimation of Claims. Before or after the Effective Date, the Debtors or the Reorganized Debtors, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate any Disputed Claim that is contingent or unliquidated pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any such Claim, including during the litigation of any objection to any Claim or during the appeal relating to such objection. Notwithstanding any provision otherwise in the Plan, a Claim that has been expunged from the Claims Register, but that either is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars, unless otherwise ordered by the Bankruptcy Court. In the event that the Bankruptcy Court estimates any Disputed, contingent or unliquidated Claim, that estimated amount shall constitute a maximum limitation on such Claim for all purposes under the Plan (including for purposes of distributions), and the relevant Reorganized Debtor may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim; *provided*, *however*, that such limitation shall not apply to Claims requested by the Debtors to be estimated for voting purposes only.

Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any Holder of a Claim that has been estimated pursuant to section 502(c) of the Bankruptcy Code or otherwise be entitled to seek reconsideration of such estimation unless such Holder has Filed a motion requesting the right to seek such reconsideration on or before twenty-one (21) days after the date on which such Claim is estimated. All of the aforementioned Claims and objection, estimation, and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court.

(d) Adjustment to Claims Without Objection. Any Claim that has been paid or satisfied, or any Claim that has been amended or superseded, cancelled, or otherwise expunged (including pursuant to the Plan), may, in accordance with the Bankruptcy Code and Bankruptcy Rules, be adjusted or expunged (including on the Claims Register, to the extent applicable) by the Reorganized Debtors without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

(e) Time to File Objections to Claims. Any objections to Claims shall be Filed on or before the Claims Objection Deadline.

(f) Disallowance of Claims. Any Claims held by Entities from which property is recoverable under sections 542, 543, 550, or 553 of the Bankruptcy Code, or that is a transferee of a transfer avoidable under sections 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code, shall be deemed Disallowed pursuant to section 502(d) of the Bankruptcy Code, and Holders of such Claims may not receive any distributions on account of such Claims until such time as such Causes of Action against that Entity have been settled or a Bankruptcy Court order with respect thereto has been entered and all sums due, if any, to the Debtors by that Entity have been turned over or paid to the Reorganized Debtors. Subject in all respects to Article IV.R of the Plan, all Proofs of Claims Filed on account of an indemnification obligation to a director, officer, or employee shall be deemed satisfied and expunged from the Claims Register as of the Effective Date to the extent such indemnification obligation is assumed (or honored or reaffirmed, as the case may be) pursuant to the Plan, without any further notice to or action, order, or approval of the Bankruptcy Court.

Except as provided herein or otherwise agreed, any and all Proofs of Claim filed after the applicable Claims Bar Date shall be deemed Disallowed and expunged as of the Effective Date without any further notice to or action, order, or approval of the Bankruptcy Court, and Holders of such Claims may not receive any distributions on account of such Claims, unless on or before the Confirmation Hearing such late Filed Claim has been deemed timely Filed by a Final Order.

21. Timing and Calculation of Amounts to Be Distributed. Unless otherwise provided in the Plan, on the Effective Date (or if a Claim is not an Allowed Claim on the Effective Date, on the date that such Claim becomes an Allowed Claim), or, in each case, as soon as reasonably practicable thereafter, each Holder of an Allowed Claim shall receive the full amount of the distributions that the Plan provides for Allowed Claims in each applicable Class. If and to the extent that there are Disputed Claims, distributions on account of any such Disputed Claims (which will only be made if and when they become Allowed Claims) shall be made pursuant to the provisions set forth in Article VII of the Plan. Except as otherwise expressly provided in the Plan, Holders of Claims shall not be entitled to interest, dividends, or accruals on the distributions provided for in the Plan, regardless of whether such distributions are delivered on or at any time after the Effective Date. The Debtors shall have no obligation to recognize any transfer of Claims or Interests occurring on or after the Distribution Record Date. Distributions to Holders of Claims or Interests related to public Securities shall be made to such Holders in exchange for such Securities, which shall be deemed cancelled as of the Effective Date.

22. Disbursing Agent. Except as otherwise provided in the Plan, all distributions under the Plan shall be made by the Disbursing Agent on the Effective Date or as soon as reasonably practicable thereafter. The Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court.

23. Rights and Powers of the Disbursing Agent.

(a) Powers of the Disbursing Agent. The Disbursing Agent shall be empowered to: (i) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (ii) make all distributions

contemplated hereby; (iii) employ professionals to represent it with respect to its responsibilities; and (iv) exercise such other powers as may be vested in the Disbursing Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions the Plan.

(b) Expenses Incurred On or After the Effective Date. Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and out-of-pocket expenses incurred by the Disbursing Agent on or after the Effective Date (including taxes) and any reasonable compensation and out-of-pocket expense reimbursement claims (including reasonable attorney fees and expenses) made by the Disbursing Agent shall be paid in Cash by the Reorganized Debtors.

24. Delivery of Distributions and Undeliverable or Unclaimed Distributions.

(a) Delivery of Distributions.

(i) Delivery of Distributions to Holders of Allowed Credit Agreement Claims. Except as otherwise provided in the Plan, all distributions under the Plan to Holders of Allowed Credit Agreement Claims shall be made by the Reorganized Debtors or the Credit Agreement Agent to the Holders of Allowed Credit Agreement Claims of record as of the Distribution Record Date (as determined by the register maintained by the Credit Agreement Agent).

(ii) Delivery of Distributions to Senior Notes Indenture Trustee. Except as otherwise reasonably requested by the Senior Notes Indenture Trustee, all distributions under the Plan to Holders of Allowed Senior Notes Claims shall be made to, or by the Disbursing Agent at the reasonable direction of, the Senior Notes Indenture Trustee. As soon as practicable in accordance with the requirements set forth in Article VI of the Plan, the Senior Notes Indenture Trustee shall arrange to deliver such distributions to or on behalf of such Holders of Allowed Senior Notes Claims, subject to the Senior Notes Indenture Trustee charging Lien, and regardless of whether such distributions are made by the Senior Notes Indenture Trustee, the Disbursing Agent at the reasonable direction of the Senior Notes Indenture Trustee or by some other Person in accordance with Article VI.E.1(b) of the Plan, the Senior Notes Indenture Trustee charging lien shall attach to the property to be distributed to the Holders of Allowed Senior Notes Claims in the same manner as if such distributions were made through the Senior Notes Indenture Trustee. The Senior Notes Indenture Trustee shall have no duties or responsibility relating to any form of distribution that is not DTC eligible and the Debtors or Reorganized Debtors, as applicable, shall use commercially reasonable efforts to (i) seek the cooperation of DTC with respect to the cancellation of the Senior Notes as of the Effective Date, and (ii) seek the cooperation of the relevant bank and broker participants in the DTC system to facilitate delivery of the distribution directly to the relevant beneficial owners as soon as practicable after the Effective Date.

(iii) Delivery of Distributions in General. Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims (other than Holders of Credit Agreement Claims or Senior Notes Claims) or Interests shall be made to Holders of record as of the Distribution Record Date by the Reorganized Debtors: (1) to the signatory set forth on any of

the Proofs of Claim Filed by such Holder or other representative identified therein (or at the last known addresses of such Holder if no Proof of Claim is Filed or if the Debtors have been notified in writing of a change of address); (2) at the addresses set forth in any written notices of address changes delivered to the Reorganized Debtors after the date of any related Proof of Claim; (3) at the addresses reflected in the Schedules if no Proof of Claim has been Filed and the Reorganized Debtors have not received a written notice of a change of address; or (4) on any counsel that has appeared in the Chapter 11 Cases on the Holder's behalf. Subject to Article VI of the Plan, distributions under the Plan on account of Allowed Claims shall not be subject to levy, garnishment, attachment, or like legal process, so that each Holder of an Allowed Claim shall have and receive the benefit of the distributions in the manner set forth in the Plan. The Debtors, the Reorganized Debtors, the Disbursing Agent, the Credit Agreement Agent, and the Senior Notes Indenture Trustee, as applicable, shall not incur any liability whatsoever on account of any distributions under the Plan, except in the event of gross negligence or willful misconduct, as determined by a Final Order of a court of competent jurisdiction.

(b) Minimum Distributions. No partial distributions or payments of fractions of New Securities shall be distributed and no Cash shall be distributed in lieu of such fractional amounts. When any distribution pursuant to the Plan on account of an Allowed Claim or Interest, as applicable, would otherwise result in the issuance of a number of New Securities that is not a whole number, the actual distribution of New Securities shall be rounded as follows: (i) fractions of greater than one-half (1/2) shall be rounded to the next higher whole number and (ii) fractions of one-half (1/2) or less than one-half (1/2) shall be rounded to the next lower whole number with no further payment therefor.

Notwithstanding any other provision of the Plan, no Cash payment valued at less than $100.00, in the reasonable discretion of the Disbursing Agent and the Reorganized Debtors, shall be made to a Holder of an Allowed Claim on account of such Allowed Claim. Such Allowed Claims to which this limitation applies shall be discharged and its Holder forever barred from asserting that Claim against the Reorganized Debtors or their property.

(c) Undeliverable Distributions and Unclaimed Property. In the event that any distribution to any Holder is returned as undeliverable, no distribution to such Holder shall be made unless and until the Disbursing Agent has determined the then-current address of such Holder, at which time such distribution shall be made to such Holder without interest; *provided*, *however*, that such distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of one (1) year from the later of (i) the Effective Date and (ii) the date of the distribution. After such date, all unclaimed property or interests in property shall revert to the Reorganized Debtors automatically and without need for a further order by the Bankruptcy Court (notwithstanding any applicable federal or state escheat, abandoned, or unclaimed property laws to the contrary), and the Claim of any Holder to such property or Interest in property shall be discharged and forever barred.

Checks issued on account of Allowed Claims shall be null and void if not negotiated within 180 calendar days from and after the date of issuance thereof. Requests for reissuance of any check must be made directly and in writing to the Disbursing Agent by the Holder of the relevant Allowed Claim within the 180-calendar day period. After such date, the

relevant Allowed Claim (and any Claim for reissuance of the original check) shall be automatically discharged and forever barred, and such funds shall revert to the Reorganized Debtors (notwithstanding any applicable federal or state escheat, abandoned, or unclaimed property laws to the contrary).

(d) Reserve. In making any distribution in respect of Allowed Claims, the Reorganized Debtors shall reserve an appropriate and adequate amount of Cash on account of any unresolved Disputed Claims that if Allowed would be payable in Cash.

25. Manner of Payment.

(a) All distributions of New Securities under the Plan shall be made by the Disbursing Agent on behalf of Reorganized Cumulus.

(b) All distributions of Cash under the Plan shall be made by the Disbursing Agent on behalf of the applicable Debtor (or Debtors).

(c) At the option of the Disbursing Agent, any Cash payment to be made hereunder may be made by check or wire transfer or as otherwise required or provided in applicable agreements.

26. Section 1145 Exemption. Pursuant to section 1145 of the Bankruptcy Code, the issuance of the New Securities by Reorganized Cumulus as contemplated by the Plan (including the issuance of New Common Stock upon exercise of the Special Warrants and Class A Common Stock upon conversion of Class B Common Stock) is exempt from, among other things, the registration requirements of Section 5 of the Securities Act and any other applicable U.S. state or local law requiring registration prior to the offering, issuance, distribution or sale of Securities. The New Securities issued by Reorganized Cumulus pursuant to section 1145 of the Bankruptcy Code (a) are not "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, and (b) are freely tradable and transferable by any initial recipient thereof that (i) is not an "affiliate" of the Reorganized Debtors as defined in Rule 144(a)(1) under the Securities Act, (ii) has not been such an "affiliate" within ninety (90) calendar days of such transfer, (iii) has not acquired the New Securities from an "affiliate" within one year of such transfer and (iv) is not an entity that is an "underwriter" as defined in section 1145(b) of the Bankruptcy Code; *provided*, that transfer of the New Securities may be restricted by the Communications Act and the rules of the FCC, the New Corporate Governance Documents, the Warrant Agreement, and with respect to the Restricted Stock, the terms thereof.

Should the Reorganized Debtors elect on or after the Effective Date to reflect any ownership of the New Securities through the facilities of the DTC, Euroclear or Clearstream, the Reorganized Debtors need not provide any further evidence other than the Plan or the Confirmation Order with respect to the treatment of transfers, exercise, removal of restrictions, or conversion of New Securities under applicable U.S. federal, state or local securities laws.

The DTC, Euroclear or Clearstream shall be required to accept and conclusively rely upon the Plan and Confirmation Order in lieu of a legal opinion regarding whether the New Securities are exempt from registration and/or eligible for DTC, Euroclear or Clearstream book-entry delivery, settlement and depository services.

Notwithstanding anything to the contrary in the Plan , no Entity (including, for the avoidance of doubt, the DTC, Euroclear or Clearstream) may require a legal opinion regarding the validity of any transaction contemplated by the Plan , including, for the avoidance of doubt, whether the New Common Stock and Special Warrants (and New Common Stock issuable upon exercise of the Special Warrants) are exempt from registration and/or eligible for DTC, Euroclear or Clearstream book-entry delivery, settlement and depository services.

27. Compliance with Tax Requirements. In connection with the Plan, to the extent applicable, the Reorganized Debtors shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Reorganized Debtors and the Disbursing Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including, without limitation, liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information, documentation, and certifications necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable or appropriate. All Persons holding Claims against any Debtor shall be required to provide any information necessary for the Reorganized Debtors to comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit. The Reorganized Debtors reserve the right to allocate any distributions made under the Plan in compliance with applicable wage garnishments, alimony, child support, and other spousal awards, Liens, and encumbrances.

Notwithstanding any other provision of the Plan to the contrary, each Holder of an Allowed Claim shall have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any Governmental Unit on account of such distribution

28. Allocations. Except as otherwise required by law (as reasonably determined by the Reorganized Debtors), distributions in respect of Allowed Claims shall be allocated first to the principal amount of such Claims (as determined for federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of the Claims, to the remaining portion of such Allowed Claim, if any.

29. Setoffs and Recoupment. Other than as expressly set forth in the Plan with respect to the Allowed Credit Agreement Claims, the Debtors or the Reorganized Debtors may, but shall not be required to, setoff against or recoup any Allowed Claim and the distributions to be made pursuant to the Plan on account of such Allowed Claim, any claims, rights, and Causes of Action of any nature whatsoever that the Debtors or the Reorganized Debtors, as applicable, may have against the Holder of such Allowed Claim pursuant to the Bankruptcy Code or applicable nonbankruptcy law, to the extent that such claims, rights, or Causes of Action against such Holder have not been otherwise compromised or settled on or prior to the Effective Date (pursuant to the Plan or otherwise); *provided*, *however*, that the failure of the Debtors or the Reorganized Debtors, as applicable, to do so shall not constitute a waiver, abandonment or release by the Debtors or the Reorganized Debtors of any such Claim they may have against the Holder of such Claim.

30. Claims Paid or Payable by Third Parties.

(a) Claims Paid by Third Parties. The Debtors or the Reorganized Debtors, as applicable, shall reduce a Claim against any Debtor, and such Claim (or portion thereof) shall be Disallowed without a Claim objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court, to the extent that the Holder of such Claim receives a payment on account of such Claim from a party that is not a Debtor or a Reorganized Debtor, as applicable. Subject to the last sentence of this paragraph, to the extent a Holder of a Claim receives a distribution on account of such Claim and also receives payment from a party that is not a Debtor or a Reorganized Debtor, as applicable, on account of such Claim, such Holder shall, within two (2) weeks of receipt of such payment, repay or return the distribution to the applicable Reorganized Debtor to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such distribution under the Plan. The failure of such Holder to timely repay or return such distribution shall result in the Holder owing the applicable Reorganized Debtor annualized interest at the Federal Judgment Rate on such amount owed for each Business Day after the two-week grace period specified above until the amount is repaid.

(b) Claims Payable by Third Parties. No distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the Debtors' insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy. To the extent that one or more of the Debtors' insurers agrees to satisfy in full or in part a Claim against any Debtor, then immediately upon such insurers' agreement, the applicable portion of such Claim may be expunged without a Claim objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

(c) Applicability of Insurance Policies. Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims shall be in accordance with the provisions of any applicable insurance policy. Nothing contained in the Plan shall constitute or be deemed a waiver of any Cause of Action that the Debtors, the Reorganized Debtors, or any Entity may hold against any other Entity, including insurers, under any policies of insurance, nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

31. Compromise and Settlement of Claims, Interests, and Controversies. Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the distributions and other benefits provided pursuant to the Plan, the provisions of the Plan shall constitute a good-faith compromise and settlement of all Claims, Interests, and controversies relating to the contractual, legal, and subordination rights that a Holder of a Claim or Interest may have with respect to any Allowed Claim or Interest, or any distribution to be made on account of such Allowed Claim or Interest. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims, Interests, and controversies, as well as a finding by the Bankruptcy Court that such compromise or settlement is in the best interests of the Debtors, their Estates, and Holders of Claims and Interests and is fair, equitable, and reasonable. In accordance with the provisions of the Plan, pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule

9019, without any further notice to or action, order, or approval of the Bankruptcy Court, after the Effective Date, the Reorganized Debtors may compromise and settle Claims against, and Interests in, the Debtors and their Estates and Causes of Action against other Entities.

(a) Discharge of Claims and Termination of Interests. Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan, the Confirmation Order or in any contract, instrument, or other agreement or document created pursuant to the Plan, including the Plan Supplement, the distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, discharge, and release, effective as of the Effective Date, of Claims, Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by employees of the Debtors before the Effective Date and that arise from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not: (a) a Proof of Claim based upon such debt or right is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code; (b) a Claim or Interest based upon such debt, right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (c) the Holder of such a Claim or Interest has accepted the Plan. Any default or "event of default" by the Debtors or their Affiliates with respect to any Claim or Interest that existed immediately before or on account of the Filing of the Chapter 11 Cases shall be deemed cured (and no longer continuing) as of the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Interests subject to the Effective Date occurring.

(b) **Release of Liens**. **Except as otherwise specifically provided in the Plan, the First Lien Exit Facility Documents or in any contract, instrument, release, or other agreement or document created pursuant to the Plan or the Confirmation Order on the Effective Date, and concurrently with the applicable distributions made pursuant to the Plan, on the Effective Date all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released, settled, discharged, and compromised, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall revert to the Reorganized Debtors and their successors and assigns, in each case, without any further approval or order of the Bankruptcy Court and without any action or Filing being required to be made by the Debtors. In addition, the Credit Agreement Agent shall, at the Debtors' or Reorganized Debtors', as applicable, expense (and with no representation or warranty, or recourse to, the Credit Agreement Agent, any Term Loan Lender or any of their affiliates, officers, directors, employees, agents or counsel) execute and deliver all documents reasonably requested by the Debtors, the Reorganized Debtors, the First Lien Exit Facility Agent, or the New Revolving Credit Facility Agent (if any) to evidence the release of such mortgages, deeds of trust, Liens, pledges, and other security**

interests and shall authorize the Reorganized Debtors to file UCC-3 termination statements (to the extent applicable) with respect thereto

(c) **Releases by the Debtors**. **Pursuant to section 1123(b) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or the Confirmation Order, on and after the Effective Date, the Released Parties shall hereby be expressly, unconditionally, irrevocably, generally, individually and collectively released, acquitted, and discharged by the Debtors, the Reorganized Debtors, and the Estates, each on behalf of itself and its current and former Affiliates, and such Entities' and their current and former Affiliates' current and former officers, managers, directors, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, successors, assigns, subsidiaries, principals, members, employees, agents, managed accounts or funds, management companies, fund advisors, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such, from any and all actions, Claims, Interests, obligations, debts, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative Claims asserted or assertable on behalf of a Debtor or Reorganized Debtor, any Claims or Causes of Action asserted on behalf of any Holder of any Claim or Interest or other Entity or that any Holder of a Claim or Interest or other Entity would have been legally entitled to assert, whether known or unknown, foreseen or unforeseen, asserted or unasserted, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise, for violations of federal or state laws or otherwise, by statute or otherwise, including Avoidance Actions, those Causes of Action based on veil piercing or alter-ego theories of liability, contribution, indemnification, joint liability or otherwise that the Debtors, the Reorganized Debtors, or their Estates (whether individually or collectively) ever had, now has, or hereafter can, shall, or may have, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any Security of the Debtors or any other transaction relating to any Security of the Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is affected by or classified in the Plan, the business or contractual arrangements between any Debtor and any Released Party, whether before or during the Debtors' restructuring, the restructuring of Claims and Interests before or during the Chapter 11 Cases, the negotiation, formulation or preparation of the Plan, the Plan Supplement, the Restructuring Transactions, the Restructuring Support Agreement, the Disclosure Statement, the First Lien Exit Facility Documents, the New Revolving Credit Facility Documents (if any) or, in each case, related agreements, instruments, or other documents, or upon any other act or omission, transaction, agreement, event, or other occurrence, taking place on or before the Effective Date related or relating to any of the foregoing; *provided, however*, that except as expressly provided under the Plan, the foregoing releases shall not release Claims related to any act or omission that is determined by a Final Order to have constituted actual fraud, gross negligence or willful misconduct. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Effective Date rights or obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan and shall**

not result in a release of any of the Debtors' or Reorganized Debtors' assumed indemnification obligations as set forth in the Plan.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Debtor Release, which includes by reference each of the related provisions and definitions contained in the Plan, and further, shall constitute the Bankruptcy Court's finding that the Debtor Release is: (1) essential to the Confirmation of the Plan; (2) an exercise of the Debtors' business judgment; (3) in exchange for the good and valuable consideration and substantial contributions provided by the Released Parties; (4) a good faith settlement and compromise of the Claims released by the Debtor Release; (5) in the best interests of the Debtors and all holders of Claims and Interests; (6) fair, equitable, and reasonable; (7) given and made after due notice and opportunity for hearing; and (8) a bar to any of the Debtors, the Reorganized Debtors, and the Estates and each of their current and former Affiliates, and such Entities' and their current and former Affiliates' current and former officers, managers, directors, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, successors, assigns, subsidiaries, principals, members, employees, agents, managed accounts or funds, management companies, fund advisors, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such asserting any Claim or Cause of Action released pursuant to the Debtor Release.

Nothing in the Plan shall limit the liability of attorneys to their respective clients pursuant to Rule 1.8(h) of the New York Rules of Professional Conduct.

(d) **Releases by the Releasing Parties**. **Except as otherwise specifically provided in the Plan or the Confirmation Order, as of the Effective Date, each of the Releasing Parties shall be deemed to have expressly, conclusively, absolutely, unconditionally, irrevocably, generally, individually and collectively, released, acquitted, and discharged the Released Parties from any and all actions, Claims, Interests, obligations, debts, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative Claims asserted or assertable on behalf of a Debtor or Reorganized Debtor, any Claims or Causes of Action asserted on behalf of any Holder of any Claim or any Interest or other Entity or that any Holder of a Claim or an Interest or other Entity would have been legally entitled to assert, whether known or unknown, foreseen or unforeseen, asserted or unasserted, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise, for violations of federal or state laws or otherwise, by statute or otherwise, including Avoidance Actions, those Causes of Action based on veil piercing or alter-ego theories of liability, contribution, indemnification, joint liability or otherwise that such Releasing Party (whether individually or collectively) ever had, now has, or hereafter can, shall, or may have, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any Security of the Debtors or any other transaction relating to any Security of the Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or**

any Interest that is affected by or classified in the Plan, the business or contractual arrangements between any Debtor and any Released Party, whether before or during the Debtors' restructuring, the restructuring of Claims and Interests before or during the Chapter 11 Cases, the negotiation, formulation or preparation of the Plan, the Plan Supplement, the Restructuring Transactions, the Restructuring Support Agreement, the Disclosure Statement, the First Lien Exit Facility Documents, the New Revolving Credit Facility Documents (if any), or, in each case, related agreements, instruments, or other documents, or upon any other act or omission, transaction, agreement, event, or other occurrence, taking place on or before the Effective Date related or relating to any of the foregoing; *provided, however*, that except as expressly provided under the Plan, the foregoing releases shall not release Claims related to any act or omission that is determined by a Final Order to have constituted actual fraud, gross negligence or willful misconduct; *provided, further*, that any Holder of a Claim or an Interest that elects to opt-out of the releases contained in this paragraph shall not constitute a Released Party (even if for any reason otherwise entitled) and no Restructuring Support Party shall be entitled to opt-out of the releases contained in this paragraph for so long as the Restructuring Support Agreement remains in full force and effect as to such Restructuring Support Party. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Effective Date rights or obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan and shall not result in a release of any of the Debtors' or Reorganized Debtors' assumed indemnification obligations as set forth in the Plan.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Third-Party Release, which includes by reference each of the related provisions and definitions contained herein, and, further, shall constitute the Bankruptcy Court's finding that the Third-Party Release is: (1) essential to the Confirmation of the Plan; (2) given in exchange for the good and valuable consideration and substantial contributions provided by the Released Parties; (3) a good faith settlement and compromise of the Claims released by the Third-Party Release; (4) in the best interests of the Debtors and their Estates; (5) fair, equitable, and reasonable; (6) given and made after due notice and opportunity for hearing; and (7) a bar to any of the Releasing Parties asserting any Claim or Cause of Action released pursuant to the Third-Party Release.

Nothing in the Plan shall limit the liability of attorneys to their respective clients pursuant to Rule 1.8(h) of the New York Rules of Professional Conduct

The Debtors have concluded that the Third-Party Release in the Plan is justified in light of the facts and circumstances of these Chapter 11 Cases. However, certain parties have objected to or may object to the Third-Party Release and the Bankruptcy Court may find that such releases cannot be approved. For a more detailed discussion of such objections, *see* Article VI.E of this Disclosure Statement.

(e) Regulatory Activities. Notwithstanding anything to the contrary herein, nothing in the Plan or Confirmation Order is intended to affect the police or regulatory activities of Governmental Units or other governmental agencies.

(f) Exculpation. **Except as otherwise specifically provided in the Plan or the Confirmation Order, no Exculpated Party shall have or incur, and each Exculpated Party is hereby released and exculpated from, any (i) Exculpated Causes of Action and (ii) obligation, Cause of Action, or liability for any Exculpated Causes of Action; *provided, however,* that the foregoing "Exculpation" shall have no effect on the liability of any Entity that results from any such act or omission that is determined by a Final Order to have constituted actual fraud, gross negligence, or willful misconduct; *provided further however,* that the foregoing shall not be deemed to release, affect, or limit, any post-Effective Date rights or obligations of the Exculpated Parties under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan. The Exculpated Parties have, and upon completion of the Plan shall be deemed to have, participated in good faith and in compliance with applicable law with regard to the solicitation of, and distribution of, consideration pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.**

Nothing in the Plan shall limit the liability of attorneys to their respective clients pursuant to Rule 1.8(h) of the New York Rules of Professional Conduct

The Debtors have concluded that the exculpation provisions in the Plan are justified in light of the facts and circumstances of these Chapter 11 Cases. However, certain parties have objected to or may object to the exculpation of non-estate fiduciaries and the Bankruptcy Court may find that such exculpations cannot be approved. For a more detailed discussion of such objections, *see* Article VI.E of this Disclosure Statement.

(g) **Injunction**. **Except as otherwise expressly provided in the Plan, the Confirmation Order, or for obligations issued or required to be paid pursuant to the Plan or the Confirmation Order, all Persons and Entities that have held, hold, or may hold Claims, Interests, Causes of Action or liabilities that have been released pursuant to Article VIII.D or Article VIII.E of the Plan, are discharged pursuant to Article VIII.B of the Plan, or are subject to exculpation pursuant to Article VIII.G of the Plan, are permanently enjoined and precluded, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors, the Reorganized Debtors, the Released Parties, or the Exculpated Parties: (i) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims, Interests, Causes of Action or liabilities; (ii) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Persons and Entities on account of or in connection with or with respect to any such Claims, Interests, Causes of Action or liabilities; (iii) creating, perfecting, or enforcing any Lien, Claim or encumbrance of any kind against such Persons or Entities or the property or the estates of such Persons or Entities, as applicable, on**

account of or in connection with or with respect to any such Claims, Interests, Causes of Action or liabilities; (iv) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Persons or Entities or against the property of such Persons or Entities, as applicable, on account of or in connection with or with respect to any such Claims, Interests, Causes of Action or liabilities; and (v) commencing or continuing in any manner any action or other proceeding of any kind against such Persons or Entities on account of or in connection with or with respect to any such Claims, Interests, Causes of Action or liabilities released, settled or compromised pursuant to the Plan; *provided*, that nothing contained herein shall preclude a Person or Entity from obtaining benefits directly and expressly provided to such Person or Entity pursuant to the terms of the Plan; *provided, further*, that nothing contained herein shall be construed to prevent any Person or Entity from defending against claims objections or collection actions whether by asserting a right of setoff or otherwise to the extent permitted by law.

(h) Term of Injunction or Stays. Unless otherwise provided in the Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order), shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

(i) Recoupment. In no event shall any Holder of a Claim be entitled to recoup such Claim against any Claim, right, or Cause of Action of the Debtors or the Reorganized Debtors, as applicable, unless such Holder actually has performed such recoupment and provided notice thereof in writing to the Debtors on or before the Confirmation Date, notwithstanding any indication in any Proof of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of recoupment.

(j) Protection Against Discriminatory Treatment. In accordance with section 525 of the Bankruptcy Code, and consistent with paragraph 2 of Article VI of the United States Constitution, all Entities, including Governmental Units shall not discriminate against any Reorganized Debtor, or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Reorganized Debtors, or another Entity with whom the Reorganized Debtors have been associated, solely because each Debtor has been a debtor under chapter 11 of the Bankruptcy Code, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Cases.

B. Conditions Precedent to Consummation of the Plan

1. Conditions Precedent to the Effective Date.

It is a condition to the Effective Date of the Plan that the following conditions shall have been satisfied or waived pursuant to the provisions of Article IX.B of the Plan:

(a) The Bankruptcy Court shall have entered the Confirmation Order, which order shall be in form and substance satisfactory to the Debtors and the Term Lender Group.

(b) The Debtors shall have paid the reasonable and documented fees and out-of-pocket expenses of (i) the Credit Agreement Agent (including one counsel to the Credit Agreement Agent), and (ii) Arnold & Porter Kaye Scholer LLP, FTI Consulting Inc., Fortgang Consulting, LLC and Aloise & Associates, LLC in accordance with the Restructuring Support Agreement.

(c) All of the conditions precedent set forth in the First Lien Exit Credit Agreement shall have been satisfied or waived pursuant to the terms of the First Lien Exit Credit Agreement, and the First Lien Exit Credit Agreement shall have been executed. The conditions precedent will be substantially similar to those set forth in the Existing Credit Agreement, with such changes as are agreed to by the Debtors and the Term Lender Group.

(d) The Professional Fee Escrow Account shall have been established and funded.

(e) The Restructuring Support Agreement shall not have been terminated as to all parties thereto.

(f) All actions, documents, certificates, and agreements necessary to implement the Plan shall have been effected or executed and delivered to the required parties and, to the extent required, filed with the applicable Governmental Units in accordance with applicable laws.

(g) All governmental and material third-party approvals and consents, including Bankruptcy Court approval, that are necessary to implement the Restructuring Transactions shall have been obtained, not be subject to unfulfilled conditions, and be in full force and effect, and all applicable waiting periods shall have expired without any action being taken or threatened by any competent authority that would restrain, prevent, or otherwise impose materially adverse conditions on such transactions.

(h) The Debtors shall have received all authorizations, consents, regulatory approvals, rulings, waivers or other documents that are necessary to implement and effectuate the Plan and reasonable evidence thereof has been delivered to the Term Lender Group.

(i) The FCC Approval shall have been obtained.

(j) Any amendments, modifications or supplements to the Plan (including the Plan Supplement) shall be reasonably acceptable to the Debtors and the Term Lender Group.

(k) Each of the New By-Laws and New Certificates of Incorporation will be in full force and effect as of the Effective Date.

(l) The Effective Date shall be no later than one-hundred eighty (180) calendar days after the Petition Date, or such later date to which the Term Lender Group agrees in writing.

2. Waiver of Conditions. The conditions to Consummation set forth in Article IX.A of the Plan may be waived by the Debtors with the prior written consent of the Term Lender Group (not to be unreasonably withheld) and, with respect to conditions related to the Professional Fee Escrow Account, the beneficiaries of the Professional Fee Escrow Account, without notice, leave or order of the Bankruptcy Court or any formal action other than proceeding to confirm or consummate the Plan. The failure of the Debtors or the Term Lender Group to exercise any of the foregoing rights shall not be deemed a waiver of any other rights, and each such right shall be deemed an ongoing right, which may be asserted at any time.

3. Effect of Failure of Conditions. If Consummation of the Plan does not occur, the Plan shall be null and void in all respects and nothing contained in the Plan or the Disclosure Statement shall: (i) constitute a waiver or release of any Claims, Causes of Action or Interests; (ii) prejudice in any manner the rights of such Debtor, any Holder, any Person, or any other Entity; or (iii) constitute an admission, acknowledgement, offer, or undertaking of any sort by such Debtor, any Holder, any Person, or any other Entity.

C. Modification, Revocation or Withdrawal of the Plan

1. Modification and Amendments. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 (as well as those restrictions on modifications set forth in the Plan), the Debtors reserve the right to modify the Plan (including the Plan Supplement), without additional disclosure pursuant to section 1125 of the Bankruptcy Code prior to the Confirmation Date; *provided*, that any such modification shall be reasonably acceptable to the Term Lender Group. After the Confirmation Date and before substantial consummation of the Plan, the Debtors may initiate proceedings in the Bankruptcy Court pursuant to section 1127(b) of the Bankruptcy Code to remedy any defect or omission or reconcile any inconsistencies in the Plan, the Plan Supplement, the Disclosure Statement, or the Confirmation Order, relating to such matters as may be necessary to carry out the purposes and intent of the Plan.

After the Confirmation Date, but before the Effective Date, the Debtors, with the consent of the Term Lender Group (not to be unreasonably withheld), may make appropriate technical adjustments and modifications to the Plan (including the Plan Supplement) without further order or approval of the Bankruptcy Court; *provided*, that such adjustments and modifications do not materially and adversely affect the treatment of Holders of Claims or Interests.

2. Effect of Confirmation on Modifications. Entry of a Confirmation Order shall mean that all modifications or amendments to the Plan since the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or re-solicitation under Bankruptcy Rule 3019.

3. Revocation or Withdrawal of the Plan. The Debtors reserve the right to revoke or withdraw the Plan before the Confirmation Date and to file subsequent plans of reorganization. If the Debtors revoke or withdraw the Plan, or if Confirmation or Consummation does not occur, then, absent further order of the Bankruptcy Court: (i) the Plan shall be null and void in all respects; (ii) any settlement or compromise not previously approved by Final Order of the Bankruptcy Court embodied in the Plan (including the fixing or limiting to an amount certain of the Claims or Interests or Classes of Claims or Interests), assumption or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (iii) nothing contained in the Plan shall: (a) constitute a waiver or release of any Claims or Interests; (b) prejudice in any manner the rights of such Debtor, any Holder, any Person, or any other Entity; or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by such Debtor, any Holder, any Person, or any other Entity.

D. Retention of Jurisdiction. Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, except as set forth in the Plan, the Bankruptcy Court shall retain exclusive jurisdiction, to the fullest extent permissible under law, over all matters arising out of, or related to, the Chapter 11 Cases and the Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code, including jurisdiction to:

1. Allow, disallow, determine, liquidate, classify, estimate, or establish the priority, Secured or unsecured status, or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the Secured or unsecured status, priority, amount, or allowance of Claims or Interests;

2. decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;

3. resolve any matters related to: (a) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable, and to hear, determine and, if necessary, liquidate, any Claims against any of the Debtors arising therefrom, including Cure Claims pursuant to section 365 of the Bankruptcy Code; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed; (c) the Reorganized Debtors amending, modifying, or supplementing, after the Effective Date, pursuant to Article V of the Plan, the Executory Contracts and Unexpired Leases to be assumed or rejected or otherwise; and (d) any dispute regarding whether a contract or lease is or was executory, expired, or terminated;

4. ensure that distributions to Holders of Allowed Claims and Interests are accomplished pursuant to the provisions of the Plan;

5. adjudicate, decide, or resolve any motions, adversary proceedings, applications, contested or litigated matters, and any other matters, and grant or deny any applications involving a Debtor, or the Estates that may be pending on the Effective Date;

6. adjudicate, decide, or resolve any and all matters related to Causes of Action;

7. adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;

8. enter and implement such orders as may be necessary or appropriate to construe, execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan, the Plan Supplement, or the Disclosure Statement;

9. enter and enforce any order for the sale of property pursuant to sections 363, 1123, or 1146(a) of the Bankruptcy Code;

10. resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with Consummation, including interpretation or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;

11. issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity or Person with Consummation or enforcement of the Plan;

12. resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the settlements, compromises, discharges, releases, injunctions, exculpations, and other provisions contained in Article VIII of the Plan and enter such orders as may be necessary or appropriate to implement such releases, injunctions, and other provisions;

13. resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim for amounts not timely repaid pursuant to Article VI.K.1 of the Plan.

14. enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;

15. determine any other matters that may arise in connection with or relate to the Plan, the Plan Supplement, the New Corporate Governance Documents, the Disclosure Statement, the Confirmation Order, or any contract, instrument, release, indenture, or other agreement or document created in connection with the Plan or the Disclosure Statement; *provided*, that the Bankruptcy Court shall not retain jurisdiction over disputes concerning documents contained in the Plan Supplement that have a jurisdictional, forum selection or dispute resolution clause that refers disputes to a different court;

16. adjudicate any and all disputes arising from or relating to distributions under the Plan;

17. consider any modifications of the Plan, to cure any defect or omission or to reconcile any inconsistency in the Plan, the Disclosure Statement, or any Bankruptcy Court

order, including the Confirmation Order, in such a manner as may be necessary to carry out the purposes and effects thereof;

18. determine requests for the payment of Claims against any of the Debtors entitled to priority pursuant to section 507 of the Bankruptcy Code;

19. hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan, the Confirmation Order, any transactions or payments contemplated hereby, including disputes arising in connection with the implementation of the agreements, documents, or instruments executed in connection with the Plan;

20. hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, 511, and 1146 of the Bankruptcy Code;

21. enforce all orders, judgments, injunctions, releases, exculpations, indemnifications and rulings entered in connection with the Chapter 11 Cases with respect to any Person or Entity, and resolve any cases, controversies, suits, or disputes that may arise in connection with any Person or Entity's rights arising from or obligations incurred in connection with the Plan;

22. hear any other matter not inconsistent with the Bankruptcy Code; and

23. enter an order or final decree concluding or closing any of the Chapter 11 Cases.

Nothing herein limits the jurisdiction of the Bankruptcy Court to interpret and enforce the Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan, the Plan Supplement, or the Disclosure Statement, without regard to whether the controversy with respect to which such interpretation or enforcement relates may be pending in any state or other federal court of competent jurisdiction.

If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising in, arising under, or related to the Chapter 11 Cases, including the matters set forth in Article XI of the Plan, the provisions of Article XI of the Plan shall have no effect on and shall not control, limit, or prohibit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such matter.

Unless otherwise specifically provided herein or in a prior order of the Bankruptcy Court, the Bankruptcy Court shall have exclusive jurisdiction to hear and determine disputes concerning Claims against the Debtors that arose prior to the Effective Date.

E. Objections to the Chapter 11 Plan

The Committee and other stakeholders have raised objections regarding the confirmability of the Plan (collectively, the "Objections"). *See Statement of the Official Committee of Unsecured Creditors Regarding the Disclosure Statement for First Amended Joint Plan of Reorganization of Cumulus Media Inc. and Its Debtor Affiliates Pursuant to Chapter 11*

of the Bankruptcy Code [ECF No. 349] (the "UCC Statement") and the *Statement of Ad Hoc Cross-Holder Committee in Connection with Debtors' Motion for Approval of Disclosure Statement* [ECF No. 350] (the "Ad Hoc Cross-Holder Statement"); *Objection of the United States Trustee to Disclosure Statement for Joint Plan of Reorganization of Cumulus Media Inc. and its Debtor Affiliates* [ECF No. 182] (the "U.S. Trustee Objection"); and *Objection of the U.S. Securities and Exchange Commission to Approval of the Debtors' Disclosure Statement and to Confirmation of the Debtors' Joint Plan of Reorganization* [ECF No. 345] (the "SEC Objection").

1. The Plan Releases

The Plan includes a number of release and exculpation provisions (collectively, the "Releases") that the Debtors believe are customary for a chapter 11 case and chapter 11 plan like those of the Debtors. On January 8, 2018 and January 25, 2018, however, the U.S. Trustee and the SEC, respectively, filed objections to the adequacy of the Disclosure Statement and the confirmability of the Plan based on, among other things, certain of the Releases. *See* U.S. Trustee Objection; SEC Objection.

In their objections, the U.S. Trustee and the SEC assert that certain of the Releases are non-consensual and are impermissibly broad. In support of its position, the U.S. Trustee cites, among other cases, to *In re Chassix Holdings, Inc.*, 533 B.R. 64 (Bankr. S.D.N.Y. 2015) for the proposition that the Plan's "opt-out" provisions – pursuant to which rejecting classes, or classes that are deemed to reject the plan, can elect not to grant a release –are impermissible non-consensual releases. Further, the U.S. Trustee also argues that the Plan's opt-out procedure is not sufficient to demonstrate consent to the Releases contained in the Plan. The Debtors disagree. A number of courts have found that an opt-out procedure substantially similar to the procedure contemplated by the Plan is sufficient to demonstrate the consent of parties that do not opt out. *See, e.g.*, *In re Indianapolis Downs, LLC*, 486 B.R. 286, 305-06 (Bankr. D. Del. 2013). There can be no assurance that the Bankruptcy Court will agree with the Debtors' position.

For its part, the SEC cites to *In re Metromedia Fiber Network, Inc.*, 416 F.3d 136 (2d Cir. 2005), among other cases, for its argument that the Debtors must establish that the Releases are either consensual or, if they are not consensual, that rare and exceptional circumstances exist to justify them. The U.S. Trustee echoes this position in its objection, alleging that the Disclosure Statement provides no facts that support the existence of "rare and exceptional circumstances" that support the Releases. The Debtors disagree. At the outset, these objections are premature because they are objections to confirmation of the Plan, not the adequacy of the Disclosure Statement. Courts have consistently held that challenges to the plan itself, including challenges to release and exculpation provisions or creditor treatment, are not proper objections to disclosure but rather, are plan objections that should be resolved at confirmation. In addition, the Debtors are prepared to demonstrate at the Confirmation Hearing that the Plan's release, injunction, and exculpation provisions comply with controlling Second Circuit standards. There can be no assurance that the Bankruptcy Court will agree with the Debtors' position.

The SEC and the U.S. Trustee also challenge the Bankruptcy Court's subject matter jurisdiction to enjoin creditors from suing third parties, and thus, argue that the Bankruptcy Court lacks jurisdiction to grant the Third-Party Release. The Debtors disagree under the facts of this case. The injunction plays a critical role in the Debtors' Plan and thus the Bankruptcy Court has jurisdiction to grant the Third-Party Release under the facts and circumstances of these Chapter 11 Cases. There can be no assurance that the Bankruptcy Court will agree with the Debtors' position.

The U.S. Trustee also argues that Classes 1 and 2 are Impaired under the Plan because these Classes are designated as Releasing Parties granting the Releases to the Released Parties. The Debtors dispute that a non-consensual release renders a claim "impaired" within the meaning of section 1124 of the Bankruptcy Code. A party's ability to release claims is not a legal attribute of a claim that can be altered by statute. In any event, the Debtors believe that the Releases granted by Classes 1 and 2 are consensual releases permitted under the Bankruptcy Code that do not render the Plan unconfirmable.

Finally, the U.S. Trustee challenges the Releases to the extent they provide for the exculpation of liability for non-estate fiduciaries, citing *Washington Mutual, Inc.*, 442 B.R. 314, 350–51 (Bankr. D. Del. 2011). The Debtors believe these challenges are unfounded. Courts have regularly approved exculpation provisions that extend to prepetition conduct and cover non-estate fiduciaries. In approving provisions like those contained in the Plan, courts have recognized the appropriateness of extending exculpation to parties who make a substantial contribution to a debtor's reorganization and, specifically, who play an integral role in building consensus in support of a debtor's restructuring such as the Exculpated Parties in these Chapter 11 Cases. As a result, the Debtors believe that the exculpation provisions in the Plan are appropriate and will be approved by the Bankruptcy Court. However, there can be no assurance that the Bankruptcy Court will agree with the Debtors' position.

In sum, the Debtors disagree with the positions adopted by the U.S. Trustee and SEC. The Debtors believe that applicable case law and the Bankruptcy Code permit the Plan's Releases and that they are justified under the facts and circumstances of these Chapter 11 Cases.

2. Alleged Substantive Consolidation

The Ad Hoc Cross-Holder Committee also alleges that the Plan impermissibly substantively consolidates the Debtors' estates. Substantive consolidation is a legal doctrine based on the bankruptcy court's equitable powers and has the effect of consolidating assets and liabilities of multiple debtors and treating them as if the liabilities were owed by, and the assets held by, a single legal entity. In a substantively consolidated case, when satisfying the liabilities of the consolidated debtors from the common pool of assets, intercompany claims are eliminated and guaranties from co-debtors are disregarded. To determine whether to approve substantive consolidation, bankruptcy courts traditionally consider a variety of factors, including: (a) the presence or absence of consolidated financial statements; (b) the unity of interest and ownership among various corporate entities; (c) the degree of difficulty in segregating and ascertaining individual assets and liabilities; (d) the transfers of assets without formal observance of corporate formalities; (e) the commingling of assets and business functions; (f) the profitability of consolidation at a single physical location; and (g) the disregard of legal formalities.

The Debtors do not believe that the Plan substantively consolidates the Debtors' estates. The Plan expressly provides that the Plan treats the individual Debtors as distinct legal entities. Towards that end, the solicitation procedures collect Ballots on an individual Debtor basis and the bar date procedures similarly require creditors to file Proofs of Claim against the separate Debtors.

The treatment of General Unsecured Claims and Senior Notes Claims under the Plan, which does not account for the separate Claims against the various estates, results from, among other things, the settlement with the Term Loan Lenders that provides for a 16.5% equity distribution to unsecured creditors (subject to dilution by the Management Incentive Plan), notwithstanding that the Term Loan Lenders are undersecured. The value of unencumbered assets, less the administrative costs of operating the Chapter 11 Cases, would not provide an equivalent recovery to Holders of Allowed General Unsecured Claims and Allowed Senior Notes Claims, especially taking into account the deficiency Allowed Claim of the Holders of Credit Agreement Claims. In any event, providing a similar treatment to the Holders of Allowed Senior Notes Claims and Holders of Allowed General Unsecured Claims does not result in a substantive consolidation of the Debtors' estates.

The Committee disputes that the Term Loan Lenders are undersecured and asserts that the Total Enterprise Value estimated by the Debtors is materially lower than the actual enterprise value of the Reorganized Debtors that the Bankruptcy Court will determine following the presentation of evidence at the Confirmation Hearing.

The Ad Hoc Cross-Holder Committee disagrees with the Debtors' substantive consolidation analysis for two reasons. First, both the Ad Hoc Cross-Holder Committee and the Committee believe that the Plan substantially undervalues the Company. If that is the case, then the Ad Hoc Cross-Holder Committee' position is that the Plan's treatment of residual value would result in a *de facto* substantive consolidation. Second, assuming for argument's sake that the Debtors' Valuation Analysis (defined below) is correct, all distributions made under the Plan must nevertheless comply with applicable law, which the Ad Hoc Cross-Holder Committee believes would require such distributions to be made in a manner and amount that reflects each creditors' relative rights against each Debtor entity. The Debtors dispute the Ad Hoc Cross-Holder Committee's position and are prepared to present arguments with the benefit of a full evidentiary record established at the Confirmation Hearing.

3. Valuation

Finally, the Committee and the Ad Hoc Cross-Holder Committee challenge the Debtors' Valuation Analysis as undervaluing the Company. The Debtors believe that the Valuation Analysis accurately estimates the Debtors' total enterprise value in light of the significant industry headwinds and decline in the market. The Debtors will present their position, with the full benefit of an evidentiary record, at the Confirmation Hearing.

In sum, notwithstanding the Objections, the Debtors believe that the Plan satisfies the confirmation requirements of the Bankruptcy Code and will be confirmed.

VII. VALUATION OF THE DEBTORS

In conjunction with formulating the Plan, the Company determined that it was necessary to estimate the Company's consolidated value on a going-concern basis (the "Valuation Analysis"). The Valuation Analysis, prepared by PJT, is attached hereto as Exhibit C.

THE VALUATIONS SET FORTH IN THE VALUATION ANALYSIS REPRESENT ESTIMATED DISTRIBUTABLE VALUE FOR THE COMPANY AND DO NOT NECESSARILY REFLECT VALUES THAT COULD BE ATTAINABLE IN THE PUBLIC OR PRIVATE MARKETS.

The Committee believes that the Total Enterprise Value estimated by the Debtors is materially lower than the enterprise value of the Reorganized Debtors that the Bankruptcy Court may determine following the presentation of evidence at the Confirmation Hearing.

The Debtors vigorously dispute the Committee's position and will present evidence at the Confirmation Hearing supporting the Debtors' estimated Total Enterprise Value.

VIII. CERTAIN FCC CONSIDERATIONS

The Company's operations are subject to significant regulation by the FCC under the Communications Act and FCC rules and regulations promulgated thereunder. A radio station may not operate in the United States without the authorization of the FCC. Approval of the FCC is required for the issuance, renewal, transfer, assignment or modification of station operating licenses. FCC Approval must be obtained prior to the Debtors' emergence from chapter 11.

The following is important information concerning the FCC Approval process and the ownership requirements and restrictions that must be met in order for parties to hold New Securities. **THE FOLLOWING SUMMARY OF CERTAIN FCC RULES AND POLICIES IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER OF A CLAIM. ALL HOLDERS OF CLAIMS OR INTERESTS ARE URGED TO CONSULT THEIR OWN ADVISORS AS TO FCC OWNERSHIP ISSUES AND OTHER CONSEQUENCES OF THE PLAN.**

A. Required FCC Consents

Both the Debtors' entry into chapter 11 and the Reorganized Debtors' emergence from chapter 11 require the FCC's consent. Following the Company's filing of its voluntary petition under chapter 11, the Debtors filed applications seeking the FCC's consent to the pro forma transfer of control of the FCC Licenses that the Debtors control from the Debtors to the Debtors as "debtors in possession" under chapter 11. The FCC granted those applications on December 21, 2017. For the Reorganized Debtors to continue the operation of the radio stations that the Debtors control, the Debtors will be required to file the FCC Long Form Application and to obtain the FCC's prior approval of the Transfer of Control.

B. Information Required from Prospective Stockholders of Reorganized Cumulus[8]

In processing applications for consent to a transfer of control of FCC broadcast licensees or assignment of FCC broadcast licenses, the FCC considers, among other things, whether the prospective licensee and those considered to be "parties" to the applications possess the legal, character and other qualifications to hold an interest in a broadcast station. For the FCC to process and grant the Long Form Applications, the Debtors will need to obtain and include information about Reorganized Cumulus and about the "parties" to the applications demonstrating that such parties are so qualified.

As described in the Equity Allocation Mechanism attached as Exhibit A to the Plan, Holders of Allowed Credit Agreement Claims, Allowed Senior Notes Claims and Allowed General Unsecured Claims will be issued Special Warrants which can, or will automatically, be exercised for shares of New Common Stock or Restricted Stock of Reorganized Cumulus for nominal consideration, subject to certain conditions, including the provision of an Ownership Certification. Specifically, parties seeking to exercise Special Warrants shall be required to submit an Ownership Certification providing information on the prospective stockholder to establish that issuance of the New Common Stock or Restricted Stock to that Holder would not result in a violation of law, impair the qualifications of the Reorganized Debtors to hold the FCC Licenses or impede the grant of any FCC Applications on behalf of the Reorganized Debtors. All prospective stockholders, whether or not they would be "parties" to the FCC Applications (as described below), would need to provide information on the extent of their direct and indirect ownership or control by non-U.S. persons to establish that Reorganized Cumulus would comply with limitations under the Communications Act relating to the ownership and control of broadcast licenses by non-U.S. Persons. Prospective holders of New Common Stock or Restricted Stock with direct or indirect ownership or control by non-U.S. Persons would not be permitted to exercise the Special Warrants for New Common Stock or Restricted Stock if the ownership percentage of such prospective holders, when aggregated with the ownership percentage of all other prospective holders, as calculated in accordance with FCC rules), would result in Reorganized Cumulus having a greater amount of foreign ownership than permitted by the Communications Act. In such situations, prospective holders of New Common Stock or Restricted Stock would retain Special Warrants. The Special Warrants would be permitted to be sold or assigned, provided that the purchaser or assignee would also be subject to the ownership certification process described above.

For purposes of the Plan and the Equity Allocation Mechanism, (a) an "*Ownership Certification*" means a written certification, in the form attached to the FCC Ownership Procedures Order, which shall be sufficient to enable the Debtors, in consultation with the Term Lender Group, or Reorganized Cumulus, as applicable, to determine (x) the extent to which direct and indirect voting and equity interests of the certifying party are held by non.-U.S. Persons, as determined under section 310(b) of the Communications Act and the FCC rules, and (y) whether the holding of more than 4.99% of the Class A Common Stock by the certifying

[8] This section of the Disclosure Statement includes a summary of the Equity Allocation Mechanism attached as Exhibit A to the Plan. To the extent of any inconsistency between the Disclosure Statement and the Equity Allocation Mechanism, the Equity Allocation Mechanism shall govern.

party would result in a violation of FCC ownership rules or be inconsistent with the FCC Approval; and (b) the "*Certification Deadline*" means the deadline set forth in the FCC Ownership Procedures Order for returning Ownership Certifications.

In order to be eligible to receive a distribution of New Common Stock or Restricted Stock on the Effective Date, each eligible Holder shall provide an Ownership Certification by the Certification Deadline. Any Holder that fails to provide an Ownership Certification as set forth in the FCC Ownership Procedures Order or that does not do so to the reasonable satisfaction of the Debtors, in consultation with the Term Lender Group, shall not be deemed to have exercised any Special Warrants as of the Effective Date, as set forth in the Equity Allocation Mechanism.

Under the Plan, the Reorganized Debtors will issue (i) Special Warrants, (ii) New Common Stock or Restricted Stock only, or (iii) a combination of Special Warrants and New Common Stock or Restricted Stock to any eligible Holder based on such Holder's Ownership Certification (or failure to provide such a certification) and FCC rules.

The Debtors intend to file a motion requesting the authority to establish procedures to implement the Equity Allocation Mechanism, including the distribution and submission of the Ownership Certifications related thereto.

C. Attributable Interests in Media Under FCC Rules

A prospective stockholder in Reorganized Cumulus would be considered a "party" to the Long Form Application if the prospective stockholder would be deemed to hold an "attributable" interest in Reorganized Cumulus under Section 73.3555 of FCC rules, 47 C.F.R. § 73.3555. The FCC's "multiple ownership" and "cross ownership" rules prohibit common ownership of "attributable interests" of certain combinations of broadcast and other media properties. "Attributable interests" generally include the following interests in a media company: general partnership interests, non-insulated limited liability company or limited partnership interests, a position as an officer or director (or the right to appoint officers or directors), or a 5% or greater direct or indirect interest in voting stock. The FCC treats all partnership interests as attributable, except for those limited partnership interests that are "insulated" by the terms of the limited partnership agreement from "material involvement" in the media-related activities of the partnership. The FCC applies the same attribution and insulation standards to limited liability companies. Attribution traces through chains of ownership. In general, a person or entity that has an attributable interest in another entity also will be deemed to hold each of that entity's attributable media interests, except for indirect stock interests that are attenuated below the attribution threshold in the ownership chain.

Combinations of direct and indirect equity and debt interests exceeding 33% of the total asset value (equity plus debt) of a media outlet also may be deemed attributable if the holder has another attributable media interest in the same market or provides more than 15% of a station's total weekly broadcast programming hours in that market. Also, a person or entity that provides more than 15% of the total weekly programming hours for a radio station and also has an attributable interest in another radio station in the same market is deemed to hold an attributable interest in the programmed station.

The Equity Allocation Mechanism provides, among other things, that all deemed holders of Class B Common Stock who have not checked the Class B Election box on the Ownership Certification, shall be deemed to have immediately exchanged such shares of Class B Common Stock for a like number of shares of Class A Common Stock up to the 4.99% cap, subject to the FCC Approval. Post-emergence, Class B Common Stock shall be convertible into Class A Common Stock at the written request of the Holder; *provided*, that, if such conversion would result in the stockholder having an attributable interest in Reorganized Cumulus, such conversion shall be permitted only if, prior to the conversion, the stockholder has provided satisfactory assurance to Reorganized Cumulus that its ownership of Class A Common Stock would not result in Reorganized Cumulus' violation of applicable rules of the FCC or the Communications Act. Class B Common Stock is intended to be non-cognizable for purposes of determining whether a holder is attributable under FCC rules. Accordingly, holders of Class B Common Stock shall not be permitted to vote on matters submitted to a vote of the stockholders of Reorganized Cumulus, provided that such stockholders shall be permitted to vote on a limited number of matters that are submitted to a vote. Permitting holders of Class B Common Stock to vote on limited corporate actions will not cause the holders of Class B Common Stock to be deemed to have an attributable interest in Reorganized Cumulus under FCC rules.

D. FCC Foreign Ownership Restrictions for Entities Controlling Broadcast Licenses

Section 310(b) of the Communications Act restricts foreign ownership or control of any entity licensed to provide broadcast and certain other services. Among other prohibitions, foreign entities may not have direct or indirect ownership or voting rights of more than 25% in a corporation controlling the licensee of a radio broadcast station if the FCC finds that the public interest will be served by the refusal or revocation of such a license due to foreign ownership or voting rights. The FCC has interpreted this provision to mean that it must make an affirmative public interest finding before a broadcast license may be granted or transferred to a corporation that is controlled by a foreign person or other entity more than 25% owned or controlled, directly or indirectly, by foreigners.

The FCC calculates the voting rights separately from equity ownership, and both thresholds must be met. Warrants and other future interests typically are not taken into account in determining foreign ownership compliance. In some specific circumstances, however, the FCC has treated non-stock interests in a corporation as the equivalent of equity ownership and has assessed foreign ownership based on contributions to capital. Foreign ownership limitations also apply to partnerships and limited liability companies. The FCC historically has treated partnerships with foreign partners as foreign controlled if there are any foreign general partners. The interests of any foreign limited partners that are not insulated (using FCC criteria) from material involvement in the partnership's media activities and business are considered in determining the equity ownership and voting rights held by foreigners. The interests of limited partners that are properly insulated only count toward the calculation of equity owned by foreigners.

Because direct and indirect ownership of Reorganized Cumulus' shares by non-U.S. persons and/or entities will proportionally affect the level of deemed foreign ownership and control rights in Reorganized Cumulus, prospective shareholders will be required to provide

information to the Debtors on their own foreign ownership and control. The Debtors, in consultation with the Term Lender Group, shall review such information to assess whether permitting such party to hold such interests could impair the qualifications of Reorganized Cumulus to hold FCC broadcast licenses. Upon receipt of the Ownership Certifications, the New Securities will be distributed as set forth in the Equity Allocation Mechanism.

The Equity Allocation Mechanism reflects that Reorganized Cumulus will use a foreign ownership threshold of 22.5% for the initial distribution of New Common Stock. Because the FCC licenses held by Reorganized Cumulus will be assigned to a licensee subsidiary, this threshold will be below the statutory maximum of 25% foreign ownership permitted under FCC law and accordingly will promote the liquidity of Reorganized Cumulus' stock. Because the New Common Stock will be widely held and freely transferable, the use of a 22.5% threshold will permit market purchases by individuals or entities that may have the effect of increasing or decreasing the aggregate foreign ownership levels in small amounts, without causing Reorganized Cumulus to exceed the statutory foreign ownership restrictions.

A Petition for Declaratory Ruling will be filed requesting FCC consent for Reorganized Cumulus to exceed the 25% foreign ownership benchmark in Section 310(b)(4).

E. Media Ownership Restrictions

The FCC generally applies its ownership limits to "attributable" media interests held by an individual, corporation, partnership, limited liability company, or other association, as addressed above. FCC rules on media ownership, in turn, limit the number of media properties in which one entity or entities under common control can have an attributable ownership interest. Those rules that could give rise to a prohibited combination for Reorganized Cumulus or for a prospective stockholder of Reorganized Cumulus are described below.

1. Local Radio Ownership.

The local radio ownership rule limits the number of commercial radio stations in a particular geographic area in which an entity can have an attributable interest.

- In markets with 45 or more radio stations, ownership is limited to eight commercial radio stations, no more than five of which can be in the same service (AM or FM).
- In markets with 30 to 44 radio stations, ownership is limited to seven commercial radio stations, no more than four of which can be in the same service (AM or FM).
- In markets with 15 to 29 radio stations, ownership is limited to six commercial radio stations, no more than four of which can be in the same service (AM or FM).
- In markets with 14 or fewer radio stations, ownership is limited to five commercial radio stations or no more than 50% of the market's total,

whichever is lower, no more than three of which can be in the same service (AM or FM).

The rule relies on Nielsen Audio Metro methodology for determining radio markets, though areas outside of defined Nielsen Audio Metro markets rely on a contour-overlap methodology.

2. Radio/Television Cross-Ownership Rule.

The radio/television cross-ownership rule prohibits common ownership of more than two television stations and one radio station in the same market, unless the market meets certain size criteria.

- In markets with at least 20 independently owned media voices, a single entity may hold attributable interests in up to two television stations and six radio stations. Alternatively, such an entity is permitted to hold an attributable interest in one television station and seven radio stations in the same market.

- In a market that includes at least 10 independently owned media voices, a single entity may hold attributable interests in up to two television stations and up to four radio stations.

- In all instances, entities also must comply with the local radio and local television ownership limits.

On November 16, 2017, the FCC adopted an order eliminating the radio/television cross-ownership rule. The order will be effective on February 7, 2018, unless stayed by a court order.

3. Newspaper/Broadcast Cross-Ownership Rule.

The newspaper broadcast cross-ownership rule prohibits common ownership of a full-power broadcast station (AM, FM or TV) and daily newspaper if the station's contour completely encompasses the community in which the newspaper is published. On November 16, 2017, the FCC adopted an order eliminating the newspaper/broadcast cross-ownership rule. The order will be effective on February 7, 2018, unless stayed by a court order.

IX. TRANSFER RESTRICTIONS AND CONSEQUENCES UNDER FEDERAL SECURITIES LAWS

No registration statement will be filed under the Securities Act or pursuant to any state securities laws with respect to the offer and distribution of New Securities under or in connection with the Plan. The Debtors believe that the provisions of section 1145(a)(1) of the Bankruptcy Code will exempt the issuance and distribution of the New Common Stock and Special Warrants (including New Common Stock issuable upon exercise or conversion thereof) issued under or in connection with the Plan from federal and state securities registration

requirements. The New Securities issued to affiliates of the Company will be treated as issued pursuant to section 1145(a)(1), but will be subject to the restrictions on resale of securities held by affiliates of an issuer. Persons to whom the New Securities are issued are also subject to restrictions on resale to the extent they are deemed an "issuer," an "underwriter" or a "dealer" with respect to such New Securities, as further described below. In addition to the restrictions referred to below, holders of Restricted Stock will also be subject to the transfer restrictions contained in the terms thereof, as well as in any Shareholders' Agreement.

A. Bankruptcy Code Exemptions from Registration Requirements

1. Securities Issued in Reliance on Section 1145 of the Bankruptcy Code. Section 1145(a)(1) of the Bankruptcy Code exempts the offer and sale of securities under a plan of reorganization from registration under Section 5 of the Securities Act and state laws if three principal requirements are satisfied:

- first, the securities must be offered and sold under a plan of reorganization and must be securities of the debtor, of an affiliate participating in a joint plan with the debtor, or of a successor to the debtor under the plan;

- second, the recipients of the securities must each hold a prepetition or administrative expense claim against the debtor or an interest in the debtor; and

- third, the securities must be issued entirely in exchange for the recipient's claim against or interest in the debtor or such affiliate, or principally in such exchange and partly for cash or other property.

The offer and issuance of the New Securities are exempt under section 1145(a)(1) of the Bankruptcy Code because: (i) each type of New Security is being offered and sold under the Plan and is a security of a successor to the Debtors under the Plan; and (ii) each type of New Security is being issued entirely in exchange for claims against or interests in the Debtors.

The exemptions provided for in section 1145 of the Bankruptcy Code do not apply to an entity that is deemed an "underwriter" as such term is defined in section 1145(b) of the Bankruptcy Code. Section 1145(b) of the Bankruptcy Code defines an "underwriter" as one who, except with respect to "ordinary trading transactions" of an entity that is not an "issuer":

- purchases a claim against, an interest in, or a claim for administrative expense against, the debtor, with a view to distributing any security received in exchange for such a claim or interest ("accumulators");

- offers to sell securities offered under a plan for the holders of such securities ("distributors");

- offers to buy securities from the holders of such securities, if the offer to buy is (i) with a view to distributing such securities and (ii) made under a distribution agreement; or

- is an "issuer" with respect to the securities, as the term "issuer" is defined in section 2(a)(11) of the Securities Act, which includes affiliates of the issuer, defined as persons who are in a relationship of "control" with the issuer.

Persons who are not deemed "underwriters" may generally resell the securities they receive that comply with the requirements of section 1145(a)(1) of the Bankruptcy Code without registration under the Securities Act or other applicable law. Persons deemed "underwriters" may sell such securities without Securities Act registration only pursuant to exemptions from registration under the Securities Act and other applicable law.

2. Subsequent Transfers of New Securities. Section 1145(c) of the Bankruptcy Code provides that securities issued pursuant to section 1145(a)(1) of the Bankruptcy Code are deemed to have been issued in a public offering. In general, therefore, resales of, and subsequent transactions in, the New Securities will be exempt from registration under the Securities Act pursuant to section 4(a)(1) of the Securities Act, unless the holder thereof is deemed to be an "issuer," an "underwriter" or a "dealer" with respect to such securities. For these purposes, an "issuer" includes any "affiliate" of the issuer, defined as a person directly or indirectly controlling, controlled by or under common control with the issuer. "Control," as defined in Rule 405 of the Securities Act, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise.

A "dealer," as defined in section 2(a)(12) of the Securities Act, is any person who engages either for all or part of his or her time, directly or indirectly, as agent, broker or principal, in the business of offering, buying, selling or otherwise dealing or trading in securities issued by another person. Whether or not any particular person would be deemed to be an "issuer" (including an "affiliate") of the Company or an "underwriter" or a "dealer" with respect to any New Securities will depend upon various facts and circumstances applicable to that person.

The New Securities generally may be resold without registration under state securities laws pursuant to various exemptions provided by the respective laws of those states. However, the availability of such state exemptions depends on the securities laws of each state, and holders of Claims may wish to consult with their own legal advisors regarding the availability of these exemptions in their particular circumstances.

3. Subsequent Transfers of New Securities Issued to Affiliates. Any New Securities issued under the Plan to affiliates of the Debtors will be subject to restrictions on resale. Affiliates of the Debtors for these purposes will generally include its directors and officers and its controlling stockholders. While there is no precise definition of a "controlling" stockholder, the legislative history of section 1145 of the Bankruptcy Code suggests that a creditor who owns 10% or more of a class of securities of a reorganized debtor may be presumed to be a "controlling person" of the debtor.

The SEC's staff has indicated that a "safe harbor" under Rule 144 under the Securities Act is available for the immediate resale of securities issued under a plan of

reorganization to affiliates of the issuing debtor that would otherwise be unrestricted under the Securities Act. The Rule 144 safe harbor should therefore be available for resales of the New Securities issued to affiliates under the Plan. The availability of the Rule 144 safe harbor is conditioned on the public availability of certain information concerning the issuer and imposes on selling stockholders certain volume limitations and certain manner of sale and notice requirements.

B. Listing of New Common Stock

For certain purposes, including requiring Reorganized Cumulus to continue as a public reporting company under the Securities Exchange Act of 1934, as promptly as practicable following the Effective Date, Reorganized Cumulus shall file with the SEC a Form 10 or Form 8-A, and Reorganized Cumulus shall use commercially reasonable efforts to have such registration statement declared effective by the SEC as promptly as reasonably practicable.

Reorganized Cumulus shall use its commercially reasonable efforts to obtain a listing for the Class A Common Stock on the New York Stock Exchange or the Nasdaq Capital Market as soon as reasonably practicable following the effectiveness of the Form 10 or Form 8-A (*e.g.*, after listing requirements are satisfied).

The New Securities may be subject to certain transfer and other restrictions pursuant to, among other things, the terms of the Special Warrants, and the New Certificate of Incorporation for Reorganized Cumulus.

GIVEN THE COMPLEX NATURE OF THE QUESTION OF WHETHER A PARTICULAR PERSON MAY BE AN UNDERWRITER, ISSUER, AFFILIATE OR DEALER, THE DEBTORS MAKE NO REPRESENTATIONS CONCERNING THE RIGHT OF ANY PERSON TO TRADE IN SECURITIES TO BE DISTRIBUTED PURSUANT TO OR IN CONNECTION WITH THE PLAN. THE DEBTORS RECOMMEND THAT HOLDERS OF CLAIMS CONSULT THEIR OWN COUNSEL CONCERNING WHETHER THEY MAY FREELY TRADE SUCH SECURITIES.

C. Additional Transfer Restrictions on Restricted Stock

The Debtors and the Term Lender Group may determine, in their reasonable discretion and upon the election of a Holder of an Allowed Credit Agreement Claim, that such Holder may receive its Pro Rata share of the Term Loan Lender Equity Distribution in the form of Restricted Stock issued in an amount of value equal to the Pro Rata share of the Term Loan Lender Equity Distribution such Holder would otherwise receive.

1. Subsequent Transfers of Restricted Stock

A Holder of an Allowed Credit Agreement Claim may elect on its Ownership Certification to receive its Class A Common Stock or Class B Common Stock as Restricted Stock by checking the Restricted Stock Election box on the Ownership Certification. Shares of Restricted Stock may not be offered, sold or otherwise transferred until after two (2) calendar days following delivery of the Restricted Stock from the transfer agent designated by the Debtors (the "Transfer Agent") to such Holder of the Allowed Credit Agreement Claim (each such

period, a "Restricted Period"). After the expiration of a Restricted Period, the initial Holder of such shares may make a request to the Transfer Agent to remove the restrictive legend set forth on such shares (the "Restrictive Legend"). Upon receipt of any such request, the Transfer Agent will remove the Restrictive Legend.

Following the expiration of each applicable Restricted Period and the removal of the Restrictive Legend, the shares of Restricted Stock may be offered, sold or otherwise transferred, subject to the same restrictions on transfer as the New Securities provided herein and in the Disclosure Statement.

2. Restricted Stock Legend

In accordance with the above, each share of Restricted Stock will bear a legend to substantially the following effect:

> "THE SECURITY EVIDENCED HEREBY (THIS "SECURITY") MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED FOR A PERIOD OF TWO (2) CALENDAR DAYS FOLLOWING DELIVERY OF THIS SECURITY FROM THE TRANSFER AGENT DESIGNATED BY THE ISSUER OF THIS SECURITY (THE "TRANSFER AGENT") TO THE INITIAL HOLDER (THE "RESTRICTED PERIOD"). AFTER THE RESTRICTED PERIOD, THIS SECURITY MAY ONLY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED FOLLOWING A REQUEST BY THE INITIAL HOLDER TO THE TRANSFER AGENT TO REMOVE THIS RESTRICTIVE LEGEND."

X. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

The following discussion summarizes certain U.S. federal income tax consequences of the implementation of the Plan to the Debtors, the Reorganized Debtors, and certain holders of Allowed Claims. This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the "Tax Code"), the U.S. Treasury regulations promulgated thereunder ("Treasury Regulations") and administrative and judicial interpretations and practice, all as in effect on the date of this Disclosure Statement and all of which are subject to change, with possible retroactive effect. Due to the lack of definitive judicial and administrative authority in a number of areas, substantial uncertainty may exist with respect to some of the tax consequences described below. The Debtors have not requested, and do not intend to request, any ruling or determination from the U.S. Internal Revenue Service ("IRS") or any other taxing authority with respect to the tax consequences discussed herein, and the discussion below is not binding upon the IRS or the courts. No assurance can be given that the IRS would not assert, or that a court would not sustain, a different position than any position discussed herein.

On December 22, 2017, President Donald J. Trump signed into law H.R. 1, as passed by the U.S. Congress on December 20, 2017 (the "Tax Legislation"). The Tax Legislation may have a significant impact on the taxation of the Debtors, the Reorganized Debtors and holders of Allowed Claims. The Tax Legislation includes changes in tax rates, limits on the deductibility of interest, the elimination of the alternative minimum tax, limits on the deductibility and carryback of net operating losses, other increases in the income base and

broad-based corporate tax reform. Due to the lack of definitive judicial and administrative authority with respect to the Tax Legislation, substantial uncertainty may exist with respect to the application of certain aspects of the Tax Legislation.

This summary does not address all aspects of U.S. federal income taxation that may be relevant to a Holder of an Allowed Claim in light of its individual circumstances or to a Holder that may be subject to special tax rules (such as Persons who are related to the Debtors within the meaning of the Tax Code, broker-dealers, banks, mutual funds, insurance companies, financial institutions, small business investment companies, regulated investment companies, tax-exempt entities, trusts, governmental authorities or agencies, dealers and traders in securities, subchapter S corporations, U.S. expatriates, persons who hold Claims or who will hold the New Securities as part of a straddle, hedge, conversion transaction, or other integrated investment, persons using a mark-to-market method of accounting, Holders of Claims that are subject to the tax on net investment income or the alternative minimum tax and Holders of Claims who are themselves in bankruptcy). Moreover, this summary does not purport to cover all aspects of U.S. federal income taxation that may apply to the Debtors, the Reorganized Debtors or Holders of Allowed Claims based upon their particular circumstances. Additionally, this summary does not discuss any tax consequences of the Plan that may arise under any laws other than U.S. federal income tax law, including under state, local, or non-U.S. tax law.

Furthermore, this summary assumes that a Holder of a Claim holds a Claim only as a "capital asset" (within the meaning of section 1221 of the Tax Code). This summary also assumes that the various debt and other arrangements to which any of the Debtors or the Reorganized Debtors are a party, except for the Special Warrants, will be respected for U.S. federal income tax purposes in accordance with their form. The Debtors intend to treat the Special Warrants as stock for U.S. federal income tax purposes. If the IRS successfully asserted that the Special Warrants are not stock or that any other intended treatment of other arrangements is incorrect, the U.S. federal income tax consequences could differ materially from those described below. This summary does not discuss differences in tax consequences to Holders of Claims that act or receive consideration in a capacity other than any other Holder of a Claim of the same Class or Classes. This summary does not address the U.S. federal income tax consequences to Holders (i) whose Claims are Unimpaired or otherwise entitled to payment in full in Cash under the Plan or (ii) that are deemed to reject the Plan.

For purposes of this discussion, a "U.S. Holder" is a beneficial owner of a Claim that is: (a) an individual citizen or resident of the United States for U.S. federal income tax purposes; (b) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia; (c) an estate the income of which is subject to U.S. federal income taxation regardless of the source of such income; or (d) a trust (1) if a court within the United States is able to exercise primary supervision over the trust's administration and one or more U.S. persons have authority to control all substantial decisions of the trust or (2) that has a valid election in effect under applicable Treasury Regulations to be treated as a United States person. For purposes of this discussion, a "non-U.S. Holder" is any beneficial owner of a Claim that is not a U.S. Holder other than any partnership (or other entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes).

If a partnership (or other entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes) is a beneficial owner of a Claim, the tax treatment of a partner (or other owner) of such entity generally will depend upon the status of the partner (or other owner) and the activities of the entity. Partners (or other owners) of partnerships (or other pass-through entities) that are beneficial owners of a Claim are urged to consult their respective tax advisors regarding the U.S. federal income tax consequences of the Plan.

ACCORDINGLY, THE FOLLOWING SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER OF A CLAIM. ALL HOLDERS OF CLAIMS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS FOR THE FEDERAL, STATE, LOCAL, AND NON-U.S. TAX CONSEQUENCES APPLICABLE UNDER THE PLAN, INCLUDING THE IMPACT OF THE TAX LEGISLATION.

A. Certain U.S. Federal Income Tax Considerations for the Debtors and the Reorganized Debtors

The tax consequences of the implementation of the Plan to the Debtors will differ depending on whether the Restructuring Transactions include a taxable sale of the Debtors' assets and/or stock. If the transaction undertaken pursuant to the Plan is structured as a taxable sale of the assets (including the assets of any entity that is disregarded as separate from the transferor for U.S. federal income tax purposes) and/or stock of any Debtor (a "Taxable Transaction"), the Debtors would recognize gain or loss upon the transfer in an amount equal to the difference between the fair market value of the assets sold and the Debtors' tax basis in such assets. The Debtors have not yet determined whether or not they intend to structure the Restructuring Transactions as a Taxable Transaction. Such decision will depend on, among other things, whether assets being sold pursuant to a Taxable Transaction have a fair market value in excess of tax basis (*i.e.*, a "built-in gain") or a fair market value less than tax basis (*i.e.*, a "built-in loss"), in the case of assets with built-in gains, whether sufficient tax attributes are available to offset any such built-in gains, and how the fair market value of such assets compares to the expected tax basis of such assets after their tax basis is reduced for cancellation of debt income ("COD Income").

If a Reorganized Debtor purchases, or is treated as purchasing for U.S. federal income tax purposes, assets or stock of any Debtor pursuant to a Taxable Transaction, the Reorganized Debtor will take a fair market value basis in the transferred assets or stock. Certain purchased assets may be eligible for immediate expensing. However, if a Taxable Transaction involves a purchase of stock, the Debtor whose stock is transferred will, unless the parties make certain tax elections, generally retain its basis in its assets.

As of December 31, 2016, the Debtors reported consolidated net operating losses ("NOLs") carryforwards for U.S. federal income tax purposes of approximately $271.9 million. As discussed below, the Debtors' NOLs are expected to be significantly reduced or eliminated upon implementation of the Plan.

1. Cancellation of Indebtedness Income and Reduction of Tax Attributes.

In general, absent an exception, a debtor will realize and recognize COD Income upon satisfaction of its outstanding indebtedness for total consideration less than the amount of such indebtedness. The amount of COD Income, in general, is the excess of (a) the adjusted issue price of the indebtedness satisfied, over (b) the sum of (x) the amount of Cash paid, (y) the issue price (defined below under "Original Issue Discount on the First Lien Exit Facility") of any debt issued (such as the First Lien Exit Facility) and (z) the fair market value of any other new consideration (such as the New Securities) given in satisfaction of such indebtedness at the time of the exchange.

Under section 108 of the Tax Code, a debtor is not required to include COD Income in gross income if the debtor is under the jurisdiction of a court in a case under the Bankruptcy Code and the discharge of debt occurs pursuant to that proceeding. Instead, as a consequence of such exclusion, a debtor must reduce its tax attributes by the amount of COD Income that it excluded from gross income pursuant to section 108 of the Tax Code. In general, tax attributes will be reduced in the following order: (a) NOLs and NOL carryforwards; (b) general business credit carryovers; (c) minimum tax credit carryovers; (d) capital loss carryovers; (e) tax basis in assets (but not below the amount of liabilities to which the debtor remains subject); (f) passive activity loss and credit carryovers; and (g) foreign tax credit carryovers. Alternatively, a debtor with COD Income may elect first to reduce the basis of its depreciable assets pursuant to section 108(b)(5) of the Tax Code. The reduction in tax attributes occurs only after the tax for the year of the debt discharge has been determined. Any excess COD Income over the amount of available tax attributes is not subject to U.S. federal income tax and has no other U.S. federal income tax impact.

In connection with the Restructuring Transactions, the Debtors expect to realize significant COD Income. The amount of the tax attributes required to be reduced will depend on whether the transactions undertaken pursuant to the Plan are structured as a Taxable Transaction. The exact amount of any COD Income that will be realized by the Debtors will not be determinable until the consummation of the Plan. Regardless of the implemented structure, the Debtors expect, however, that the amount of such COD Income will significantly reduce or eliminate their NOLs and tax credits allocable to periods prior to the Effective Date. In addition, depending on the structure of the transactions undertaken pursuant to the Plan, some of the Debtors' tax basis in their assets may be reduced by COD Income that is not absorbed by the NOLs, tax credits or other tax attributes of the Debtors.

2. Limitation of NOL Carryforwards and Other Tax Attributes.

Under section 382 of the Tax Code, if a corporation undergoes an "ownership change," the amount of any remaining NOLs, net unrealized built-in losses, and possibly certain other attributes of the Reorganized Debtors allocable to periods prior to the Effective Date (collectively, "Pre-Change Losses") that may be utilized to offset future taxable income generally are subject to an annual limitation. In general, the amount of the annual limitation to which a corporation that undergoes an ownership change would be subject is equal to the product of (a) the fair market value of the stock of the loss corporation immediately before the ownership change (with certain adjustments) multiplied by (b) the "long-term tax-exempt rate" in effect for

the month in which the ownership change occurs (currently, 1.96% for an ownership change occurring in December 2017). The annual limitation under section 382 represents the amount of pre-change NOLs, as well as certain built-in losses recognized within the five year period following the ownership change, that may be used each year to offset income. The section 382 limitation may be increased to the extent that the Debtors recognize certain built-in gains in their assets during the five-year period following the ownership change, or are treated as recognizing built-in gains pursuant to the safe harbors provided in IRS Notice 2003-65. Section 383 of the Tax Code applies a similar limitation to capital loss carryforwards and tax credits. Any unused limitation may be carried forward, thereby increasing the annual limitation in the subsequent taxable year.

An exception to the foregoing annual limitation rules generally applies when former shareholders and so called "qualified creditors" of a corporation under the jurisdiction of a court in a case under the Bankruptcy Code receive, in respect of their claims, at least 50% of the vote and value of the stock of the reorganized debtor (or a controlling corporation if also under the jurisdiction of a court in a case under the Bankruptcy Code) pursuant to a confirmed Chapter 11 plan (the "382(l)(5) Exception"). Under the 382(l)(5) Exception, a debtor's Pre-Change Losses are not limited on an annual basis but, instead, are required to be reduced by the amount of any interest deductions claimed during the three taxable years preceding the effective date, and during the part of the taxable year prior to and including the plan of reorganization, in respect of all debt converted into stock in the reorganization. If the 382(l)(5) Exception applies and the Reorganized Debtors undergo another ownership change within two years after Consummation of the Plan, then the Reorganized Debtors' section 382 annual limitation will generally be reduced to zero, which would effectively preclude utilization of Pre-Change Losses.

Where the 382(l)(5) Exception is not applicable (either because the debtor company does not qualify for it or the debtor otherwise elects not to utilize the 382(l)(5) Exception), a second special rule will generally apply (the "382(l)(6) Exception"). When the 382(l)(6) Exception applies, a corporation under the jurisdiction of a court in a case under the Bankruptcy Code that undergoes an "ownership change" generally is permitted to determine the fair market value of its stock after taking into account the increase in value resulting from any surrender or cancellation of creditors' claims in the bankruptcy. This differs from the ordinary rule that requires the fair market value of a corporation that undergoes an ownership change to be determined before the events giving rise to the change. The 382(l)(6) Exception also differs from the 382(l)(5) Exception in that under it the Reorganized Debtors would not be required to reduce their NOLs by the amount of any interest deductions claimed by the Debtors within the prior three-year period and the Reorganized Debtors may undergo a change of ownership within two years without automatically triggering the elimination of its Pre-Change Losses.

The availability to the Debtors of either the 382(l)(5) Exception or the 382(l)(6) Exception will depend on the structure of the transactions undertaken pursuant to the Plan.

Under the Tax Legislation, only 80% of a corporation's taxable income may be offset by available NOL carryforwards arising in taxable years beginning after December 31, 2017. This change could increase the Debtors' or the Reorganized Debtors' tax liability in future periods.

B. Certain U.S. Federal Income Tax Consequences to Certain U.S. Holders of Allowed Claims

The following discussion assumes that the Debtors will undertake the Restructuring Transactions currently contemplated by the Plan. Holders of Claims are urged to consult their tax advisors regarding the tax consequences of the Restructuring Transactions.

1. Consequences of the Exchange to U.S. Holders of Allowed Credit Agreement Claims, Allowed Senior Notes Claims and Allowed General Unsecured Claims.

Pursuant to the Plan, in full satisfaction and discharge of their Claims, each U.S. Holder of (a) an Allowed Credit Agreement Claim will receive its Pro Rata share of (i) commitments under the First Lien Exit Facility and (ii) the distribution of the Term Loan Lender Equity Pool, which consists of 83.5% of the New Securities (subject to dilution by shares issued in connection with the Management Incentive Plan) in the Reorganized Debtors and (b) an Allowed Senior Notes Claim or an Allowed General Unsecured Claim will receive its Pro Rata share of the distribution of the Unsecured Creditor Equity Pool, which consists of 16.5% of the New Securities (subject to dilution by shares issued in connection with the Management Incentive Plan) in the Reorganized Debtors.

The U.S. federal income tax consequences of the Plan to U.S. Holders of Allowed Credit Agreement Claims, Allowed Senior Notes Claims and Allowed General Unsecured Claims will depend, in part, on whether the transactions undertaken pursuant to the Plan constitute a Taxable Transaction. If the transactions undertaken pursuant to the Plan do not constitute a Taxable Transaction (such transaction, a "Reorganization"), the U.S. federal income tax consequences to such U.S. Holders of Allowed Credit Agreement Claims, Allowed Senior Notes Claims and Allowed General Unsecured Claims will further depend on whether the Claims surrendered constitute "securities" for U.S. federal income tax purposes.

2. Taxable Transaction.

To the extent that the transactions undertaken pursuant to the Plan constitute a Taxable Transaction, a U.S. Holder of an Allowed Credit Agreement Claim, Allowed Senior Notes Claim or Allowed General Unsecured Claim would likely be treated as exchanging its Claims for the New Securities and, if applicable, interests in the First Lien Exit Facility in a fully taxable exchange under section 1001 of the Tax Code.

A U.S. Holder of an Allowed Credit Agreement Claim, Allowed Senior Notes Claim or Allowed General Unsecured Claim who is subject to this treatment should recognize gain or loss equal to the difference between (a) the total fair market value of the New Securities and issue price of the interest in the First Lien Exit Facility, if any, received in exchange for its Claim (subject to the discussion of "Accrued Interest" below) and (b) the U.S. Holder's adjusted tax basis in its Claim. The character of such gain or loss as capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the U.S. Holder, whether the Claim was purchased at a discount, and whether and to what extent the U.S. Holder previously has claimed a bad debt deduction with respect to its Claim. If recognized gain is capital gain, it generally would be long-term capital gain if the U.S. Holder held its Claim for

more than one year at the time of the exchange. The deductibility of capital losses is subject to certain limitations as discussed below. To the extent that a portion of the consideration received in exchange for its Claim is allocable to accrued but untaxed interest, the U.S. Holder may recognize ordinary income. See the discussions of "Accrued Interest," "Market Discount" and "Limitations on Use of Capital Losses" below. A U.S. Holder's tax basis in New Securities should be equal to their fair market value and its tax basis in its interest in the First Lien Exit Facility, if any, should be equal to its issue price. A U.S. Holder's holding period for each item of consideration received on the Effective Date should begin on the day following the Effective Date.

3. Treatment of a Debt Instrument as a "Security."

Whether a debt instrument constitutes a "security" for U.S. federal income tax purposes is determined based on all the relevant facts and circumstances, but most authorities have held that the length of the term of a debt instrument at initial issuance is an important factor in determining whether such instrument is a security for U.S. federal income tax purposes. These authorities have indicated that a term of less than five years is evidence that the instrument is not a security, whereas a term of ten years or more is evidence that it is a security. The Allowed Credit Agreement Claims had a term to maturity of approximately seven (7) years when issued and the Allowed Senior Notes Claims had a term to maturity of approximately eight (8) years when issued. Although there is no authority directly addressing the First Lien Exit Facility, the IRS has determined in other circumstances that a debt instrument with a maturity of less than five (5) years may be a security if it is issued in exchange for a debt instrument with similar terms that was a security. There are numerous other factors that could be taken into account in determining whether a debt instrument is a security, including the security for payment, the creditworthiness of the obligor, the subordination or lack thereof with respect to other creditors, the right to vote or otherwise participate in the management of the obligor, convertibility of the instrument into an equity interest of the obligor, whether payments of interest are fixed, variable, or contingent, and whether such payments are made on a current basis or accrued.

4. Reorganization.

If the transactions undertaken pursuant to the Plan constitute a Reorganization and (a) Allowed Credit Agreement Claims, Allowed Senior Notes Claims or Allowed General Unsecured Claims and (b) the First Lien Exit Facility qualify as securities, a U.S. Holder of such a Claim should recognize gain (but not loss), to the extent of the lesser of (a) the amount of gain realized from the exchange (generally equal to the fair market value of all of the consideration received minus the Holder's adjusted basis, if any, in the Claim) or (b) the fair market value of "other property" received in the distribution that is not permitted to be received under sections 354 and 355 of the Tax Code. For this purpose, the New Securities are expected to constitute "other property." With respect to non-cash consideration that is treated as a "stock or security" of a party to the Reorganization, such U.S. Holder should obtain a tax basis in such property, other than any such amounts treated as received in satisfaction of accrued but untaxed interest, equal to (a) the tax basis of the Claim surrendered, less (b) the fair market value of "other property" received, plus (c) gain recognized (if any). The holding period for such non-cash consideration should include the holding period for the surrendered Claims. With respect to non-cash consideration that is treated as "other property," U.S. Holders should obtain a tax basis in such

property, other than any amounts treated as received in satisfaction of accrued but untaxed interest, equal to the property's fair market value as of the date such property is distributed to the U.S. Holder. The holding period for any such property should begin on the day following the receipt of such property.

The tax basis of any non-cash consideration treated as received in satisfaction of accrued but untaxed interest should equal the amount of such accrued but untaxed interest, but in no event should such basis exceed the fair market value of the consideration received in satisfaction of accrued but untaxed interest. The holding period for the non-cash consideration treated as received in satisfaction of accrued but untaxed interest should not include the holding period of the debt instrument constituting the surrendered Claim, and should begin on the day following the receipt of such property.

If the transactions undertaken pursuant to the Plan constitute a Reorganization and the (a) Allowed Credit Agreement Claims, Allowed Senior Notes Claims or Allowed General Unsecured Claims or (b) the First Lien Exit Facility are not treated as securities, a U.S. Holder of such Claim will be treated as exchanging such Claim for New Securities and, if applicable, interests in the First Lien Exit Facility in a taxable exchange under section 1001 of the Tax Code. The U.S. federal income tax consequences to such U.S. Holder will be substantially similar to the consequences, described above, that such U.S. Holder would have experienced in a Taxable Transaction.

HOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE RECOGNITION OF GAIN OR LOSS, FOR FEDERAL INCOME TAX PURPOSES, ON THE SATISFACTION OF THEIR CLAIMS.

5. Consequences to U.S. Holders of Allowed Convenience Claims.

Pursuant to the Plan, in full satisfaction and discharge of their Claims, each U.S. Holder of an Allowed Convenience Claim shall receive Cash. A U.S. Holder of such Claim will be treated as exchanging such Claim for Cash in a taxable exchange under section 1001 of the Tax Code. Such U.S. Holder would recognize gain or loss equal to the difference between (a) the amount of Cash received (subject to the discussion of "Accrued Interest" below) and (b) the U.S. Holder's adjusted tax basis in its Claim. The character of such gain or loss as capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the U.S. Holder, the nature of the Claim in such U.S. Holder's hands, whether the Claim was purchased at a discount, and whether and to what extent the U.S. Holder previously has claimed a bad debt deduction with respect to its Claim. If recognized gain is capital gain, it generally would be long-term capital gain if the U.S. Holder held its Claim for more than one year at the time of the exchange. The deductibility of capital losses is subject to certain limitations as discussed below. To the extent that a portion of the consideration received in exchange for its Claim is allocable to accrued but untaxed interest, the U.S. Holder may recognize ordinary income. See the discussions of "Accrued Interest," "Market Discount" and "Limitations on Use of Capital Losses" below.

6. Accrued Interest.

A portion of the consideration received by U.S. Holders of Allowed Claims may be attributable to accrued interest on such Claims. If any amount is attributable to accrued interest, then such amount should be taxable to that U.S. Holder as interest income if such accrued interest has not been previously included in the U.S. Holder's gross income for U.S. federal income tax purposes. Conversely, U.S. Holders of Allowed Claims should be able to recognize a deductible loss to the extent any accrued interest on the Claims was previously included in the U.S. Holder's gross income but was not paid in full by the Debtors.

If the fair value of the consideration is not sufficient to fully satisfy all principal and interest on an Allowed Claim, the extent to which such consideration will be attributable to accrued interest is unclear. Under the Plan, the aggregate consideration to be distributed to U.S. Holders of Allowed Claims in each Class will be allocated first to the principal amount of such Allowed Claims, with any excess allocated to unpaid interest that accrued on these Claims, if any. Certain legislative history indicates that an allocation of consideration as between principal and interest provided in a Chapter 11 plan of reorganization is binding for U.S. federal income tax purposes, while certain Treasury Regulations generally treat payments as allocated first to any accrued but unpaid interest and then as a payment of principal. The IRS could take the position that the consideration received by the U.S. Holder should be allocated in some way other than as provided in the Plan.

HOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE ALLOCATION OF CONSIDERATION RECEIVED IN SATISFACTION OF THEIR CLAIMS AND THE FEDERAL INCOME TAX TREATMENT OF ACCRUED BUT UNPAID INTEREST.

7. Market Discount.

Under the "market discount" provisions of the Tax Code, some or all of any gain realized by a U.S. Holder of a Claim who exchanges a Claim on the Effective Date may be treated as ordinary income (instead of capital gain) to the extent of the amount of "market discount" on the debt instruments constituting the exchanged Claim. In general, a debt instrument is considered to have been acquired with "market discount" if it is acquired other than on original issue and if its U.S. Holder's adjusted tax basis in the debt instrument is less than (a) the sum of all remaining payments to be made on the debt instrument, excluding "qualified stated interest" or (b) in the case of a debt instrument issued with original issue discount, its adjusted issue price, by at least a *de minimis* amount (equal to 0.25% of the sum of all remaining payments to be made on the debt instrument, excluding qualified stated interest, multiplied by the number of remaining whole years to maturity).

Any gain recognized by a U.S. Holder on the taxable disposition of a Claim that had been acquired with market discount should be treated as ordinary income to the extent of the market discount that accrued thereon while the Claim was considered to be held by the U.S. Holder (unless the U.S. Holder elected to include market discount in income as it accrued). To the extent that the Allowed Claims that were acquired with market discount are exchanged in a tax-free transaction for other property, any market discount that accrued on the Allowed Claims

(*i.e.*, up to the time of the exchange) but was not recognized by the U.S. Holder is carried over to the property received therefor and any gain recognized on the subsequent sale, exchange, redemption, or other disposition of the property is treated as ordinary income to the extent of the accrued, but not recognized, market discount with respect to the exchanged debt instrument.

HOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE APPLICATION OF THE MARKET DISCOUNT RULES TO THEIR CLAIMS.

8. Issue Price of the First Lien Exit Facility.

The issue price of the First Lien Exit Facility will depend on whether a substantial amount of each of the Credit Agreement and the First Lien Exit Facility is considered to be "traded on an established market." In general, a debt instrument will be treated as traded on an established market if, at any time during the 31-day period ending 15 days after the issue date, (a) a "sales price" for an executed purchase of the debt instrument appears on a medium that is made available to issuers of debt instruments, persons that regularly purchase or sell debt instruments, or persons that broker purchases or sales of debt instruments; (b) a "firm" price quote for the debt instrument is available from at least one broker, dealer or pricing service for property and the quoted price is substantially the same as the price for which the person receiving the quoted price could purchase or sell the property; or (c) an "indicative" price quote for the debt instrument is available from at least one broker, dealer or pricing service for property.

If a debt instrument is considered to be traded on an established market, then the issue price of such instrument is its fair market value on its date of issuance. Therefore, if the First Lien Exit Facility is traded on an established market at the time of the exchange, the issue price of the First Lien Exit Facility will be its fair market value on the date of the exchange. Additionally, if the Debtors determine that any debt instruments are traded on an established market, then the Debtors are required to provide to U.S. Holders the issue price of such debt instruments. The Debtors' determination of the debt instruments' issue price is binding on U.S. Holders unless the holder explicitly discloses that its determination is different from the Debtors' on its U.S. federal income tax return.

However, if the First Lien Exit Facility is not traded on an established market and the Credit Agreement is traded on an established market at the time of the exchange, the issue price of any new debt that is not traded on an established market will be determined by applying the "investment unit" rules and treating the First Lien Exit Facility and the New Securities as part of an investment unit issued in exchange for the Credit Agreement. Generally, the issue price of an investment unit is determined by applying the issue price rules applicable to debt instruments, and the issue price of a debt instrument that is part of the investment unit and that is not traded on an established market is its allocable portion of the issue price of the investment unit, based on the relative fair market value of such debt instrument and the other property rights in the investment unit (*i.e.*, the New Securities and any debt that is traded on an established market). Thus, if the Credit Agreement is traded on an established market, but the First Lien Exit Facility is not so traded, then the issue price of the investment unit would be equal to the fair market value of the Credit Agreement on the date of the exchange. The issue price of each of the new

debt that is not traded on an established market will equal its allocable portion of the investment unit's issue price (determined by multiplying the investment unit's issue price by the fraction obtained by dividing the fair market value of each debt instrument that is not traded on an established market by the sum of the fair market values of the First Lien Exit Facility and the New Securities).

If none of the First Lien Exit Facility or the Credit Agreement is traded on an established market at the time of the exchange, the issue price of the First Lien Exit Facility should equal its stated redemption price at maturity.

9. Original Issue Discount on the First Lien Exit Facility.

A U.S. Holder of a Pro Rata share of commitments under the First Lien Exit Facility will be required to include stated interest on such share of the First Lien Exit Facility in income in accordance with the U.S. Holder's regular method of accounting to the extent such stated interest is "qualified stated interest." Stated interest is generally "qualified stated interest" if it is payable in Cash at least annually at a single fixed rate. Where stated interest payable on the First Lien Exit Facility is not payable at least annually, such portion of the stated interest will be included in the determination of original issue discount ("OID") on such Pro Rata shares of the loans.

A debt instrument generally has OID if its "stated redemption price at maturity" exceeds its "issue price" by more than a *de minimis* amount (generally 0.25% of the product of the stated redemption price at maturity and the number of complete years to maturity from the issue date). The stated redemption price at maturity of a debt instrument is the sum of all payments provided by the debt instrument other than payments of qualified stated interest.

A U.S. Holder of commitments under the First Lien Exit Facility that is issued with OID generally will be required to include any OID in income over the term of such loans in accordance with a constant yield-to-maturity method, regardless of whether the U.S. Holder is a cash or accrual method taxpayer, and regardless of whether and when the U.S. Holder receives Cash payments of interest on such commitments under the First Lien Exit Facility (other than Cash attributable to qualified stated interest). Accordingly, a U.S. Holder could be treated as receiving income in advance of a corresponding receipt of Cash. Any OID that a U.S. Holder includes in income will increase the U.S. Holder's tax basis in its commitments under the First Lien Exit Facility.

A U.S. Holder of commitments under the First Lien Exit Facility will not be separately taxable on any Cash payments that have already been taxed under the OID rules, but will reduce its tax basis in the commitment by the amount of such payments.

A U.S. Holder may obtain the issue price of the First Lien Exit Facility and other information relating to the accrual of OID on the debt instruments by contacting Cumulus Media, Inc., 3280 Peachtree Road NE, Suite 2200, Atlanta, GA 30305, Attn: Vice President, Tax. The application of the OID rules is highly complex.

U.S. HOLDERS OF COMMITMENTS UNDER THE FIRST LIEN EXIT FACILITY ARE URGED TO CONSULT THEIR TAX ADVISORS REGARDING THE TAX CONSEQUENCES OF ANY OID ON SUCH LOANS.

10. Acquisition Premium/Bond Premium.

If a U.S. Holder's initial tax basis in its interest in the First Lien Exit Facility is less than or equal to the stated redemption price at maturity of such interest, but greater than the issue price of such interest, the U.S. Holder will be treated as acquiring such interest in the First Lien Exit Facility at an "acquisition premium." Unless an election is made, the U.S. Holder generally will reduce the amount of OID otherwise includible in gross income for an accrual period by an amount equal to the amount of OID otherwise includible in gross income multiplied by a fraction, the numerator of which is the excess of the U.S. Holder's initial tax basis in its interest in the First Lien Exit Facility over such interest's issue price, and the denominator of which is the excess of the sum of all amounts payable on such interest (other than amounts that are qualified stated interest) over its issue price.

If a U.S. Holder's initial tax basis in its interest in the First Lien Exit Facility exceeds the stated redemption price at maturity of such interest, such U.S. Holder will be treated as acquiring such interest in the First Lien Exit Facility with "bond premium" and will not be required to include OID, if any, in income. Such U.S. Holder generally may elect to amortize the premium over the remaining term of the First Lien Exit Facility, on a constant yield method as an offset to interest when includible in income under such U.S. Holder's regular accounting method. If a U.S. Holder does not elect to amortize the premium, that premium will decrease the gain or increase the loss such U.S. Holder would otherwise recognize on disposition of its interests in the First Lien Exit Facility.

11. Dividends on New Securities.

Any distributions made on account of New Securities will constitute dividends for U.S. federal income tax purposes to the extent of the current or accumulated earnings and profits of the Reorganized Debtor as determined under U.S. federal income tax principles. To the extent that a U.S. Holder receives distributions that would otherwise constitute dividends for U.S. federal income tax purposes but that exceed such current and accumulated earnings and profits, such distributions will be treated first as a non-taxable return of capital reducing the U.S. Holder's basis in its shares. Any such distributions in excess of the U.S. Holder's basis in its shares (determined on a share-by-share basis) generally will be treated as capital gain.

Dividends paid to U.S. Holders that are corporations generally will be eligible for the dividends-received deduction so long as there are sufficient earnings and profits. However, the dividends-received deduction is only available if certain holding period requirements are satisfied. The length of time that a shareholder has held its stock is reduced for any period during which the shareholder's risk of loss with respect to the stock is diminished by reason of the existence of certain options, contracts to sell, short sales, or similar transactions. In addition, to the extent that a corporation incurs indebtedness that is directly attributable to an investment in the stock on which the dividend is paid, all or a portion of the dividends received deduction may be disallowed.

12. Sale, Redemption, or Repurchase of New Securities.

Unless a non-recognition provision applies, U.S. Holders generally will recognize capital gain or loss upon the sale, redemption, or other taxable disposition of New Securities. Such capital gain generally would be long-term capital gain if at the time of the sale, exchange, retirement, or other taxable disposition, the U.S. Holder held the New Securities for more than one year. Long-term capital gains of an individual taxpayer generally are taxed at preferential rates. The deductibility of capital losses is subject to certain limitations as described below. Under the recapture rules of section 108(e)(7) of the Tax Code, a U.S. Holder may be required to treat gain recognized on the taxable disposition of the New Securities as ordinary income if such U.S. Holder took a bad debt deduction with respect to its Allowed Claim or recognized an ordinary loss on the exchange of its Allowed Claim for New Securities.

U.S. Holders of the Special Warrants should not recognize gain or loss as a result of the exercise of the Special Warrants for New Common Stock. The aggregate tax basis in the New Common Stock of a U.S. Holder received upon exercise should be the same as its aggregate tax basis in its Special Warrants immediately prior thereto. Additionally, the holding period of the New Common Stock received upon exercise should include the holding period of the Special Warrants held by such Holder immediately prior thereto.

13. Limitation on Use of Capital Losses.

A U.S. Holder of a Claim who recognizes capital losses as a result of the distributions under the Plan will be subject to limits on the use of such capital losses. For a non-corporate U.S. Holder, capital losses may be used to offset any capital gains (without regard to holding periods), and also ordinary income to the extent of the lesser of (a) $3,000 ($1,500 for married individuals filing separate returns) or (b) the excess of the capital losses over the capital gains. A non-corporate U.S. Holder may carry over unused capital losses and apply them against future capital gains and a portion of their ordinary income for an unlimited number of years. For corporate U.S. Holders, capital losses may only be used to offset capital gains. A corporate U.S. Holder that has more capital losses than may be used in a tax year may carry back unused capital losses to the three years preceding the capital loss year or may carry over unused capital losses for the five years following the capital loss year.

C. Certain U.S. Federal Income Tax Consequences to Certain Non-U.S. Holders of Claims

The following discussion assumes that the Debtors will undertake the Restructuring Transactions currently contemplated by the Plan, and includes only certain U.S. federal income tax consequences of the Restructuring Transactions to non-U.S. Holders. The discussion does not include any non-U.S. tax considerations. The rules governing the U.S. federal income tax consequences to non-U.S. Holders are complex. Each non-U.S. Holder is urged to consult its own tax advisor regarding the U.S. federal, state, and local and the non-U.S. tax consequences of the consummation of the Plan to such non-U.S. Holders.

1. Gain Recognition.

To the extent that the Restructuring Transactions are treated as a Taxable Transaction or otherwise result in the recognition of taxable gain for U.S. federal income tax purposes, any gain realized by a non-U.S. Holder on the exchange of its Claim generally will not be subject to U.S. federal income taxation unless (a) the non-U.S. Holder is an individual who was present in the United States for 183 days or more during the taxable year in which the Restructuring Transactions occur and certain other conditions are met or (b) such gain is effectively connected with the conduct by such non-U.S. Holder of a trade or business in the United States (and if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by such non-U.S. Holder in the United States).

If the first exception applies, to the extent that any gain is taxable, the non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such non-U.S. Holder's capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of the exchange. If the second exception applies, the non-U.S. Holder generally will be subject to U.S. federal income tax with respect to any gain realized on the exchange in the same manner as a U.S. Holder. To claim an exemption from withholding tax, such non-U.S. Holder will be required to provide a properly executed IRS Form W-8ECI (or such successor form as the IRS designates). In addition, if such a non-U.S. Holder is a corporation, it may be subject to a branch profits tax equal to 30% (or such lower rate provided by an applicable treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments.

2. Accrued Interest.

Payments to a non-U.S. Holder that are attributable to accrued interest generally will not be subject to U.S. federal income tax or withholding, provided that the withholding agent has received or receives, prior to payment, appropriate documentation (generally, IRS Form W-8BEN or W-8BEN-E) establishing that the non-U.S. Holder is not a U.S. person, unless:

- the non-U.S. Holder actually or constructively owns 10% or more of the total combined voting power of all classes of the Debtor's stock entitled to vote;
- the non-U.S. Holder is a "controlled foreign corporation" that is a "related person" with respect to the Debtor (each, within the meaning of the Tax Code);
- the non-U.S. Holder is a bank receiving interest described in section 881(c)(3)(A) of the Tax Code; or
- such interest is effectively connected with the conduct by the non-U.S. Holder of a trade or business within the United States (in which case, provided the non-U.S. Holder provides a properly executed IRS Form W-

8ECI (or successor form) to the withholding agent, the non-U.S. Holder generally will not be subject to withholding tax, but will be subject to U.S. federal income tax in the same manner as a U.S. Holder (unless an applicable income tax treaty provides otherwise), and a non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such non-U.S. Holder's effectively connected earnings and profits that are attributable to the accrued interest at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty)).

A non-U.S. Holder that does not qualify for the exemption from withholding tax with respect to accrued but untaxed interest that is not effectively connected income generally will be subject to withholding of U.S. federal income tax at a 30% rate (or at a reduced rate or exemption from tax under an applicable income tax treaty) on any payments that are attributable to accrued but untaxed interest. For purposes of providing a properly executed IRS Form W-8BEN or W-8BEN-E, special procedures are provided under applicable Treasury Regulations for payments through qualified foreign intermediaries or certain financial institutions that hold customers' securities in the ordinary course of their trade or business. As described above in more detail under the heading "Accrued Interest," the aggregate consideration to be distributed to holders of Allowed Claims in each Class will be allocated first to the principal amount of such Allowed Claims, with any excess allocated to unpaid interest that accrued on these Claims, if any.

3. Dividends on New Securities.

Any distributions made with respect to New Securities will constitute dividends for U.S. federal income tax purposes to the extent of the Reorganized Debtor's current or accumulated earnings and profits as determined under U.S. federal income tax principles. To the extent that a non-U.S. Holder receives distributions that would otherwise constitute dividends for U.S. federal income tax purposes but that exceed such current and accumulated earnings and profits, such distributions will be treated first as a non-taxable return of capital reducing the non-U.S. Holder's basis in its shares. Any such distributions in excess of a non-U.S. Holder's basis in its shares (determined on a share-by-share basis) generally will be treated as capital gain from a sale or exchange. Except as described below, dividends paid with respect to New Securities held by a non-U.S. Holder that are not effectively connected with a non-U.S. Holder's conduct of a U.S. trade or business (or if an income tax treaty applies, are not attributable to a permanent establishment maintained by such non-U.S. Holder in the United States) will be subject to U.S. federal withholding tax at a rate of 30% (or lower treaty rate, if applicable). A non-U.S. Holder generally will be required to satisfy certain IRS certification requirements in order to claim a reduction of or exemption from withholding under a tax treaty by providing an IRS Form W-8BEN or W-8BEN-E (or a successor form) to the Reorganized Debtor upon which the non-U.S. Holder certifies, under penalties of perjury, its status as a non-U.S. person and its entitlement to the lower treaty rate or exemption from tax with respect to such payments. Dividends paid with respect to New Securities held by a non-U.S. Holder that are effectively connected with a non-U.S. Holder's conduct of a U.S. trade or business (and if an income tax treaty applies, are attributable to a permanent establishment maintained by such non-U.S. Holder in the United States) generally will be subject to U.S. federal income tax in the same manner as a U.S. Holder,

and a non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such non-U.S. Holder's effectively connected earnings and profits that are attributable to the dividends at a rate of 30% (or at a reduced rate under an applicable income tax treaty).

4. Sale, Redemption, or Repurchase of New Securities.

A non-U.S. Holder generally will not be subject to U.S. federal income tax with respect to any gain realized on the sale or other taxable disposition (including a Cash redemption) of New Securities unless:

(i) such non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition and satisfies certain other conditions or who is subject to special rules applicable to former citizens and residents of the United States; or

(ii) such gain is effectively connected with such non-U.S. Holder's conduct of a U.S. trade or business (and if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by such non-U.S. Holder in the United States); or

(iii) the Reorganized Debtors are or have been during a specified testing period a "U.S. real property holding corporation" for U.S. federal income tax purposes.

If the first exception applies, the non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such non-U.S. Holder's capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of disposition of New Securities. If the second exception applies, the non-U.S. Holder generally will be subject to U.S. federal income tax with respect to such gain in the same manner as a U.S. Holder, and a non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to earnings and profits effectively connected with a U.S. trade or business that are attributable to such gains at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty). The Debtors consider it unlikely, based on their current business plans and operations, that any of the Reorganized Debtors will become a "U.S. real property holding corporation" in the future.

5. FATCA.

Under the Foreign Account Tax Compliance Act ("FATCA"), foreign financial institutions and certain other foreign entities must report certain information with respect to their U.S. account holders and investors or be subject to withholding at a rate of 30% on the receipt of "withholdable payments." For this purpose, "withholdable payments" are generally U.S.-source payments of fixed or determinable, annual or periodical income (including dividends, if any, on New Securities), and also include gross proceeds from the sale, on or after January 1, 2019, of any property of a type which can produce U.S. source interest or dividends (which would include

New Securities). FATCA withholding will apply even if the applicable payment would not otherwise be subject to U.S. federal nonresident withholding.

EACH NON-U.S. HOLDER IS URGED TO CONSULT ITS OWN TAX ADVISOR REGARDING THE POSSIBLE IMPACT OF THESE RULES ON SUCH NON-U.S. HOLDER'S OWNERSHIP OF NEW SECURITIES.

D. Information Reporting and Back-Up Withholding

All distributions to Holders of Claims under the Plan are subject to any applicable tax withholding, including employment tax withholding. Under U.S. federal income tax law, interest, dividends, and other reportable payments may, under certain circumstances, be subject to "backup withholding" at the then applicable withholding rate (currently 28%). Backup withholding generally applies if the holder fails to furnish its social security number or other taxpayer identification number (a "TIN"), furnishes an incorrect TIN, fails properly to report interest or dividends, or under certain circumstances, fails to provide a certified statement, signed under penalty of perjury, that the TIN provided is its correct number and that it is a United States person that is not subject to backup withholding. Backup withholding is not an additional tax but merely an advance payment, which may be refunded to the extent it results in an overpayment of tax and the appropriate information is supplied to the IRS. Certain persons are exempt from backup withholding, including, in certain circumstances, corporations and financial institutions.

In addition, from an information reporting perspective, the Treasury Regulations generally require disclosure by a taxpayer on its U.S. federal income tax return of certain types of transactions in which the taxpayer participated, including, among other types of transactions, certain transactions that result in the taxpayer's claiming a loss in excess of specified thresholds. Holders are urged to consult their tax advisors regarding these regulations and whether the transactions contemplated by the Plan would be subject to these regulations and require disclosure on the Holders' tax returns.

THE FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN ARE COMPLEX. THE FOREGOING SUMMARY DOES NOT DISCUSS ALL ASPECTS OF FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO A PARTICULAR HOLDER IN LIGHT OF SUCH HOLDER'S CIRCUMSTANCES AND INCOME TAX SITUATION. ALL HOLDERS OF CLAIMS AND INTERESTS ARE URGED TO CONSULT WITH THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE TRANSACTIONS CONTEMPLATED BY THE PLAN, INCLUDING THE APPLICABILITY AND EFFECT OF ANY STATE, LOCAL, OR FOREIGN TAX LAWS, AND OF THE TAX LEGISLATION AND ANY OTHER CHANGE IN APPLICABLE TAX LAWS.

XI. CERTAIN RISK FACTORS TO BE CONSIDERED

Prior to voting to accept or reject the Plan, holders of Claims should read and carefully consider the risk factors set forth below, in addition to the information set forth in this Disclosure Statement and the attachments, exhibits, or documents incorporated by reference hereto. The factors below should not be regarded as the only risks associated with the Plan or its

implementation. Documents filed with the SEC may contain important risk factors that differ from those discussed below. Copies of any document filed with the SEC may be obtained by visiting the SEC website at http://www.sec.gov.

A. Certain Restructuring Law Considerations

1. Effect of Chapter 11 Cases. While the Debtors believe that the Chapter 11 Cases will be of short duration and will not be materially disruptive to their businesses, the Debtors cannot be certain that this will be the case. Although the Plan is intended to effectuate a coordinated financial restructuring of the Company, and enjoys substantial support from the requisite majority of the Company's secured funded debtholders, it is impossible to predict with certainty the amount of time that one or more of the Debtors may spend in bankruptcy, or to assure parties in interest that the Plan will be confirmed. Even if confirmed on a timely basis, court proceedings to confirm the Plan could have an adverse effect on the Company's businesses. Among other things, it is possible that the Chapter 11 Cases could adversely affect the Company's relationships with its vendors, employees, talent, content partners, and key customers. The proceedings also involve additional expense and may divert some of the attention of the Company's management away from business operations.

2. The Debtors May Not Be Able to Confirm the Plan. Although the Debtors believe that the Plan will satisfy all requirements necessary for confirmation by the Bankruptcy Court, there can be no assurance that the Bankruptcy Court will reach the same conclusion or that modifications to the Plan will not be required for confirmation, or that such modifications would not necessitate re-solicitation of votes. Moreover, the Debtors can make no assurances that they will receive the requisite acceptances to confirm the Plan, and even if all voting Classes vote in favor of the Plan or the requirements for "cramdown" are met with respect to any Class that rejected the Plan, the Bankruptcy Court, which may exercise its substantial discretion as a court of equity, may choose not to confirm the Plan. If the Plan is not confirmed, it is unclear what distributions holders of Claims ultimately would receive on account of their Claims under a subsequent plan of reorganization (or liquidation). The Committee does not believe at this time that the Debtors will be able to satisfy the requirements to "cramdown" the Plan on Holders of Senior Notes Claims or General Unsecured Claims. The Debtors dispute this assertion and believe that the Plan is confirmable under section 1129(b) of the Bankruptcy Code.

3. Significant Litigation About Enterprise Value May Delay or Preclude Plan Confirmation. As noted above, the Debtors pursued a restructuring alternative with the Ad Hoc Senior Noteholder Group prior to entering the Restructuring Support Agreement with the Term Lender Group and commencing these Chapter 11 Cases. Some of the members of the Committee were members of the Ad Hoc Senior Noteholder Group. As a result, the Committee, as well as potentially other former members of the Ad Hoc Senior Noteholder Group, may dispute the Debtors' enterprise value contemplated in the Plan. Among other things, at the First Day Hearing, prior to the appointment of the Committee, the Ad Hoc Senior Noteholder Group stated their position that the Debtors' proposed restructuring, if implemented, would overcompensate the Holders of Credit Agreement Claims to the detriment of Holders of the Senior Notes Claims and all other unsecured creditors, and is premised upon an enterprise value that is materially lower than certain of the potential valuations allegedly discussed with the Ad Hoc Senior Noteholder Group prior to the Petition Date. On January 5, 2018, Milbank, Tweed,

Hadley & McCloy LLP filed a verified Rule 2019 statement disclosing their representation of an ad hoc cross-holder committee comprised of two Holders, each of which holds both (i) Credit Agreement Claims and (ii) Senior Notes Claims (the "Ad Hoc Cross-Holder Committee") [ECF No. 181]. On January 8, 2018, the Ad Hoc Cross-Holder Committee filed a *Notice of Intent to Participate in Discovery* [ECF No. 185]. Upon information and belief, the members of the Ad Hoc Cross-Holder Committee are former members of the Ad Hoc Senior Noteholder Group that are not on the Committee. The litigation of the Debtors' enterprise value may be protracted and expensive. Moreover, if the Bankruptcy Court concludes that the Plan undervalued the Company, the Debtors may be unable to confirm the Plan in its current form.

4. Non-Consensual Confirmation. In the event that any impaired class of Claims does not accept or is deemed not to accept a plan of reorganization, the Bankruptcy Court may nevertheless confirm such plan at the Debtors' request if at least one impaired class has accepted the plan (with such acceptance being determined without including the vote of any "insider" in such class), and as to each impaired class that has not accepted the plan, the Bankruptcy Court determines that the plan "does not discriminate unfairly" and is "fair and equitable" with respect to the dissenting impaired classes. Should any Class vote to reject the Plan, then these requirements must be satisfied with respect to such rejecting Classes. The Debtors believe that the Plan satisfies these requirements. As noted above, the Committee does not believe at this time that the Debtors will be able to satisfy the requirements to "cramdown" the Plan on Holders of Senior Notes Claims or General Unsecured Claims. The Debtors dispute this claim and believe that the Plan is confirmable under section 1129(b) of the Bankruptcy Code.

5. Releases, Injunctions, and Exculpation Provisions May Not Be Approved. The Debtors believe that the Releases are both customary and supported by the facts and circumstances of these Chapter 11 Cases. As noted in Article VI.E.1 of this Disclosure Statement, the U.S. Trustee and the SEC challenge the propriety of the Releases arguing that (a) the Releases impair Classes 1 and 2; (b) the opt-out provisions render the Releases non-consensual and are not supported by "rare and exceptional" circumstances as required by law; (c) the Releases are impermissibly broad; and (d) the Court lacks subject matter jurisdiction to enjoin third parties from asserting claims against each other. The Debtors dispute the positions adopted by the U.S. Trustee and SEC. The Debtors believe that the Releases are customary, consensual, and well within the bounds of relevant legal precedent given the facts and circumstances of these Chapter 11 Cases. The Debtors are prepared to support their positions with the benefit of a full evidentiary record established at the Confirmation Hearing. There can be no assurance that the Bankruptcy Court will agree with the Debtors' position, however.

6. Risk of Timing or Non-Occurrence of Effective Date. There can be no assurance as to the timing of the Effective Date. If the conditions precedent to the Effective Date set forth in the Plan have not occurred or have not been waived as set forth in Article IX of the Plan, then the Confirmation Order may be vacated, in which event no distributions would be made under the Plan, the Debtors and all Holders of Claims and Interests would be restored to the *status quo ante* as of the day immediately preceding the Confirmation Date, and the Debtors' obligations with respect to Claims and Interests would remain unchanged. Notably, the conditions precedent include the requirement that the Debtors obtain all governmental and material-third party approvals necessary to effectuate the Restructuring Transactions. Moreover,

absent an extension, the Restructuring Support Agreement may be terminated by the Requisite Consenting Term Loan Lenders (as defined in the Restructuring Support Agreement) if the Effective Date does not occur by May 28, 2018. The Debtors cannot assure that the conditions precedent to the Plan's effectiveness will occur or be waived by such date.

7. Risk of Termination of Restructuring Support Agreement. The Restructuring Support Agreement contains provisions that give the Requisite Consenting Term Loan Lenders the ability to terminate the Restructuring Support Agreement if certain conditions are not satisfied or waived, including the failure to achieve certain milestones. Termination of the Restructuring Support Agreement could result in protracted Chapter 11 Cases, which could significantly and detrimentally impact the Debtors' relationships with vendors, employees, talent, content partners, and major customers, or potentially the conversion of the Chapter 11 Cases into cases under Chapter 7 of the Bankruptcy Code.

8. Conversion into Chapter 7 Cases. If no plan of reorganization can be confirmed, or if the Bankruptcy Court otherwise finds that it would be in the best interests of Holders of Claims, the Chapter 11 Cases may be converted to cases under chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be appointed or elected to liquidate the Debtors' assets for distribution in accordance with the priorities established by the Bankruptcy Code. *See* Article XIV(C) hereof, as well as the Liquidation Analysis attached hereto as Exhibit D, for a discussion of the effects that a chapter 7 liquidation would have on the recoveries to Holders of Claims.

9. The Cash Collateral May Be Insufficient to Fund the Debtors' Business Operations, or May Be Unavailable if the Debtors Do Not Comply with the Terms of the Cash Collateral Order. Although the Debtors project that they will have sufficient liquidity to operate their businesses through the Effective Date, there can be no assurance that the revenue generated by the Company's business operations and the cash made available to the Debtors under the Cash Collateral Order will be sufficient to fund the Company's operations. The Company does not currently have financing available to it in the form of a debtor-in-possession credit facility. In the event that revenue flows are not sufficient to meet the Company's liquidity requirements, the Company may be required to seek such financing. There can be no assurance that such additional financing would be available or, if available, offered on terms that are acceptable to the Company or the Bankruptcy Court. If, for one or more reasons, the Company is unable to obtain such additional financing, the Company's business and assets may be subject to liquidation under chapter 7 of the Bankruptcy Code and the Company may cease to continue as a going concern.

The Cash Collateral Order includes affirmative and negative covenants applicable to the Debtors, including compliance with a budget and maintenance of certain minimum liquidity. There can be no assurance that the Company will be able to comply with these covenants and meet its obligations as they become due or to comply with the other terms and conditions of the Cash Collateral Order. Any event of default under the Cash Collateral Order could imperil the Debtors' ability to reorganize.

10. Impact of the Chapter 11 Cases on the Debtors. The Chapter 11 Cases may affect the Debtors' relationships with, and their ability to negotiate favorable terms with,

creditors, customers, vendors, employees, and other personnel and counterparties. While the Debtors expect to continue normal operations, public perception of their continued viability may affect, among other things, the desire of new and existing customers, talent, vendors, content partners, landlords, employees, or other parties to enter into or continue their agreements or arrangements with the Debtors. The failure to maintain any of these important relationships could adversely affect the Debtors' business, financial condition, and results of operations.

Because of the public disclosure of the Chapter 11 Cases and concerns certain vendors may have about the Debtors' liquidity, the Debtors' ability to maintain normal credit terms with vendors may be impaired. Also, the Debtors' transactions that are outside of the ordinary course of business are generally subject to the approval of the Bankruptcy Court, which may limit the Debtors' ability to respond on a timely basis to certain events or take advantage of certain opportunities. As a result, the effect that the Chapter 11 Cases will have on the Debtors' businesses, financial conditions and results of operations cannot be accurately predicted or quantified at this time.

Additionally, the terms of the Cash Collateral Order may limit the Debtors' ability to undertake certain business initiatives.

11. The Plan Is Based upon Assumptions the Debtors Developed That May Prove Incorrect and Could Render the Plan Unsuccessful. The Plan and the Restructuring Transactions contemplated thereby reflect assumptions and analyses based on the Debtors' experience and perception of historical trends, current conditions, management's plans, and expected future developments, as well as other factors that the Debtors consider appropriate under the circumstances. The feasibility of the Plan for confirmation purposes under the Bankruptcy Code relies on financial projections, including with respect to revenues, EBITDA, debt service and cash flow. Financial forecasts are necessarily speculative, and it is likely that one or more of the assumptions and estimates that are the basis of these financial forecasts will not be accurate.

Whether actual future results and developments will be consistent with the Debtors' expectations and assumptions depends on a number of factors, including, but not limited to: (a) the ability to maintain customers' confidence in the Company's viability as a continuing entity and to attract and retain sufficient business from them; (b) the ability to retain key employees and (c) the overall strength and stability of general economic conditions in the United States and in the specific markets in which the Debtors currently do business. The failure of any of these factors could not only vitiate the projections and analyses that informed the Plan, but also otherwise materially adversely affect the successful reorganization of the Debtors' businesses.

The Company expects that its actual financial condition and results of operations may differ, perhaps materially, from what was anticipated. Consequently, there can be no assurance that the results or developments contemplated by any plan of reorganization the Debtors may implement will occur or, even if they do occur, that they will have the anticipated effects on the Debtors and their respective subsidiaries or their businesses or operations. The failure of any such results or developments to materialize as anticipated could materially adversely affect the successful execution of the Plan.

12. Projections, Estimates, and Other Forward-Looking Statements Are Not Assured, and Actual Results May Vary. Certain of the information contained in this Disclosure Statement is, by its nature, forward-looking, and contains estimates and assumptions that might ultimately prove to be incorrect, and contains projections which may be materially different from actual future experiences. There are uncertainties associated with any projections and estimates—including estimated recoveries by holders of Allowed Claims—and such projections and estimates should not be considered assurances or guarantees of the amount of assets that will ultimately be available for distribution on the Effective Date or the amount of Claims in the various Classes that might be Allowed.

13. The Court May Determine that the Plan Impermissibly Consolidates the Debtors' Estates. As discussed in Article VI.E of this Disclosure Statement, the Ad Hoc Cross-Holder Committee alleges that the Plan impermissibly substantively consolidates the Debtors' separate estates. The Debtors dispute this allegation and maintain that the recoveries under the Plan result from the settlement with the Term Loan Lenders pursuant to which the Term Loan Lenders are agreeing to transfer value to which the Term Loan Lenders are otherwise entitled to Holders of Allowed General Unsecured Claims and Allowed Senior Notes Claims. However, there can be no assurances that the Bankruptcy Court will agree with the Debtors' position.

B. Risks Relating to the Debtors' and Reorganized Debtors' Business

1. Post-Effective Date Indebtedness. On the Effective Date, on a consolidated basis, it is expected that the Reorganized Debtors will have total secured, outstanding indebtedness of approximately $1.3 billion, which is expected to consist of the First Lien Exit Facility. This level of expected indebtedness and the funds required to service such debt could, among other things, make it difficult for the Reorganized Debtors to satisfy their obligations under such indebtedness, increasing the risk that they may default on such debt obligations.

The Reorganized Debtors' earnings and cash flow may vary significantly from year to year. Additionally, the Reorganized Debtors' future cash flow may be insufficient to meet their debt obligations and commitments. Any insufficiency could negatively impact the Reorganized Debtors' business. A range of economic, competitive, business, and industry factors will affect the Reorganized Debtors' future financial performance and, as a result, their ability to generate cash flow from operations and to pay their debt. Many of these factors are beyond the Reorganized Debtors' control.

If the Reorganized Debtors do not generate enough cash flow from operations to satisfy their debt obligations, they may have to undertake alternative financing plans, such as:

- Refinancing or restructuring debt;
- Selling assets;
- Reducing or delaying capital investments; or
- Seeking to raise additional capital.

It cannot be assured, however, that undertaking alternative financing plans, if necessary, would be possible on commercially reasonable terms, or at all, and allow the Reorganized Debtors to meet their debt obligations. An inability to generate sufficient cash flow to satisfy their debt obligations or to obtain alternative financing could materially and adversely affect the Reorganized Debtors' ability to make payments on the First Lien Exit Facility, as well as the Reorganized Debtors' business, financial condition, results of operations, and prospects.

The First Lien Exit Credit Agreement will contain restrictions, limitations and specific covenants that could significantly affect the Reorganized Debtors' ability to operate their business, as well as adversely affect their liquidity, and therefore could adversely affect the Reorganized Debtors' results of operations. These covenants are expected to restrict the Reorganized Debtors' ability (subject to certain exceptions) to: (i) incur additional indebtedness and guarantee indebtedness; (ii) pay dividends or make other distributions or repurchase or redeem capital stock; (iii) prepay, redeem, or repurchase certain debt; (iv) make loans and investments; (v) sell assets; (vi) incur liens; (vii) enter into transactions with affiliates; (viii) alter the businesses they conduct; (ix) enter into agreements restricting any restricted subsidiary's ability to pay dividends; and (x) consolidate, merge or sell all or substantially all of their assets.

As a result of these restrictive covenants in the First Lien Exit Credit Agreement, the Reorganized Debtors may be:

- limited in how they conduct their business;
- unable to raise additional debt or equity financing;
- unable to compete effectively or to take advantage of new business opportunities; or
- limited or unable to make certain changes in their business and to respond to changing circumstances;

any of which could have a material adverse effect on their financial condition or results of operations.

Borrowings under the First Lien Exit Credit Agreement are at variable rates of interest and will expose the Reorganized Debtors to interest rate risk, which could cause the Reorganized Debtors' debt service obligations to increase significantly. If interest rates increase, the Reorganized Debtors' debt service obligations on variable rate indebtedness would increase even though the amount borrowed remained the same, and their net income and cash flow available for capital expenditures and debt repayment would decrease. As a result, a significant increase in interest rates could have a material adverse effect on the Reorganized Debtors' financial condition.

In addition, if the Reorganized Debtors enter into a New Revolving Credit Facility Agreement, the risks described above would also generally apply with respect to the New Revolving Credit Facility Agreement and indebtedness outstanding thereunder.

2. Risks Associated with the Debtors' Business and Industry. The risks associated with the Debtors' business and industry are described in the Debtors' SEC filings. Those risks include, but are not limited to, the following:

- the Debtors' liquidity and financial outlook;
- reductions in the Debtors' revenue from market pressures, increased competition or otherwise;
- the Debtors' ability to attract, motivate and/or retain employees necessary to operate competitively in the Debtors' industry;
- changes in interest rates;
- the Debtors' ability to effectively manage costs;
- the Debtors' ability to drive and manage growth;
- the popularity of radio as a broadcasting and advertising medium;
- changing consumer tastes;
- industry conditions, including existing competition and future competitive technologies;
- the impact of general economic and political conditions in the United States or in specific markets in which the Debtors currently do business;
- cancellation, disruptions or postponements of advertising schedules in response to national or world events;
- the Debtors' ability to generate revenues from new sources, including digital initiatives;
- the impact of regulatory rules or proceedings that may affect the Debtors' business from time to time;
- loss of affiliation agreements;
- disruptions or security breaches of the Debtors' information technology infrastructure;
- the future write-off of any material portion of the fair value of the FCC Licenses; and
- the Debtors' ability from time to time to renew one or more of the FCC Licenses.

A discussion of additional risks to the Company's operations, businesses and financial performance is set forth in the Form 10-K and in the other filings Cumulus Media Inc. has made with the SEC. Cumulus Media Inc.'s filings with the SEC are available by visiting the SEC website at http://www.sec.gov.

C. Risk Factors Relating to Securities to Be Issued Under the Plan Generally

1. Public Market for Securities. There is no public market for the New Common Stock or Special Warrants and there can be no assurance as to the development or liquidity of any market for the New Common Stock or Special Warrants, or that the New Common Stock will be listed upon any national securities exchange or any over-the-counter market after the Effective Date. If a trading market does not develop, is not maintained or remains inactive, holders of the New Common Stock and Special Warrants may experience difficulty in reselling such securities or may be unable to sell them at all. Even if such a market were to exist, such securities could trade at prices higher or lower than the estimated value set forth in this Disclosure Statement depending upon many factors, including, without limitation, prevailing interest rates, markets for similar securities, industry conditions, and the performance of, and investor expectations for, the Reorganized Debtors.

Furthermore, persons to whom the New Common Stock or Special Warrants are issued pursuant to the Plan may prefer to liquidate their investments rather than hold such securities on a long-term basis. Accordingly, the market price for such securities could decline and any market that does develop for such securities may be volatile.

2. Potential Dilution. The ownership percentage represented by the New Common Stock distributed on the Effective Date under the Plan will be subject to dilution from the equity issued in connection with the Management Incentive Plan, the Special Warrants, any other shares that may be issued post-emergence, and the conversion of any options, warrants, convertible securities, exercisable securities, or other securities that may be issued post-emergence.

3. Significant Holders. Certain Holders of Allowed Claims are expected to acquire a significant ownership interest in the New Common Stock and/or Special Warrants pursuant to the Plan. If such holders were to act as a group, such holders would be in a position to control the outcome of all actions requiring stockholder approval, including the election of directors, without the approval of other stockholders. This concentration of ownership could also facilitate or hinder a negotiated change of control of the Reorganized Debtors and, consequently, have an impact upon the value of the New Securities.

4. Equity Interests Subordinated to the Reorganized Debtors' Indebtedness. In any subsequent liquidation, dissolution, or winding up of the Reorganized Debtors, the New Common Stock and the Special Warrants (and the New Common Stock issuable upon exercise thereof) would rank below all debt claims against the Reorganized Debtors including claims under the First Lien Exit Credit Agreement and the New Revolving Credit Facility Agreement (if any). As a result, holders of the New Common Stock would not be entitled to receive any payment or other distribution of assets upon the liquidation, dissolution, or winding up of the

Reorganized Debtors until after all the Reorganized Debtors' obligations to their debt holders have been satisfied.

5. No Intention to Pay Dividends. Reorganized Cumulus does not anticipate paying any dividends on the New Common Stock as it expects to retain any future cash flows for debt reduction and to support its operations. In addition, covenants in the documents governing the Reorganized Debtors' indebtedness may restrict their ability to pay cash dividends and may prohibit the payment of dividends and certain other payments. As a result, the success of an investment in the New Common Stock (including the New Common Stock issuable upon exercise of the Special Warrants) will depend entirely upon any future appreciation in the value of the New Common Stock. There is, however, no guarantee that the New Common Stock will appreciate in value or even maintain its initial value.

6. Holders of Class B Common Stock Have Limited Voting Rights. Holders receiving Class B Common Stock (including Class B Common Stock issuable upon conversion of the Special Warrants) will have limited voting rights**,** including a limitation on voting to select members of the board of directors. Conversion of the Class B Common Stock into Class A Common Stock will be limited as set forth in the New Certificate of Incorporation of Reorganized Cumulus and the Equity Allocation Mechanism. As a result, the ability of holders of Class B Common Stock to influence corporate matters may be limited and the market price of Class B Common Stock could be adversely affected.

D. Risks Relating to Regulation

1. The Debtors' Business Depends upon Licenses Issued by the FCC, and If Licenses Were Not Renewed or the Reorganized Debtors Were to Be Out of Compliance with FCC Regulations and Policies, the Reorganized Debtors' Business Would Be Materially Impaired. The Debtors' business depends upon maintaining their broadcasting licenses issued by the FCC, which are issued currently for a maximum term of eight years and are renewable upon timely application to the FCC. Interested parties may challenge a renewal application. The FCC has authority to revoke licenses, not grant renewal applications, or grant renewal with significant qualifications, including renewals for less than a full term of eight years. In the last renewal cycle, all of the Debtors' licenses were renewed; however, the Debtors cannot be certain that the Reorganized Debtors' future renewal applications will be approved, or that the renewals will not include conditions or qualifications that could adversely affect the Reorganized Debtors' operations, could result in material impairment and could adversely affect the Reorganized Debtors' liquidity and financial condition. If any of the Reorganized Debtors' FCC Licenses are not renewed, it could prevent the Reorganized Debtors from operating the affected stations and generating revenue from them. Further, the FCC has a general policy restricting the transferability of a station license while a renewal application for that station is pending. In addition, the Reorganized Debtors must comply with extensive FCC regulations and policies governing the ownership and operation of their radio stations. FCC regulations limit the number of radio stations that a licensee can own in a market, which could restrict the Reorganized Debtors' ability to consummate future transactions. FCC rules governing the Debtors' radio station operations impose costs on their operations, and changes in those rules could have an adverse effect on the Reorganized Debtors' business. The FCC also requires radio stations to comply with certain technical requirements to limit interference between two or more radio

stations. If the FCC relaxes these technical requirements, it could impair the signals transmitted by the Reorganized Debtors' radio stations and could have a material adverse effect on the Reorganized Debtors' business. Moreover, governmental regulations and policies may change over time, and the changes may have a material adverse impact upon the Reorganized Debtors' businesses, financial condition and results of operations.

2. There Will Be FCC Approval Requirements in Connection with Emergence from Chapter 11. The consent of the FCC is required for the assignment of FCC licenses or for the transfer of control of an entity that holds or controls FCC licenses. Except in the case of "involuntary" assignments and transfers of control, prior consent of the FCC is required before an assignment of FCC licenses or a transfer of control of FCC licensees may be consummated.

Upon the commencement of the Chapter 11 Cases, the Debtor Entities that control the FCC Licenses, or the Entities controlling such holders, changed to debtor-in-possession status. The FCC considers this change in status to be an "involuntary" assignment, and after-the-fact approval of this involuntary assignment must be obtained from the FCC. The Debtors' emergence from bankruptcy pursuant to the Plan will require further consent of the FCC to effectuate an assignment of the FCC Licenses from the debtor-in-possession licensees to the Reorganized Debtors. Actions ordered by the Bankruptcy Court, such as appointment of a chapter 11 trustee, could require further consent of the FCC.

The FCC treats emergence from bankruptcy by a licensee or its parent company as a "voluntary" assignment of FCC licenses or a transfer of control of FCC licensees. Prior approval of the FCC is required for such voluntary transfers or assignments. Because the Plan involves, among other things, the issuance of new voting common stock that will effect a substantial change in the ownership of the Debtors under FCC regulations, FCC Approval pursuant to a Long Form Application is required prior to consummating the Plan. As a condition to issuance of the FCC Approval, the FCC may require the Company or certain of its five percent (5%) or greater shareholders to divest one or more radio broadcast stations or other media entities if the ownership of such station or media entity upon consummation of the Plan would cause the Debtors or one of such shareholders to violate the FCC's multiple or cross-ownership rules. An example of such required divestitures is the divestitures described above in Summary of Chapter 11 Plan – Chapter 11 Plan – FCC Licenses.

In addition, the Debtors anticipate filing a Petition for Declaratory Ruling with the FCC to obtain authorization for foreign ownership of the Reorganized Debtors in excess of twenty-five percent (25%). The Debtors cannot guarantee that the FCC will grant the Declaratory Ruling, although the FCC in several recent cases has approved indirect foreign ownership of radio and television broadcast stations in excess of twenty-five percent (25%). In addition, the FCC has imposed conditions in connection with such approvals.

If the Declaratory Ruling is not granted, or is granted to permit a lesser amount of foreign ownership than the Debtors request, the Special Warrants may not be exercisable by holders thereof that are non-U.S. Persons or are owned in whole or in part by non-U.S. Persons, although such Special Warrants would be exercisable if transferred to one or more U.S. Persons. Even if the FCC grants the Declaratory Ruling, the Debtors cannot guarantee that the

Declaratory Ruling will be free from conditions that adversely affect the Debtors' business or the holders of the Special Warrants.

3. Oppositions to the Debtors' Application for FCC Consent to Transfer the FCC Licenses (in Connection with Emerging from Chapter 11) Can Delay the Process. The FCC will allow the application for transfer out of bankruptcy to a "permanent" holder to be filed once the plan of reorganization has been filed with the bankruptcy court, but the FCC will not grant the application until the application has been amended to show that the bankruptcy court has approved the plan of reorganization and authorized the transaction. Generally, three to seven days after submission of the Long Form Application for a voluntary transfer of control, the FCC issues public notice that it has accepted the applications for filing. Interested parties then have 30 days to file petitions to deny the applications. The applicant also is required to give local public notice of the filing of the applications through broadcast announcements and notices in local newspapers serving its broadcast markets. To the extent petitions to deny are filed in this situation, they typically focus on the qualifications of the restructured debtor and its reportable owners, officers and directors to hold or control FCC broadcast licenses.

If petitions to deny are filed against the transfer applications, the applicants will have an opportunity to file an opposition, with the petitioner then having an opportunity to file a reply. The pleading cycle generally will be completed within 60 days. The FCC then will consider the applications and the filings made by the parties to the proceeding.

The FCC's review of applications includes, among other factors, whether the existing media interests of the parties to the application, when combined with the broadcast interests to be acquired in the transaction, will comply with FCC ownership rules. The FCC also considers compliance with limitations on foreign ownership, other legal qualifications, the parties' prior records before the FCC and certain categories of prior adverse determinations against parties to the application by courts and other administrative bodies that the FCC believes are relevant to assessing the qualifications of parties that will hold attributable interests in a broadcast licensee.

If no oppositions are filed against the applications and the FCC finds the applications to be in compliance with its rules and policies and finds the parties to the applications qualified, the FCC may grant the applications shortly after the close of the public notice period. In some instances, the FCC may request that the applicants supply additional information through amendments to the applications. There is no time limit on how long the FCC may consider transfer applications before acting on them, but the FCC has a stated goal of processing all transfer applications within 180 days, and most applications are granted much more quickly. The FCC will not grant the applications, however, until the bankruptcy court has approved a plan of reorganization and the applications have been amended to reflect that the bankruptcy court has authorized the transaction.

Once the FCC has granted a transfer application, it will issue a public notice of the grant. Interested parties opposed to the grant may file for reconsideration for a period of 30 days following public notice of the grant. If the grant is made by the FCC's staff under delegated authority, the FCC may reconsider the action on its own motion for a period of 40 days following issuance of public notice of the grant. Parties are free to close upon the grant of FCC consent even if petitions for reconsideration are filed, but the consummation will be subject to any further

order that the FCC might issue upon reconsideration. Although highly unusual, the FCC may rescind a grant of consent upon reconsideration if it finds that doing so would serve the public interest, convenience and necessity.

The Petition for Declaratory Ruling will follow the same general procedural path as described above for the Long Form Application. In addition, however, the FCC will consult with "Team Telecom," an informal working group of Executive Branch agencies (the Departments of Justice, Homeland Security, and Defense) for coordination and recommendations on national security and foreign policy issues raised by the Petition for Declaratory Ruling. The FCC also may seek additional information and commitments from the Debtors and the future shareholders of Reorganized Cumulus. The FCC typically takes six months or longer to consider a Petition for Declaratory Ruling. While the Debtors expect to ask the FCC to decouple its consideration of the Long Form Application from the Declaratory Ruling, there can be no assurance that the FCC will do so, and grant of the Long Form Application could be delayed.

E. Additional Factors

1. Debtors Could Withdraw Plan. Subject to the terms of, and without prejudice to, the rights of any party to the Restructuring Support Agreement, the Plan may be revoked or withdrawn prior to the Confirmation Date by the Debtors.

2. Debtors Have No Duty to Update. The statements contained in this Disclosure Statement are made by the Debtors as of the date hereof, unless otherwise specified herein, and the delivery of this Disclosure Statement after that date does not imply that there has been no change in the information set forth herein since that date. The Debtors have no duty to update this Disclosure Statement unless otherwise ordered to do so by the Bankruptcy Court.

3. No Representations Outside This Disclosure Statement Are Authorized. No representations concerning or related to the Debtors, the Chapter 11 Cases, or the Plan are authorized by the Bankruptcy Court or the Bankruptcy Code, other than as set forth in this Disclosure Statement. Any representations or inducements made to secure your acceptance or rejection of the Plan that are other than those contained in, or included with, this Disclosure Statement should not be relied upon in making the decision to accept or reject the Plan.

4. No Legal or Tax Advice Is Provided by this Disclosure Statement. The contents of this Disclosure Statement should not be construed as legal, business or tax advice. Each Holder of a Claim is urged to consult its own legal counsel and accountant as to legal, tax, and other matters concerning its Claim. This Disclosure Statement may not be relied upon for any purpose other than to determine how to vote on the Plan or object to confirmation of the Plan.

5. No Representation Made. Nothing contained herein or in the Plan shall constitute a representation of the tax or other legal effects of the Plan on the Debtors or Holders of Claims.

6. Certain Tax Consequences. The tax consequences of the Restructuring Transactions to the Reorganized Debtors may materially differ depending on whether or not it is practicable to implement the Restructuring Transactions as a Taxable Transaction. If it is

practicable to structure as a Taxable Transaction, the Reorganized Debtors would be treated as purchasing certain of the assets of the Debtors for U.S. federal income tax purposes, which would result in an increased tax basis in those assets and increased future tax deductions that can be used to reduce the Reorganized Debtors' tax liability. The Debtor has not yet determined whether it will be practicable to structure the Restructuring Transactions in this manner. For a discussion of certain tax considerations to the Debtors and certain holders of Claims in connection with the implementation of the Plan, see Article X hereof.

XII. SOLICITATION AND VOTING PROCEDURES

The procedures and instructions for voting and/or making elections and related deadlines are set forth in the Disclosure Statement Order, which is attached hereto as Exhibit F. ***The Disclosure Statement Order is incorporated herein by reference and should be read in conjunction with this Disclosure Statement.***

THE DISCUSSION OF THE SOLICITATION AND VOTING PROCESS SET FORTH IN THIS DISCLOSURE STATEMENT IS ONLY A SUMMARY. PLEASE REFER TO THE DISCLOSURE STATEMENT ORDER FOR A MORE COMPREHENSIVE DESCRIPTION OF THE PROCEDURES GOVERNING THE SOLICITATION, VOTING, AND TABULATION PROCESS. TO THE EXTENT OF ANY INCONSISTENCY BETWEEN THIS DISCLOSURE STATEMENT AND THE DISCLOSURE STATEMENT ORDER, THE DISCLOSURE STATEMENT ORDER GOVERNS.

A. Voting Instructions and Release Opt-Out Elections

Only Holders of Credit Agreement Claims, Convenience Claims, Senior Notes Claims and General Unsecured Claims (such classes, the "Voting Classes," and the Claims and record Holders of Claims in the Voting Classes, the "Voting Claims" and the "Voting Holders" respectively) are entitled to vote to accept or reject the Plan. The Debtors are providing Ballots and other materials, including the Confirmation Hearing Notice and the Disclosure Statement Order (collectively, a "Solicitation Package") to the Voting Holders, along with instructions to access the Plan and Disclosure Statement on the Debtors' Case Information Website.

The Debtors are not required to provide a copy of the Solicitation Package to certain Holders of Claims and Interests who: (i) are not classified in accordance with section 1123(a)(1) of the Bankruptcy Code; (ii) are not entitled to vote because they are Unimpaired or deemed to accept the Plan under section 1126(f) of the Bankruptcy Code; or (iii) are not entitled to vote because they are deemed to reject the plan under section 1126(g) of the Bankruptcy Code.

Holders of Subordinated Claims and Holders of Interests in Cumulus Media Inc. will receive notices of non-voting status that include optional election forms that such Holders may complete if they elect not to grant the release in Article VIII.E of the Plan (such forms, "Opt-Out Forms"), along with related disclosures.

Each Ballot and Opt-Out Form contains detailed instructions for completion and submission, as well as disclosures regarding, among other things, the Voting Record Date and Voting Deadline, and the applicable standards for tabulating Ballots.

B. Voting Record Date

The Voting Record Date is February 1, 2018. The Voting Record Date is the record date for determining which entities are entitled to vote on the Plan and receive Solicitation Packages.

C. Voting Deadline

The Voting Deadline is March 23, 2018 at 5:00 p.m. (prevailing Eastern Time). For a vote or opt-out election to count, (i) each Voting Holder or Voting Nominee must properly complete, execute, and deliver its respective Ballot or Master Ballot in accordance with the applicable instructions on the Ballot or Master Ballot; and (ii) each Electing Holder or Voting Nominee must properly complete, execute, and deliver its respective Opt-Out Form in accordance with the instructions set forth on such Opt-Out Form, **in each case to be actually received by the Voting and Claims Agent on or before the Voting Deadline.**

D. Ballots Not Counted

No Ballot will be counted toward Confirmation if, among other things: (i) it is illegible or contains insufficient information to permit the identification of the Holder of the Claim; (ii) it is cast by an Entity that does not hold a Claim in the Class to which the Ballot pertains; (iii) it does not indicate either an acceptance or rejection of the Plan; (iv) it indicates both an acceptance and rejection of the Plan; (v) it is received after the Voting Deadline; (vi) it is submitted by a Holder not entitled to vote pursuant to the Plan; (vii) it is unsigned; (viii) it does not bear an original signature; and (ix) it is transmitted to the Voting and Claims Agent by facsimile or other means not specifically approved in the Disclosure Statement Order.

Please refer to the Disclosure Statement Order for additional information regarding the procedures governing the voting, solicitation, and tabulation process.

XIII. CONFIRMATION OF PLAN

A. Confirmation Hearing

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court to hold a confirmation hearing upon appropriate notice to all required parties. Notice of the Confirmation Hearing will be provided to all known creditors or their representatives. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for the announcement of the continuation date made at the Confirmation Hearing, at any subsequent continued Confirmation Hearing, or pursuant to a notice filed on the docket for the Chapter 11 Cases. **Pursuant to the *Order Establishing Discovery Schedule and Procedures in Connection with Plan Confirmation* [ECF No. 148], the Confirmation Hearing will commence on April 12, 2018 at 10:00 a.m. (prevailing Eastern Time)**.

B. Objections to Confirmation

Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to the confirmation of a plan. Any objection to confirmation of the Plan must: (a) be in writing; (b) conform to the Bankruptcy Rules, the Local Rules, and the Case Management Procedures in these Chapter 11 Cases; (c) set forth the name of the objector, the nature and amount of Claims held or asserted by the objector against the Debtors' estates or properties; (d) state with particularity the basis for the objection and the specific grounds therefore; (e) be filed with the Bankruptcy Court either electronically, through PACER and the Bankruptcy Court's Electronic Case Filing System in accordance with General Order M-399 (which can be found at http://nysb.uscourts.gov) or by mail, courier, or messenger to the Bankruptcy Court's clerk at the following address: United States Bankruptcy Court, One Bowling Green, New York, NY 10004 (the "Clerk's Office"), with a hard copy to the Bankruptcy Court's chambers, together with proof of service thereof; and (f) be served in accordance with General Order M-399 and the Case Management Procedures in these Chapter 11 Cases so as to be **actually received** no later than **March 23, 2018 at 4:00 p.m. (prevailing Eastern Time)** by the following parties:

(a) The Debtors at:

Cumulus Media Inc.
3280 Peachtree Road, NW
Suite 2200
Atlanta, GA 30325
Attention: John Abbot
Richard S. Denning

E-mail: John.Abbot@cumulus.com
Richard.Denning@cumulus.com

(b) Office of the U.S. Trustee at:

Office of the U.S. Trustee for Region 2
U.S. Federal Office Building
201 Varick Street, Suite 1006
New York, NY 10014
Attention: Paul K. Schwartzberg
Greg Zipes

Fax: +1 212 668 2361
E-mail: Paul.Schwartzberg@usdoj.gov
Greg.Zipes@usdoj.gov

(c) Counsel to the Debtors at:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019-6064
Attention: Paul M. Basta
Lewis R. Clayton
Jacob A. Adlerstein
Claudia R. Tobler

Fax: +1 212 757-3990
E-mail: pbasta@paulweiss.com
lclayton@paulweiss.com
jadlerstein@paulweiss.com
ctobler@paulweiss.com

(d) Counsel to the Term Lender Group at:

Arnold & Porter Kaye Scholer LLP
70 West Madison Street, Suite 4200
Chicago, IL 60602-4321
Attention: Michael B. Solow
Michael D. Messersmith
Seth J. Kleinman

Fax: +1 312 583-2360
E-mail: michael.solow@apks.com
michael.messersmith@apks.com
seth.kleinman@apks.com

(e) Counsel to the Committee at:

Akin Gump Strauss Hauer & Feld LLP
One Bryant Park
New York, New York 10036

Attention: Michael S. Stamer
Abid Qureshi
Meredith A. Lahaie

Fax: +1 212 872-1002
E-mail: mstamer@akingump.com
aqureshi@akingump.com
mlahaie@akingump.com

ONLY THOSE RESPONSES OR OBJECTIONS THAT ARE TIMELY SERVED AND FILED WILL BE CONSIDERED BY THE BANKRUPTCY COURT. OBJECTIONS NOT TIMELY FILED AND SERVED IN THE MANNER SET FORTH ABOVE WILL NOT BE CONSIDERED AND WILL BE DEEMED OVERRULED.

Objections must also be served on those parties who have formally appeared and requested service in these cases pursuant to Bankruptcy Rule 2002 and any other parties required to be served pursuant to the Case Management Procedures in these Chapter 11 Cases.

C. Requirements for Confirmation of Plan

1. Requirements of Section 1129(a) of the Bankruptcy Code.

(a) General Requirements. At the Confirmation Hearing, the Bankruptcy Court will determine whether the confirmation requirements specified in section 1129(a) of the Bankruptcy Code have been satisfied including, without limitation, whether:

i. the Plan complies with the applicable provisions of the Bankruptcy Code;

ii. the Debtors have complied with the applicable provisions of the Bankruptcy Code;

iii. the Plan has been proposed in good faith and not by any means forbidden by law;

iv. any payment made or promised by the Debtors or by a person issuing securities or acquiring property under the Plan, for services or for costs and expenses in or in connection with the Chapter 11 Cases, or in connection with the Plan and incident to the Chapter 11 Cases, has been disclosed to the Bankruptcy Court, and any such payment made before confirmation of the Plan is reasonable, or if such payment is to be fixed after confirmation of the Plan, such payment is subject to the approval of the Bankruptcy Court as reasonable;

v. the Debtors have disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the Plan, as a director or officer of the Reorganized Debtors, an affiliate of the Debtors participating in a Plan with the Debtors, or a successor to the Debtors under the Plan, and the appointment to, or continuance in, such office of such individual is consistent with the interests of holders of Claims and Interests and with public policy, and the Debtors have disclosed the identity of any insider who will be

employed or retained by the Reorganized Debtors, and the nature of any compensation for such insider;

vi. with respect to each Class of Claims or Interests, each Holder of an impaired Claim has either accepted the Plan or will receive or retain under the Plan, on account of such Holder's Claim, property of a value, as of the Effective Date of the Plan, that is not less than the amount such Holder would receive or retain if the Debtors were liquidated on the Effective Date of the Plan under chapter 7 of the Bankruptcy Code;

vii. except to the extent the Plan meets the requirements of section 1129(b) of the Bankruptcy Code (as discussed further below), each Class of Claims either accepted the Plan or is not impaired under the Plan;

viii. except to the extent that the Holder of a particular Claim has agreed to a different treatment of such Claim, the Plan provides that administrative expenses and priority Claims, other than priority tax Claims, will be paid in full on the Effective Date, and that priority tax Claims will receive either payment in full on the Effective Date or deferred cash payments over a period not exceeding five years after the Petition Date, of a value, as of the Effective Date of the Plan, equal to the allowed amount of such Claims;

ix. at least one Class of impaired Claims has accepted the Plan, determined without including any acceptance of the Plan by any insider holding a Claim in such Class;

x. confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtors or any successor to the Debtors under the Plan; and

xi. all fees payable under section 1930 of title 28, as determined by the Bankruptcy Court at the Confirmation Hearing, have been paid or the Plan provides for the payment of all such fees on the Effective Date of the Plan.

(b) Best Interests Test. As noted above, with respect to each impaired class of claims and equity interests, confirmation of a plan requires that each such holder either (i) accept the plan or (ii) receive or retain under the plan property of a value, as of the effective date of the plan, that is not less than the value such holder would receive or retain if the debtors were liquidated under chapter 7 of the Bankruptcy Code. This requirement is referred to as the "best interests test."

This test requires a court to determine what the holders of allowed claims and allowed equity interests in each impaired class would receive from a liquidation of the debtor's

assets and properties in the context of a liquidation under chapter 7 of the Bankruptcy Code. To determine if a plan is in the best interests of each impaired class, the value of the distributions from the proceeds of the liquidation of the debtor's assets and properties (after subtracting the amounts attributable to the aforesaid claims) is then compared with the value offered to such classes of claims and equity interests under the plan.

A hypothetical liquidation analysis (the "Liquidation Analysis") has been prepared by A&M solely for purposes of estimating proceeds available in a liquidation under chapter 7 of the Bankruptcy Code ("Chapter 7") of the Debtors' estates, which is attached hereto as Exhibit D. The Liquidation Analysis is based on a number of estimates and assumptions that are inherently subject to significant economic, competitive and operational uncertainties and contingencies that are beyond the control of the Debtors or a trustee under Chapter 7. Further, the actual amounts of claims against the Debtors' estates could vary materially from the estimates set forth in the Liquidation Analysis, depending on, among other things, the claims asserted during Chapter 7. Accordingly, while the information contained in the Liquidation Analysis is necessarily presented with numerical specificity, the Debtors cannot assure you that the values assumed would be realized or the claims estimates assumed would not change if the Debtors were in fact liquidated, nor can assurances be made that the Bankruptcy Court would accept this analysis or concur with these assumptions in making its determination under section 1129(a) of the Bankruptcy Code.

As set forth in detail in the Liquidation Analysis, the Debtors believe that the Plan will produce a greater recovery for the Holders of Claims than would be achieved in a Chapter 7 liquidation. Consequently, the Debtors believe that the Plan, which provides for the continuation of the Debtors' business, will provide a substantially greater ultimate return to the Holders of Claims than would a Chapter 7 liquidation.

The Committee has concerns regarding certain assumptions made in the Liquidation Analysis and believes that the Total Enterprise Value estimated by the Debtors may be materially lower than the enterprise value of the Reorganized Debtors that the Bankruptcy Court may determine following the presentation of evidence at the Confirmation Hearing. Accordingly, the Committee believes that the Debtors cannot satisfy the "best interests of creditors" test under Bankruptcy Code section 1129(a)(7). The Debtors disagree with the Committee's position and believe that the Plan satisfies the "best interests test."

(c) Feasibility. Pursuant to section 1129(a)(11) of the Bankruptcy Code, among other things, the Bankruptcy Court must determine that confirmation of the Plan is not likely to be followed by the liquidation or need for further financial reorganization of the Debtors or any successors to the Debtors under the Plan. This confirmation condition is referred to as the "feasibility" of the Plan. The Debtors believe that the Plan satisfies this requirement. The Company developed financial projections (the "Financial Projections") in connection with developing its business plan. Based upon the Financial Projections, the Debtors believe that the Reorganized Debtors will be able to make all payments required pursuant to the Plan, and therefore, that confirmation of the Plan is not likely to be followed by liquidation or the need for further reorganization. The Debtors also believe that they will be able to repay or refinance on commercially reasonable terms any and all of the indebtedness under the Plan at or prior to the

maturity of such indebtedness. Accordingly, the Debtors believe that the Plan is feasible. The Financial Projections are attached as Exhibit E to this Disclosure Statement.

(d) Equitable Distribution of Voting Power. On or before the Effective Date, pursuant to and only to the extent required by section 1123(a)(6) of the Bankruptcy Code, the organizational documents for the Debtors shall be amended as necessary to satisfy the provisions of the Bankruptcy Code and shall include, among other things, pursuant to section 1123(a)(6) of the Bankruptcy Code, (i) a provision prohibiting the issuance of non-voting equity securities and (ii) a provision setting forth an appropriate distribution of voting power among classes of equity securities possessing voting power.

2. Additional Requirements for Non-Consensual Confirmation. In the event that any impaired Class of Claims or Interests does not accept or is deemed to reject the Plan, the Bankruptcy Court may still confirm the Plan at the request of the Debtors if, as to each impaired Class of Claims or Interests that has not accepted or is deemed to reject the Plan, the Plan "does not discriminate unfairly" and is "fair and equitable" with respect to such Classes of Claims or Interests, pursuant to section 1129(b) of the Bankruptcy Code. Both of these requirements are in addition to other requirements established by case law interpreting the statutory requirements.

(a) Unfair Discrimination Test. The "no unfair discrimination" test applies to Classes of Claims or Interests that are of equal priority and are receiving different treatment under the Plan. A chapter 11 plan does not discriminate unfairly, within the meaning of the Bankruptcy Code, if the legal rights of a dissenting class are treated in a manner consistent with the treatment of other classes whose legal rights are substantially similar to those of the dissenting class and if no class of claims or interests receives more than it legally is entitled to receive for its claims or interests. This test does not require that the treatment be the same or equivalent, but that such treatment be "fair." The Debtors believe the Plan satisfies the "unfair discrimination" test.

(b) Fair and Equitable Test. The "fair and equitable" test applies to classes of different priority and status (*e.g.*, secured versus unsecured) and includes the general requirement that no class of claims receive more than 100% of the allowed amount of the claims in such class. As to dissenting classes, the test sets different standards depending on the type of claims in such class. The Debtors believe that the Plan satisfies the "fair and equitable" test as further explained below.

(i) Secured Creditors. The Bankruptcy Code provides that each holder of an impaired secured claim either (i) retains its liens on the property to the extent of the allowed amount of its secured claim and receives deferred cash payments having a value, as of the effective date, of at least the allowed amount of such claim, (ii) has the right to credit bid the amount of its claim if its property is sold and retains its liens on the proceeds of the sale, or (iii) receives the "indubitable equivalent" of its allowed secured claim. The Plan provides that Holders of impaired secured Claims in Class 3 shall receive, on account of such Allowed Claims, their share of the Term Loan Lender Equity Pool and the First Lien Exit Facility.

(ii) Unsecured Creditors. The Bankruptcy Code provides that either (i) each Holder of an impaired unsecured claim receives or retains under the plan of

reorganization, property of a value equal to the amount of its allowed claim or (ii) the holders of claims and equity interests that are junior to the claims of the dissenting class will not receive any property under the plan of reorganization. Under the Plan, Holders of Allowed Convenience Claims in Class 4 will receive payment in full, *provided* that aggregate distributions on account of such Convenience Claims shall not exceed the Convenience Class Cap. The Plan provides that all Holders of Allowed Senior Notes Claims in Class 5 will receive their share of the distribution of the Unsecured Creditor Equity Pool. The Plan further provides that Holders of Allowed General Unsecured Claims in Class 6 will also receive their share of the distribution of the Unsecured Creditor Equity Pool. Finally, under the Plan Holders of Subordinated Claims in Class 8 will receive no distributions on account of such Subordinated Claims. Accordingly, the Plan meets the "fair and equitable" test with respect to unsecured Claims.

(iii) Equity Interests. With respect to equity interests, the Plan provides that all Interests in Cumulus Media Inc. shall be cancelled without any distributions on account of such Interests. Accordingly, the Plan meets the "fair and equitable" test with respect to those Interests.

XIV. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

The Debtors have evaluated several alternatives to the Plan. After studying these alternatives, the Debtors have concluded that the Plan is the best alternative and will maximize recoveries to parties in interest, assuming confirmation and consummation of the Plan. If the Plan is not confirmed and consummated, the alternatives to the Plan are (i) the preparation and presentation of an alternative plan of reorganization, (ii) a sale of some or all of the Debtors' assets pursuant to section 363 of the Bankruptcy Code, or (iii) a liquidation under chapter 7 of the Bankruptcy Code.

A. Alternative Plan of Reorganization

If the Plan is not confirmed, the Debtors (or if the Debtors' exclusive period in which to file a plan of reorganization has expired, any other party in interest) could attempt to formulate a different plan. Such a plan might involve either a reorganization and continuation of the Debtors' business or an orderly liquidation of the Debtors' assets. The Debtors, however, submit that the Plan, as described herein, enables their creditors to realize the most value under the circumstances.

As set forth in the Valuation Analysis, the Debtors estimate that the midpoint range of the Total Enterprise Value of the Reorganized Debtors on the Effective Date will be $1.6 billion. The Committee believes that the Total Enterprise Value estimated by the Debtors is materially lower than the actual enterprise value of the Reorganized Debtors that the Bankruptcy Court will determine following the presentation of evidence at the Confirmation Hearing. The resolution of this dispute may have a material impact on the recoveries to all creditors.

Nothing contained herein shall be deemed to be the Committee's or its advisors' acceptance or acquiescence to any methodology utilized by the Debtors or their advisors in preparing the Valuation Analysis or the acceptance of acquiescence by the Committee or its

advisors to any proposed value for the Reorganized Debtors. The Committee and its advisors reserve their rights to set forth their own estimates of the enterprise value of the Reorganized Debtors in connection with the consideration of the Plan.

B. Sale Under Section 363 of the Bankruptcy Code

If the Plan is not confirmed, the Debtors could seek from the Bankruptcy Court, after notice and a hearing, authorization to sell their assets under section 363 of the Bankruptcy Code. Holders of Class 3 Credit Agreement Claims would be entitled to credit bid on any property to which their security interest is attached, and to offset their Claims against the purchase price of the property. Alternatively, the security interests in the Debtors' assets held by Holders of Class 3 Credit Agreement Claims would attach to the proceeds of any sale of the Debtors' assets. After these Claims are satisfied, the remaining funds could be used to pay Holders of Claims in Classes 4, 5, and 6. Upon analysis and consideration of this alternative, the Debtors do not believe a sale of their assets under section 363 of the Bankruptcy Code would yield a higher recovery for Holders of Claims than the Plan.

C. Liquidation Under Chapter 7 or Applicable Non-Bankruptcy Law

If no plan can be confirmed, the Chapter 11 Cases may be converted to cases under Chapter 7 of the Bankruptcy Code in which a trustee would be elected or appointed to liquidate the assets of the Debtors for distribution to their creditors in accordance with the priorities established by the Bankruptcy Code. The Liquidation Analysis sets forth the effect that a hypothetical Chapter 7 liquidation would have on the recovery of holders of Allowed Claims and Interests.

As noted in the Liquidation Analysis, the Debtors believe that liquidation under Chapter 7 would result in lower distributions to creditors than those provided for under the Plan. Among other things, the value that the Debtors expect to obtain from their assets in a Chapter 7 liquidation, instead of continuing as a going concern as provided in the Plan, would be materially less. A Chapter 7 liquidation would also generate more unsecured claims against the Debtors' estates from, among other things, damages related to rejected contracts and the failure to satisfy post-liquidation obligations. In addition, a Chapter 7 liquidation would result in a delay from the conversion of the cases and the additional administrative expenses associated with the appointment of a trustee and the trustee's retention of professionals, who would be required to become familiar with the many legal and factual issues in the Debtors' Chapter 11 Cases.

XV. MISCELLANEOUS PROVISIONS

A. Immediate Binding Effect

Subject to Article IX.A of the Plan and notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Plan and the Plan Supplement shall be immediately effective and enforceable and deemed binding upon the Debtors, the Reorganized Debtors, and any and all Holders of Claims or Interests (irrespective of whether their Claims or Interests are deemed to have accepted the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, discharges, and injunctions described in the Plan, each Entity acquiring property under the Plan, and any and

all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors and each of their respective heirs executors, administrators, successors, and assigns.

B. Further Assurances

On or before the Effective Date, the Debtors may File with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors or Reorganized Debtors, as applicable, and all Holders receiving distributions pursuant to the Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

C. Statutory Committee and Cessation of Fee and Expense Payment

On the Effective Date, the Committee appointed in the Chapter 11 Cases shall dissolve and members thereof shall be released and discharged from all rights and duties from or related to the Chapter 11 Cases. The Reorganized Debtors shall no longer be responsible for paying any fees or expenses incurred by the Committee on and after the Effective Date.

D. Reservation of Rights

Except as expressly set forth in the Plan, the Plan shall have no force or effect unless the Bankruptcy Court enters the Confirmation Order, and the Confirmation Order shall have no force or effect if the Effective Date does not occur. None of the Filing of the Plan, any statement or provision contained in the Plan, or the taking of any action by any Debtor or any other Entity with respect to the Plan, the Disclosure Statement, or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of any Debtor or other Entity before the Effective Date.

E. Successors and Assigns

The rights, benefits, and obligations of any Entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, receiver, trustee, successor, assign, Affiliate, officer, director, agent, representative, attorney, beneficiary, or guardian, if any, of such Entity.

F. Entire Agreement

Except as otherwise indicated, the Plan and the Plan Supplement supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan and the Plan Supplement.

G. Exhibits

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of the Plan as if set forth in full in the Plan. After the exhibits and documents are

Filed, copies of such exhibits and documents shall be available upon written request to the Debtors' counsel at the address above or by downloading such exhibits and documents from the Debtors' Case Information Website at http://dm.epiq11.com/cumulus or the Bankruptcy Court's website at http://www.nysb.uscourts.gov. To the extent any exhibit or document is inconsistent with the terms of the Plan, unless otherwise ordered by the Bankruptcy Court, the non-exhibit or non-document portion of the Plan shall control.

H. Severability of Plan Provisions

If, before Confirmation, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court, at the request of the Debtors in consultation with the Restructuring Support Parties, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, the Plan Supplement, the New Corporate Governance Documents, the First Lien Exit Facility Documents, and the New Revolving Credit Facility Documents (if any), as any of such documents may have been altered or interpreted in accordance with the foregoing, are: (i) valid and enforceable pursuant to their terms; (ii) integral to the Plan and may not be deleted or modified without the consent of the parties thereto; and (iii) non-severable and mutually dependent.

I. Votes Solicited in Good Faith

Upon entry of the Confirmation Order, the Debtors shall be deemed to have solicited votes on the Plan in good faith and in compliance with the Bankruptcy Code and other applicable law, and pursuant to sections 1125(e), 1125(g), and 1126(b) of the Bankruptcy Code, the Debtors, the Restructuring Support Parties, and each of their respective Affiliates, and each of their and their Affiliates' agents, representatives, members, principals, shareholders, officers, directors, employees, advisors, and attorneys, in each case solely in their respective capacities as such, will be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale, and purchase of New Securities offered and sold under the Plan and any previous plan and, therefore, no such parties, individuals, or the Reorganized Debtors will have any liability for the violation of any applicable law, rule, or regulation governing the solicitation of votes on the Plan or the offer, issuance, sale, or purchase of the New Securities offered and sold under the Plan or any previous plan.

J. Closing of Chapter 11 Cases

The Reorganized Debtors shall, promptly after the full administration of the Chapter 11 Cases, File with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order necessary to close the Chapter 11 Cases.

K. Conflicts

To the extent that any provision of the Disclosure Statement, the Plan Supplement, or any other document referenced in the Plan (or any exhibits, schedules, appendices, supplements, or amendments to any of the foregoing), conflicts with or is in any way inconsistent with the Confirmation Order, the Confirmation Order shall govern and control. Moreover, to the extent that any provision of the Restructuring Support Agreement conflicts with or is in any way inconsistent with the Plan, the Plan shall govern and control in all respects.

[*Remainder of page intentionally left blank.*]

XVI. CONCLUSION AND RECOMMENDATION

The Debtors believe the Plan is in the best interests of all stakeholders and urge the Holders of Voting Classes to vote in favor thereof.

Dated: January 31, 2018
New York, New York

CUMULUS MEDIA INC.
(on behalf of itself and each of its Debtor affiliates)

/s/ John Abbot
John Abbot
Executive Vice President, Treasurer, and Chief Financial Offer
Cumulus Media Inc.

EXHIBIT B

REDLINE OF REVISED DISCLOSURE STATEMENT AGAINST DISCLOSURE STATEMENT FILED ON JANUARY 18, 2018

THIS IS NOT A SOLICITATION OF VOTES TO ACCEPT OR REJECT THE PLAN IN ACCORDANCE WITH BANKRUPTCY CODE SECTION 1125 AND WITHIN THE MEANING OF BANKRUPTCY CODE SECTION 1126. THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED BY THE COURT. THIS DISCLOSURE STATEMENT WILL BE SUBMITTED TO THE COURT FOR APPROVAL. THE INFORMATION IN THIS DISCLOSURE STATEMENT IS SUBJECT TO CHANGE.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	**Chapter 11**
CUMULUS MEDIA INC., *et al.*,	**Case No. 17-13381 (SCC)**
Debtors.[1]	**(Jointly Administered)**

DISCLOSURE STATEMENT FOR FIRST AMENDED JOINT PLAN OF REORGANIZATION OF CUMULUS MEDIA INC. AND ITS DEBTOR AFFILIATES PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

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Dated: January ~~18~~31, 2018

[1] The last four digits of Cumulus Media Inc.'s tax identification number are 9663. Because of the large number of Debtors in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at http://dm.epiq11.com/cumulus. The location of the Debtors' service address is: 3280 Peachtree Road, N.W., Suite 2200, Atlanta, Georgia 30305.

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EXHIBITS

[2] On January 4, 2018, the Debtors filed the *Debtors' Motion for Entry of an Order Approving (A) the Adequacy of the Disclosure Statement; (B) Solicitation and Notice Procedures with Respect to Confirmation of the Joint Plan of Reorganization of Cumulus Media Inc. and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code; (C) the Form of Ballots and Notices in Connection Therewith; (D) the Scheduling of Certain Dates with Respect Thereto; and (E) Related Relief* [ECF No. 176] (the "Disclosure Statement Motion"). As of the filing of this Disclosure Statement, the Disclosure Statement Motion has not yet been approved. The Debtors will include a copy of the Disclosure Statement Order (as defined herein) in the Solicitation Package.

I. INTRODUCTION

A. Overview

Cumulus Media Inc. and certain of its affiliates, as debtors and debtors in possession in the above-captioned cases (collectively, the "Debtors" and together with their non-debtor affiliates, the "Company" or "Cumulus Media") are sending you this document and the accompanying materials (this "Disclosure Statement") because you are a creditor that may be entitled to vote to approve the *First Amended Joint Plan of Reorganization of Cumulus Media Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code,* dated January ~~[●]~~**31**, 2018, as the same may be amended from time to time [ECF No. [●]] (the "Plan"). The Plan is attached hereto as Exhibit A.

All capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Plan or Disclosure Statement Order, as applicable. To the extent that a definition of a term in the text of this Disclosure Statement and the definition of such term in the Plan are inconsistent, the definition included in the Plan controls and governs.

The Debtors are soliciting your vote to approve the Plan (the "Solicitation") *ONLY* upon the Bankruptcy Court (i) approving this Disclosure Statement as containing adequate information, and (ii) approving the solicitation of votes as being in compliance with sections 1125 and 1126(b) of the Bankruptcy Code.

The Plan is the final step of the Company's balance sheet restructuring. Among other benefits, the Plan:

- Reduces the Company's pro forma indebtedness by $1.039 billion versus its existing capital structure;
- Capitalizes the Company with favorable debt terms, including an extended maturity date; and
- Has the support of the requisite majorities of the Debtors' prepetition secured lenders, the Debtors' largest creditor constituency.

Through the restructuring, the Debtors expect to create a sustainable capital structure that positions Cumulus Media for success in the demanding radio broadcasting industry. The Plan's deleveraging of the Debtors' balance sheet affords the Company a "fresh start" and provides a foundation for the long-term sustainability of the Company's businesses for the benefit of its employees and customers.

The Plan provides for the treatment of Allowed Claims against, and Interests in, the Debtors as follows (the securities issuable under the Plan are referred to in this Disclosure

Statement as "New Common Stock" and the "Special Warrants," and, collectively, the "New Securities"):[3]

- Secured Claims under the Debtors' Credit Agreement. Each Holder of an Allowed Credit Agreement Claim will receive its *pro rata* share and interest in: (i) $1.3 billion in principal amount of first lien term loans (the "First Lien Exit Facility"); and (ii) 83.5% of the issued and outstanding amount of the New Securities, subject to dilution on account of the Management Incentive Plan (the "Term Loan Lender Equity Pool").

- General Unsecured Claims of $20,000 or Less. Subject to certain conditions, including that the Allowed Convenience Claims do not exceed $2 million in the aggregate, each Holder of an Allowed Convenience Claim—that is, a Holder of a General Unsecured Claim of $20,000 or less or a Holder of an Allowed General Unsecured Claim in a greater amount who voluntarily elects to reduce its Claim to $20,000—will receive Cash in an amount equal to 100% of its Allowed Convenience Claim.

- Senior Notes Claims and Other General Unsecured Claims. Each Holder of an Allowed Senior Notes Claim and each Holder of an Allowed General Unsecured Claim (which does not include Allowed Convenience Claims) will receive its *pro rata* share and interest in 16.5% of the issued and outstanding amount of the New Securities, subject to dilution on account of the Management Incentive Plan (the "Unsecured Creditor Equity Pool").

- Cumulus Media Inc. Common Stock and Warrants. All warrants and common stock of all classes of Cumulus Media Inc. will be cancelled and discharged, and Holders of such Interests will not receive any distribution on account thereof.

The Plan does not provide for the substantive consolidation of any of the Debtors' estates. The Chapter 11 Cases have been consolidated for procedural purposes only and are being jointly administered pursuant to an order of the Bankruptcy Court. Accordingly, the Plan constitutes a separate plan of reorganization for each Debtor in the Chapter 11 Cases.

ONLY HOLDERS OF CREDIT AGREEMENT CLAIMS (CLASS 3), CONVENIENCE CLAIMS (CLASS 4), SENIOR NOTES CLAIMS (CLASS 5), AND GENERAL UNSECURED CLAIMS (CLASS 6) ARE ENTITLED TO VOTE ON THE PLAN AND ARE BEING SOLICITED UNDER THIS DISCLOSURE STATEMENT.

RECOMMENDATION BY THE BOARD AND CREDITOR SUPPORT

The board of directors of Cumulus Media Inc. (the "Board"), and the board of directors of each of its Debtor affiliates, have approved the transactions contemplated by the Plan and recommend that all creditors whose votes are being solicited submit ballots to **accept** the Plan.

[3] The narrative contained herein is for descriptive purposes only. To the extent of any inconsistency between the Disclosure Statement and the Plan, the Plan governs.

Holders of approximately 71% in outstanding principal amount of the Credit Agreement Claims entitled to vote on the Plan have already committed, subject to certain terms and conditions, including the filing of this Disclosure Statement, to vote in favor of the Plan pursuant to a Restructuring Support Agreement.[4]

COMMITTEE STATEMENT

~~**VOTING DEADLINE:**~~
~~**5:00 P.M. PREVAILING EASTERN TIME ON MARCH 23, 2018**~~

~~(unless extended by the Debtors)~~

~~**BENEFICIAL HOLDERS WHO HOLD THEIR CLAIMS THROUGH VOTING NOMINEES MUST RETURN SUCH BENEFICIAL HOLDER BALLOTS TO THEIR RESPECTIVE VOTING NOMINEES AS SOON AS POSSIBLE TO ALLOW SUFFICIENT TIME FOR VOTING NOMINEES TO VALIDATE AND INCLUDE THEIR VOTES ON A MASTER BALLOT AND RETURN SUCH MASTER BALLOTS TO THE VOTING AND CLAIMS AGENT ON OR BEFORE THE PLAN VOTING DEADLINE.**~~

~~**FOR YOUR VOTE TO BE COUNTED, THE MASTER BALLOT SUBMITTED ON YOUR BEHALF MUST BE ACTUALLY RECEIVED BY THE VOTING AND CLAIMS AGENT ON OR BEFORE THE PLAN VOTING DEADLINE.**~~

~~**IF YOU HOLD YOUR CLAIMS DIRECTLY, YOU MUST RETURN YOUR COMPLETED BALLOT TO THE VOTING AND CLAIMS AGENT ON OR BEFORE THE PLAN VOTING DEADLINE.**~~

The Official Committee of Unsecured Creditors appointed in the Chapter 11 Cases (the "Committee") believes that the Total Enterprise Value estimated by the Debtors is materially lower than the enterprise value of the Reorganized Debtors that the Bankruptcy Court may determine following the presentation of evidence at the hearing to consider confirmation of the Plan. The Official Committee of Unsecured Creditors recommends that all creditors submit ballots to reject the Plan.

The Debtors vigorously dispute the Committee's position and will present evidence at the Plan confirmation hearing supporting the Debtors' estimated Total Enterprise Value.

VOTING DEADLINE:
5:00 P.M. PREVAILING EASTERN TIME ON MARCH 23, 2018

(unless extended by the Debtors)

[4] A copy of the Restructuring Support Agreement is attached as Exhibit D to the *Declaration of John F. Abbot in Support of Chapter 11 Petition and First Day Motions* [ECF No. 17] (the "First Day Declaration").

BENEFICIAL HOLDERS WHO HOLD THEIR CLAIMS THROUGH VOTING NOMINEES MUST RETURN SUCH BENEFICIAL HOLDER BALLOTS TO THEIR RESPECTIVE VOTING NOMINEES AS SOON AS POSSIBLE TO ALLOW SUFFICIENT TIME FOR VOTING NOMINEES TO VALIDATE AND INCLUDE THEIR VOTES ON A MASTER BALLOT AND RETURN SUCH MASTER BALLOTS TO THE VOTING AND CLAIMS AGENT ON OR BEFORE THE PLAN VOTING DEADLINE.

FOR YOUR VOTE TO BE COUNTED, THE MASTER BALLOT SUBMITTED ON YOUR BEHALF MUST BE ACTUALLY RECEIVED BY THE VOTING AND CLAIMS AGENT ON OR BEFORE THE PLAN VOTING DEADLINE.

IF YOU HOLD YOUR CLAIMS DIRECTLY, YOU MUST RETURN YOUR COMPLETED BALLOT TO THE VOTING AND CLAIMS AGENT ON OR BEFORE THE PLAN VOTING DEADLINE.

THE DEBTORS ARE PROVIDING THE INFORMATION IN THIS DISCLOSURE STATEMENT TO HOLDERS OF CLAIMS FOR THE PURPOSE OF SOLICITING VOTES TO ACCEPT OR REJECT THE PLAN. NOTHING IN THIS DISCLOSURE STATEMENT MAY BE RELIED UPON OR USED BY ANY ENTITY FOR ANY PURPOSE OTHER THAN TO DETERMINE HOW TO VOTE ON THE PLAN. BEFORE DECIDING WHETHER TO VOTE FOR OR AGAINST THE PLAN, EACH HOLDER ENTITLED TO VOTE SHOULD CAREFULLY CONSIDER ALL OF THE INFORMATION IN THIS DISCLOSURE STATEMENT, INCLUDING ALL ATTACHED EXHIBITS AND DOCUMENTS INCORPORATED INTO THIS DISCLOSURE STATEMENT, AS WELL AS THE RISK FACTORS DESCRIBED IN ARTICLE XI OF THIS DISCLOSURE STATEMENT.

UPON CONFIRMATION OF THE PLAN, THE NEW SECURITIES DESCRIBED IN THIS DISCLOSURE STATEMENT WILL BE ISSUED WITHOUT REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), ANY STATE SECURITIES LAWS ("BLUE SKY LAWS"), OR ANY SIMILAR U.S. FEDERAL, STATE OR LOCAL LAWS TO PERSONS RESIDENT OR OTHERWISE LOCATED IN THE UNITED STATES IN RELIANCE ON THE EXEMPTION SET FORTH IN SECTION 1145 OF THE BANKRUPTCY CODE.

NO NEW SECURITIES TO BE ISSUED PURSUANT TO THE PLAN HAVE BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "SEC") OR BY ANY STATE SECURITIES COMMISSION OR SIMILAR PUBLIC, GOVERNMENTAL OR REGULATORY AUTHORITY. THIS DISCLOSURE STATEMENT HAS NOT BEEN FILED FOR APPROVAL WITH THE SEC OR ANY STATE AUTHORITY, AND NEITHER THE SEC NOR ANY STATE AUTHORITY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DISCLOSURE STATEMENT OR UPON THE MERITS OF THE PLAN. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE IN THE UNITED STATES. NEITHER THIS SOLICITATION NOR THIS DISCLOSURE STATEMENT CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN

OFFER TO BUY SECURITIES IN ANY STATE OR JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED.

THIS DISCLOSURE STATEMENT CONTAINS "FORWARD-LOOKING STATEMENTS." SUCH STATEMENTS CONSIST OF ANY STATEMENT OTHER THAN A RECITATION OF HISTORICAL FACT AND CAN BE IDENTIFIED BY THE USE OF FORWARD-LOOKING TERMINOLOGY SUCH AS "MAY," "EXPECT," "ANTICIPATE," "ESTIMATE" OR "CONTINUE" OR THE NEGATIVE THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. THE DEBTORS CONSIDER ALL STATEMENTS REGARDING ANTICIPATED OR FUTURE MATTERS TO BE FORWARD-LOOKING STATEMENTS.

THE READER IS CAUTIONED THAT ALL FORWARD-LOOKING STATEMENTS ARE NECESSARILY SPECULATIVE AND THERE ARE CERTAIN RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL EVENTS OR RESULTS TO DIFFER MATERIALLY FROM THOSE PRESENTED IN SUCH FORWARD-LOOKING STATEMENTS, INCLUDING BUT NOT LIMITED TO RISKS AND UNCERTAINTIES RELATING TO:

- any future effects as a result of the pendency of the Chapter 11 Cases;
- the Debtors' liquidity and financial outlook;
- reductions in the Debtors' revenue from market pressures, increased competition or otherwise;
- the Debtors' ability to attract, motivate and/or retain their employees necessary to operate competitively in the Debtors' industry;
- changes in interest rates;
- the Debtors' ability to effectively manage costs;
- the Debtors' ability to drive and manage growth;
- the popularity of radio as a broadcasting and advertising medium;
- changing consumer tastes;
- industry conditions, including existing competition and future competitive technologies;
- the impact of general economic and political conditions in the United States or in specific markets in which the Debtors currently do business;

- cancellation, disruptions or postponements of advertising schedules in response to national or world events;
- the Debtors' ability to generate revenues from new sources, including digital initiatives;
- the impact of regulatory rules or proceedings that may affect the Debtors' business from time to time;
- loss of affiliation agreements;
- disruptions or security breaches of the Debtors' information technology infrastructure;
- the future write off of any material portion of the Debtors' FCC broadcast licenses;
- the Debtors' ability from time to time to renew one or more of their broadcast licenses;
- the Debtors' ability to generate sufficient cash flows to service or refinance debt and other obligations post-emergence;
- the implementation of the Restructuring Transactions; and
- the Company's success at managing the foregoing risks.

STATEMENTS CONCERNING THESE AND OTHER MATTERS ARE NOT GUARANTEES OF THE REORGANIZED DEBTORS' FUTURE PERFORMANCE. THERE ARE RISKS, UNCERTAINTIES, AND OTHER IMPORTANT FACTORS THAT COULD CAUSE THE REORGANIZED DEBTORS' ACTUAL PERFORMANCE OR ACHIEVEMENTS TO BE DIFFERENT FROM THOSE THEY MAY PROJECT, AND THE DEBTORS UNDERTAKE NO OBLIGATION TO UPDATE THE PROJECTIONS MADE HEREIN, EXCEPT AS MAY BE REQUIRED BY APPLICABLE LAW. THE LIQUIDATION ANALYSIS, PROJECTIONS AND OTHER INFORMATION CONTAINED HEREIN AND ATTACHED HERETO ARE ESTIMATES ONLY, AND THE VALUE OF THE PROPERTY DISTRIBUTED TO HOLDERS OF ALLOWED CLAIMS MAY BE AFFECTED BY MANY FACTORS THAT CANNOT BE PREDICTED. THEREFORE, ANY ANALYSES, ESTIMATES OR RECOVERY PROJECTIONS MAY OR MAY NOT TURN OUT TO BE ACCURATE. FOR MORE INFORMATION REGARDING THE FACTORS THAT MAY CAUSE ACTUAL RESULTS TO DIFFER FROM THOSE PRESENTED IN THE FORWARD-LOOKING STATEMENTS, PLEASE REFER TO ARTICLE XI – CERTAIN RISK FACTORS TO BE CONSIDERED OF THIS DISCLOSURE STATEMENT AND "ITEM 1A – RISK FACTORS" OF THE ANNUAL REPORT ON FORM 10-K FOR THE

YEAR ENDED DECEMBER 31, 2016 OF CUMULUS MEDIA INC., FILED WITH THE SEC.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED PURSUANT TO SECTION 1125 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3016 AND IS NOT NECESSARILY IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER SIMILAR LAWS.

THE DEBTORS RECOMMEND THAT POTENTIAL RECIPIENTS OF ANY NEW SECURITIES PURSUANT TO THE PLAN CONSULT THEIR OWN LEGAL COUNSEL CONCERNING THE SECURITIES LAWS GOVERNING THE TRANSFERABILITY OF ANY SUCH SECURITIES.

NO LEGAL OR TAX ADVICE IS PROVIDED TO YOU BY THIS DISCLOSURE STATEMENT. THE DEBTORS URGE EACH HOLDER OF A CLAIM TO CONSULT WITH ITS OWN ADVISORS WITH RESPECT TO ANY LEGAL, FINANCIAL, SECURITIES, TAX OR BUSINESS ADVICE IN REVIEWING THIS DISCLOSURE STATEMENT, THE PLAN AND EACH OF THE PROPOSED TRANSACTIONS CONTEMPLATED THEREBY. FURTHER, THE BANKRUPTCY COURT'S APPROVAL OF THE ADEQUACY OF DISCLOSURES CONTAINED IN THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL OF THE MERITS OF THE PLAN OR A GUARANTEE BY THE BANKRUPTCY COURT OF THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN.

THIS DISCLOSURE STATEMENT CONTAINS, AMONG OTHER THINGS, SUMMARIES OF THE PLAN, CERTAIN STATUTORY PROVISIONS, CERTAIN EVENTS IN THE DEBTORS' CHAPTER 11 CASES, AND CERTAIN DOCUMENTS RELATED TO THE PLAN THAT ARE ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE OR THAT MAY BE FILED LATER WITH THE PLAN SUPPLEMENT. ALTHOUGH THE DEBTORS BELIEVE THAT THESE SUMMARIES ARE FAIR AND ACCURATE, THESE SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY TO THE EXTENT THAT THE SUMMARIES DO NOT SET FORTH THE ENTIRE TEXT OF SUCH DOCUMENTS OR STATUTORY PROVISIONS OR EVERY DETAIL OF SUCH EVENTS. IN THE EVENT OF ANY CONFLICT, INCONSISTENCY OR DISCREPANCY BETWEEN A DESCRIPTION IN THIS DISCLOSURE STATEMENT AND THE TERMS AND PROVISIONS OF THE PLAN OR ANY OTHER DOCUMENTS, THE PLAN OR SUCH OTHER DOCUMENTS WILL GOVERN AND CONTROL FOR ALL PURPOSES. EXCEPT AS OTHERWISE SPECIFICALLY NOTED, FACTUAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAS BEEN PROVIDED BY THE DEBTORS' MANAGEMENT. THE DEBTORS DO NOT REPRESENT OR WARRANT THAT THE INFORMATION CONTAINED HEREIN OR ATTACHED HERETO IS WITHOUT ANY MATERIAL INACCURACY OR OMISSION.

IN PREPARING THIS DISCLOSURE STATEMENT, THE DEBTORS RELIED ON FINANCIAL DATA DERIVED FROM THE DEBTORS' BOOKS AND RECORDS, AND

ON VARIOUS ASSUMPTIONS REGARDING THE DEBTORS' BUSINESS. THE DEBTORS' MANAGEMENT HAS REVIEWED THE FINANCIAL INFORMATION PROVIDED IN THIS DISCLOSURE STATEMENT. ALTHOUGH THE DEBTORS HAVE USED THEIR REASONABLE BUSINESS JUDGMENT TO ENSURE THE ACCURACY OF THE FINANCIAL INFORMATION CONTAINED IN, OR INCORPORATED BY REFERENCE INTO, THIS DISCLOSURE STATEMENT, THIS DISCLOSURE STATEMENT HAS NOT BEEN AUDITED (UNLESS OTHERWISE EXPRESSLY PROVIDED HEREIN) AND NO REPRESENTATIONS OR WARRANTIES ARE MADE AS TO THE ACCURACY OF THE FINANCIAL INFORMATION CONTAINED HEREIN OR ASSUMPTIONS REGARDING THE DEBTORS' BUSINESS AND ITS FUTURE RESULTS AND OPERATIONS. THE DEBTORS EXPRESSLY CAUTION READERS NOT TO PLACE UNDUE RELIANCE ON ANY FORWARD-LOOKING STATEMENTS CONTAINED HEREIN.

NONE OF THIS DISCLOSURE STATEMENT, THE PLAN, THE CONFIRMATION ORDER, OR THE PLAN SUPPLEMENT WAIVES ANY RIGHTS OF THE DEBTORS WITH RESPECT TO THE HOLDERS OF CLAIMS OR INTERESTS PRIOR TO THE EFFECTIVE DATE. RATHER, THIS DISCLOSURE STATEMENT SHALL CONSTITUTE A STATEMENT MADE IN SETTLEMENT NEGOTIATIONS RELATED TO POTENTIAL CONTESTED MATTERS, POTENTIAL ADVERSARY PROCEEDINGS AND OTHER PENDING OR THREATENED LITIGATION OR ACTIONS.

NO RELIANCE SHOULD BE PLACED ON THE FACT THAT A PARTICULAR LITIGATION CLAIM OR PROJECTED OBJECTION TO A PARTICULAR CLAIM IS OR IS NOT IDENTIFIED IN THIS DISCLOSURE STATEMENT. EXCEPT AS PROVIDED UNDER THE PLAN, THE DEBTORS OR THE REORGANIZED DEBTORS MAY SEEK TO INVESTIGATE, FILE AND PROSECUTE CLAIMS AND CAUSES OF ACTION AND MAY OBJECT TO CLAIMS AFTER CONFIRMATION OR THE EFFECTIVE DATE OF THE PLAN IRRESPECTIVE OF WHETHER THIS DISCLOSURE STATEMENT IDENTIFIES ANY SUCH CLAIMS OR OBJECTIONS TO CLAIMS ON THE TERMS SPECIFIED IN THE PLAN.

UNLESS OTHERWISE EXPRESSLY NOTED, THE DEBTORS ARE GENERALLY MAKING THE STATEMENTS AND PROVIDING THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT AS OF THE PETITION DATE WHERE FEASIBLE. ALTHOUGH THE DEBTORS MAY SUBSEQUENTLY UPDATE THE INFORMATION IN THIS DISCLOSURE STATEMENT, THE DEBTORS HAVE NO AFFIRMATIVE DUTY TO DO SO. HOLDERS OF CLAIMS REVIEWING THIS DISCLOSURE STATEMENT SHOULD NOT INFER THAT, AT THE TIME OF THEIR REVIEW, THE FACTS SET FORTH HEREIN HAVE NOT CHANGED SINCE THIS DISCLOSURE STATEMENT WAS SENT. INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION, MODIFICATION OR AMENDMENT. THE DEBTORS RESERVE THE RIGHT TO FILE AN AMENDED OR MODIFIED PLAN AND RELATED DISCLOSURE STATEMENT FROM TIME TO TIME, SUBJECT TO THE TERMS OF THE RESTRUCTURING SUPPORT AGREEMENT.

THE DEBTORS HAVE NOT AUTHORIZED ANY ENTITY TO GIVE ANY INFORMATION ABOUT OR CONCERNING THE PLAN OTHER THAN THAT WHICH IS CONTAINED IN THIS DISCLOSURE STATEMENT. THE DEBTORS HAVE NOT AUTHORIZED ANY REPRESENTATIONS CONCERNING THE DEBTORS OR THE VALUE OF THEIR PROPERTY OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT.

HOLDERS OF CLAIMS ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN MUST RELY ON THEIR OWN EVALUATION OF THE COMPANY AND THEIR OWN ANALYSES OF THE TERMS OF THE PLAN IN DECIDING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN. IMPORTANTLY, PRIOR TO DECIDING WHETHER AND HOW TO VOTE ON THE PLAN, EACH HOLDER OF A CLAIM IN A VOTING CLASS SHOULD REVIEW THE PLAN IN ITS ENTIRETY AND CONSIDER CAREFULLY ALL OF THE INFORMATION IN THIS DISCLOSURE STATEMENT AND ANY EXHIBITS HERETO.

IF THE PLAN IS CONFIRMED BY THE BANKRUPTCY COURT AND THE EFFECTIVE DATE OCCURS, ALL HOLDERS OF CLAIMS AND INTERESTS (INCLUDING THOSE HOLDERS OF CLAIMS AND INTERESTS WHO DO NOT SUBMIT BALLOTS TO ACCEPT OR REJECT THE PLAN, WHO VOTE TO REJECT THE PLAN, OR WHO ARE NOT ENTITLED TO VOTE ON THE PLAN) AGAINST THE DEBTORS WILL BE BOUND BY THE TERMS OF THE PLAN AND THE TRANSACTIONS CONTEMPLATED THEREBY.

NOTWITHSTANDING ANY RIGHTS OF APPROVAL PURSUANT TO THE RESTRUCTURING SUPPORT AGREEMENT OR OTHERWISE AS TO THE FORM OR SUBSTANCE OF THIS DISCLOSURE STATEMENT, THE PLAN OR ANY OTHER DOCUMENT RELATING TO THE TRANSACTIONS CONTEMPLATED THEREUNDER, NONE OF THE CREDITORS WHO HAVE EXECUTED THE RESTRUCTURING SUPPORT AGREEMENT, OR THEIR RESPECTIVE REPRESENTATIVES, MEMBERS, FINANCIAL OR LEGAL ADVISORS OR AGENTS, HAS INDEPENDENTLY VERIFIED THE INFORMATION CONTAINED HEREIN, TAKES ANY RESPONSIBILITY THEREFOR, OR SHOULD HAVE ANY LIABILITY WITH RESPECT THEREWITH, AND NONE OF THE FOREGOING ENTITIES OR PERSONS MAKES ANY REPRESENTATIONS OR WARRANTIES WHATSOEVER CONCERNING THE INFORMATION CONTAINED HEREIN.

THE CONFIRMATION AND EFFECTIVENESS OF THE PLAN ARE SUBJECT TO CERTAIN MATERIAL CONDITIONS PRECEDENT DESCRIBED HEREIN AND SET FORTH IN ARTICLE IX OF THE PLAN. THERE IS NO ASSURANCE THAT THE PLAN WILL BE CONFIRMED, OR, IF CONFIRMED, THAT THE CONDITIONS REQUIRED TO BE SATISFIED FOR THE PLAN TO BECOME EFFECTIVE WILL BE SATISFIED (OR WAIVED).

ALL EXHIBITS TO THIS DISCLOSURE STATEMENT ARE INCORPORATED INTO AND ARE A PART OF THIS DISCLOSURE STATEMENT AS IF SET FORTH IN FULL HEREIN.

B. Who Is Entitled to Vote

Under the Bankruptcy Code, only holders of claims or interests in "impaired" classes are entitled to vote on the plan (unless, for reasons discussed in more detail below, such holders are deemed to reject the plan pursuant to section 1126(g) of the Bankruptcy Code). Under section 1124 of the Bankruptcy Code, a class of claims or interests is deemed to be "impaired" unless (i) the plan leaves unaltered the legal, equitable, and contractual rights to which such claim or interest entitles the holder thereof or (ii) notwithstanding any legal right to an accelerated payment of such claim or interest, the plan, among other things, cures all existing defaults (other than defaults resulting from the occurrence of bankruptcy events) and reinstates the maturity of such claim or interest as it existed before the default.

There are four (4) creditor groups entitled to vote on the Plan whose acceptances of the Plan are being solicited: Credit Agreement Claims (Class 3), Convenience Claims (Class 4), Senior Notes Claims (Class 5), and General Unsecured Claims (Class 6).

THE PLAN PROVIDES THAT THE FOLLOWING HOLDERS OF CLAIMS AND INTERESTS ARE DEEMED TO HAVE GRANTED THE RELEASES IN THE PLAN:

- all Holders of Claims and Interests that are deemed Unimpaired and presumed to accept the Plan;
- all Holders of Claims and Interests who vote to accept the Plan;
- all Holders of Claims and Interests entitled to vote on the Plan who abstain from voting on the Plan and do not elect on their Ballot to opt-out of the Third-Party Release;
- all Holders of Claims and Interests entitled to vote on the Plan who vote to reject the Plan but do not elect on their Ballot to opt-out of the Third-Party Release; and
- all other Holders of Claims and Interests who are deemed to reject the Plan and do not elect to opt-out of the Third-Party Release.

The Debtors have concluded that the Third-Party Release in the Plan is justified in light of the facts and circumstances of these Chapter 11 Cases. However, certain parties have objected to or may object to the Third-Party Release and the Bankruptcy Court may find that such releases cannot be approved. The Debtors dispute the assertion that the releases are impermissible and will address these challenges at the Confirmation Hearing. For a more detailed discussion of such objections, *see* Article VI.E of this Disclosure Statement.

C. Estimated Recoveries under the Plan

The table below summarizes (i) the treatment of Claims and Interests ~~in~~**under** the Plan; (ii) which Classes are impaired by the Plan; (iii) which Classes are entitled to vote on the Plan; and (iv) the estimated recoveries for Holders of Claims and Interests. The table is qualified in its entirety by reference to the full text of the Plan. For a more detailed summary of the terms and provisions of the Plan, *see* Article VI of this Disclosure Statement. The ~~enterprise valuation underlying the~~ estimated recoveries ~~below is~~**for Holders of Claims and Interests is based on the total distributable value available under the Plan which comprises (a) the Total Enterprise Value of the Debtors** set forth in Exhibit C attached ~~hereto.~~**to this Disclosure Statement, and (b) the pre-tax net proceeds of a certain land sale in the Company's Washington, D.C. market as further described in Article III.A.2 of this Disclosure Statement. The projected recovery for Holders of Claims does not account for any dilution on account of the Management Incentive Plan. The Committee believes that actual recoveries will likely be lower than the projected range as a result of dilution by the Management Incentive Plan.**

The estimated recoveries set forth below may change based upon changes in the amount of Claims that are filed and "Allowed" as well as other factors related to the Debtors' business operations and general economic conditions. The Claims Bar Date for filing Proofs of Claim has not yet passed and the estimates of the amounts of Allowed Convenience Claims and Allowed General Unsecured Claims contained herein are based on the Debtors' books and records and good faith estimates. Similarly, any change in the number, identity, or timing of rejected Executory Contracts and Unexpired Leases, and treatment of unliquidated contingent Claims, among other changes, could have a material impact on both the amount of Allowed General Unsecured Claims and recoveries for Holders of Allowed General Unsecured Claims and Holders of Allowed Senior Notes Claims.

THE PROJECTED RECOVERIES SET FORTH IN THE TABLE BELOW ARE ESTIMATES ONLY AND THEREFORE ARE SUBJECT TO MATERIAL CHANGE. FOR A COMPLETE DESCRIPTION OF THE DEBTORS' CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS, REFERENCE SHOULD BE MADE TO THE PLAN.

Class	Claims and Interests	Status & Voting Rights	Estimated Amount of Claims	Distribution [% recovery]
1	Priority Non-Tax Claims	*Status*: Unimpaired Not Entitled to Vote (Presumed to Accept)	N/A[Note 1]	Except to the extent that a Holder of an Allowed Priority Non-Tax Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, settlement, compromise, release and discharge of each Allowed Priority Non-Tax Claim, each Holder of an Allowed Priority Non-Tax Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, in the discretion of the applicable Debtor or Reorganized Debtor, with the consent of the Term Lender Group, either: (i) payment in full in Cash; or (ii) Reinstatement of such Allowed Priority Non-Tax Claim. ~~[~~100%~~]~~ [Note 1]
~~Class~~	~~Claims and Interests~~	~~Status & Voting Rights~~	~~Estimated Amount of Claims~~	~~Distribution [% recovery]~~
2	Other Secured Claims	*Status*: Unimpaired Not Entitled to Vote (Presumed to Accept)	N/A [Note 1]	Except to the extent that a Holder of an Allowed Other Secured Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Other Secured Claim, each Holder of an Allowed Other Secured Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, in the discretion of the applicable Debtor or Reorganized Debtor, with the consent of the Term Lender Group, either: (i) payment in full in Cash; (ii) Reinstatement of such Allowed Other Secured Claim; or (iii) delivery of the collateral securing any such Allowed Other Secured Claim and payment of any interest required under section 506(b) of the Bankruptcy Code. 100% [Note 1]

Class	Claims and Interests	Status & Voting Rights	Estimated Amount of Claims	Distribution [% recovery]
Class	Claims and Interests	Status & Voting Rights	Estimated Amount of Claims	Distribution [% recovery]
3	Credit Agreement Claims	*Status*: Impaired Entitled to Vote	$1,735,266,265.78 Note 2	Except to the extent that a Holder of an Allowed Credit Agreement Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Credit Agreement Claim, each Holder of an Allowed Credit Agreement Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, its Pro Rata share of and interest in (i) the First Lien Exit Facility, and (ii) the Term Loan Lender Equity Distribution; *provided*, that the Debtors and the Term Lender Group may determine, in their reasonable discretion to provide, at the election of a Holder of an Allowed Credit Agreement Claim, that such Holder may elect to receive its Pro Rata share of the Term Loan Lender Equity Distribution in the form of Restricted Stock issued in an amount of value equal to the Pro Rata share of the Term Loan Lender Equity Distribution such Holder would otherwise receive pursuant to this section; *provided*, *further*, that notwithstanding anything herein to the contrary, the distribution of the Term Loan Lender Equity Distribution shall be made pursuant to, and subject to the terms and conditions of, the Equity Allocation Mechanism. 87.3% - 97.8% Note 2
~~Class~~	~~Claims and Interests~~	~~Status & Voting Rights~~	~~Estimated Amount of Claims~~	~~Distribution [% recovery]~~
4	Convenience Claims	*Status*: Impaired Entitled to Vote	$2,000,000 Note 3	Except to the extent that a Holder of an Allowed Convenience Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Convenience Claim, each Holder of an Allowed Convenience Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, Cash in an amount equal to 100% of the Allowed Convenience Claim; *provided*, that Cash distributions to Holders of Allowed Convenience Claims shall not, in the aggregate, exceed the Convenience Class Cap without the prior written consent of the Term Lender Group; *provided*, *further*, that if the aggregate amount of Allowed Convenience Claims exceeds the Convenience Class Cap and the Term Lender Group does not consent to an increase in the Convenience Class Cap, then each Holder of an Allowed Convenience Claim shall receive Cash in an amount equal to its Pro Rata share of the Convenience Class Cap. "*Convenience Claim*" means a General Unsecured Claim that is either (a) in an amount that is equal to or

Class	Claims and Interests	Status & Voting Rights	Estimated Amount of Claims	Distribution [% recovery]
				less than $20,000 or (b) in an amount that is greater than $20,000, but with respect to which the Holder of such General Unsecured Claim voluntarily and irrevocably reduces the aggregate amount of such Claim to $20,000 pursuant to a valid election by the Holder of such General Unsecured Claim made on its Ballot on or before the Plan Voting Deadline. 100% Note 3
Class	Claims and Interests	Status & Voting Rights	Estimated Amount of Claims	Distribution [% recovery]
5	Senior Notes Claims	*Status*: Impaired Entitled to Vote	$637,314,444.44 Note 4	Except to the extent that a Holder of an Allowed Senior Notes Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Senior Notes Claim, each Holder of an Allowed Senior Notes Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, its Pro Rata share of the Unsecured Creditor Equity Distribution. The Unsecured Creditor Equity Distribution shall be allocated Pro Rata to Holders of Allowed Claims in Classes 5 and 6, and notwithstanding anything in the Plan to the contrary, shall be made pursuant to, and subject to the terms and conditions of, the Equity Allocation Mechanism. 6.7% - 13.7% Note 4
~~Class~~	~~Claims and Interests~~	~~Status & Voting Rights~~	~~Estimated Amount of Claims~~	~~Distribution [% recovery]~~
6	General Unsecured Claims	*Status*: Impaired Entitled to Vote	$44.5 million Note 4	Except to the extent that a Holder of an Allowed General Unsecured Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed General Unsecured Claim, each Holder of an Allowed General Unsecured Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, its Pro Rata share of the Unsecured Creditor Equity Distribution. The Unsecured Creditor Equity Distribution shall be allocated Pro Rata to Holders of Allowed Claims in Classes 5 and 6, and notwithstanding anything in the Plan to the contrary, shall be made pursuant to, and subject to the terms and conditions of, the Equity Allocation Mechanism. 6.7% - 13.7% Note 4
7	Intercompany Claims	*Status*: Unimpaired / Impaired Not Entitled to Vote (Deemed to Accept	N/A Note 1	On the Effective Date or as soon as reasonably practicable thereafter, Allowed Intercompany Claims shall be, at the option of the Debtors or the Reorganized Debtors, as applicable, with the reasonable consent of the Term Lender Group, either (i) Reinstated as of the

Class	Claims and Interests	Status & Voting Rights	Estimated Amount of Claims	Distribution [% recovery]
		or Reject)		Effective Date, or (ii) cancelled without any distribution on account of such Intercompany Claims. N/A Note 1
8	Subordinated Claims	*Status*: Impaired Not Entitled to Vote (Deemed to Reject)	N/A Note 1	Subordinated Claims shall be subordinated to all other Claims against the Debtors, shall receive no distributions on account of such Subordinated Claims, and shall be discharged. "*Subordinated Claim*" means any Claim against any Debtor that is subordinated under section 510 of the Bankruptcy Code. 0% Note 1
Class	**Claims and Interests**	**Status & Voting Rights**	**Estimated Amount of Claims**	**Distribution [% recovery]**
9	Intercompany Interests	*Status*: Impaired / Unimpaired Not Entitled to Vote (Deemed to Accept or Reject)	N/A Note 1	To preserve the Debtors' corporate structure, on the Effective Date, or as soon thereafter as reasonably practicable, all Allowed Intercompany Interests shall be, at the option of the Debtors or the Reorganized Debtors, as applicable, with the reasonable consent of the Term Lender Group, either (i) Reinstated as of the Effective Date, or (ii) cancelled without any distribution on account of such Intercompany Interests. N/A Note 1
~~**Class**~~	~~**Claims and Interests**~~	~~**Status & Voting Rights**~~	~~**Estimated Amount of Claims**~~	~~**Distribution [% recovery]**~~
10	Interests in Cumulus	*Status*: Impaired Not Entitled to Vote (Deemed to Reject)	N/A Note 1	On the Effective Date, all Allowed Interests in Cumulus shall be cancelled without any distribution on account of such Interests in Cumulus. "*Interests*" means any equity security in a Debtor as defined in section 101(16) of the Bankruptcy Code, including all issued, unissued, authorized, or outstanding shares of capital stock of the Debtors together with any warrants, options, or contractual rights to purchase or acquire such equity securities at any time and all rights arising with respect thereto. 0% Note 1

Notes:

Note 1: The Plan projects a 100% recovery for Holders of Allowed Priority Non-Tax Claims and Allowed Other Secured Claims, and a 0% recovery for Holders of Subordinated Claims. Such Claims will be paid in Cash, return of the Holder's collateral, or not at all, respectively. Accordingly, the Debtors have not analyzed the individual aggregate Claim amounts

for these Classes for purposes of this distribution analysis. Similarly, the Debtors have not included the amounts of Intercompany Claims, Intercompany Interests or Interests in Cumulus in this analysis because the value of such Claims or Interests is either $0.00 or has otherwise been accounted for in the enterprise valuation of the Debtors.

Note 2: The Plan Allows the Credit Agreement Claims in the aggregate principal amount of $1,728,614,099.90. Together with accrued interest and unpaid commitment fees due and owing as of the Petition Date, the estimated amount of the Credit Agreement Claims totals $1,735,266,265.78. The Debtors have not adjusted such amounts for any payments made or to be made on account of adequate protection or otherwise pursuant to the Cash Collateral Order, if any. The projected recovery for Holders of Allowed Credit Agreement Claims does not account for any dilution on account of the Management Incentive Plan.

Note 3: The Debtors estimate that the total aggregate amount of Convenience Claims will total approximately $2,000,000 based on the Debtors' books and records, good faith estimates and the Debtors' reasonable assumptions regarding elections to receive Convenience Claim treatment to be made by Holders of General Unsecured Claims. The actual amount of Convenience Claims may vary based on, among other things, the actual elections made by Holders of General Unsecured Claims and the actual Proofs of Claims filed by the Claims Bar Date, which has not yet passed. The projected 100% recovery assumes that the actual Allowed amount of Convenience Claims will not exceed the Convenience Class Cap. In the event and to the extent that the actual Allowed amount of Convenience Claims exceeds the Convenience Class Cap, and is not increased in accordance with the terms of the Plan, the recoveries of Holders of Allowed Claims will decline Pro Rata. In addition, the estimated 100% percent recovery is based on Allowed Convenience Claim Amounts of $20,000 or less, and does not purport to reflect the percent recovery a Holder of an Allowed General Unsecured Claim would receive on its Allowed General Unsecured Claim if such Holder elected to receive Convenience Class treatment. Any such calculation would necessarily result in a percent recovery on the Allowed General Unsecured Claim of less than 100%.

Note 4: The Plan Allows the Senior Notes Claims in the aggregate amount of $637,314,444.44, which is the aggregate unpaid principal and accrued interest due and owing as of the Petition Date. The Debtors estimate that the total aggregate amount of Class 6 General Unsecured Claims will total approximately $~~50.1~~**44.5** million. The Claims Bar Date for filing Proofs of Claim has not yet passed, and the estimates of Allowed General Unsecured Claims are based on the Debtors' books and records and good faith estimates. The actual amount of General Unsecured Claims will vary based on, among other things: the number of actual Claims filed and the asserted amounts of such Claims; the Debtors' decisions with respect to the assumption or rejection of Executory Contracts and Unexpired Leases; the outcome of pending litigation against the Debtors (the outcomes of which are unknowable), which may result in substantial Claims in excess of those estimated for purposes hereof; the Claims reconciliation process; and the decisions made by individual Holders of General Unsecured Claims to elect Convenience Claim treatment. Such variations may be material. The projected recoveries for (i) Holders of Allowed Senior Notes Claims and (ii) Holders of Allowed General Unsecured Claims do not account for any dilution on account of the Management Incentive Plan.

WHERE TO FIND ADDITIONAL INFORMATION: Cumulus Media Inc. currently files annual reports with, and submits other information to, the SEC. Copies of any document filed with or submitted to the SEC may be obtained by visiting the SEC website at http://www.sec.gov.

II. OVERVIEW OF THE COMPANY'S OPERATIONS

A. Overview

The Debtors comprise the operating business of the Company. Cumulus Media is a leader in the radio broadcasting industry, reaching 245 million people each week through its owned-and-operated stations, Westwood One network affiliates and numerous digital channels, with a combination of local programming and nationally syndicated sports, news and entertainment content. The Company divides its business operations into two segments: (i) the radio station segment (the "Radio Station Group"), which owns and operates 446 radio stations across the country; and (ii) the radio network segment ("Westwood One"), which syndicates content and services to approximately 8,000 other radio stations (the "Station Affiliates").[5] The Radio Station Group's radio stations serve 90 different "markets" (*i.e.*, geographical areas that typically include a city or combination of cities). These markets are located across 36 states and the District of Columbia.

Westwood One is one of the largest radio networks in the country by number of Station Affiliates. Westwood One produces, syndicates, and distributes owned content and services, as well as content and services produced in partnership with third parties to the radio market, including to competitors of the Debtors' owned and operated radio stations. Westwood One sells its content to the Station Affiliates in exchange for which it primarily receives commercial air time, which Westwood One then aggregates to sell to national advertisers. To a lesser extent, Westwood One receives cash in exchange for syndicated content. Westwood One also purchases advertising inventory on radio stations for cash compensation, which it then aggregates with other advertising inventory for sale to national advertisers.

Additional information about the Company's operations, capital structure, and financial position are set forth in the First Day Declaration, which is incorporated herein (together with the exhibits appended thereto) by reference as if fully set forth herein.

B. The Radio Industry

Radio broadcasting companies derive their primary revenue from the sale of advertising time to local, regional and national spot advertisers, and radio networks derive their primary revenue from the sale of advertising time to national network advertisers. Given the size and variety of its audiences, and low advertising rates compared to many other media, radio is considered an efficient, cost-effective means of reaching specifically identified demographic

[5] Though referred to as "station affiliates" in the industry, the vast majority of radio stations that constitute Station Affiliates are third-party entities unrelated to the Debtors.

groups. Radio broadcasting companies and network radio companies also sell endorsements, where on-air talent serves as the voice for, and lends credibility to, a particular advertiser.

Stations are typically classified by their on-air format, such as country, rock, adult contemporary, oldies and news/talk. A station's format and style of presentation allows it to attract specific listener segments sharing certain demographic features and, then, market its broadcasting time to advertisers seeking to reach that audience. Generally, content broadcast on a radio station is either generated locally or comes from a radio network, where such content is generated centrally and syndicated to that radio station. Advertisers and their agencies use data published by audience measuring services, such as Nielsen Audio, to estimate how many people within particular geographical markets and demographics listen to specific stations.

The format of a particular station and the competitive environment generally dictates the type and amount of advertisements that a station can broadcast without jeopardizing listening levels and the resulting ratings. Although the number of advertisements broadcast during a given time period may vary, the total number of advertisements broadcast on a particular station generally does not vary significantly from year to year unless there is a specific strategy implemented to change that approach.

A station's local sales staff generates the majority of its local and regional advertising sales through direct solicitations of advertising agencies and local businesses. To generate national advertising sales, a station usually will engage a firm that specializes in soliciting radio-advertising sales on a national level. Stations may also engage directly with an internal national sales team that supports the efforts of third-party sales representatives and generates new business. National network sales representatives generally sell spots that have been received as payment for the syndication of content to a network affiliate or that have been otherwise acquired (*e.g.*, purchased for cash).

C. Cumulus Media

1. Reportable Segments

Cumulus Media operates in two reportable segments, the Radio Station Group and Westwood One. The Company centralizes the management of its overall executive, administrative and support functions, including finance, accounting, legal, human resources, marketing and information technology functions.

(a) The Radio Station Group

The Radio Station Group comprises Cumulus Media's 446 owned and operated radio stations. It provides advertisers with extensive reach to a broad set of consumers within and across 90 markets in 36 states and the District of Columbia. The Radio Station Group reaches one in five Americans weekly, hosts 440 local and national websites along with 90 digital and mobile distribution platforms, and has 6.4 million Facebook followers and 1.0 million Twitter followers. Its individual stations collectively run or participate in numerous events each year, including concerts, job fairs and talent competitions, most of which include opportunities for

advertiser participation. The Radio Station Group also sells an array of digital products and services to enhance its advertisers' digital presence and access to customers.

(b) Westwood One

Westwood One offers iconic, nationally syndicated sports, news and entertainment content across an audio network of approximately 8,000 affiliated broadcast radio stations and media partners. Westwood One is one of the largest radio broadcast networks in America by number of affiliates, and is home to premium content, including the NFL, the NCAA, the Masters, the Olympics, Westwood One Backstage, the GRAMMYs, the Academy of Country Music Awards and the Billboard Music Awards. In addition, Westwood One's podcast network delivers popular network and industry personalities and programs to a rapidly growing listener base. Westwood One recently announced important data partnerships, under the OneWay brand, to increase targeting and attribution measurement, and launched the Westwood One ROI Guarantee, the first ever "return on investment" guarantee in the radio industry.

In addition to syndicating content and services in exchange for advertising time, Westwood One buys radio advertising inventory from the radio station market and seeks to resell it for a profit. Westwood One aggregates the advertising inventory that it purchases from the radio station market with inventory that it has received from Station Affiliates, and bundles that inventory in sales to advertisers who are typically, but not always, national in reach.

2. Revenue

The sale of advertising time is the Company's primary source of revenue. Local, regional and national advertiser demand affects the Company's sales of advertising time and the advertising rates it charges. Advertising demand and rates are based primarily on the ability to attract audiences in the demographic groups targeted by such advertising, as measured principally by various ratings agencies on a periodic basis.

The Company owns and operates a diverse platform in terms of format, listener base, geography, advertiser base and revenue stream. As a result, there is limited revenue dependence on any single demographic, region or industry. However, because of the high fixed cost nature of the Company's business, relatively small changes to the Company's revenue can have a more significant impact on the Company's earnings.

The Company's advertising contracts are generally short term. It generates most of its revenue from local and regional advertising, which is sold primarily by a station's sales staff. In addition to local and regional advertising revenues, the Company monetizes its available inventory in both national spot and national network sales marketplaces.

Advertising revenues vary by quarter throughout the year. As with many advertising-revenue-supported businesses, the first calendar quarter typically produces the lowest revenues of any quarter during the year, as advertising generally declines following the winter holidays. The second and fourth calendar quarters typically produce the highest revenues for the year. In addition, the Company's revenues tend to fluctuate between years, consistent with, among other things, increased advertising expenditures in even-numbered years by political

candidates, political parties and special interest groups. This political spending typically is heaviest during the fourth quarter.

In addition to selling advertising for cash, the Company also utilizes trade or barter agreements to exchange advertising time for goods or services such as travel or lodging, instead of cash. The station then uses these bartered goods or services in normal course operations or as products to give away to listeners.

The Company also generates non-broadcast revenues from a variety of other sources, including revenues generated by events and digital sources, which includes advertising revenues generated from the digital streaming of Cumulus programming, website ads and podcast ads as well as the sale of third-party digital products and services to improve clients' digital presence and access to customers.

3. Sales

At the Radio Station Group, each station's local sales staff solicits advertising either directly from a local advertiser or indirectly through an advertising agency. Cumulus Media generally uses a tiered commission structure to focus its sales staff on new business development. Cumulus Media's national sales are made by an outside firm specializing in radio advertising sales on the national level, in exchange for a commission that is based on the cash receipts from the net advertising revenue generated. Regional sales, which the Company defines as sales in regions surrounding its markets to buyers that advertise in its markets, are generally made by the Company's local sales staff and market managers. The stations' local sales staffs also sell non-broadcast radio products, such as sponsorships in connection with local events and digital products and services, including streaming advertising, email targeting, search engine optimization services and social media management, sometimes with sales support from white label vendors of those digital offerings. At Westwood One, network sales are made by an internal sales staff to agencies, working on behalf of their clients, or to advertisers directly.

4. Employees

As of the Petition Date, Cumulus Media employed 5,282 people, 3,512 of whom were employed full time. Of these employees, approximately 250 employees were covered by collective bargaining agreements. In order to protect its interests in valuable relationships and content, Cumulus Media enters into contracts with many of its on-air personalities, including, in certain instances, contracts to syndicate their content on an exclusive, or semi-exclusive, basis.

D. Local Marketing Agreements

A number of radio stations, including certain of the Company's stations, have entered into local marketing agreements ("LMA"). In a typical LMA, the licensee of a station makes available, for a fee and reimbursement of its expenses, airtime on its station to a party which supplies programming to be broadcast during that airtime, and collects revenues from advertising aired during such programming.

On January 2, 2014 (the "Commencement Date"), Merlin Media, LLC ("Merlin") and the Company entered into an LMA (the "Merlin LMA"). Under the Merlin LMA, the Company is responsible for operating two FM radio stations in Chicago, Illinois for monthly fees payable to Merlin of approximately $0.3 million, $0.4 million, $0.5 million and $0.6 million in the first, second, third and fourth years following the Commencement Date, respectively, in exchange for the Company retaining the operating profits from these radio stations. The Merlin LMA is subject to that certain Put and Call Agreement, dated as of January 2, 2014, by and among Merlin, Merlin Media License, LLC, Chicago FM Radio Assets, LLC, and Radio License Holdings LLC for WLUP-FM and WIQI(FM) (the "Put and Call Agreement").

The Plan provides that all Claims against the Debtors arising out of the Put and Call Agreement shall be deemed Subordinated Claims unless they are otherwise Allowed as General Unsecured Claims, whether by Bankruptcy Court order or otherwise.

On January 18, 2018, the Debtors filed a motion to reject the Merlin LMA and ancillary agreements, including the Put and Call Agreement. *See Debtors' Motion Pursuant to Sections 105(a) and 365(a) of the Bankruptcy Code and Bankruptcy Rules 6004 and 9014 for Authority to Reject the Merlin Agreements* [ECF No. 299].

E. Significant Ratings and Advertising Sales Contracts

The radio broadcast industry's principal ratings service is Nielsen Audio, which publishes surveys for domestic radio markets. Certain of the Debtors are parties to agreements with the Nielsen Company (US) LLC ("Nielsen Audio") under which they receive ratings data for a majority of their respective markets. On December 8, 2017, the Debtors filed a motion to assume an omnibus amendment to their agreements with Nielsen Audio, which effects a new multi-year extension of their access to Nielsen's rating products. The Bankruptcy Court approved the Debtors' motion at the Second Day Hearing (as defined below).

The Company also engages Katz Media Group, Inc. ("Katz") as its national advertising sales agent. The national advertising agency contract with Katz contains termination provisions that, if exercised by the Company during the term of the contract, would obligate the Company to pay a termination fee to Katz, calculated based upon a formula set forth in the contract.

F. Corporate Structure

1. The Debtors' Corporate Structure

Cumulus Media Inc. is the Debtors' ultimate parent company and issuer of the publicly traded equity securities. Cumulus Media Inc. owns Cumulus Media Holdings Inc., which is also a Debtor and the issuer of the Senior Notes and the borrower under the Credit Agreement. Like its parent company, Cumulus Media Holdings Inc. is a holding company and directly or indirectly owns the Debtors' operating subsidiaries. Exhibit B attached hereto sets forth the Company's organizational structure.

The legal entities within the Company's corporate family are generally organized based on the local markets in which the Company operates (*e.g.*, NY Radio Assets, LLC operates in the New York region; Chicago Radio Assets LLC operates in the Chicago region and so on). Substantially all of the Debtors are obligors or guarantors of the prepetition funded debt. CMI Receivables Funding LLC was an obligor under the Securitization Facility (defined below). The Company terminated the Securitization Facility on November 28, 2017.

2. Non-Debtor Affiliates, Joint Ventures and Partnerships

Certain direct and indirect subsidiaries of Cumulus Media Inc. did not file for Chapter 11 relief, including eight companies who hold Federal Communications Commission (the "FCC") licenses (each FCC license, an "FCC License," and such non-debtor companies, the "Non-Debtor FCC License Holders"). None of the Non-Debtor FCC License Holders conduct any material business operations or have any employees. Moreover, even though two of the Debtors who are obligors under the Credit Agreement also hold FCC Licenses, none of the Non-Debtor FCC License Holders are obligors on the Debtors' prepetition funded debt, nor have any of the Non-Debtor FCC License Holders pledged any assets in favor of the prepetition secured lenders. The Non-Debtor FCC License Holders' direct parents are Debtors, however, who have pledged their equity interests in the Non-Debtor FCC License Holders as collateral under the Term Loan and Revolving Credit Facility (each as defined below).

In addition, the Debtors are beneficiaries of a trust that holds for divestiture certain radio assets with *de minimis* value in accordance with and pursuant to a Memorandum Opinion and Order and Notice of Apparent Liability released by the FCC on April 4, 2007 (the "FCC Order").[6]

The Debtors also own interests in various joint ventures and partnerships, none of which filed for Chapter 11 protection. Most of the joint ventures and partnerships were created for the purposes of owning and operating physical radio assets, such as towers, antenna systems or combiner systems.

G. Directors and Officers

1. Directors.

The composition of the post-Effective Date board of directors or managers of the Reorganized Debtors will be disclosed prior to the Confirmation Hearing in accordance with section 1129(a)(5) of the Bankruptcy Code. The current members of the Board are identified below:

Mr. Jeffrey A. Marcus serves as Chairman of the Board and is a Vice-Chairman of Crestview Partners, which he joined in 2004, and is a member of the Investment Committee.

[6] Paragraph 35 of the First Day Declaration incorrectly states that the Debtors entered into a consent decree with the SEC regarding the divestiture of certain assets by the Debtors. The correct regulatory agency is the FCC and the divestiture was implemented by Citadel Broadcasting Company (n/k/a Cumulus Radio Corporation) pursuant to the FCC Order, not a consent decree.

Prior to joining Crestview Partners, Mr. Marcus served in various positions in the media and communications industry, including as president and chief executive officer of AMFM Inc. (formerly Chancellor Media Corporation), which at the time was the nation's second largest radio company, and as founder, chairman and chief executive officer of Marcus Cable Company, a privately-held cable company. Mr. Marcus also founded Marcus Communications, which was merged into Western Tele-Communications and renamed WestMarc Communications, of which Mr. Marcus became chief executive officer. Mr. Marcus is currently a director of Camping World Holdings, Inc. and NEP Group, Inc., and is the Chairman of Wide Open West, Inc. Mr. Marcus has also served as a director of Charter Communications, Inc., Insight Communications, Inc., OneLink Communications, Inc., Brinker International, Inc., WestMarc Communications Inc. and DS Services of America, Inc., where he served as chairman. Mr. Marcus received a Bachelor of Arts in Economics from the University of California, Berkeley.

Ms. Mary G. Berner is the Company's President and Chief Executive Officer. Ms. Berner was initially elected to the Board at the 2015 annual meeting of stockholders. Prior to being appointed as Chief Executive Officer in October 2015, Ms. Berner served as President and Chief Executive Officer of MPA – The Association of Magazine Media since September 2012. From 2007 to 2011, she served as Chief Executive Officer of Reader's Digest Association. Before that, from November 1999 until January 2006, she led Fairchild Publications, Inc., first as President and Chief Executive Officer, and then as President of Fairchild and as an officer of Condé Nast. She has also held leadership roles at Glamour, TV Guide, W, Women's Wear Daily, Every Day with Rachael Ray and Allrecipes.com. Ms. Berner has served on numerous industry and not-for-profit boards. Ms. Berner received her Bachelor of Arts degree from the College of Holy Cross (Massachusetts).

Mr. John W. Dickey was appointed to the Board in March of 2017. In 2016, Mr. Dickey became the Chief Executive Officer of Ora TV, an on-demand digital entertainment network and production company. Previously, Mr. Dickey served as Executive Vice President of Content and Programming at Cumulus Media Inc. until September 2015, after serving as Executive Vice President since January 2000 and co-Chief Operating Officer since 2006. Mr. Dickey was part of the initial investment group in Cumulus Media Inc. and formally joined the company in 1998. Prior to Cumulus Media, Mr. Dickey served as Executive Vice President and Partner of Stratford Research since June 1988. Mr. Dickey holds a Bachelor of Arts degree from Stanford University.

Mr. Ralph B. Everett has served on the Board since July of 1998. Mr. Everett is a Senior Industry and Innovation Fellow at Georgetown University Center for Business and Public Policy. From January 2007 until his retirement in January 2014, Mr. Everett served as the President and Chief Executive Officer of the Joint Center for Political and Economic Studies, a national, nonprofit research and public policy institution. Prior to 2007, and for 18 years, Mr. Everett had been a partner with the Washington, D.C. office of the law firm Paul Hastings LLP, where he headed the firm's Federal Legislative Practice Group. Prior to his time at Paul Hastings LLP, Mr. Everett worked in the U.S. Senate for more than a decade, including serving as a staff director and chief counsel of the Committee on Commerce, Science and Transportation. In 1998, Mr. Everett was appointed by President Clinton as United States Ambassador to the 1998 International Telecommunication Union Plenipotentiary Conference. He

received a J.D. from Duke University Law School, where he was named Earl Warren Legal Scholar, and he is a *Phi Beta Kappa* graduate of Morehouse College.

Ms. Jill Bright was appointed to the Board in May of 2017. Ms. Bright was recently appointed Executive Vice President of Human Resources and Administration at Sotheby's. Prior to joining Sotheby's, Ms. Bright spent more than 20 years at Condé Nast where she led the Human Resources group for many years until her appointment as Chief Administrative Officer in 2010. Prior to joining Condé Nast, Ms. Bright held senior human resources roles at American Express and Macy's. Ms. Bright currently serves on the national board of Girls Inc. In 2015, she was appointed by New York City Mayor Bill de Blasio to the Quadrennial Advisory Commission to study, evaluate, and make recommendations regarding compensation levels of elected City Officials, and in 2017 she was appointed as Mayor de Blasio's Representative to the board of the New York Public Library. Ms. Bright received her bachelor's degree from Marymount Manhattan College, where she is a member of the Board of Trustees, and her MBA from New York University's Stern School of Business.

Mr. D.J. (Jan) Baker was appointed to the Board in October of 2017. Mr. Baker retired as a partner from the international law firm of Latham & Watkins LLP in July 2017, most recently serving as that firm's Global Co-Chair of the Corporate Restructuring Practice Group. Prior to joining Latham & Watkins LLP as a partner in 2009, Mr. Baker was a partner at Skadden, Arps, Slate, Meagher & Flom LLP and, prior thereto, at Weil, Gotshal & Manges LLP. Mr. Baker's practice focused on advising public and private companies in out of court restructurings and court supervised reorganization and restructuring proceedings, regularly advising boards of directors on issues related to corporate governance and fiduciary duties. Mr. Baker is also a member of the Hastings Center, a bio-ethics institute, and various other non-profit boards. He received an A.B., *cum laude*, from Harvard University and a J.D., *magna cum laude*, from the University of Houston Law Center.

Mr. Ross Oliver was appointed to the Board in March of 2017. Mr. Oliver is the General Counsel of Crestview Partners, which he joined in 2011. Mr. Oliver is responsible for the firm's legal and compliance functions and has nearly 20 years of experience in private equity, mergers and acquisitions, and tax as both an attorney and a certified public accountant. Mr. Oliver joined Crestview from Davis Polk & Wardwell LLP, where he focused on investment management and capital markets transactions, and previously he was a senior manager in the mergers and acquisitions group at PricewaterhouseCoopers LLP. Mr. Oliver currently serves on the board of directors of Crestview portfolio company, Arxis Capital Group LLC, and on the board of the American Investment Council, an advocacy and resource organization for the private investment industry. Mr. Oliver received a J.D., *summa cum laude*, from the University of California, Hastings, an M.S. in taxation from American University and a B.B.A., *summa cum laude*, from Eastern Michigan University.

2. Executive Officers.

The following table sets forth the names of Cumulus Media's principal executive officers and their current positions:

Name	Position
Mary G. Berner	President and Chief Executive Officer
John Abbot	Executive Vice President, Treasurer and Chief Financial Officer
Richard S. Denning	Senior Vice President, Secretary and General Counsel
Suzanne M. Grimes	Executive Vice President of Corporate Marketing, President of Westwood One

Please see Section II.B.1, above, for Ms. Berner's biography.

Mr. John Abbot is the Company's Executive Vice President, Treasurer, and Chief Financial Officer. Mr. Abbot joined Cumulus Media in July 2016, having most recently served as Executive Vice President and Chief Financial Officer of Telx Holdings Inc., a leading provider of connectivity, co-location and cloud services in the data center industry, from 2014 to 2015. Prior to his service at Telx, which was sold to Digital Realty Trust in October 2015, Mr. Abbot served as Chief Financial Officer of Insight Communications Company, Inc., a cable television business, for eight years. During the prior nine years, he worked in the Global Media and Communications Group of the Investment Banking Division at Morgan Stanley, where he was a Managing Director. Mr. Abbot began his financial career as an associate at Goldman, Sachs & Co., and prior to that served as a Surface Warfare Officer in the U.S. Navy. He received a bachelor's degree in Systems Engineering from the U.S. Naval Academy, an ME in Industrial Engineering from The Pennsylvania State University, and an MBA from Harvard Business School.

Mr. Richard S. Denning is the Company's Senior Vice President, Secretary and General Counsel. Prior to joining the Company, Mr. Denning was an attorney with Dow, Lohnes & Albertson, PLLC ("DL&A") within DL&A's corporate practice group in Atlanta, advising a number of media and communications companies on a variety of corporate and transactional matters. Mr. Denning also spent four years in DL&A's Washington, D.C. office and has extensive experience in regulatory proceedings before the FCC. Mr. Denning has been a member of the Pennsylvania Bar since 1991, the District of Columbia Bar since 1993, and the Georgia Bar since 2000. He is a graduate of The National Law Center, George Washington University.

Suzanne M. Grimes is the Company's Executive Vice President of Corporate Marketing and President of Westwood One. Prior to joining the Company in January 2016, Ms. Grimes served as Founder and Chief Executive Officer of Jott LLC since January 2015. From December 2012 to September 2014, Ms. Grimes served as President and Chief Operating Officer of Clear Channel Outdoor North America. Prior to that, Ms. Grimes founded SMG Advisors, a consultancy for media and technology start-ups. Ms. Grimes has also held leadership roles at News Corp, Condé Nast and Reader's Digest and previously served on the Board of the Outdoor Advertising Association of America and MPA – The Association of Magazine Media. Ms. Grimes earned a Bachelor of Science degree in Business Administration from Georgetown University.

III. FINANCIAL CONDITION AND PREPETITION CAPITAL STRUCTURE

In 2016, Cumulus Media generated total consolidated operating revenues of $1.141 billion. As of the Petition Date, Cumulus Media had the following approximate outstanding funded debt obligations:

($000s)	Term Loan	Senior Notes
Principal	$1,728,614	$610,000
Accrued and Unpaid Interest (as of 11/29/17 excluding default interest)	6,652	27,314
Total Amounts Outstanding as of Petition Date:	$1,735,266	$637,314

The Company is also a party to the Revolving Credit Facility, under which no amounts were outstanding as of the Petition Date other than $170,000 in accrued and unpaid commitment fees. The Company was party to a Securitization Facility, which was terminated on November 28, 2017.

A. Amended and Restated Credit Agreement

1. Overview

On December 23, 2013, the Company entered into that certain Amended and Restated Credit Agreement (the "Credit Agreement"), among Cumulus Media Inc., Cumulus Media Holdings Inc. ("Cumulus Holdings"), as borrower, certain lenders party thereto, the Credit Agreement Agent, and certain other agents party thereto. The Credit Agreement originally consisted of a $2.025 billion term loan (the "Term Loan") maturing in December 2020, and a revolving credit facility (the "Revolving Credit Facility") that matures in December 2018 under which $200.0 million in revolving loans were available.

Term Loan borrowings and borrowings under the Revolving Credit Facility bear interest, at the option of Cumulus Holdings, based on the Base Rate (as defined below) or the London Interbank Offered Rate ("LIBOR"), plus 3.25% on LIBOR-based borrowings and 2.25% on Base Rate based borrowings. LIBOR-based borrowings are subject to a LIBOR floor of 1.0% under the Term Loan. Base Rate-based borrowings are subject to a Base Rate floor of 2.0% under the Term Loan. "Base Rate" is defined, for any day, as the rate per annum equal to the highest of: (i) the Federal Funds Rate, as published by the Federal Reserve Bank of New York, plus 1/2 of 1.0%; (ii) the prime commercial lending rate of JPMorgan Chase Bank, N.A., as established from time to time; and (iii) 30-day LIBOR plus 1.0%. At September 30, 2017, the Term Loan bore interest at 4.49% per annum.

Amounts outstanding under the Term Loan amortize at a rate of 1.0% per annum of the original principal amount of the Term Loan, payable quarterly, with the balance payable on the maturity date. The Company's Senior Notes mature on May 1, 2019. If 91 days prior to the stated maturity date of the Senior Notes (the "Springing Maturity Date") the aggregate principal amount of Senior Notes outstanding exceeds $200.0 million, the Term Loan maturity date is accelerated to the Springing Maturity Date.

Cumulus Media Inc.'s, Cumulus Holdings' and their respective restricted subsidiaries' obligations under the Credit Agreement are collateralized by a first priority lien on substantially all of Cumulus Media Inc.'s, Cumulus Holdings' and their respective restricted subsidiaries' assets (other than certain real property assets as permitted under the Credit Agreement) in which a security interest may lawfully be granted, including, without limitation,

intellectual property and substantially all of the capital stock of the Company's direct and indirect domestic wholly-owned subsidiaries.

Cumulus Holdings' obligations under the Credit Agreement are guaranteed by Cumulus Media Inc. and substantially all of Cumulus Media Inc.'s restricted subsidiaries, other than Cumulus Holdings and the Non-Debtor FCC License Holders.

As of the Petition Date, approximately $1.729 billion was outstanding under the Term Loan and no amounts were outstanding under the Revolving Credit Facility.

2. Unencumbered Real Property Assets; Washington, D.C.-Area Property Sale

The Credit Agreement does not require the Debtors to grant a mortgage in favor of the Term **Loan** Lenders on real property assets with a value below $20 million. The Debtors own approximately 185 properties that they believe each has a value below the $20 million threshold (collectively, the "Unencumbered Real Property").[7] Based upon internal analysis, the Debtors estimate that these properties could have an aggregate value of $60 million to $100 million assuming orderly sales to third parties. However, the Debtors have not completed ~~any~~ appraisals of **a significant number of the properties that comprise** the Unencumbered Real Property. Formal appraisals, or estimates of value based on a liquidation or forced sale scenario, could result in materially different values for the Unencumbered Real Property.

In 2015, the Company entered into an agreement to sell certain land in the Company's Washington, D.C. market to a third party. The closing of the transaction is subject to various conditions and approvals, which remain pending. Management estimates that the pre-tax net proceeds from the sale will be approximately $75 million. The Restructuring Support Agreement requires that all of the cash proceeds of the sale of such property, net of actual out-of-pocket closing costs and applicable taxes required to be paid in Cash (and other customary reductions consistent with the definition of "Net Proceeds" in the Credit Agreement), shall be applied to prepay the First Lien Exit Facility.

B. The Senior Notes

On May 13, 2011, Cumulus Media Inc. issued $610.0 million aggregate principal amount of 7.75% senior unsecured notes due 2019 (the "Senior Notes"). Proceeds from the sale

[7] **As discussed in the *Objection of the Official Committee of Unsecured Creditors of Cumulus Media, Inc. et al., to Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Use Cash Collateral, (II) Granting Adequate Protection to Secured Parties, (III) Scheduling a Final Hearing, and (IV) Granting Related Relief* [ECF No. 120], the Committee believes that the Term Loan Lenders may not hold a perfected prepetition lien with respect to certain cash in the Debtors' bank accounts. The Debtors dispute the Committee's assertions and have stipulated that the Term Loan Lenders hold perfected prepetition liens in the Debtors' cash. To the extent that the Committee is able to establish the existence of additional unperfected assets, there may be additional unencumbered property available for distribution to Holders of Allowed Claims in Class 5 and Class 6.**

of the Senior Notes were used to, among other things, repay $575.8 million outstanding under the term loan facility under the Company's prior credit agreement.

On September 16, 2011, Cumulus Media Inc. and Cumulus Holdings entered into a supplemental indenture with the trustee under the indenture governing the Senior Notes which provided for, among other things, the: (i) assumption by Cumulus Holdings of all obligations of Cumulus Media Inc.; (ii) substitution of Cumulus Holdings for Cumulus Media Inc. as issuer; (iii) release of Cumulus Media Inc. from all obligations as original issuer; and (iv) the guarantee by Cumulus Media Inc. of all of Cumulus Holdings' obligations, in each case under the indenture and the Senior Notes.

Interest on the Senior Notes is payable on May 1 and November 1 of each year. The Senior Notes mature on May 1, 2019.

In connection with the substitution of Cumulus Holdings as the issuer of the Senior Notes, Cumulus Media Inc. also guaranteed the Senior Notes. In addition, each subsidiary of Cumulus Holdings that guarantees the indebtedness under the Credit Agreement guarantees the Senior Notes.

C. Accounts Receivable Securitization Facility

In 2013, CMI Receivable Funding LLC entered into a $50.0 million securitization facility with Wells Fargo Capital Finance ("Wells Fargo" and the facility, the "Securitization Facility"). At December 31, 2016 and 2015 there were no amounts outstanding under the Securitization Facility and the facility was terminated on November 28, 2017.

D. Equity Interests

1. Common Stock

As of November 13, 2017, there were 1,027 holders of record of Cumulus Media Inc.'s Class A common stock and one holder of record of its Class C common stock. The number of holders of Cumulus Media Inc.'s Class A common stock does not include any estimate of the number of beneficial holders whose shares may be held of record by brokerage firms or clearing agencies. No Class B common stock has been issued or is outstanding.

On October 12, 2016, Cumulus Media Inc. effected a one-for-eight (1:8) reverse stock split (the "Reverse Stock Split"). As a result of the Reverse Stock Split, every eight shares of each class of Cumulus Media Inc.'s outstanding common stock were combined into one share of the same class of common stock, and the authorized shares of each class of its common stock were reduced by the same ratio. No fractional shares were issued in connection with the Reverse Stock Split. The number and strike price of Cumulus Media Inc.'s outstanding stock options and warrants were adjusted proportionally, as appropriate.

As of the Petition Date, Cumulus Media Inc. had the following issued and outstanding shares:

	Common Class A	Common Class C	Treasury Stock	Total
Issued	32,031,952	80,609	(2,806,187)	29,306,374
Outstanding	29,225,765	80,609	0	29,306,374

2. Warrants

In connection with various transactions, Cumulus Media Inc. issued the following warrants: (a) warrants to lenders under the Debtors' then outstanding credit agreement (the "Lender Warrants"); (b) warrants in connection with the Company's acquisition of Citadel Broadcasting Company ("Citadel") in 2011 (the "Citadel Warrants"); and (c) warrants to Crestview Radio Investors, LLC (the "Crestview Warrants") and together with the Lender and Citadel Warrants, the "Warrants"). The terms of the Warrants are described in more detail in the Company's SEC filings. As of the Petition Date, the following Warrants were outstanding:

	Lender Warrants	Citadel Warrants	Crestview Warrants
Warrants outstanding as of November 29, 2017	40,057	31,955	976,944

E. Board Investigation .

1. Creation and Purpose of the Review Committee

On October 17, 2017, the Nominating Committee of the Board entered into a written consent dated as of October 17, 2017 (the "Written Consent") to create the Review Committee. As provided by the Written Consent, the Review Committee was created "for the purpose of reviewing and assessing certain releases that may be granted in connection with a possible restructuring or reorganization transaction involving the Corporation" and to make a recommendation to the Board as to whether to proceed with the grant of releases by the Company to the current and former officers, manager, directors and the Consenting Equityholders (*i.e.*, stockholders who are parties to the Restructuring Support Agreement), including as now proposed under Article VIII(D) of the Plan (the "Company Release"). The Nominating Committee also recommended that the size of the Review Committee be one member; that Cumulus director D. J. (Jan) Baker, who had just been appointed to the Board as an independent director and had extensive experience as a restructuring professional, be appointed as the sole member of the Review Committee; and that the Review Committee have appropriate resources and authority to discharge its responsibilities, including the ability to retain independent counsel, at the expense of the Company, to assist it in carrying out its responsibilities. On October 20, 2017, the Board unanimously adopted and approved these recommendations as well as other recommendations that the Nominating Committee set forth in its October 17, 2017 Written Consent.

2. Review Committee's Scope of Work

Pursuant to the Board's resolutions, the Review Committee began its work and on October 30, 2017 retained Young Conaway Stargatt & Taylor LLP ("Young Conaway") as its counsel to advise the Review Committee on legal issues and assist its review of factual information relevant to potential claims the Company may have against the officers, directors, managers and stockholders that would be released under the Company Release. After the Review Committee met with Young Conaway to devise a plan of work, Young Conaway collected from the Company thousands of pages of documents including minutes of the Board and its Liability Management Committee, Restructuring Committee, Audit Committee, Compensation Committee and Nominating Committee, as well as documents considered by the Board and its committees at their meetings, transaction documents concerning all material transactions the Company had entered into or considered, documents concerning any transactions between the Company and officers, directors, managers and stockholders, documents relating to executive and director compensation, documents concerning the Company's financial condition, and other documents relating to the governance and operation of the Company. The Review Committee and Young Conway also reviewed the Company's filings with the SEC. In its review and collection of documents, the Review Committee used a more-than six year look-back period.

The Review Committee with the assistance of Young Conaway interviewed directors Mary Berner, John Dickey, Ralph Everett, Jeffrey Marcus, and Ross Oliver, as well as former director David Tolley. The Review Committee also interviewed former director and chief executive officer Lewis Dickey. In addition, the Review Committee also interviewed the Company's officers, including its general counsel, Richard Denning, and the chief financial officer, John Abbot, and had discussions concerning background facts and information with several of the Company's outside professionals. The Company and its current personnel cooperated fully with all of the Review Committee's data collection efforts.

The Review Committee met with its counsel six times to discuss the status of the review and the information received in the course of the review and also conferred regularly with counsel about issues as they arose. The Review Committee also asked its counsel to provide it with a written legal analysis (the "Report") of various transactions and any potential claims that might be asserted by the Company.

In preparing the Report, the Review Committee requested that the Company identify all current and former directors and officers of the Company in the prior six-year period and that it identify all material transactions that were entered into by the Company in that period, as well as to identify which of those transactions involved directors, officers or stockholders of the Company.

3. Recommendation

Based on the procedures and analysis described above, the Review Committee made the following recommendation to the Restructuring Committee of the Board: It is in the best interest of the Company to grant the Company Release.

The Review Committee is continuing to assess any and all potential claims. To the extent that any probative evidence supporting the existence of cognizable claims against any of the Released Parties comes to the attention of the Review Committee prior to the Confirmation Hearing, the Review Committee will supplement and amend its recommendation accordingly in advance of the hearing.

IV. KEY EVENTS LEADING TO COMMENCEMENT OF CHAPTER 11 CASES

Between 1998 and 2013, Cumulus Media completed approximately $5 billion in acquisitions to grow its network and radio station businesses, with the largest being the acquisition of Citadel in 2011. The Company struggled to develop the management and technology infrastructure required to integrate the acquired assets and to support and manage its expanding portfolio. Additionally, certain of the acquisition projections proved erroneous and a number of subsequent management decisions failed to achieve their desired results. The Company was thus unable to achieve the cash flow projections it had made to support the prices paid for those acquisitions, particularly the Citadel acquisition and the Dial Global (n/k/a Westwood One) acquisition in 2013, with the underperformance resulting in leverage levels significantly in excess of original projections. Those factors, in concert with industry pressures, also caused its performance to falter such that from 2012 through 2015 the Company experienced declining year-over-year performance in ratings, revenue and Earnings Before Interest Taxes Depreciation and Amortization ("EBITDA").

During the year ended December 31, 2015, because of the sustained declines in its operating results, the Company recorded impairment charges related to goodwill and indefinite-lived intangible assets (FCC licenses) of $549.7 million and $15.9 million, respectively. During the year ended December 31, 2016, the Company recorded additional impairment charges related to goodwill and indefinite-lived intangible assets of $568.1 million and $36.9 million, respectively.

In addition to the Company's historical underperformance, advertiser and listener demand for radio overall has been negatively impacted by the availability of content and advertising opportunities in growing digital streaming and web-based digital formats, resulting in declines in radio industry revenue and listenership. As a result of these general industry pressures, high acquisition prices and poor performance, Cumulus Media found itself with an excessive level of debt relative to its earnings and rapidly approaching maturities on its funded debt.

In late 2015, the Company began to consider balance sheet restructuring options to address the upcoming maturities under the Credit Agreement and the Senior Notes Indenture. In particular, the springing maturity feature of the Term Loan would cause it to mature on January 30, 2019 if over $200 million of Senior Notes remained outstanding on that date. The Term Loan would otherwise mature in December 2020. The Senior Notes mature in May 2019.

On December 7, 2016, the Company announced that it had entered into a refinancing support agreement with holders of approximately 57.3% of the aggregate principal amount of the then outstanding Senior Notes in contemplation of a private exchange offer. The purpose of this exchange offer was to refinance the outstanding Senior Notes, reduce the outstanding principal amount of the Company's total funded indebtedness, and address the springing maturity, all of which the Company believed would improve its long-term financial health.

The Company launched the private exchange offer on December 12, 2016. Contemporaneously with the launch of the private exchange offer, the Company filed a complaint in the United States District Court for the Southern District of New York (the "District Court") against the Credit Agreement Agent seeking a declaratory judgment that the Company was authorized under the Credit Agreement to proceed with the refinancing contemplated by the private exchange offer and an order of specific performance requiring the Credit Agreement Agent to comply with its contractual obligations to consent to the Company's proposed refinancing. On February 24, 2017, the Company's motion for summary judgment in the District Court proceeding was denied. The Company subsequently terminated the private exchange offer and the related refinancing support agreement on March 10, 2017.

Following the termination of the private exchange offer, the Company began negotiations regarding potential consensual restructuring transactions with advisors to (and following execution of the non-disclosure agreements described below, principals of) ad hoc groups of certain of the largest Term Loan Lenders and holders of the Senior Notes (the "Term Lender Group" and the "Ad Hoc Senior Noteholder Group" respectively, and together, the "Ad Hoc Groups").

In September 2017, the Company executed non-disclosure agreements with members of the Ad Hoc Groups to further restructuring negotiations with both of the Company's major creditor constituencies. On September 26, 2017, the Company and its restructuring advisors held separate meetings with (1) certain of its holders of Senior Notes and their advisors and (2) certain of its Term Loan Lenders and their advisors. At those meetings, the Company presented the framework for what it hoped could serve as a fully consensual restructuring proposal and sought to build consensus among these constituencies regarding a restructuring transaction.

In response to the Company's proposal, each of the Ad Hoc Groups presented the Company with its own restructuring proposal during the first week of October 2017. The Company continued to negotiate the terms of potential restructuring transactions with each of these creditor constituencies throughout October 2017 in an effort to reach consensus on, and build support for, a restructuring transaction.

On October 20, 2017, the Board appointed D.J. (Jan) Baker to the Board. Mr. Baker retired as a partner from the international law firm of Latham & Watkins LLP in July 2017, most recently serving as that firm's Global Co-Chair of the Corporate Restructuring Practice Group.

By October 30, 2017, the Company's negotiations with the Ad Hoc Senior Noteholder Group had produced a general alignment regarding material terms of a potential out-of-court restructuring transaction and, in the alternative, a potential in-court restructuring transaction both of which transactions included a reinstatement of the Term Loan and a full equitization of the Senior Notes. At the same time, the Company was also making progress with the Term Lender Group on the negotiation of an alternative to the proposed transactions with the Ad Hoc Senior Noteholder Group.

In furtherance of the Company's negotiations with both Ad Hoc Groups, on October 30, 2017, the Restructuring Committee of the Board authorized the Company to forgo the scheduled interest payment on the Senior Notes on November 1, 2017, of approximately $23.6 million and thus entered into the applicable 30-day grace period under the terms of the Senior Notes Indenture.

On November 29, 2017, the Company executed the Restructuring Support Agreement with the Consenting Term Loan Lenders, who hold approximately 71% of the Credit Agreement Claims, and Crestview Radio Investors, LLC, which, as of December 31, 2016, was Cumulus Media Inc.'s largest shareholder. **In determining to execute the Restructuring Support Agreement with the Consenting Term Loan Lenders, the Debtors concluded that the Term Loan Lenders' proposal represented the best restructuring proposal available to the Debtors in light of a wide variety of factors, including but not limited to the following that: (i) the Term Loan Lenders' proposal reduced pro forma leverage by $1.039 billion compared to the then-current capital structure; (ii) the Term Loan Lenders' proposal capitalized the Company with favorable debt terms, including an extended maturity; (iii) entering into a Restructuring Support Agreement with the Term Loan Lenders enabled the Debtors to obtain a commitment from the largest creditor constituency to support a confirmable chapter 11 plan; and (iv) the Ad Hoc Senior Noteholder Group's proposal (A) involved materially less de-leveraging, and (B) had not included and gave no indication of proposing a transaction with similar de-leveraging and balance sheet improvements for the Debtors.**

V. ~~ANTICIPATED~~ EVENTS DURING CHAPTER 11 CASES

The Debtors have been, and intend to continue, operating their businesses in the ordinary course during the Chapter 11 Cases as they had been prior to the Petition Date.

A. First Day Pleadings

On the Petition Date, the Debtors filed various motions and pleadings with the Bankruptcy Court in the form of "first day" pleadings to facilitate the Debtors' smooth transition into chapter 11.

On December 1 and December 21, 2017 (the "First Day Hearing" and the "Second Day Hearing," respectively), the Bankruptcy Court held hearings to consider the first day pleadings on an interim and final basis, respectively. The first day relief sought by the Debtors and approved by the Bankruptcy Court is summarized below.

1. Cash Collateral. On the Petition Date, the Debtors filed a motion (the "Cash Collateral Motion") [ECF No. 14] with the Bankruptcy Court to obtain authorization for the Debtors, among other things, to use the cash collateral of the Prepetition Secured Creditors (as defined therein) who have perfected liens and security interests therein (the "Cash Collateral") and to provide adequate protection to the Prepetition Secured Creditors for the use thereof.

The Debtors' ability to access and use cash collateral is essential to ensuring their continued operations during these Chapter 11 Cases. Absent access to Cash Collateral, the Debtors would not have adequate unencumbered cash on hand to pay critical operating expenses.

In consideration of the Debtors' use of the Cash Collateral, the Debtors have agreed to provide certain forms of adequate protection to the Prepetition Secured Creditors, including, among other things, (i) operation within a specified budget (subject to certain permitted variances); (ii) compliance with certain financial covenants and financial reporting requirements; (iii) payment of periodic cash payments to the Prepetition Secured Creditors; and (iv) payment of certain professional fees and expenses.

At the First Day Hearing and the Second Day Hearing, the Bankruptcy Court approved the Cash Collateral Motion on an interim [ECF No. 52] and final [ECF No. 164] basis, respectively.

2. Cash Management. On the Petition Date, the Debtors filed a motion to enable them to continue using their existing cash management system and existing bank accounts (the "Cash Management Motion") [ECF No. 13]. To lessen the impact of the Chapter 11 Cases on the Debtors' business, it is vital that the Debtors keep their cash management system in place and be authorized to pay related fees. At the First Day Hearing and the Second Day Hearing, the Bankruptcy Court approved the Cash Management Motion on an interim [ECF No. 51] and final [ECF No. 149] basis, respectively.

3. Talent. On the Petition Date, the Debtors filed a motion seeking authority to pay prepetition obligations owing to certain individuals crucial to the Debtors' broadcasting content and syndicated on-air programming business, including disc jockeys, radio personalities, and talk show and other program hosts (the "Talent Motion") [ECF No. 15]. At the First Day Hearing and the Second Day Hearing, the Bankruptcy Court approved the Talent Motion on an interim [ECF No. 50] and final [ECF No. 152] basis, respectively.

4. Customer Programs. On the Petition Date, the Debtors filed a motion seeking authority to continue to honor certain customer programs in the ordinary course after the Petition Date and to pay certain prepetition amounts in connection therewith (the "Customer Programs Motion") [ECF No. 11]. At the First Day Hearing and the Second Day Hearing, the Bankruptcy Court approved the Customer Programs Motion on an interim [ECF No. 44] and final [ECF No. 153] basis, respectively.

5. Wages. On the Petition Date, the Debtors filed a motion seeking authority to pay or otherwise honor certain employee wages and benefits, subject to certain limitations (the "Wages Motion") [ECF No. 12]. At the First Day Hearing and the Second Day Hearing, the

Bankruptcy Court approved the Wage Motion on an interim [ECF No. 48] and final [ECF No. 151] basis, respectively.

6. Taxes. On the Petition Date, the Debtors filed a motion seeking authority to pay all prepetition taxes and related fees, including all taxes and fees subsequently determined upon audit, or otherwise, to be owed for periods prior to the Petition Date (the "Taxes Motion") [ECF No. 10]. At the First Day Hearing and the Second Day Hearing, the Bankruptcy Court approved the Taxes Motion on an interim [ECF No. 47] and final [ECF No. 155] basis, respectively.

7. Insurance. On the Petition Date, the Debtors filed a motion seeking authority to continue their existing insurance policies on an uninterrupted basis during the pendency of the Chapter 11 Cases and to pay all amounts arising thereunder or in connection therewith (the "Insurance Motion") [ECF No. 9]. At the First Day Hearing and the Second Day Hearing, the Bankruptcy Court approved the Insurance Motion on an interim [ECF No. 45] and final [ECF No. 154] basis, respectively.

8. Utilities. On the Petition Date, the Debtors filed a motion seeking the entry of an order (a) prohibiting certain utility companies from altering, refusing or discontinuing utility services on account of prepetition invoices, (b) determining that the Debtors have provided each utility company with "adequate assurance of payment" and (c) establishing procedures for the determination of additional Adequate Assurance (as defined therein) and authorizing the Debtors to provide such Adequate Assurance (the "Utilities Motion") [ECF No. 8]. At the Second Day Hearing, the Bankruptcy Court granted the Utilities Motion on a final basis [ECF No. 150], and adjourned one objection thereto until a later date pending its consensual resolution or further adjudication, as applicable.

9. NOL Motion. On the Petition Date, the Debtors filed a motion seeking to establish certain procedures to govern the trading in (and the ability to take worthless stock deductions with respect to) the Debtors' existing common stock to preserve the Debtors' tax attributes, including net operating losses (the "NOL Motion") [ECF No. 22]. At the First Day Hearing and the Second Day Hearing, the Bankruptcy Court approved the NOL Motion on an interim [ECF No. 41] and final [ECF No. 156] basis, respectively.

B. Procedural and Administrative Motions

To facilitate the smooth administration of the Chapter 11 Cases, the Debtors sought, and the Bankruptcy Court granted, the following procedural and administrative orders: (a) joint administration of the Chapter 11 Cases for procedural purposes [ECF No. 40], (b) appointment of Epiq Bankruptcy Solutions, LLC as claims/noticing agent [ECF No. 42], (c) additional time to file statements of financial affairs and schedules of assets and liabilities [ECF No. 46]; (d) waiver of requirement to file the list of creditors on the Petition Date [ECF No. 43]; (e) waiver of requirement to file the list of equity holders [ECF No. 49]; and (f) implementing certain notice and case management procedures [ECF No. 73] (such procedures, the "Case Management Procedures").

1. Ordinary Course Professionals. In the Debtors' ordinary course of business, they employ professionals to render a wide variety of services related to matters such as corporate counseling, litigation, compliance, tax and accounting matters, intellectual property, real estate and other services for the Debtors in relation to issues that have a direct and significant impact on the Debtors' day-to-day operations. To maintain the uninterrupted functioning of the Debtors in these Chapter 11 Cases, it is essential that the Debtors continue the employment of these ordinary course professionals. Accordingly, on December 7, 2017, the Debtors filed a motion authorizing procedures for the retention and compensation of these ordinary course professionals and authorization to compensate such professionals without the need to file individual fee applications (the "Ordinary Course Professionals Motion") [ECF No. 81], which the Court granted at the Second Day Hearing [ECF No. 162].

2. Retention Applications. The Debtors filed the following applications to retain certain professionals to facilitate the Debtors' discharge of their duties as debtors-in-possession under the Bankruptcy Code, all of which the Bankruptcy Court granted at the Second Day Hearing:

- Paul, Weiss, Rifkind, Wharton & Garrison LLP as attorneys for the Debtors [ECF Nos. 77, 157];
- Epiq Bankruptcy Solutions, LLC ("Epiq") as administrative agent (the "Voting and Claims Agent") [ECF Nos. 78, 158];
- PJT Partners, Inc. ("PJT") as the Debtors' investment banker [ECF Nos. 79, 159]; and
- Alvarez & Marsal North America, LLC ("A&M") as financial advisor to the Debtors [ECF Nos. 80. 160].

The Debtors also filed an application to retain KPMG as tax compliance and tax consultants to the Debtors [ECF No. 183].

3. Interim Compensation Procedures. On December 7, 2017, the Debtors filed a motion to establish a process for the monthly allowance and payment of compensation and the reimbursement of expenses for those professionals whose services are authorized by the Bankruptcy Court (the "Interim Compensation Procedures Motion") [ECF No. 82]. The Bankruptcy Court granted the Interim Compensation Motion on a final basis at the Second Day Hearing [ECF No. 161].

C. Other Motions

1. Motion to Assume Certain Rating Products Agreements. The Debtors rely on products and services provided by Nielsen Audio and certain of its affiliates, including rating products and related analytical tools. On December 8, 2017, the Debtors filed a motion to assume certain amended agreements with Nielsen Company (US), LLC, eXelate, Inc., and Nielsen

Audio, Inc. [ECF No. 86] (the "Nielsen Assumption Motion"), which the Bankruptcy Court granted at the Second Day Hearing [ECF No. 163].

2. Motion Seeking Approval of the Confirmation Schedule. On December 7, 2017, the Debtors filed a motion proposing a schedule of important discovery briefing dates and deadlines, and other governing protocols and procedures, related to confirmation of the Plan [ECF No. 76] (the "Litigation Scheduling Motion"), which the Bankruptcy Court granted at the Second Day Hearing [ECF No. 148].

3. First Omnibus Rejection Motion. On January 18, 2018, the Debtors filed an omnibus motion seeking to reject certain executory contracts which were no longer economically viable or necessary to the Debtors' operations. [ECF No. 298].

4. Incentive Compensation Motion. On January 18, 2018, the Debtors filed a motion seeking approval to continue certain ordinary course incentive compensation programs and to pay certain claims related to such programs [ECF No. 300].

D. Appointment of Committee

On December 11, 2017, William K. Harrington, United States Trustee for Region 2, appointed a seven-member Official Committee of Unsecured Creditors of Cumulus Media Inc. and its affiliated Debtors pursuant to section 1102(a) of the Bankruptcy Code [ECF No. 96] (as may be reconstituted from time to time, the "Committee"). The initial members of the Committee are:

- Enticent, LLC dba Triton Digital
- U.S. Bank National Association
- ~~Angelo Gordon~~**AG** Super Fund, LP
- Ivy High Income Fund
- EJS Investment Holdings LLC
- Screen Actors Guild-American Federation of Television & Radio Artists
- Caitlin Ferrari c/o Marlborough Law Firm PC

On or about December ~~15~~**11**, 2017, the Committee retained Akin Gump Strauss Hauer & Feld LLP as its legal counsel. ~~Shortly thereafter~~**On December 12, 2017**, the Committee retained Moelis & Company as its financial advisor.

Since its appointment, the Committee and its advisors have been reviewing the Plan, the valuation on which the Plan is based and the fairness of the distributions proposed under the Plan. The Committee is also in the process of investigating the prepetition liens and claims of the Term Loan Lenders.

While the Committee's investigations are ongoing, the Committee does not currently believe that the distribution scheme set forth in the Plan is appropriate under the circumstances or complies with the Bankruptcy Code.

The Debtors vigorously dispute the Committee's views. The Debtors maintain that the Plan provides Holders of Claims with the best recoveries possible and that the Plan complies with all aspects of the Bankruptcy Code and should be approved.

E. Timetable for Chapter 11 Cases

The Restructuring Support Agreement includes certain milestones that relate to the occurrence of key events in the Chapter 11 Cases. Although the Debtors will request that the Bankruptcy Court grant the relief described below by the applicable dates, there can be no assurance that the Bankruptcy Court will grant such relief:

#	Milestone	Applicable Date
1	Debtors commence Chapter 11 Cases	November 30, 2017 (Milestone met)
2	The Bankruptcy Court shall enter an Order approving the Cash Collateral Motion on an interim basis	December 4, 2017 (Milestone met)
3	The Debtors shall have filed the Plan and Disclosure Statement	December 9, 2017 (Milestone met)
4	The Bankruptcy Court shall enter an Order approving the Cash Collateral Motion on a final basis	December 29, 2017 (Milestone met)
5	The Bankruptcy Court shall enter an Order approving the Disclosure Statement Motion on a final basis	February 27, 2018
6	The Bankruptcy Court shall enter the Confirmation Order	April 28, 2018
7	The Effective Date shall occur	May 28, 2018

VI. SUMMARY OF CHAPTER 11 PLAN

This Article VI summarizes the Plan. This summary is qualified in its entirety by reference to the Plan.

A. Chapter 11 Plan

THE FOLLOWING SUMMARIZES SOME OF THE SIGNIFICANT ELEMENTS OF THE PLAN. THIS DISCLOSURE STATEMENT IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE MORE DETAILED INFORMATION SET FORTH IN THE PLAN.

1. Classification and Treatment of Administrative Claims, Claims and Interests Under the Plan

(a) General. Only administrative expenses, claims and equity interests that are "allowed" may receive distributions under a chapter 11 plan. An "allowed" administrative expense, claim or equity interest simply means that the debtors agree, or in the event of a dispute, that the Bankruptcy Court determines, that the administrative expense, claim or equity interest, including the amount thereof, is in fact a valid obligation of, or equity interest in, the Debtors.

The Bankruptcy Code also requires that, for purposes of treatment and voting, a chapter 11 plan divide the different claims against, and equity interests in, the Debtors into separate classes based upon their legal nature. Claims of a substantially similar legal nature are usually classified together, as are equity interests of a substantially similar legal nature. Because an entity may hold multiple claims and/or equity interests which give rise to different legal rights, the holders of such claims and/or equity interests may find themselves as members of multiple classes of claims and/or equity interests.

Under a chapter 11 plan, the separate classes of claims and equity interests must be designated either as "impaired" (altered by the plan in any way) or "unimpaired" (unaltered by the plan). If a class of claims or interests is "impaired," the Bankruptcy Code affords certain rights to the holders of such claims or interests, such as the right to vote on the plan (unless the plan provides for no distribution to the holder, in which case, the holder is deemed to reject the plan), and the right to receive an amount under the chapter 11 plan that is not less than the value that the holder would receive if the debtor were liquidated under chapter 7.

Under section 1124 of the Bankruptcy Code, a class of claims or interests is "impaired" unless, with respect to each claim or interest of such class, the plan (i) does not alter the legal, equitable or contractual rights of the holders of such claims or interests or (ii) notwithstanding the holders' right to receive accelerated payment of such claims or interests after the occurrence of a default, cures all defaults (other than those arising from, among other things, the debtor's insolvency or the commencement of a bankruptcy case), reinstates the maturity of the claims or interests in the class, compensates the holders of such claims or interests for any damages incurred as a result of their reasonable reliance upon any acceleration rights and does not otherwise alter their legal, equitable or contractual rights.

Pursuant to sections 1122 and 1123 of the Bankruptcy Code, set forth below is a designation of Classes of Claims and Interests. All Claims and Interests, except for Administrative Claims and Priority Tax Claims, are classified in the Classes set forth in Article III of the Plan. A Claim or Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Interest qualifies within the description of such other

Classes. A Claim against a Debtor also is classified in a particular Class for the purpose of receiving distributions pursuant to the Plan only to the extent that such Claim is an Allowed Claim in that Class and has not been paid, released, or otherwise satisfied before the Effective Date. With respect to the treatment of all Claims and Interests as set forth in Article III.C of the Plan, the consent rights of the Term Lender Group to settle or otherwise compromise Claims are as set forth in the Restructuring Support Agreement**, some of which are set forth in the applicable Plan provisions**.

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims (which include Accrued Professional Compensation Claims), Priority Tax Claims and statutory fees have not been classified, although the treatment for such Claims is set forth below.

(b) Unclassified Claims. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, statutory fees and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims and Interests set forth in Article III of the Plan.

(i) Administrative Claims. Except with respect to Administrative Claims that are Accrued Professional Compensation Claims, and except to the extent that a Holder of an Allowed Administrative Claim and the applicable Debtor(s) agree to less favorable treatment with respect to such Holder, each Holder of an Allowed Administrative Claim shall, be paid in full in Cash on the later of: (a) on or as soon as reasonably practicable after the Effective Date if such Administrative Claim is Allowed as of the Effective Date; (b) on or as soon as reasonably practicable after the date such Administrative Claim is Allowed; and (c) the date such Allowed Administrative Claim becomes due and payable, or as soon thereafter as is practicable; *provided*, *however,* that Allowed Administrative Claims that arise in the ordinary course of the Debtors' business shall be paid in the ordinary course of business (or as otherwise approved by the Bankruptcy Court) in accordance with the terms and subject to the conditions of any agreements governing, instruments evidencing, or other documents relating to such transactions.

(ii) Accrued Professional Compensation Claims. All final requests for payment of Accrued Professional Compensation Claims shall be Filed no later than sixty (60) calendar days after the Effective Date. Such requests shall be Filed with the Bankruptcy Court and served as required by the Interim Compensation Order and the Case Management Procedures, as applicable. The objection deadline relating to a final fee application shall be 4:00 p.m. (prevailing Eastern time) on the date that is thirty (30) calendar days after the filing of such final fee application. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and any applicable Bankruptcy Court orders, the Allowed amounts of such Accrued Professional Compensation Claims shall be determined by the Bankruptcy Court. The Allowed amount of Accrued Professional Compensation Claims owing to the Professionals, after taking into account any prior payments, shall be paid in Cash to such Professionals from funds held in the Professional Fee Escrow Account promptly following the date when such Claims are Allowed by a Final Order. To the extent that funds held in the Professional Fee Escrow Account are unable to satisfy the Allowed amount of Accrued Professional Compensation Claims owing to the Professionals, the Reorganized Debtors shall pay such amounts within seven (7) Business Days of entry of the order approving such Accrued

Professional Compensation Claims. After all Allowed Accrued Professional Compensation Claims have been paid in full, the escrow agent shall promptly return any amounts remaining in the Professional Fee Escrow Account to the Reorganized Debtors.

(iii) Priority Tax Claims. Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, settlement, release, and discharge of each Allowed Priority Tax Claim, each Holder of an Allowed Priority Tax Claim due and payable on or before the Effective Date shall receive, in the discretion of the applicable Debtor or Reorganized Debtor, with the reasonable consent of the Term Lender Group, one of the following treatments: (1) Cash in an amount equal to the amount of such Allowed Priority Tax Claim, plus interest at the rate determined under applicable nonbankruptcy law and to the extent provided for by section 511 of the Bankruptcy Code, payable on or as soon as practicable following the Effective Date; (2) Cash in an aggregate amount of such Allowed Priority Tax Claim payable in installment payments over a period of time not to exceed five years after the Petition Date, pursuant to section 1129(a)(9)(C) of the Bankruptcy Code, plus interest at the rate determined under applicable nonbankruptcy law and to the extent provided for by section 511 of the Bankruptcy Code; or (3) such other treatment as may be agreed upon by such Holder and the Debtors, in consultation with the Term Lender Group, or otherwise determined by an order of the Bankruptcy Court.

(iv) Statutory Fees. Notwithstanding anything to the contrary contained herein, on the Effective Date, the Debtors shall pay, in full in Cash, any fees due and owing to the U.S. Trustee at the time of Confirmation. Thereafter, each applicable Reorganized Debtor shall pay all U.S. Trustee fees due and owing under section 1930 of the Judicial Code in the ordinary course until the earlier of (i) the entry of a final decree closing the applicable Reorganized Debtor's Chapter 11 Case, or (ii) the Bankruptcy Court enters an order converting or dismissing the applicable Reorganized Debtor's Chapter 11 Case. Any deadline for filing Administrative Claims or Accrued Professional Compensation Claims shall not apply to U.S. Trustee fees.

(c) Classified Claims and Interests. The treatment and voting rights provided to each Class for distribution purposes is set forth below.

(i) Class 1 – Priority Non-Tax Claims. Except to the extent that a Holder of an Allowed Priority Non-Tax Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, settlement, compromise, release and discharge of each Allowed Priority Non-Tax Claim, each Holder of an Allowed Priority Non-Tax Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, in the discretion of the applicable Debtor or Reorganized Debtor, with the consent of the Term Lender Group, either: (i) payment in full in Cash; or (ii) Reinstatement of such Allowed Priority Non-Tax Claim.

Class 1 is Unimpaired by the Plan, and each Holder of a Class 1 Priority Non-Tax Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 1 Priority Non-Tax Claims are not entitled to vote to accept or reject the Plan.

(ii) Class 2 – Other Secured Claims. Except to the extent that a Holder of an Allowed Other Secured Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Other Secured Claim, each Holder of an Allowed Other Secured Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, in the discretion of the applicable Debtor or Reorganized Debtor, with the consent of the Term Lender Group, either: (i) payment in full in Cash; (ii) Reinstatement of such Allowed Other Secured Claim; or (iii) delivery of the collateral securing any such Allowed Other Secured Claim and payment of any interest required under section 506(b) of the Bankruptcy Code.

Class 2 is Unimpaired by the Plan, and each Holder of a Class 2 Other Secured Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 2 Other Secured Claims are not entitled to vote to accept or reject the Plan.

(iii) Class 3 – Credit Agreement Claims

A. Allowance: On the Effective Date, the Credit Agreement Claims shall be Allowed in the aggregate principal amount of $1,728,614,099.90, plus accrued and unpaid interest on such principal amount through the Petition Date and other amounts due and owing pursuant to the Credit Agreement and orders of the Bankruptcy Court, including such other amounts required to be paid as adequate protection under the Cash Collateral Order through and including the Effective Date, and shall not be subject to any avoidance, reductions, setoff, offset, recoupment, recharacterization, subordination (whether equitable, contractual or otherwise), counterclaims, crossclaims, defenses, disallowance, impairment, objection, or any other challenges under any applicable law or regulation by any person or entity.

B. Treatment: Except to the extent that a Holder of an Allowed Credit Agreement Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Credit Agreement Claim, each Holder of an Allowed Credit Agreement Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, its Pro Rata share of and interest in (i) the First Lien Exit Facility, and (ii) the Term Loan Lender Equity Distribution; *provided*, that the Debtors and the Term Lender Group may determine, in their reasonable discretion, to provide, at the election of a Holder of an Allowed Credit Agreement Claim, that such Holder may elect to receive its Pro Rata share of the Term Loan Lender Equity Distribution in the form of Restricted Stock issued in an amount of value equal to the Pro Rata share of the Term Loan Lender Equity Distribution such Holder would otherwise receive pursuant to

this section; *provided, further*, and notwithstanding anything herein to the contrary, that the distribution of the Term Loan Lender Equity Distribution shall be made pursuant to, and subject to the terms and conditions of, the Equity Allocation Mechanism.

C. Voting: Class 3 is Impaired. Therefore, Holders of Class 3 Credit Agreement Claims are entitled to vote to accept or reject the Plan.

(iv) Class 4 – Convenience Claims. Except to the extent that a Holder of an Allowed Convenience Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Convenience Claim, each Holder of an Allowed Convenience Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, Cash in an amount equal to 100% of the Allowed Convenience Claim; *provided*, that Cash distributions to Holders of Allowed Convenience Claims shall not, in the aggregate, exceed the Convenience Class Cap without the prior written consent of the Term Lender Group; *provided*, *further*, that if the aggregate amount of Allowed Convenience Claims exceeds the Convenience Class Cap and the Term Lender Group does not consent to an increase in the Convenience Class Cap, then each Holder of an Allowed Convenience Claim shall receive Cash in an amount equal to its Pro Rata share of the Convenience Class Cap.

A "Convenience Claim" means a General Unsecured Claim that is either (a) in an amount that is equal to or less than $20,000 or (b) in an amount that is greater than $20,000, but with respect to which the Holder of such Allowed General Unsecured Claim voluntarily and irrevocably reduces the aggregate amount of such Claim to $20,000 pursuant to a valid election by the Holder of such Allowed General Unsecured Claim made on its Ballot on or before the Plan Voting Deadline.

Class 4 is Impaired. Therefore, Holders of Class 4 Convenience Claims are entitled to vote to accept or reject the Plan. Notwithstanding the foregoing, if the aggregate Allowed amount of all Allowed Convenience Claims is less than or equal to the Convenience Class Cap, then the Debtors reserve the right to assert that the Holders of Class 4 Convenience Claims are Unimpaired.

(v) Class 5 – Senior Notes Claims

A. Allowance: On the Effective Date, the Senior Notes Claims shall be Allowed in the aggregate principal amount of $610 million, **(i)** plus accrued and unpaid interest on such principal amount through the Petition Date~~.~~**, plus (ii) if Allowed by Final Order other than the Confirmation Order, accrued and unpaid interest (but excluding any amounts included in clause (i)), premiums, fees and costs and expenses, including, without limitation, attorney's fees, trustee's fees, and other professional fees and disbursements, and other**

obligations, in each case, solely to the extent owing under the Senior Notes Indenture.

B. Treatment for Holders of Senior Notes Claims: Except to the extent that a Holder of an Allowed Senior Notes Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Senior Notes Claim, each Holder of an Allowed Senior Notes Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, its Pro Rata share of the Unsecured Creditor Equity Distribution. The Unsecured Creditor Equity Distribution shall be allocated Pro Rata to Holders of Allowed Claims in Classes 5 and 6, and notwithstanding anything in the Plan to the contrary, shall be made pursuant to, and subject to the terms and conditions of, the Equity Allocation Mechanism.

C. Voting: Class 5 is Impaired. Therefore, Holders of Class 5 Senior Notes Claims are entitled to vote to accept or reject the Plan.

(vi) Class 6 – General Unsecured Claims. Except to the extent that a Holder of an Allowed General Unsecured Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed General Unsecured Claim, each Holder of an Allowed General Unsecured Claim shall receive, on the Effective Date or as soon as reasonably practicable thereafter, its Pro Rata share of the Unsecured Creditor Equity Distribution. The Unsecured Creditor Equity Distribution shall be allocated Pro Rata to Holders of Allowed Claims in Classes 5 and 6, and notwithstanding anything in the Plan to the contrary, shall be made pursuant to, and subject to the terms and conditions of, the Equity Allocation Mechanism.

Class 6 is Impaired. Therefore, Holders of Class 6 General Unsecured Claims are entitled to vote to accept or reject the Plan.

(vii) Class 7 – Intercompany Claims. On the Effective Date or as soon as reasonably practicable thereafter, Allowed Intercompany Claims shall be, at the option of the Debtors or the Reorganized Debtors, as applicable, with the reasonable consent of the Term Lender Group, either (i) Reinstated as of the Effective Date, or (ii) cancelled without any distribution on account of such Intercompany Claims.

Class 7 is Unimpaired or Impaired by the Plan, and each Holder of a Class 7 Intercompany Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code or rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, Holders of Class 7 Intercompany Claims are not entitled to vote to accept or reject the Plan.

(viii) Class 8 – Subordinated Claims. Subordinated Claims shall be subordinated to all other Claims against the Debtors, shall receive no distributions on account of such Subordinated Claims, and shall be discharged.

Class 8 is Impaired by the Plan, and each Holder of a Class 8 Subordinated Claim is conclusively presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, Holders of Class 8 Subordinated Claims are not entitled to vote to accept or reject the Plan.

(ix) Class 9 – Intercompany Interests. To preserve the Debtors' corporate structure, on the Effective Date, or as soon thereafter as reasonably practicable, all Allowed Intercompany Interests shall be, at the option of the Debtors or the Reorganized Debtors, as applicable, with the reasonable consent of the Term Lender Group, either (i) Reinstated as of the Effective Date, or (ii) cancelled without any distribution on account of such Intercompany Interests.

Class 9 is Unimpaired or Impaired by the Plan, and each Holder of a Class 9 Intercompany Interest is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code or rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, Holders of Class 9 Intercompany Interests are not entitled to vote to accept or reject the Plan.

(x) Class 10 – Interests in Cumulus. On the Effective Date, all Allowed Interests in Cumulus shall be cancelled without any distribution on account of such Interests in Cumulus.

Class 10 is Impaired by the Plan, and each Holder of a Class 10 Allowed Interest in Cumulus is conclusively presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, Holders of Class 10 Allowed Interests in Cumulus are not entitled to vote to accept or reject the Plan.

2. Voting of Claims.

Each Holder of a Claim in an Impaired Class that is entitled to vote on the Plan as of the record date for voting on the Plan (pursuant to Article III of the Plan) shall be entitled to vote to accept or reject the Plan as provided in the Disclosure Statement Order or any other order of the Bankruptcy Court.

3. No Substantive Consolidation. Although the Plan is presented as a joint plan of reorganization, the Plan does not provide for the substantive consolidation of the Debtors' Estates, and on the Effective Date, the Debtors' Estates shall not be deemed to be substantively consolidated for any reason. Nothing in the Plan or the Disclosure Statement shall constitute or be deemed to constitute an admission that any one or all of the Debtors is subject to or liable for any Claims against any other Debtor.

4. Sources of Consideration for Plan Distributions. The Reorganized Debtors shall fund distributions under the Plan, as applicable with the First Lien Exit Facility, the New

Revolving Credit Facility (if any), the New Securities, and other Cash of the Debtors, including Cash from business operations, which shall be sufficient to make the other required payments on or after the Effective Date under the Plan and provide the Reorganized Debtors with working capital necessary to run their business. For the avoidance of doubt, the Debtors and the Reorganized Debtors will be entitled to transfer funds between and among themselves as they determine to be necessary or appropriate to enable the Reorganized Debtors to satisfy their obligations under the Plan, subject in all respects to the terms of the First Lien Exit Facility and the New Revolving Credit Facility, if any. Except as set forth herein, any changes in intercompany account balances resulting from such transfers will be accounted for and settled in accordance with the Debtors' historical intercompany account settlement practices and will not violate the terms of the Plan.

(a) First Lien Exit Facility

On the Effective Date, the Reorganized Debtors shall enter into the First Lien Exit Facility, the **principal** terms of which ~~will be set forth~~**are attached as Exhibit G to this Disclosure Statement and that will be memorialized** in the First Lien Exit Facility Documents. All Holders of Allowed Credit Agreement Claims entitled to distribution hereunder shall be deemed to be a party to, and bound by, the First Lien Exit Facility Agreement, regardless of whether such Holder has executed a signature page thereto. Confirmation of the Plan shall be deemed approval of the First Lien Exit Facility and the First Lien Exit Facility Documents, as applicable, and all transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, and authorization of the Reorganized Debtors to enter into and execute the First Lien Exit Facility Documents and such other documents as may be required to effectuate the treatment afforded by the First Lien Exit Facility. On the Effective Date, all of the Liens and security interests to be granted in accordance with the First Lien Exit Facility Documents (a) shall be deemed to be granted, (b) shall be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the First Lien Exit Facility Documents, (c) shall be deemed perfected on the Effective Date, and (d) shall not be subject to recharacterization or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy law.

The Reorganized Debtors and the persons and entities granted such Liens and security interests shall be authorized to make all filings and recordings, and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests under the provisions of the applicable state, federal, or other law that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order and any such filings, recordings, approvals, and consents shall not be required), and the Reorganized Debtors shall thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable law to give notice of such Liens and security interests to third parties.

(b) New Revolving Credit Facility.

On the Effective Date, the Reorganized Debtors shall be authorized, but not directed, to enter into the New Revolving Credit Facility (if any), the terms of which will be set forth in the New Revolving Credit Facility Documents (if any). Confirmation of the Plan shall be deemed approval of the New Revolving Credit Facility and the New Revolving Credit Facility Documents, as applicable, and all transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, and authorization of the Reorganized Debtors to enter into and execute the New Revolving Credit Facility Documents (if any) and such other documents as may be required to effectuate the treatment afforded by any such New Revolving Credit Facility. On the Effective Date, if the Reorganized Debtors have obtained a New Revolving Credit Facility, all of the Liens and security interests to be granted in accordance with the New Revolving Credit Facility Documents (a) shall be deemed to be granted, (b) shall be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the New Revolving Credit Facility Documents, (c) shall be deemed perfected on the Effective Date, and (d) shall not be subject to recharacterization or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy law.

The Reorganized Debtors and the persons and entities granted such Liens and security interests shall be authorized to make all filings and recordings, and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests under the provisions of the applicable state, federal, or other law that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order and any such filings, recordings, approvals, and consents shall not be required), and the Reorganized Debtors shall thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable law to give notice of such Liens and security interests to third parties.

(c) Issuance and Distribution of New Securities

On the Effective Date, or as soon as reasonably practicable thereafter, subject to Article IV.H of the Plan, the New Securities shall be distributed to (a) Holders of Allowed Claims in Class 3, (b) Holders of Allowed Claims in Class 5, and (c) Holders of Allowed Claims in Class 6, as and if applicable. In each case, such New Securities shall be subject to dilution by any New Common Stock issued pursuant to the Management Incentive Plan. ~~[~~All Holders of Allowed Credit Agreement Claims, Allowed Senior Notes Claims and Allowed General Unsecured Claims entitled to distribution hereunder shall be deemed to be a party to, and bound by, the New Shareholders' Agreement, **if any,** regardless of whether such Holder has executed a signature page thereto.~~]~~ The allocation of New Securities among the Holders of Allowed Credit Agreement Claims, Allowed Senior Notes Claims, and Allowed General Unsecured Claims shall be made in accordance with the Equity Allocation Mechanism. The issuance of the New Common Stock by Reorganized Cumulus, including options, stock appreciation rights, restricted stock units, or other equity awards, if any, in connection with the Management Incentive Plan, is authorized without

the need for any further corporate action and without any further action by the Holders of Claims or Interests.

All of the New Securities issued pursuant to the Plan and section 1145 of the Bankruptcy Code shall be duly authorized, validly issued, fully paid, and non-assessable. Each distribution and issuance of the New Securities under the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance.

5. Restructuring Transactions. On the Effective Date, or as soon as reasonably practicable thereafter, the Reorganized Debtors may take any and all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by or necessary to effectuate the Restructuring Transactions under and in connection with the Plan.

6. Corporate Existence. Except as otherwise provided in the Plan or any agreement, instrument, or other document incorporated in the Plan or the Plan Supplement, on the Effective Date, each Debtor shall continue to exist after the Effective Date as a Reorganized Debtor and as a separate corporation, limited liability company, partnership, or other form of entity, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form of entity, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and by-laws (or other analogous formation or governing documents) in effect before the Effective Date, except to the extent such certificate of incorporation and by-laws (or other analogous formation or governing documents) are amended by the Plan or otherwise amended in accordance with applicable law. To the extent such documents are amended, such documents are deemed to be amended pursuant to the Plan and require no further action or approval (other than any requisite filings required under applicable state or federal law).

7. FCC Licenses. The required FCC Applications shall be filed, as promptly as practicable, including the FCC Long Form Application and the Petition for Declaratory Ruling. After such filing is made, any person who thereafter acquires a Credit Agreement Claim, a Senior Notes Claim, or a General Unsecured Claim may be issued Special Warrants in lieu of any New Common Stock that would otherwise be issued to such Person under the Plan. In addition, the Debtors may, in their sole discretion, request that the Bankruptcy Court implement restrictions on trading of Claims and Interests that might adversely affect the FCC Approval process. The Debtors shall **request that the FCC process the FCC Long Form Application separate and apart from the Petition for Declaratory Ruling. Regardless of whether the FCC consents to the request for separate processing, the Debtors shall** diligently prosecute the FCC Applications and shall promptly provide such additional documents or information **reasonably** requested by the FCC in connection with its review of the FCC Applications. **In the event the FCC Approval is obtained while the Petition for Declaratory Ruling remains pending, the Debtors (or Reorganized Debtors, as applicable) shall continue to diligently prosecute the Petition for Declaratory Ruling.**

Due to FCC rule changes, the Debtors own one FM station more than current FCC rules permit in each of the following markets: Albany, GA; Columbia, MO; Green Bay, WI; and Toledo, OH. While the Debtors' station combinations in these four markets are currently grandfathered under FCC rules, the Debtors will be required to divest one FM station in each of these markets to a trust simultaneously with consummation of the issuance of New Securities. **These mandatory divestitures will not have a material impact on the Debtors' businesses.**

8. Vesting of Assets in the Reorganized Debtors. Except as otherwise provided in the Plan or any agreement, instrument, or other document incorporated in the Plan, the Plan Supplement or the Confirmation Order, on the Effective Date, pursuant to sections 1141(b) and (c) of the Bankruptcy Code, all property (including all interests, rights, and privileges related thereto) in each Estate, all Causes of Action, and any property acquired by any of the Debtors pursuant to the Plan, including Interests held by the Debtors in any non-Debtor Affiliates, shall vest in each applicable Reorganized Debtor, free and clear of all Liens, Claims, charges, encumbrances, or other interests, except for Liens securing the First Lien Exit Facility, the New Revolving Credit Facility (if any) and any Other Secured Claims that are Reinstated pursuant to the Plan. On and after the Effective Date, except as otherwise provided in the Plan or the Confirmation Order, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code, the Bankruptcy Rules or the Local Rules.

9. Cancellation of Existing Indebtedness and Securities. Except as otherwise expressly provided in the Plan, on the Effective Date, (i) the Credit Documents, the Senior Notes Indenture, the Interests in the Debtors and all notes, bonds, agreements, instruments and other documents evidencing or creating any indebtedness or obligation of the Debtors related to the Credit Documents, the Senior Notes Indenture or any Interest in the Debtors (collectively, the "Cancelled Debt and Equity Documentation") shall be deemed cancelled, discharged, and of no force or effect; and (ii) the obligations of the Debtors under or in respect of the Credit Documents, the Senior Notes Indenture, the Interests in the Debtors and all other Cancelled Debt and Equity Documentation shall be discharged. The Holders of or parties to the Credit Documents, the Senior Notes Indenture, and such other Cancelled Debt and Equity Documentation will have no rights arising from or related to the Credit Documents, the Senior Notes Indenture and such other Cancelled Debt and Equity Documentation; provided, that notwithstanding Confirmation or the occurrence of the Effective Date, any such Credit Document, Senior Notes Indenture or other Cancelled Debt and Equity Documentation that governs the rights of the Holder of a Claim or Interest shall continue in effect solely for purposes of **(i)** enabling Holders of Allowed Claims and Allowed Interests to receive distributions under the Plan as provided herein, **and allowing each of the Credit Agreement Agent and the Senior Notes Indenture Trustee to make or direct the distributions in accordance with the Plan as provided herein; (ii) allowing the Senior Notes Indenture Trustee to enforce its rights, claims, and interests vis-à-vis any parties other than the Released Parties or any of their respective property or assets; (iii) preserving any rights of the Senior Notes Indenture Trustee to payment of fees, expenses, and indemnification obligations as against any money or property distributable to the Holders of Allowed Senior Notes Claims under the Senior Notes Indenture, including any rights to priority of payment and/or to exercise the Senior**

Notes Indenture Trustee charging lien; (iv) allowing the Senior Notes Indenture Trustee to enforce any obligations owed to it under the Plan; (v) allowing the Senior Notes Indenture Trustee to appear in the Chapter 11 Cases or in any proceeding in the Bankruptcy Court or any other court; and (vi) permitting the Senior Notes Indenture Trustee to perform any functions that are necessary to effectuate the foregoing; provided, further, that section 10.7 of the Credit Agreement shall continue in effect solely as between the Term Loan Lenders and the Credit Agreement Agent, and not, for the avoidance of doubt, as to any Debtor, Reorganized Debtor or any of their respective property or assets**. Except for the foregoing, the Senior Notes Indenture Trustee and its agents shall be relieved of all further duties and responsibilities related to the Senior Notes Indenture and the Plan, except with respect to such other rights and obligations of the Senior Notes Indenture Trustee that, pursuant to the Senior Notes Indenture, survive the termination of such indenture. Subsequent to the performance by the Senior Notes Indenture Trustee of its obligations pursuant to the Plan, the Senior Notes Indenture Trustee and its agents shall be relieved of all further duties and responsibilities related to the Senior Notes Indenture.**

10. Corporate Action. On the Effective Date, or as soon thereafter as is reasonably practicable, all actions contemplated by the Plan shall be deemed authorized and approved in all respects, including: (1) execution and entry into the First Lien Exit Facility; (2) execution and entry into the New Revolving Credit Facility (if any); (3) approval of and entry into the New Corporate Governance Documents; (4) issuance and distribution of the New Securities; (5) selection of the directors and officers for the Reorganized Debtors; (6) implementation of the Restructuring Transactions contemplated by the Plan; (7) adoption of the Management Incentive Plan; (8) adoption or assumption, if and as applicable, of the Management Employment Agreements; and (9) all other actions contemplated by the Plan (whether to occur before, on, or after the Effective Date). All matters provided for in the Plan involving the corporate structure of the Reorganized Debtors, and any corporate action required by the Debtors or the Reorganized Debtors in connection with the Plan, shall be deemed to have occurred and shall be in effect, without any requirement of further action by the Security holders, directors, or officers of the Debtors or the Reorganized Debtors.

On or (as applicable) before the Effective Date, the appropriate officers of the Debtors or the Reorganized Debtors (as applicable) shall be authorized to issue, execute, and deliver the agreements, documents, Securities, and instruments contemplated by the Plan (or necessary or desirable to effect the transactions contemplated by the Plan) in the name of and on behalf of the Reorganized Debtors, including the New Corporate Governance Documents, the First Lien Exit Facility Documents, including the First Lien Exit Credit Agreement, the New Revolving Credit Facility Documents (if any), including the New Revolving Credit Facility Agreement, and any and all related and ancillary agreements, documents, and filings, the New Securities, and any and all other agreements, documents, securities, and instruments relating to the foregoing. The authorizations and approvals contemplated by Article IV of the Plan shall be effective notwithstanding any requirements under non-bankruptcy law.

11. New Certificates of Incorporation and New By-Laws. On or promptly after the Effective Date, the Reorganized Debtors will file their respective New Certificates of Incorporation with the applicable Secretaries of State and/or other applicable authorities in their

respective states of incorporation in accordance with the corporate laws of such respective states of incorporation or formation. Pursuant to section 1123(a)(6) of the Bankruptcy Code, the New Certificates of Incorporation will prohibit the issuance of non-voting equity securities. After the Effective Date, the Reorganized Debtors may amend and restate their respective New Certificates of Incorporation and New By-Laws and other constituent documents as permitted by the laws of their respective states of incorporation and their respective New Certificates of Incorporation and New By-Laws.

12. Directors and Officers of the Reorganized Debtors. As of the Effective Date, the term of the current members of the boards of directors of each Debtor shall expire, and the New Cumulus Board and the New Subsidiary Boards, as well as the officers of each of the Reorganized Debtors, shall be appointed in accordance with the New Certificates of Incorporation and New By-Laws of each Reorganized Debtor.

The New Cumulus Board shall be composed of seven members, which shall consist of Reorganized Cumulus' President and Chief Executive Officer and six directors chosen by the Term Lender Group on the terms set forth in the Restructuring Support Agreement. The initial directors of the New Cumulus Board as of the Effective Date shall be set forth in the Plan Supplement. The initial term of the New Cumulus Board will be through the date of the 2019 annual meeting of Cumulus. The New Subsidiary Boards shall be as set forth in the Plan Supplement.

Pursuant to section 1129(a)(5) of the Bankruptcy Code, the Debtors will disclose in the Plan Supplement the identity and affiliations of any Person proposed to serve on the initial New Cumulus Board and the New Subsidiary Boards, as well as those Persons that will serve as an officer of any of the Reorganized Debtors. To the extent any such director or officer is an "insider" as such term is defined in section 101(31) of the Bankruptcy Code, the nature of any compensation to be paid to such director or officer will also be disclosed. Each such director and officer shall serve from and after the Effective Date pursuant to the terms of the New Certificates of Incorporation, New By-Laws, and other constituent documents of the Reorganized Debtors.

13. Employee Obligations. Except as expressly otherwise provided in the Plan or the Plan Supplement, the Reorganized Debtors shall honor the Employee Obligations (i) existing and effective as of the Petition Date, (ii) that were incurred or entered into in the ordinary course of business prior to the Effective Date, and (iii) as otherwise approved by the Bankruptcy Court prior to the Effective Date, as may be amended by agreement between the beneficiaries of such Employee Obligations, on the one hand, and the Debtors or the Reorganized Debtors, as applicable, on the other hand. To the extent that any of the Employee Obligations are executory contracts, pursuant to sections 365 and 1123 of the Bankruptcy Code, each of them will be deemed assumed as of the Effective Date and assigned to the Reorganized Debtors. For the avoidance of doubt, the foregoing shall not (i) limit, diminish, or otherwise alter the Debtors' or the Reorganized Debtors', as applicable, defenses, Claims, Causes of Action, or other rights with respect to the Employee Obligations; or (ii) impair the rights of the Debtors or Reorganized Debtors, as applicable, to implement the Management Incentive Plan in accordance with its terms and conditions and to determine the Employee Obligations of the Reorganized Debtors in

accordance with their applicable terms and conditions on or after the Effective Date, in each case consistent with the Plan

14. Effectuating Documents; Further Transactions. On and after the Effective Date, the Reorganized Debtors and the officers and members of the New Boards, are authorized to and may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement and further evidence the terms and conditions of the Plan, the Restructuring Transactions, the New Corporate Governance Documents, the First Lien Exit Credit Agreement, the New Revolving Credit Facility Agreement (if any) and the Securities issued pursuant to the Plan, including the New Common Stock and Special Warrants, in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorization, or consents except those expressly required pursuant to the Plan.

15. Management Incentive Plan. On and after the Effective Date, the Reorganized Debtors will implement the Management Incentive Plan, pursuant to which certain officers, directors, and employees of the Reorganized Debtors will be granted awards on terms to be disclosed in the Plan Supplement and consistent with the term sheet included as Annex C to the Restructuring Support Agreement, The Management Incentive Plan shall reserve ten percent (10%) of the New Common Stock on a fully diluted basis for the New Cumulus Board and senior management employees of the Reorganized Debtors in the form of options, restricted stock units, and other equity-based awards. A term sheet summarizing the principal terms of the Management Incentive Plan is included as Annex C to the Restructuring Support Agreement, which is appended as Exhibit D to the First Day Declaration.

The Committee continues to diligence the appropriateness of the proposed Management Incentive Plan and the New Common Stock to be set aside for management and will raise any objections to the Management Incentive Plan, if any, in connection with the Confirmation Hearing.

16. Exemption from Certain Taxes and Fees. ~~Pursuant to~~**To the fullest extent permitted by** section 1146(a) of the Bankruptcy Code, any transfers of property pursuant to the Plan shall not be subject to any stamp tax~~ or other~~**, document recording tax, conveyance fee, intangibles, or similar tax, mortgage tax, real estate transfer tax, mortgage recording tax, sales or use tax, Uniform Commercial Code filing or recording fee, regulatory filing or recording fee, or other** similar tax or governmental assessment in the United States, and the Confirmation Order shall direct and be deemed to direct the appropriate state or local governmental officials or agents to forgo the collection of any such tax or governmental assessment and to accept for filing and recordation instruments or other documents pursuant to such transfers of property without the payment of any such tax or governmental assessment. Such exemption specifically applies, without limitation, to (1) the creation of any mortgage, deed of trust, Lien, or other security interest, (2) the making or assignment of any lease or sublease, (3) any Restructuring Transaction authorized by the Plan, and (4) the making or delivery of any deed or other instrument of transfer under, in furtherance of, or in connection with the Plan, including: (a) any merger agreements; (b) agreements of consolidation, restructuring, disposition,

liquidation, or dissolution; (c) deeds; (d) bills of sale; or (e) assignments executed in connection with any Restructuring Transaction occurring under the Plan.

17. Indemnification Provisions. On and as of the Effective Date, the Indemnification Provisions shall be deemed assumed and irrevocable and will remain in full force and effect and survive the effectiveness of the Plan unimpaired and unaffected, and each of the Reorganized Debtors' New Certificates of Incorporation, New By-Laws, or similar organizational documents will provide for the indemnification, defense, reimbursement, exculpation, and/or limitation of liability of, and advancement of fees and expenses to the Debtors' and the Reorganized Debtors' current and former directors, officers, employees, agents, managers, attorneys, and other professionals, and such current and former directors, officers, and managers' respective Affiliates at least to the same extent as such documents of each of the respective Debtors on the Petition Date but in no event greater than as permitted by law, against any Claims or Causes of Action; *provided*, that the Reorganized Debtors shall not indemnify any such Person for any Claims or Causes of Action arising out of or related to any act or omission that is a criminal act or constitutes actual fraud, gross negligence or willful misconduct or for which indemnification is not permissible under law. None of the Reorganized Debtors shall amend and/or restate its respective New Certificate of Incorporation, New By-Laws, or similar organizational documents before, on or after the Effective Date to terminate, reduce, discharge, impair or adversely affect in any way (i) any of the Reorganized Debtors' obligations referred to in the immediately preceding sentence or (ii) the rights of such current and former directors, officers, employees, agents, managers, attorneys, and other professionals, and such current and former directors, officers, and managers' respective Affiliates referred to in the immediately preceding sentence. Notwithstanding anything to the contrary in Article VIII.D and Article VIII.E of the Plan, the Debtors' current and former officers' and directors' rights to indemnification are preserved to the extent set forth in Article IV.R of the Plan.

18. Preservation of Causes of Action. In accordance with section 1123(b) of the Bankruptcy Code, but subject to Article VIII of the Plan , the Reorganized Debtors shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, including any actions specifically enumerated in the Plan Supplement, and the Reorganized Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. For the avoidance of doubt, the preservation of Causes of Action described in the preceding sentence includes, but is not limited to, the Debtors' (1) right to object to Administrative Claims, (2) right to object to other Claims, and (3) right to subordinate Claims. The Reorganized Debtors may pursue such Causes of Action, as appropriate, in accordance with the best interests of the Reorganized Debtors in their respective discretion. No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against them as any indication that the Debtors or the Reorganized Debtors will not pursue any and all available Causes of Action. The Debtors and the Reorganized Debtors expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in Article VIII of the Plan.

The Reorganized Debtors reserve and shall retain the applicable Causes of Action notwithstanding the rejection or repudiation of any Executory Contract or Unexpired Lease

during the Chapter 11 Cases or pursuant to the Plan. The applicable Reorganized Debtor, through its authorized agents or representatives, shall retain and may exclusively enforce any and all such Causes of Action. The Reorganized Debtors shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Causes of Action except as otherwise expressly provided in the Plan and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order, or approval of the Bankruptcy Court.

19. Treatment of Executory Contracts and Unexpired Leases.

(a) Assumption and Rejection of Executory Contracts and Unexpired Leases. On the Effective Date, except as otherwise provided herein, all Executory Contracts or Unexpired Leases will be deemed assumed as of the Effective Date, in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, other than those Executory Contracts or Unexpired Leases that: (1) previously were assumed or rejected by the Debtors; (2) are identified on the Schedule of Rejected Executory Contracts and Unexpired Leases; or (3) are the subject of a notice of rejection or motion to reject such Executory Contracts or Unexpired Leases, as applicable, that is pending on the Effective Date, regardless of whether the requested effective date of such rejection is on or after the Effective Date. Entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of such assumptions, assumptions and assignments and the rejection of the Executory Contracts or Unexpired Leases listed on the Schedule of Rejected Executory Contracts and Unexpired Leases pursuant to sections 365(a) and 1123 of the Bankruptcy Code.

Any motions or notices to reject Executory Contracts or Unexpired Leases pending on the Effective Date shall be subject to approval by the Bankruptcy Court on or after the Effective Date by a Final Order. Each Executory Contract and Unexpired Lease assumed pursuant to Article V.A of the Plan or by any order of the Bankruptcy Court, which has not been assigned to a third party prior to the Confirmation Date or such later date as provided in Article V.A of the Plan, shall revest in and be fully enforceable by the Debtors or the Reorganized Debtors, as applicable, in accordance with such Executory Contract and/or Unexpired Lease's terms, except as such terms are modified by the provisions of the Plan or any order of the Bankruptcy Court authorizing and providing for its assumption under applicable federal law.

To the maximum extent permitted by law, to the extent any provision in any Executory Contract or Unexpired Lease assumed pursuant to the Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption of such Executory Contract or Unexpired Lease (including, without limitation, any "change of control" provision), then such provision shall be deemed modified such that the transactions contemplated by the Plan shall not entitle the non-Debtor party thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto. Notwithstanding anything to the contrary in the Plan, the Debtors or the Reorganized Debtors, as applicable, reserve the right to alter, amend, modify, or supplement the Schedule of Rejected Executory Contracts and Unexpired Leases, including by way of adding or removing a particular Executory Contract or Unexpired Lease from the Schedule of Rejected Executory Contracts and

Unexpired Leases, at any time through and including forty-five (45) calendar days after the Effective Date.

(b) Claims Based on Rejection of Executory Contracts or Unexpired Leases. Proofs of Claim with respect to Claims against any Debtor arising from the rejection of Executory Contracts or Unexpired Leases, if any, must be filed with the Bankruptcy Court or the Voting and Claims Agent by the later of (i) the applicable Claims Bar Date, and (ii) ~~forty-five~~**thirty** (~~45~~**30**) calendar days after notice of such rejection is served on the applicable claimant. Any Claims against any Debtor arising from the rejection of an Executory Contract or Unexpired Lease not Filed within such time shall be automatically Disallowed, forever barred from assertion and shall not be enforceable against the Debtors or the Reorganized Debtors, the Estates, or property of the foregoing parties, without the need for any objection by the Debtors or the Reorganized Debtors, as applicable, or further notice to, or action, order, or approval of the Bankruptcy Court or any other Entity, and any Claim against any Debtor arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, including any Claims against any Debtor listed on the Schedules as unliquidated, contingent or disputed. Allowed Claims arising from the rejection of the Debtors' Executory Contracts or Unexpired Leases shall be classified as General Unsecured Claims and shall be treated in accordance with Article III of the Plan.

Any and all Proofs of Claim based upon Executory Contracts or Unexpired Leases that have been assumed in the Chapter 11 Cases, including pursuant to the Confirmation Order, and for which any cure amount has been fully paid or for any $0 cures pursuant to Article V of the Plan, shall be deemed Disallowed and expunged as of the Effective Date without the need for any objection thereto or any further notice to or action, order, or approval of the Bankruptcy Court.

(c) Cure of Defaults for Assumed Executory Contract and Unexpired Leases. Any monetary defaults under any Executory Contract and Unexpired Lease to be assumed shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code **by payment of the default amount in Cash on the Effective Date or as soon as reasonably practicable thereafter**, with such default amount being $0.00 if no amount is listed **in the Cure Notice**, subject to the limitations described below, or on such other terms as the party to such Executory Contract or Unexpired Lease may otherwise agree. In the event of a dispute regarding (1) the amount of the Cure Claim, (2) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed, if required, or (3) any other matter pertaining to assumption, the cure payments required by section 365(b)(1) of the Bankruptcy Code shall only be made following the entry of a Final Order or orders resolving the dispute and approving the assumption or by mutual agreement between the Debtors or the Reorganized Debtors, as applicable, and the applicable counterparty.

At least fourteen (14) calendar days before the Confirmation Hearing, the Debtors shall distribute, or cause to be distributed, Cure Notices of proposed assumption and proposed amounts of Cure Claims to the applicable Executory Contract or Unexpired Lease counterparties. Any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assumption or related cure amount must be Filed, served, and actually received by the Debtors,

the Term Lender Group and the U.S. Trustee at least seven (7) calendar days before the Confirmation Hearing. Any such objection to the assumption of an Executory Contract or Unexpired Lease shall be heard by the Bankruptcy Court on or before the Effective Date, unless a later date is agreed between the Debtors or the Reorganized Debtors, on the one hand, and the counterparty to the Executory Contract or Unexpired Lease, on the other hand, or by order of the Bankruptcy Court. Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption or cure amount shall be deemed to have assented to such assumption and/or cure amount; *provided*, *however*, that, subject to Article X.A of the Plan, the Debtors or the Reorganized Debtors, as applicable, shall have the right to alter, amend, modify, or supplement the Schedule of Rejected Executory Contracts and Unexpired Leases, as applicable, as identified in the Plan Supplement, through and including **forty-five (45) calendar days after** the Effective Date.

In any case, if the Bankruptcy Court determines that the Allowed Cure Claim with respect to any Executory Contract or Unexpired Lease is greater than the amount set forth in the applicable Cure Notice, the Debtors or Reorganized Debtors, as applicable, will have the right to add such Executory Contract or Unexpired Lease to the Schedule of Rejected Executory Contracts and Unexpired Leases, in which case such Executory Contract or Unexpired Lease will be deemed rejected as the Effective Date.

Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Claims against any Debtor or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time before the date that the Debtors or Reorganized Debtors assume such Executory Contract or Unexpired Lease. Any Proofs of Claim Filed with respect to an Executory Contract or Unexpired Lease that has been assumed and cured shall be deemed Disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court.

(d) Certain Customer Agreements. To the extent that the Debtors (i) are party to any ordinary course contract, terms and conditions, insertion order or similar agreement (whether written or oral) providing for the sale by the Debtors of advertising time to a customer and (ii) such agreement (A) has not been previously rejected or assumed by order of the Bankruptcy Court, (B) is not subject to a motion to reject filed on or prior to the Effective Date, (C) is not listed on the Schedule of Rejected Executory Contracts and Unexpired Leases, and (D) has not been designated for rejection in accordance with Article V of the Plan, such contract (including any modifications, amendments, supplements, restatements or other related agreements), purchase order or similar agreement will be deemed assumed by the applicable Debtor(s) or Reorganized Debtor(s), as applicable, in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code as of the Effective Date. Unless otherwise provided in the applicable Cure Notice, the cure amount to be paid in connection with the assumption of such a customer contract shall be $0.00.

(e) Insurance Policies. All of the Debtors' insurance policies, including any directors' and officers' insurance policies, and any agreements, documents, or instruments relating thereto, are treated as and deemed to be Executory Contracts under the Plan. On the

Effective Date, the Debtors shall be deemed to have assumed all insurance policies and any agreements, documents, and instruments related thereto. In addition, on and after the Effective Date, none of the Reorganized Debtors shall terminate or otherwise reduce, limit or restrict the coverage under any of the directors' and officers' insurance policies with respect to conduct occurring prior thereto, and all directors and officers of the Debtors who served in such capacity at any time prior to the Effective Date shall be entitled to the full benefits of any such directors' and officers' insurance policy for the full term of such policy regardless of whether such directors and officers remain in such positions after the Effective Date. Notwithstanding anything to the contrary in Article VIII.D and Article VIII.E of the Plan, all of the Debtors' current and former officers' and directors' rights as beneficiaries of such insurance policies are preserved to the extent set forth in Article V.D of the Plan.

(f) Indemnification Provisions. Except as otherwise provided in the Plan, on and as of the Effective Date, any of the Debtors' indemnification rights with respect to any contract or agreement that is the subject of or related to any litigation against the Debtors or Reorganized Debtors, as applicable, shall be assumed by the Reorganized Debtors and otherwise remain unaffected by the Chapter 11 Cases.

(g) Modifications, Amendments, Supplements, Restatements, or Other Agreements. Unless otherwise provided in the Plan or by separate order of the Bankruptcy Court, each Executory Contract or Unexpired Lease that is assumed, whether or not such Executory Contract or Unexpired Lease relates to the use, acquisition or occupancy of real property, shall include (i) all modifications, amendments, supplements, restatements, or other agreements made directly or indirectly by any agreement, instrument or other document that in any manner affect such Executory Contract or Unexpired Lease, and (ii) all Executory Contracts and Unexpired Leases related thereto, if any, including easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, powers, uses, reciprocal easement agreements and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated pursuant to an order of the Bankruptcy Court or under the Plan.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases and actions taken in accordance therewith (i) shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims against any Debtor that may arise in connection therewith, (ii) are not and do not create postpetition contracts or leases, (iii) do not elevate to administrative expense priority any Claims of the counterparties to such Executory Contracts and Unexpired Leases against any of the Debtors, and (iv) do not entitle any Entity to a Claim against any of the Debtors under any section of the Bankruptcy Code on account of the difference between the terms of any prepetition Executory Contracts or Unexpired Leases and subsequent modifications, amendments, supplements or restatements.

(h) Reservation of Rights. Neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on the Schedule of Rejected Executory Contracts and Unexpired Leases, nor anything contained in the Plan or the Plan Supplement, shall constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or

Unexpired Lease or that any Reorganized Debtor has any liability thereunder. If, prior to the Effective Date, there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors, or Reorganized Debtors, as applicable, shall have forty-five (45) calendar days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

(i) Nonoccurrence of Effective Date. In the event that the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code.

(j) Contracts and Leases Entered into After the Petition Date. Contracts and leases entered into after the Petition Date by any Debtor, including any Executory Contracts and Unexpired Leases assumed by such Debtor, will be performed by the applicable Debtor or Reorganized Debtor liable thereunder in the ordinary course of its business. Accordingly, such contracts and leases (including any assumed Executory Contracts and Unexpired Leases) that had not been rejected as of the date of Confirmation will survive and remain obligations of the applicable Reorganized Debtor.

20. Resolution of Disputed Claims.

(a) Allowance of Claims. After the Effective Date, each of the Debtors and the Reorganized Debtors shall have and retain any and all rights and defenses such Debtor had with respect to any Claim immediately before the Effective Date. Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases before the Effective Date (including the Confirmation Order), no Claim shall become an Allowed Claim unless and until such Claim is deemed Allowed under the Plan or the Bankruptcy Code, or the Bankruptcy Court has entered a Final Order, including the Confirmation Order (when it becomes a Final Order), in the Chapter 11 Cases allowing such Claim.

(b) Claims and Interests Administration Responsibilities. Except as otherwise specifically provided in the Plan and notwithstanding any requirements that may be imposed pursuant to Bankruptcy Rule 9019, after the Effective Date, the Reorganized Debtors shall have the sole authority: (1) to File, withdraw, or litigate to judgment objections to Claims; (2) to settle or compromise any Disputed Claim without any further notice to or action, order, or approval by the Bankruptcy Court; and (3) to administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court.

(c) Estimation of Claims. Before or after the Effective Date, the Debtors or the Reorganized Debtors, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate any Disputed Claim that is contingent or unliquidated pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any such Claim, including during the litigation of any objection to any Claim or during the appeal relating to such

objection. Notwithstanding any provision otherwise in the Plan, a Claim that has been expunged from the Claims Register, but that either is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars, unless otherwise ordered by the Bankruptcy Court. In the event that the Bankruptcy Court estimates any Disputed, contingent or unliquidated Claim, that estimated amount shall constitute a maximum limitation on such Claim for all purposes under the Plan (including for purposes of distributions), and the relevant Reorganized Debtor may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim; *provided*, *however*, that such limitation shall not apply to Claims requested by the Debtors to be estimated for voting purposes only.

Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any Holder of a Claim that has been estimated pursuant to section 502(c) of the Bankruptcy Code or otherwise be entitled to seek reconsideration of such estimation unless such Holder has Filed a motion requesting the right to seek such reconsideration on or before twenty-one (21) days after the date on which such Claim is estimated. All of the aforementioned Claims and objection, estimation, and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court.

(d) Adjustment to Claims Without Objection. Any Claim that has been paid or satisfied, or any Claim that has been amended or superseded, cancelled, or otherwise expunged (including pursuant to the Plan), may, in accordance with the Bankruptcy Code and Bankruptcy Rules, be adjusted or expunged (including on the Claims Register, to the extent applicable) by the Reorganized Debtors without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

(e) Time to File Objections to Claims. Any objections to Claims shall be Filed on or before the Claims Objection Deadline.

(f) Disallowance of Claims. Any Claims held by Entities from which property is recoverable under sections 542, 543, 550, or 553 of the Bankruptcy Code, or that is a transferee of a transfer avoidable under sections 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code, shall be deemed Disallowed pursuant to section 502(d) of the Bankruptcy Code, and Holders of such Claims may not receive any distributions on account of such Claims until such time as such Causes of Action against that Entity have been settled or a Bankruptcy Court order with respect thereto has been entered and all sums due, if any, to the Debtors by that Entity have been turned over or paid to the Reorganized Debtors. Subject in all respects to Article IV.R of the Plan, all Proofs of Claims Filed on account of an indemnification obligation to a director, officer, or employee shall be deemed satisfied and expunged from the Claims Register as of the Effective Date to the extent such indemnification obligation is assumed (or honored or reaffirmed, as the case may be) pursuant to the Plan, without any further notice to or action, order, or approval of the Bankruptcy Court.

Except as provided herein or otherwise agreed, any and all Proofs of Claim filed after the applicable Claims Bar Date shall be deemed Disallowed and expunged as of the Effective Date without any further notice to or action, order, or approval of the

Bankruptcy Court, and Holders of such Claims may not receive any distributions on account of such Claims, unless on or before the Confirmation Hearing such late Filed Claim has been deemed timely Filed by a Final Order.

21. Timing and Calculation of Amounts to Be Distributed. Unless otherwise provided in the Plan, on the Effective Date (or if a Claim is not an Allowed Claim on the Effective Date, on the date that such Claim becomes an Allowed Claim), or, in each case, as soon as reasonably practicable thereafter, each Holder of an Allowed Claim shall receive the full amount of the distributions that the Plan provides for Allowed Claims in each applicable Class. If and to the extent that there are Disputed Claims, distributions on account of any such Disputed Claims (which will only be made if and when they become Allowed Claims) shall be made pursuant to the provisions set forth in Article VII of the Plan. Except as otherwise expressly provided in the Plan, Holders of Claims shall not be entitled to interest, dividends, or accruals on the distributions provided for in the Plan, regardless of whether such distributions are delivered on or at any time after the Effective Date. The Debtors shall have no obligation to recognize any transfer of Claims or Interests occurring on or after the Distribution Record Date. Distributions to Holders of Claims or Interests related to public Securities shall be made to such Holders in exchange for such Securities, which shall be deemed cancelled as of the Effective Date.

22. Disbursing Agent. Except as otherwise provided in the Plan, all distributions under the Plan shall be made by the Disbursing Agent on the Effective Date or as soon as reasonably practicable thereafter. The Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court.

23. Rights and Powers of the Disbursing Agent.

(a) Powers of the Disbursing Agent. The Disbursing Agent shall be empowered to: (i) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (ii) make all distributions contemplated hereby; (iii) employ professionals to represent it with respect to its responsibilities; and (iv) exercise such other powers as may be vested in the Disbursing Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions the Plan.

(b) Expenses Incurred On or After the Effective Date. Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and out-of-pocket expenses incurred by the Disbursing Agent on or after the Effective Date (including taxes) and any reasonable compensation and out-of-pocket expense reimbursement claims (including reasonable attorney fees and expenses) made by the Disbursing Agent shall be paid in Cash by the Reorganized Debtors.

24. Delivery of Distributions and Undeliverable or Unclaimed Distributions.

(a) Delivery of Distributions.

(i) Delivery of Distributions to Holders of Allowed Credit Agreement Claims. Except as otherwise provided in the Plan, all distributions under the Plan to Holders of Allowed Credit Agreement Claims shall be made by the Reorganized Debtors or the Credit Agreement Agent to the Holders of Allowed Credit Agreement Claims of record as of the Distribution Record Date (as determined by the register maintained by the Credit Agreement Agent).

(ii) Delivery of Distributions to Senior Notes Indenture Trustee. Except as otherwise ~~provided in the Plan or~~ reasonably requested by the Senior Notes Indenture Trustee, all distributions under the Plan to Holders of Allowed Senior Notes Claims shall be made to**,** or **by the Disbursing Agent** at the **reasonable** direction of**,** the Senior Notes Indenture Trustee. As soon as practicable in accordance with the requirements set forth in Article VI of the Plan, the Senior Notes Indenture Trustee shall arrange to deliver such distributions to or on behalf of such Holders of Allowed Senior Notes Claims~~.~~**, subject to the Senior Notes Indenture Trustee charging Lien, and regardless of whether such distributions are made by the Senior Notes Indenture Trustee, the Disbursing Agent at the reasonable direction of the Senior Notes Indenture Trustee or by some other Person in accordance with Article VI.E.1(b) of the Plan, the Senior Notes Indenture Trustee charging lien shall attach to the property to be distributed to the Holders of Allowed Senior Notes Claims in the same manner as if such distributions were made through the Senior Notes Indenture Trustee. The Senior Notes Indenture Trustee shall have no duties or responsibility relating to any form of distribution that is not DTC eligible and the Debtors or Reorganized Debtors, as applicable, shall use commercially reasonable efforts to (i) seek the cooperation of DTC with respect to the cancellation of the Senior Notes as of the Effective Date, and (ii) seek the cooperation of the relevant bank and broker participants in the DTC system to facilitate delivery of the distribution directly to the relevant beneficial owners as soon as practicable after the Effective Date.**

(iii) Delivery of Distributions in General. Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims (other than Holders of Credit Agreement Claims or Senior Notes Claims) or Interests shall be made to Holders of record as of the Distribution Record Date by the Reorganized Debtors: (1) to the signatory set forth on any of the Proofs of Claim Filed by such Holder or other representative identified therein (or at the last known addresses of such Holder if no Proof of Claim is Filed or if the Debtors have been notified in writing of a change of address); (2) at the addresses set forth in any written notices of address changes delivered to the Reorganized Debtors after the date of any related Proof of Claim; (3) at the addresses reflected in the Schedules if no Proof of Claim has been Filed and the Reorganized Debtors have not received a written notice of a change of address; or (4) on any counsel that has appeared in the Chapter 11 Cases on the Holder's behalf. Subject to Article VI of the Plan, distributions under the Plan on account of Allowed Claims shall not be subject to levy, garnishment, attachment, or like legal process, so that each Holder of an Allowed Claim shall have and receive the benefit of the distributions in the manner set forth in the Plan. The Debtors, the Reorganized Debtors, the Disbursing Agent, the Credit Agreement Agent, and the Senior

Notes Indenture Trustee, as applicable, shall not incur any liability whatsoever on account of any distributions under the Plan, except in the event of gross negligence or willful misconduct, as determined by a Final Order of a court of competent jurisdiction.

(b) Minimum Distributions. No partial distributions or payments of fractions of New Securities shall be distributed and no Cash shall be distributed in lieu of such fractional amounts. When any distribution pursuant to the Plan on account of an Allowed Claim or Interest, as applicable, would otherwise result in the issuance of a number of New Securities that is not a whole number, the actual distribution of New Securities shall be rounded as follows: (i) fractions of greater than one-half (1/2) shall be rounded to the next higher whole number and (ii) fractions of one-half (1/2) or less than one-half (1/2) shall be rounded to the next lower whole number with no further payment therefor.

Notwithstanding any other provision of the Plan, no Cash payment valued at less than $100.00, in the reasonable discretion of the Disbursing Agent and the Reorganized Debtors, shall be made to a Holder of an Allowed Claim on account of such Allowed Claim. Such Allowed Claims to which this limitation applies shall be discharged and its Holder forever barred from asserting that Claim against the Reorganized Debtors or their property.

(c) Undeliverable Distributions and Unclaimed Property. In the event that any distribution to any Holder is returned as undeliverable, no distribution to such Holder shall be made unless and until the Disbursing Agent has determined the then-current address of such Holder, at which time such distribution shall be made to such Holder without interest; *provided*, *however*, that such distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of one (1) year from the later of (i) the Effective Date and (ii) the date of the distribution. After such date, all unclaimed property or interests in property shall revert to the Reorganized Debtors automatically and without need for a further order by the Bankruptcy Court (notwithstanding any applicable federal or state escheat, abandoned, or unclaimed property laws to the contrary), and the Claim of any Holder to such property or Interest in property shall be discharged and forever barred.

Checks issued on account of Allowed Claims shall be null and void if not negotiated within 180 calendar days from and after the date of issuance thereof. Requests for reissuance of any check must be made directly and in writing to the Disbursing Agent by the Holder of the relevant Allowed Claim within the 180-calendar day period. After such date, the relevant Allowed Claim (and any Claim for reissuance of the original check) shall be automatically discharged and forever barred, and such funds shall revert to the Reorganized Debtors (notwithstanding any applicable federal or state escheat, abandoned, or unclaimed property laws to the contrary).

(d) Reserve. In making any distribution in respect of Allowed Claims, the Reorganized Debtors shall reserve an appropriate and adequate amount of Cash on account of any unresolved Disputed Claims that if Allowed would be payable in Cash.

25. Manner of Payment.

(a) All distributions of New Securities under the Plan shall be made by the Disbursing Agent on behalf of Reorganized Cumulus.

(b) All distributions of Cash under the Plan shall be made by the Disbursing Agent on behalf of the applicable Debtor (or Debtors).

(c) At the option of the Disbursing Agent, any Cash payment to be made hereunder may be made by check or wire transfer or as otherwise required or provided in applicable agreements.

26. Section 1145 Exemption. Pursuant to section 1145 of the Bankruptcy Code, the issuance of the New Securities by Reorganized Cumulus as contemplated by the Plan (including the issuance of New Common Stock upon exercise of the Special Warrants and Class A Common Stock upon conversion of Class B Common Stock) is exempt from, among other things, the registration requirements of Section 5 of the Securities Act and any other applicable U.S. state or local law requiring registration prior to the offering, issuance, distribution or sale of Securities. The New Securities issued by Reorganized Cumulus pursuant to section 1145 of the Bankruptcy Code (a) are not "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, and (b) are freely tradable and transferable by any initial recipient thereof that (i) is not an "affiliate" of the Reorganized Debtors as defined in Rule 144(a)(1) under the Securities Act, (ii) has not been such an "affiliate" within ninety (90) calendar days of such transfer, (iii) has not acquired the New Securities from an "affiliate" within one year of such transfer and (iv) is not an entity that is an "underwriter" as defined in section 1145(b) of the Bankruptcy Code; *provided*, that transfer of the New Securities may be restricted by the Communications Act and the rules of the FCC, the New Corporate Governance Documents, the Warrant Agreement, and with respect to the Restricted Stock, the terms thereof.

Should the Reorganized Debtors elect on or after the Effective Date to reflect any ownership of the New Securities through the facilities of the DTC, Euroclear or Clearstream, the Reorganized Debtors need not provide any further evidence other than the Plan or the Confirmation Order with respect to the treatment of transfers, exercise, removal of restrictions, or conversion of New Securities under applicable U.S. federal, state or local securities laws.

The DTC, Euroclear or Clearstream shall be required to accept and conclusively rely upon the Plan and Confirmation Order in lieu of a legal opinion regarding whether the New Securities are exempt from registration and/or eligible for DTC, Euroclear or Clearstream book-entry delivery, settlement and depository services.

Notwithstanding anything to the contrary in the Plan , no Entity (including, for the avoidance of doubt, the DTC, Euroclear or Clearstream) may require a legal opinion regarding the validity of any transaction contemplated by the Plan , including, for the avoidance of doubt, whether the New Common Stock and Special Warrants (and New Common Stock issuable upon exercise of the Special Warrants) are exempt from registration and/or eligible for DTC, Euroclear or Clearstream book-entry delivery, settlement and depository services.

27. Compliance with Tax Requirements. In connection with the Plan, to the extent applicable, the Reorganized Debtors shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Reorganized Debtors and the Disbursing Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including, without limitation, liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information, documentation, and certifications necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable or appropriate. All Persons holding Claims against any Debtor shall be required to provide any information necessary for the Reorganized Debtors to comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit. The Reorganized Debtors reserve the right to allocate any distributions made under the Plan in compliance with applicable wage garnishments, alimony, child support, and other spousal awards, Liens, and encumbrances.

Notwithstanding any other provision of the Plan to the contrary, each Holder of an Allowed Claim shall have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any Governmental Unit on account of such distribution

28. Allocations. Except as otherwise required by law (as reasonably determined by the Reorganized Debtors), distributions in respect of Allowed Claims shall be allocated first to the principal amount of such Claims (as determined for federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of the Claims, to the remaining portion of such Allowed Claim, if any.

29. Setoffs and Recoupment. Other than as expressly set forth in the Plan with respect to the Allowed Credit Agreement Claims, the Debtors or the Reorganized Debtors may, but shall not be required to, setoff against or recoup any Allowed Claim and the distributions to be made pursuant to the Plan on account of such Allowed Claim, any claims, rights, and Causes of Action of any nature whatsoever that the Debtors or the Reorganized Debtors, as applicable, may have against the Holder of such Allowed Claim pursuant to the Bankruptcy Code or applicable nonbankruptcy law, to the extent that such claims, rights, or Causes of Action against such Holder have not been otherwise compromised or settled on or prior to the Effective Date (pursuant to the Plan or otherwise); *provided*, *however*, that the failure of the Debtors or the Reorganized Debtors, as applicable, to do so shall not constitute a waiver, abandonment or release by the Debtors or the Reorganized Debtors of any such Claim they may have against the Holder of such Claim.

30. Claims Paid or Payable by Third Parties.

(a) Claims Paid by Third Parties. The Debtors or the Reorganized Debtors, as applicable, shall reduce a Claim against any Debtor, and such Claim (or portion thereof) shall be Disallowed without a Claim objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court, to the extent that the Holder of such Claim receives a payment on account of such Claim from a party that is not a Debtor or a Reorganized Debtor, as applicable. Subject to the last sentence of this paragraph, to the extent a

Holder of a Claim receives a distribution on account of such Claim and also receives payment from a party that is not a Debtor or a Reorganized Debtor, as applicable, on account of such Claim, such Holder shall, within two (2) weeks of receipt of such payment, repay or return the distribution to the applicable Reorganized Debtor to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such distribution under the Plan. The failure of such Holder to timely repay or return such distribution shall result in the Holder owing the applicable Reorganized Debtor annualized interest at the Federal Judgment Rate on such amount owed for each Business Day after the two-week grace period specified above until the amount is repaid.

(b) Claims Payable by Third Parties. No distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the Debtors' insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy. To the extent that one or more of the Debtors' insurers agrees to satisfy in full or in part a Claim against any Debtor, then immediately upon such insurers' agreement, the applicable portion of such Claim may be expunged without a Claim objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

(c) Applicability of Insurance Policies. Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims shall be in accordance with the provisions of any applicable insurance policy. Nothing contained in the Plan shall constitute or be deemed a waiver of any Cause of Action that the Debtors, the Reorganized Debtors, or any Entity may hold against any other Entity, including insurers, under any policies of insurance, nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

31. Compromise and Settlement of Claims, Interests, and Controversies. Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the distributions and other benefits provided pursuant to the Plan, the provisions of the Plan shall constitute a good-faith compromise and settlement of all Claims, Interests, and controversies relating to the contractual, legal, and subordination rights that a Holder of a Claim or Interest may have with respect to any Allowed Claim or Interest, or any distribution to be made on account of such Allowed Claim or Interest. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims, Interests, and controversies, as well as a finding by the Bankruptcy Court that such compromise or settlement is in the best interests of the Debtors, their Estates, and Holders of Claims and Interests and is fair, equitable, and reasonable. In accordance with the provisions of the Plan, pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, without any further notice to or action, order, or approval of the Bankruptcy Court, after the Effective Date, the Reorganized Debtors may compromise and settle Claims against, and Interests in, the Debtors and their Estates and Causes of Action against other Entities.

(a) Discharge of Claims and Termination of Interests. Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan, the Confirmation Order or in any contract, instrument, or other agreement or document created pursuant to the Plan, including the Plan Supplement, the distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, discharge, and release,

effective as of the Effective Date, of Claims, Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by employees of the Debtors before the Effective Date and that arise from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not: (a) a Proof of Claim based upon such debt or right is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code; (b) a Claim or Interest based upon such debt, right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (c) the Holder of such a Claim or Interest has accepted the Plan. Any default or "event of default" by the Debtors or their Affiliates with respect to any Claim or Interest that existed immediately before or on account of the Filing of the Chapter 11 Cases shall be deemed cured (and no longer continuing) as of the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Interests subject to the Effective Date occurring.

(b) **Release of Liens**. **Except as otherwise specifically provided in the Plan, the First Lien Exit Facility Documents or in any contract, instrument, release, or other agreement or document created pursuant to the Plan or the Confirmation Order on the Effective Date, and concurrently with the applicable distributions made pursuant to the Plan, on the Effective Date all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released, settled, discharged, and compromised, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall revert to the Reorganized Debtors and their successors and assigns, in each case, without any further approval or order of the Bankruptcy Court and without any action or Filing being required to be made by the Debtors. In addition, the Credit Agreement Agent shall, at the Debtors' or Reorganized Debtors', as applicable, expense (and with no representation or warranty, or recourse to, the Credit Agreement Agent, any Term Loan Lender or any of their affiliates, officers, directors, employees, agents or counsel) execute and deliver all documents reasonably requested by the Debtors, the Reorganized Debtors, the First Lien Exit Facility Agent, or the New Revolving Credit Facility Agent (if any) to evidence the release of such mortgages, deeds of trust, Liens, pledges, and other security interests and shall authorize the Reorganized Debtors to file UCC-3 termination statements (to the extent applicable) with respect thereto**

(c) **Releases by the Debtors**. **Pursuant to section 1123(b) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or the Confirmation Order, on and after the Effective Date, the Released Parties shall hereby be expressly, unconditionally, irrevocably, generally, individually and collectively released, acquitted, and discharged by the Debtors, the Reorganized Debtors, and the Estates, each on behalf of itself and its current and former Affiliates, and such Entities' and their current**

and former Affiliates' current and former officers, managers, directors, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, successors, assigns, subsidiaries, principals, members, employees, agents, managed accounts or funds, management companies, fund advisors, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such, from any and all actions, Claims, Interests, obligations, debts, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative Claims asserted or assertable on behalf of a Debtor or Reorganized Debtor, any Claims or Causes of Action asserted on behalf of any Holder of any Claim or Interest or other Entity or that any Holder of a Claim or Interest or other Entity would have been legally entitled to assert, whether known or unknown, foreseen or unforeseen, asserted or unasserted, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise, for violations of federal or state laws or otherwise, by statute or otherwise, including Avoidance Actions, those Causes of Action based on veil piercing or alter-ego theories of liability, contribution, indemnification, joint liability or otherwise that the Debtors, the Reorganized Debtors, or their Estates (whether individually or collectively) ever had, now has, or hereafter can, shall, or may have, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any Security of the Debtors or any other transaction relating to any Security of the Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is affected by or classified in the Plan, the business or contractual arrangements between any Debtor and any Released Party, whether before or during the Debtors' restructuring, the restructuring of Claims and Interests before or during the Chapter 11 Cases, the negotiation, formulation or preparation of the Plan, the Plan Supplement, the Restructuring Transactions, the Restructuring Support Agreement, the Disclosure Statement, the First Lien Exit Facility Documents, the New Revolving Credit Facility Documents (if any) or, in each case, related agreements, instruments, or other documents, or upon any other act or omission, transaction, agreement, event, or other occurrence, taking place on or before the Effective Date related or relating to any of the foregoing; *provided, however*, that except as expressly provided under the Plan, the foregoing releases shall not release Claims related to any act or omission that is determined by a Final Order to have constituted actual fraud, gross negligence or willful misconduct. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Effective Date rights or obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan and shall not result in a release of any of the Debtors' or Reorganized Debtors' assumed indemnification obligations as set forth in the Plan.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Debtor Release, which includes by reference each of the related provisions and definitions contained in the Plan, and further, shall constitute the Bankruptcy Court's finding that the Debtor Release is: (1) essential to the Confirmation of the Plan; (2) an exercise of the Debtors' business judgment; (3) in exchange for the good and valuable consideration and substantial contributions provided

by the Released Parties; (4) a good faith settlement and compromise of the Claims released by the Debtor Release; (5) in the best interests of the Debtors and all holders of Claims and Interests; (6) fair, equitable, and reasonable; (7) given and made after due notice and opportunity for hearing; and (8) a bar to any of the Debtors, the Reorganized Debtors, and the Estates and each of their current and former Affiliates, and such Entities' and their current and former Affiliates' current and former officers, managers, directors, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, successors, assigns, subsidiaries, principals, members, employees, agents, managed accounts or funds, management companies, fund advisors, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such asserting any Claim or Cause of Action released pursuant to the Debtor Release.

Nothing in the Plan shall limit the liability of attorneys to their respective clients pursuant to Rule 1.8(h) of the New York Rules of Professional Conduct.

(d) **Releases by the Releasing Parties**. **Except as otherwise specifically provided in the Plan or the Confirmation Order, as of the Effective Date, each of the Releasing Parties shall be deemed to have expressly, conclusively, absolutely, unconditionally, irrevocably, generally, individually and collectively, released, acquitted, and discharged the Released Parties from any and all actions, Claims, Interests, obligations, debts, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative Claims asserted or assertable on behalf of a Debtor or Reorganized Debtor, any Claims or Causes of Action asserted on behalf of any Holder of any Claim or any Interest or other Entity or that any Holder of a Claim or an Interest or other Entity would have been legally entitled to assert, whether known or unknown, foreseen or unforeseen, asserted or unasserted, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise, for violations of federal or state laws or otherwise, by statute or otherwise, including Avoidance Actions, those Causes of Action based on veil piercing or alter-ego theories of liability, contribution, indemnification, joint liability or otherwise that such Releasing Party (whether individually or collectively) ever had, now has, or hereafter can, shall, or may have, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any Security of the Debtors or any other transaction relating to any Security of the Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or any Interest that is affected by or classified in the Plan, the business or contractual arrangements between any Debtor and any Released Party, whether before or during the Debtors' restructuring, the restructuring of Claims and Interests before or during the Chapter 11 Cases, the negotiation, formulation or preparation of the Plan, the Plan Supplement, the Restructuring Transactions, the Restructuring Support Agreement, the Disclosure Statement, the First Lien Exit Facility Documents, the New Revolving Credit Facility Documents (if any), or, in each case, related agreements, instruments, or other documents, or upon any other act or omission, transaction, agreement, event, or other**

occurrence, taking place on or before the Effective Date related or relating to any of the foregoing; *provided, however*, that except as expressly provided under the Plan, the foregoing releases shall not release Claims related to any act or omission that is determined by a Final Order to have constituted actual fraud, gross negligence or willful misconduct; *provided, further,* that any Holder of a Claim or an Interest that elects to opt-out of the releases contained in this paragraph shall not constitute a Released Party (even if for any reason otherwise entitled) and no Restructuring Support Party shall be entitled to opt-out of the releases contained in this paragraph for so long as the Restructuring Support Agreement remains in full force and effect as to such Restructuring Support Party. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Effective Date rights or obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan and shall not result in a release of any of the Debtors' or Reorganized Debtors' assumed indemnification obligations as set forth in the Plan.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Third-Party Release, which includes by reference each of the related provisions and definitions contained herein, and, further, shall constitute the Bankruptcy Court's finding that the Third-Party Release is: (1) essential to the Confirmation of the Plan; (2) given in exchange for the good and valuable consideration and substantial contributions provided by the Released Parties; (3) a good faith settlement and compromise of the Claims released by the Third-Party Release; (4) in the best interests of the Debtors and their Estates; (5) fair, equitable, and reasonable; (6) given and made after due notice and opportunity for hearing; and (7) a bar to any of the Releasing Parties asserting any Claim or Cause of Action released pursuant to the Third-Party Release.

Nothing in the Plan shall limit the liability of attorneys to their respective clients pursuant to Rule 1.8(h) of the New York Rules of Professional Conduct

The Debtors have concluded that the Third-Party Release in the Plan is justified in light of the facts and circumstances of these Chapter 11 Cases. However, certain parties have objected to or may object to the Third-Party Release and the Bankruptcy Court may find that such releases cannot be approved. For a more detailed discussion of such objections, *see* Article VI.E of this Disclosure Statement.

(e) Regulatory Activities. Notwithstanding anything to the contrary herein, nothing in the Plan or Confirmation Order is intended to affect the police or regulatory activities of Governmental Units or other governmental agencies.

(f) Exculpation. **Except as otherwise specifically provided in the Plan or the Confirmation Order, no Exculpated Party shall have or incur, and each Exculpated Party is hereby released and exculpated from, any (i) Exculpated Causes of Action and (ii) obligation, Cause of Action, or liability for any Exculpated Causes of Action; *provided, however*, that the foregoing "Exculpation" shall have no effect on the liability of any Entity that results from any such act or omission that is determined by a**

Final Order to have constituted actual fraud, gross negligence, or willful misconduct; *provided further however*, that the foregoing shall not be deemed to release, affect, or limit, any post-Effective Date rights or obligations of the Exculpated Parties under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan. The Exculpated Parties have, and upon completion of the Plan shall be deemed to have, participated in good faith and in compliance with applicable law with regard to the solicitation of, and distribution of, consideration pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

Nothing in the Plan shall limit the liability of attorneys to their respective clients pursuant to Rule 1.8(h) of the New York Rules of Professional Conduct

The Debtors have concluded that the exculpation provisions in the Plan are justified in light of the facts and circumstances of these Chapter 11 Cases. However, certain parties have objected to or may object to the exculpation of non-estate fiduciaries and the Bankruptcy Court may find that such exculpations cannot be approved. For a more detailed discussion of such objections, *see* Article VI.E of this Disclosure Statement.

(g) **Injunction**. **Except as otherwise expressly provided in the Plan, the Confirmation Order, or for obligations issued or required to be paid pursuant to the Plan or the Confirmation Order, all Persons and Entities that have held, hold, or may hold Claims, Interests, Causes of Action or liabilities that have been released pursuant to Article VIII.D or Article VIII.E of the Plan, are discharged pursuant to Article VIII.B of the Plan, or are subject to exculpation pursuant to Article VIII.G of the Plan, are permanently enjoined and precluded, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors, the Reorganized Debtors, the Released Parties, or the Exculpated Parties: (i) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims, Interests, Causes of Action or liabilities; (ii) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Persons and Entities on account of or in connection with or with respect to any such Claims, Interests, Causes of Action or liabilities; (iii) creating, perfecting, or enforcing any Lien, Claim or encumbrance of any kind against such Persons or Entities or the property or the estates of such Persons or Entities, as applicable, on account of or in connection with or with respect to any such Claims, Interests, Causes of Action or liabilities; (iv) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Persons or Entities or against the property of such Persons or Entities, as applicable, on account of or in connection with or with respect to any such Claims, Interests, Causes of Action or liabilities; and (v) commencing or continuing in any manner any action or other proceeding of any kind against such Persons or Entities on account of or in connection with or with respect to any such Claims, Interests, Causes of Action or liabilities released, settled or compromised pursuant to the Plan; *provided*, that nothing contained herein shall preclude a Person or Entity from**

obtaining benefits directly and expressly provided to such Person or Entity pursuant to the terms of the Plan; *provided*, *further*, that nothing contained herein shall be construed to prevent any Person or Entity from defending against claims objections or collection actions whether by asserting a right of setoff or otherwise to the extent permitted by law.

(h) Term of Injunction or Stays. Unless otherwise provided in the Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order), shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

(i) Recoupment. In no event shall any Holder of a Claim be entitled to recoup such Claim against any Claim, right, or Cause of Action of the Debtors or the Reorganized Debtors, as applicable, unless such Holder actually has performed such recoupment and provided notice thereof in writing to the Debtors on or before the Confirmation Date, notwithstanding any indication in any Proof of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of recoupment.

(j) Protection Against Discriminatory Treatment. In accordance with section 525 of the Bankruptcy Code, and consistent with paragraph 2 of Article VI of the United States Constitution, all Entities, including Governmental Units shall not discriminate against any Reorganized Debtor, or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Reorganized Debtors, or another Entity with whom the Reorganized Debtors have been associated, solely because each Debtor has been a debtor under chapter 11 of the Bankruptcy Code, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Cases.

B. Conditions Precedent to Consummation of the Plan

1. Conditions Precedent to the Effective Date.

It is a condition to the Effective Date of the Plan that the following conditions shall have been satisfied or waived pursuant to the provisions of Article IX.B of the Plan:

(a) The Bankruptcy Court shall have entered the Confirmation Order, which order shall be in form and substance satisfactory to the Debtors and the Term Lender Group.

(b) The Debtors shall have paid the reasonable and documented fees and out-of-pocket expenses of (i) the Credit Agreement Agent (including one counsel to the Credit Agreement Agent), and (ii) Arnold & Porter Kaye Scholer LLP, FTI Consulting Inc.,

Fortgang Consulting, LLC and Aloise & Associates, LLC in accordance with the Restructuring Support Agreement.

(c) All of the conditions precedent set forth in the First Lien Exit Credit Agreement shall have been satisfied or waived pursuant to the terms of the First Lien Exit Credit Agreement, and the First Lien Exit Credit Agreement shall have been executed. **The conditions precedent will be substantially similar to those set forth in the Existing Credit Agreement, with such changes as are agreed to by the Debtors and the Term Lender Group.**

(d) The Professional Fee Escrow Account shall have been established and funded.

(e) The Restructuring Support Agreement shall not have been terminated as to all parties thereto.

(f) All actions, documents, certificates, and agreements necessary to implement the Plan shall have been effected or executed and delivered to the required parties and, to the extent required, filed with the applicable Governmental Units in accordance with applicable laws.

(g) All governmental and material third-party approvals and consents, including Bankruptcy Court approval, that are necessary to implement the Restructuring Transactions shall have been obtained, not be subject to unfulfilled conditions, and be in full force and effect, and all applicable waiting periods shall have expired without any action being taken or threatened by any competent authority that would restrain, prevent, or otherwise impose materially adverse conditions on such transactions.

(h) The Debtors shall have received all authorizations, consents, regulatory approvals, rulings, waivers or other documents that are necessary to implement and effectuate the Plan and reasonable evidence thereof has been delivered to the Term Lender Group.

(i) The FCC Approval shall have been obtained.

(j) Any amendments, modifications or supplements to the Plan (including the Plan Supplement) shall be reasonably acceptable to the Debtors and the Term Lender Group.

(k) Each of the New By-Laws and New Certificates of Incorporation will be in full force and effect as of the Effective Date.

(l) The Effective Date shall be no later than one-hundred eighty (180) calendar days after the Petition Date, or such later date to which the Term Lender Group agrees in writing.

2. Waiver of Conditions. The conditions to Consummation set forth in Article IX.A of the Plan may be waived by the Debtors with the prior written consent of the Term Lender Group (not to be unreasonably withheld) and, with respect to conditions related to the Professional Fee Escrow Account, the beneficiaries of the Professional Fee Escrow Account,

without notice, leave or order of the Bankruptcy Court or any formal action other than proceeding to confirm or consummate the Plan. The failure of the Debtors or the Term Lender Group to exercise any of the foregoing rights shall not be deemed a waiver of any other rights, and each such right shall be deemed an ongoing right, which may be asserted at any time.

3. Effect of Failure of Conditions. If Consummation of the Plan does not occur, the Plan shall be null and void in all respects and nothing contained in the Plan or the Disclosure Statement shall: (i) constitute a waiver or release of any Claims, Causes of Action or Interests; (ii) prejudice in any manner the rights of such Debtor, any Holder, any Person, or any other Entity; or (iii) constitute an admission, acknowledgement, offer, or undertaking of any sort by such Debtor, any Holder, any Person, or any other Entity.

C. Modification, Revocation or Withdrawal of the Plan

1. Modification and Amendments. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 (as well as those restrictions on modifications set forth in the Plan), the Debtors reserve the right to modify the Plan (including the Plan Supplement), without additional disclosure pursuant to section 1125 of the Bankruptcy Code prior to the Confirmation Date; *provided*, that any such modification shall be reasonably acceptable to the Term Lender Group. After the Confirmation Date and before substantial consummation of the Plan, the Debtors may initiate proceedings in the Bankruptcy Court pursuant to section 1127(b) of the Bankruptcy Code to remedy any defect or omission or reconcile any inconsistencies in the Plan, the Plan Supplement, the Disclosure Statement, or the Confirmation Order, relating to such matters as may be necessary to carry out the purposes and intent of the Plan.

After the Confirmation Date, but before the Effective Date, the Debtors, with the consent of the Term Lender Group (not to be unreasonably withheld), may make appropriate technical adjustments and modifications to the Plan (including the Plan Supplement) without further order or approval of the Bankruptcy Court; *provided*, that such adjustments and modifications do not materially and adversely affect the treatment of Holders of Claims or Interests.

2. Effect of Confirmation on Modifications. Entry of a Confirmation Order shall mean that all modifications or amendments to the Plan since the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or re-solicitation under Bankruptcy Rule 3019.

3. Revocation or Withdrawal of the Plan. The Debtors reserve the right to revoke or withdraw the Plan before the Confirmation Date and to file subsequent plans of reorganization. If the Debtors revoke or withdraw the Plan, or if Confirmation or Consummation does not occur, then, absent further order of the Bankruptcy Court: (i) the Plan shall be null and void in all respects; (ii) any settlement or compromise not previously approved by Final Order of the Bankruptcy Court embodied in the Plan (including the fixing or limiting to an amount certain of the Claims or Interests or Classes of Claims or Interests), assumption or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (iii) nothing contained in the Plan shall:

(a) constitute a waiver or release of any Claims or Interests; (b) prejudice in any manner the rights of such Debtor, any Holder, any Person, or any other Entity; or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by such Debtor, any Holder, any Person, or any other Entity.

D. Retention of Jurisdiction. Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, except as set forth in the Plan, the Bankruptcy Court shall retain exclusive jurisdiction, to the fullest extent permissible under law, over all matters arising out of, or related to, the Chapter 11 Cases and the Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code, including jurisdiction to:

1. Allow, disallow, determine, liquidate, classify, estimate, or establish the priority, Secured or unsecured status, or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the Secured or unsecured status, priority, amount, or allowance of Claims or Interests;

2. decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;

3. resolve any matters related to: (a) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable, and to hear, determine and, if necessary, liquidate, any Claims against any of the Debtors arising therefrom, including Cure Claims pursuant to section 365 of the Bankruptcy Code; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed; (c) the Reorganized Debtors amending, modifying, or supplementing, after the Effective Date, pursuant to Article V of the Plan, the Executory Contracts and Unexpired Leases to be assumed or rejected or otherwise; and (d) any dispute regarding whether a contract or lease is or was executory, expired, or terminated;

4. ensure that distributions to Holders of Allowed Claims and Interests are accomplished pursuant to the provisions of the Plan;

5. adjudicate, decide, or resolve any motions, adversary proceedings, applications, contested or litigated matters, and any other matters, and grant or deny any applications involving a Debtor, or the Estates that may be pending on the Effective Date;

6. adjudicate, decide, or resolve any and all matters related to Causes of Action;

7. adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;

8. enter and implement such orders as may be necessary or appropriate to construe, execute, implement, or consummate the provisions of the Plan and all contracts,

instruments, releases, indentures, and other agreements or documents created in connection with the Plan, the Plan Supplement, or the Disclosure Statement;

9. enter and enforce any order for the sale of property pursuant to sections 363, 1123, or 1146(a) of the Bankruptcy Code;

10. resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with Consummation, including interpretation or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;

11. issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity or Person with Consummation or enforcement of the Plan;

12. resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the settlements, compromises, discharges, releases, injunctions, exculpations, and other provisions contained in Article VIII of the Plan and enter such orders as may be necessary or appropriate to implement such releases, injunctions, and other provisions;

13. resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim for amounts not timely repaid pursuant to Article VI.K.1 of the Plan.

14. enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;

15. determine any other matters that may arise in connection with or relate to the Plan, the Plan Supplement, the New Corporate Governance Documents, the Disclosure Statement, the Confirmation Order, or any contract, instrument, release, indenture, or other agreement or document created in connection with the Plan or the Disclosure Statement; *provided*, that the Bankruptcy Court shall not retain jurisdiction over disputes concerning documents contained in the Plan Supplement that have a jurisdictional, forum selection or dispute resolution clause that refers disputes to a different court;

16. adjudicate any and all disputes arising from or relating to distributions under the Plan;

17. consider any modifications of the Plan, to cure any defect or omission or to reconcile any inconsistency in the Plan, the Disclosure Statement, or any Bankruptcy Court order, including the Confirmation Order, in such a manner as may be necessary to carry out the purposes and effects thereof;

18. determine requests for the payment of Claims against any of the Debtors entitled to priority pursuant to section 507 of the Bankruptcy Code;

19. hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan, the Confirmation Order, any transactions or

payments contemplated hereby, including disputes arising in connection with the implementation of the agreements, documents, or instruments executed in connection with the Plan;

20. hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, 511, and 1146 of the Bankruptcy Code;

21. enforce all orders, judgments, injunctions, releases, exculpations, indemnifications and rulings entered in connection with the Chapter 11 Cases with respect to any Person or Entity, and resolve any cases, controversies, suits, or disputes that may arise in connection with any Person or Entity's rights arising from or obligations incurred in connection with the Plan;

22. hear any other matter not inconsistent with the Bankruptcy Code; and

23. enter an order or final decree concluding or closing any of the Chapter 11 Cases.

Nothing herein limits the jurisdiction of the Bankruptcy Court to interpret and enforce the Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan, the Plan Supplement, or the Disclosure Statement, without regard to whether the controversy with respect to which such interpretation or enforcement relates may be pending in any state or other federal court of competent jurisdiction.

If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising in, arising under, or related to the Chapter 11 Cases, including the matters set forth in Article XI of the Plan, the provisions of Article XI of the Plan shall have no effect on and shall not control, limit, or prohibit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such matter.

Unless otherwise specifically provided herein or in a prior order of the Bankruptcy Court, the Bankruptcy Court shall have exclusive jurisdiction to hear and determine disputes concerning Claims against the Debtors that arose prior to the Effective Date.

E. Objections to the Chapter 11 Plan

The Committee and other stakeholders have raised objections regarding the confirmability of the Plan (collectively, the "Objections"). *See Statement of the Official Committee of Unsecured Creditors Regarding the Disclosure Statement for First Amended Joint Plan of Reorganization of Cumulus Media Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [ECF No. 349] (the "UCC Statement") and the *Statement of Ad Hoc Cross-Holder Committee in Connection with Debtors' Motion for Approval of Disclosure Statement* [ECF No. 350] (the "Ad Hoc Cross-Holder Statement"); *Objection of the United States Trustee to Disclosure Statement for Joint Plan of Reorganization of Cumulus Media Inc. and its Debtor Affiliates* [ECF No. 182] (the "U.S. Trustee Objection"); and *Objection of the U.S. Securities and Exchange Commission to*

Approval of the Debtors' Disclosure Statement and to Confirmation of the Debtors' Joint Plan of Reorganization **[ECF No. 345] (the "SEC Objection").**

1. The Plan Releases

The Plan includes a number of release and exculpation provisions (collectively, the "Releases") that the Debtors believe are customary for a chapter 11 case and chapter 11 plan like those of the Debtors. On January 8, 2018 and January 25, 2018, however, the U.S. Trustee and the SEC, respectively, filed objections to the adequacy of the Disclosure Statement and the confirmability of the Plan based on, among other things, certain of the Releases. ***See*** **U.S. Trustee Objection; SEC Objection.**

In their objections, the U.S. Trustee and the SEC assert that certain of the Releases are non-consensual and are impermissibly broad. In support of its position, the U.S. Trustee cites, among other cases, to ***In re Chassix Holdings, Inc.*****, 533 B.R. 64 (Bankr. S.D.N.Y. 2015) for the proposition that the Plan's "opt-out" provisions – pursuant to which rejecting classes, or classes that are deemed to reject the plan, can elect not to grant a release –are impermissible non-consensual releases. Further, the U.S. Trustee also argues that the Plan's opt-out procedure is not sufficient to demonstrate consent to the Releases contained in the Plan. The Debtors disagree. A number of courts have found that an opt-out procedure substantially similar to the procedure contemplated by the Plan is sufficient to demonstrate the consent of parties that do not opt out.** ***See, e.g.***, ***In re Indianapolis Downs, LLC*****, 486 B.R. 286, 305-06 (Bankr. D. Del. 2013). There can be no assurance that the Bankruptcy Court will agree with the Debtors' position.**

For its part, the SEC cites to ***In re Metromedia Fiber Network, Inc.*****, 416 F.3d 136 (2d Cir. 2005), among other cases, for its argument that the Debtors must establish that the Releases are either consensual or, if they are not consensual, that rare and exceptional circumstances exist to justify them. The U.S. Trustee echoes this position in its objection, alleging that the Disclosure Statement provides no facts that support the existence of "rare and exceptional circumstances" that support the Releases. The Debtors disagree. At the outset, these objections are premature because they are objections to confirmation of the Plan, not the adequacy of the Disclosure Statement. Courts have consistently held that challenges to the plan itself, including challenges to release and exculpation provisions or creditor treatment, are not proper objections to disclosure but rather, are plan objections that should be resolved at confirmation. In addition, the Debtors are prepared to demonstrate at the Confirmation Hearing that the Plan's release, injunction, and exculpation provisions comply with controlling Second Circuit standards. There can be no assurance that the Bankruptcy Court will agree with the Debtors' position.**

The SEC and the U.S. Trustee also challenge the Bankruptcy Court's subject matter jurisdiction to enjoin creditors from suing third parties, and thus, argue that the Bankruptcy Court lacks jurisdiction to grant the Third-Party Release. The Debtors disagree under the facts of this case. The injunction plays a critical role in the Debtors' Plan and thus the Bankruptcy Court has jurisdiction to grant the Third-Party Release

under the facts and circumstances of these Chapter 11 Cases. There can be no assurance that the Bankruptcy Court will agree with the Debtors' position.

The U.S. Trustee also argues that Classes 1 and 2 are Impaired under the Plan because these Classes are designated as Releasing Parties granting the Releases to the Released Parties. The Debtors dispute that a non-consensual release renders a claim "impaired" within the meaning of section 1124 of the Bankruptcy Code. A party's ability to release claims is not a legal attribute of a claim that can be altered by statute. In any event, the Debtors believe that the Releases granted by Classes 1 and 2 are consensual releases permitted under the Bankruptcy Code that do not render the Plan unconfirmable.

Finally, the U.S. Trustee challenges the Releases to the extent they provide for the exculpation of liability for non-estate fiduciaries, citing *Washington Mutual, Inc.*, 442 B.R. 314, 350–51 (Bankr. D. Del. 2011). The Debtors believe these challenges are unfounded. Courts have regularly approved exculpation provisions that extend to prepetition conduct and cover non-estate fiduciaries. In approving provisions like those contained in the Plan, courts have recognized the appropriateness of extending exculpation to parties who make a substantial contribution to a debtor's reorganization and, specifically, who play an integral role in building consensus in support of a debtor's restructuring such as the Exculpated Parties in these Chapter 11 Cases. As a result, the Debtors believe that the exculpation provisions in the Plan are appropriate and will be approved by the Bankruptcy Court. However, there can be no assurance that the Bankruptcy Court will agree with the Debtors' position.

In sum, the Debtors disagree with the positions adopted by the U.S. Trustee and SEC. The Debtors believe that applicable case law and the Bankruptcy Code permit the Plan's Releases and that they are justified under the facts and circumstances of these Chapter 11 Cases.

2. Alleged Substantive Consolidation

The Ad Hoc Cross-Holder Committee also alleges that the Plan impermissibly substantively consolidates the Debtors' estates. Substantive consolidation is a legal doctrine based on the bankruptcy court's equitable powers and has the effect of consolidating assets and liabilities of multiple debtors and treating them as if the liabilities were owed by, and the assets held by, a single legal entity. In a substantively consolidated case, when satisfying the liabilities of the consolidated debtors from the common pool of assets, intercompany claims are eliminated and guaranties from co-debtors are disregarded. To determine whether to approve substantive consolidation, bankruptcy courts traditionally consider a variety of factors, including: (a) the presence or absence of consolidated financial statements; (b) the unity of interest and ownership among various corporate entities; (c) the degree of difficulty in segregating and ascertaining individual assets and liabilities; (d) the transfers of assets without formal observance of corporate formalities; (e) the commingling of assets and business functions; (f) the profitability of consolidation at a single physical location; and (g) the disregard of legal formalities.

The Debtors do not believe that the Plan substantively consolidates the Debtors' estates. The Plan expressly provides that the Plan treats the individual Debtors as distinct legal entities. Towards that end, the solicitation procedures collect Ballots on an individual Debtor basis and the bar date procedures similarly require creditors to file Proofs of Claim against the separate Debtors.

The treatment of General Unsecured Claims and Senior Notes Claims under the Plan, which does not account for the separate Claims against the various estates, results from, among other things, the settlement with the Term Loan Lenders that provides for a 16.5% equity distribution to unsecured creditors (subject to dilution by the Management Incentive Plan), notwithstanding that the Term Loan Lenders are undersecured. The value of unencumbered assets, less the administrative costs of operating the Chapter 11 Cases, would not provide an equivalent recovery to Holders of Allowed General Unsecured Claims and Allowed Senior Notes Claims, especially taking into account the deficiency Allowed Claim of the Holders of Credit Agreement Claims. In any event, providing a similar treatment to the Holders of Allowed Senior Notes Claims and Holders of Allowed General Unsecured Claims does not result in a substantive consolidation of the Debtors' estates.

The Committee disputes that the Term Loan Lenders are undersecured and asserts that the Total Enterprise Value estimated by the Debtors is materially lower than the actual enterprise value of the Reorganized Debtors that the Bankruptcy Court will determine following the presentation of evidence at the Confirmation Hearing.

The Ad Hoc Cross-Holder Committee disagrees with the Debtors' substantive consolidation analysis for two reasons. First, both the Ad Hoc Cross-Holder Committee and the Committee believe that the Plan substantially undervalues the Company. If that is the case, then the Ad Hoc Cross-Holder Committee' position is that the Plan's treatment of residual value would result in a *de facto* substantive consolidation. Second, assuming for argument's sake that the Debtors' Valuation Analysis (defined below) is correct, all distributions made under the Plan must nevertheless comply with applicable law, which the Ad Hoc Cross-Holder Committee believes would require such distributions to be made in a manner and amount that reflects each creditors' relative rights against each Debtor entity. The Debtors dispute the Ad Hoc Cross-Holder Committee's position and are prepared to present arguments with the benefit of a full evidentiary record established at the Confirmation Hearing.

3. Valuation

Finally, the Committee and the Ad Hoc Cross-Holder Committee challenge the Debtors' Valuation Analysis as undervaluing the Company. The Debtors believe that the Valuation Analysis accurately estimates the Debtors' total enterprise value in light of the significant industry headwinds and decline in the market. The Debtors will present their position, with the full benefit of an evidentiary record, at the Confirmation Hearing.

In sum, notwithstanding the Objections, the Debtors believe that the Plan satisfies the confirmation requirements of the Bankruptcy Code and will be confirmed.

VII. VALUATION OF THE DEBTORS

In conjunction with formulating the Plan, the Company determined that it was necessary to estimate the Company's consolidated value on a going-concern basis (the "Valuation Analysis"). The Valuation Analysis, prepared by PJT, is attached hereto as Exhibit C.

THE VALUATIONS SET FORTH IN THE VALUATION ANALYSIS REPRESENT ESTIMATED DISTRIBUTABLE VALUE FOR THE COMPANY AND DO NOT NECESSARILY REFLECT VALUES THAT COULD BE ATTAINABLE IN THE PUBLIC OR PRIVATE MARKETS.

The Committee believes that the Total Enterprise Value estimated by the Debtors is materially lower than the enterprise value of the Reorganized Debtors that the Bankruptcy Court may determine following the presentation of evidence at the Confirmation Hearing.

The Debtors vigorously dispute the Committee's position and will present evidence at the Confirmation Hearing supporting the Debtors' estimated Total Enterprise Value.

VIII. CERTAIN FCC CONSIDERATIONS

The Company's operations are subject to significant regulation by the FCC under the Communications Act and FCC rules and regulations promulgated thereunder. A radio station may not operate in the United States without the authorization of the FCC. Approval of the FCC is required for the issuance, renewal, transfer, assignment or modification of station operating licenses. ~~In connection with~~ **FCC Approval must be obtained prior to** the Debtors' emergence from chapter 11~~, FCC Approval must be obtained~~.

The following is important information concerning the FCC Approval process and the ownership requirements and restrictions that must be met in order for parties to hold New Securities. **THE FOLLOWING SUMMARY OF CERTAIN FCC RULES AND POLICIES IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER OF A CLAIM. ALL HOLDERS OF CLAIMS OR INTERESTS ARE URGED TO CONSULT THEIR OWN ADVISORS AS TO FCC OWNERSHIP ISSUES AND OTHER CONSEQUENCES OF THE PLAN.**

A. Required FCC Consents

Both the Debtors' entry into chapter 11 and the Reorganized Debtors' emergence from chapter 11 require the FCC's consent. Following the Company's filing of its voluntary petition under chapter 11, the Debtors filed applications seeking the FCC's consent to the pro forma transfer of control of the FCC Licenses that the Debtors control from the Debtors to the Debtors as "debtors in possession" under chapter 11. The FCC granted those applications on December 21, 2017. For the Reorganized Debtors to continue the operation of the radio stations

that the Debtors control, the Debtors will be required to file the FCC Long Form Application and to obtain the FCC's prior approval of the Transfer of Control.

B. Information Required from Prospective Stockholders of Reorganized Cumulus[78]

In processing applications for consent to a transfer of control of FCC broadcast licensees or assignment of FCC broadcast licenses, the FCC considers, among other things, whether the prospective licensee and those considered to be "parties" to the applications possess the legal, character and other qualifications to hold an interest in a broadcast station. For the FCC to process and grant the Long Form Applications, the Debtors will need to obtain and include information about Reorganized Cumulus and about the "parties" to the applications demonstrating that such parties are so qualified.

As described in the Equity Allocation Mechanism attached as Exhibit A to the Plan, Holders of Allowed Credit Agreement Claims, Allowed Senior Notes Claims and Allowed General Unsecured Claims will be issued Special Warrants which can, or will automatically, be exercised for shares of New Common Stock or Restricted Stock of Reorganized Cumulus for nominal consideration, subject to certain conditions, including the provision of an Ownership Certification. Specifically, parties seeking to exercise Special Warrants shall be required to submit an Ownership Certification providing information on the prospective stockholder to establish that issuance of the New Common Stock or Restricted Stock to that Holder would not result in a violation of law, impair the qualifications of the Reorganized Debtors to hold the FCC Licenses or impede the grant of any FCC Applications on behalf of the Reorganized Debtors. All prospective stockholders, whether or not they would be "parties" to the FCC Applications (as described below), would need to provide information on the extent of their direct and indirect ownership or control by non-U.S. persons to establish that Reorganized Cumulus would comply with limitations under the Communications Act relating to the ownership and control of broadcast licenses by non-U.S. Persons. Prospective holders of New Common Stock or Restricted Stock with direct or indirect ownership or control by non-U.S. Persons would not be permitted to exercise the Special Warrants for New Common Stock or Restricted Stock if the ownership percentage of such prospective holders, when aggregated with the ownership percentage of all other prospective holders, as calculated in accordance with FCC rules), would result in Reorganized Cumulus having a greater amount of foreign ownership than permitted by the Communications Act. In such situations, prospective holders of New Common Stock or Restricted Stock would retain Special Warrants. The Special Warrants would be permitted to be sold or assigned, provided that the purchaser or assignee would also be subject to the ownership certification process described above.

For purposes of the Plan and the Equity Allocation Mechanism, (a) an "*Ownership Certification*" means a written certification, in the form attached to the FCC Ownership Procedures Order, which shall be sufficient to enable the Debtors, in consultation with the Term

[78] This section of the Disclosure Statement includes a summary of the Equity Allocation Mechanism attached as Exhibit A to the Plan. To the extent of any inconsistency between the Disclosure Statement and the Equity Allocation Mechanism, the Equity Allocation Mechanism shall govern.

Lender Group, or Reorganized Cumulus, as applicable, to determine (x) the extent to which direct and indirect voting and equity interests of the certifying party are held by non.-U.S. Persons, as determined under section 310(b) of the Communications Act and the FCC rules, and (y) whether the holding of more than 4.99% of the Class A Common Stock by the certifying party would result in a violation of FCC ownership rules or be inconsistent with the FCC Approval; and (b) the "*Certification Deadline*" means the deadline set forth in the FCC Ownership Procedures Order for returning Ownership Certifications.

In order to be eligible to receive a distribution of New Common Stock or Restricted Stock on the Effective Date, each eligible Holder shall provide an Ownership Certification by the Certification Deadline. Any Holder that fails to provide an Ownership Certification as set forth in the FCC Ownership Procedures Order or that does not do so to the reasonable satisfaction of the Debtors, in consultation with the Term Lender Group, shall not be deemed to have exercised any Special Warrants as of the Effective Date, as set forth in the Equity Allocation Mechanism.

Under the Plan, the Reorganized Debtors will issue (i) Special Warrants, (ii) New Common Stock or Restricted Stock only, or (iii) a combination of Special Warrants and New Common Stock or Restricted Stock to any eligible Holder based on such Holder's Ownership Certification (or failure to provide such a certification) and FCC rules.

The Debtors intend to file a motion requesting the authority to establish procedures to implement the Equity Allocation Mechanism, including the distribution and submission of the Ownership Certifications related thereto.

C. Attributable Interests in Media Under FCC Rules

A prospective stockholder in Reorganized Cumulus would be considered a "party" to the Long Form Application if the prospective stockholder would be deemed to hold an "attributable" interest in Reorganized Cumulus under Section 73.3555 of FCC rules, 47 C.F.R. § 73.3555. The FCC's "multiple ownership" and "cross ownership" rules prohibit common ownership of "attributable interests" of certain combinations of broadcast and other media properties. "Attributable interests" generally include the following interests in a media company: general partnership interests, non-insulated limited liability company or limited partnership interests, a position as an officer or director (or the right to appoint officers or directors), or a 5% or greater direct or indirect interest in voting stock. The FCC treats all partnership interests as attributable, except for those limited partnership interests that are "insulated" by the terms of the limited partnership agreement from "material involvement" in the media-related activities of the partnership. The FCC applies the same attribution and insulation standards to limited liability companies. Attribution traces through chains of ownership. In general, a person or entity that has an attributable interest in another entity also will be deemed to hold each of that entity's attributable media interests, except for indirect stock interests that are attenuated below the attribution threshold in the ownership chain.

Combinations of direct and indirect equity and debt interests exceeding 33% of the total asset value (equity plus debt) of a media outlet also may be deemed attributable if the holder has another attributable media interest in the same market or provides more than 15% of a

station's total weekly broadcast programming hours in that market. Also, a person or entity that provides more than 15% of the total weekly programming hours for a radio station and also has an attributable interest in another radio station in the same market is deemed to hold an attributable interest in the programmed station.

The Equity Allocation Mechanism provides, among other things, that all deemed holders of Class B Common Stock who have not checked the Class B Election box on the Ownership Certification, shall be deemed to have immediately exchanged such shares of Class B Common Stock for a like number of shares of Class A Common Stock up to the 4.99% cap, subject to the FCC Approval. Post-emergence, Class B Common Stock shall be convertible into Class A Common Stock at the written request of the Holder; *provided*, that, if such conversion would result in the stockholder having an attributable interest in Reorganized Cumulus, such conversion shall be permitted only if, prior to the conversion, the stockholder has provided satisfactory assurance to Reorganized Cumulus that its ownership of Class A Common Stock would not result in Reorganized Cumulus' violation of applicable rules of the FCC or the Communications Act. Class B Common Stock is intended to be non-cognizable for purposes of determining whether a holder is attributable under FCC rules. Accordingly, holders of Class B Common Stock shall not be permitted to vote on matters submitted to a vote of the stockholders of Reorganized Cumulus, provided that such stockholders shall be permitted to vote on a limited number of matters that are submitted to a vote. Permitting holders of Class B Common Stock to vote on limited corporate actions will not cause the holders of Class B Common Stock to be deemed to have an attributable interest in Reorganized Cumulus under FCC rules.

D. FCC Foreign Ownership Restrictions for Entities Controlling Broadcast Licenses

Section 310(b) of the Communications Act restricts foreign ownership or control of any entity licensed to provide broadcast and certain other services. Among other prohibitions, foreign entities may not have direct or indirect ownership or voting rights of more than 25% in a corporation controlling the licensee of a radio broadcast station if the FCC finds that the public interest will be served by the refusal or revocation of such a license due to foreign ownership or voting rights. The FCC has interpreted this provision to mean that it must make an affirmative public interest finding before a broadcast license may be granted or transferred to a corporation that is controlled by a foreign person or other entity more than 25% owned or controlled, directly or indirectly, by foreigners.

The FCC calculates the voting rights separately from equity ownership, and both thresholds must be met. Warrants and other future interests typically are not taken into account in determining foreign ownership compliance. In some specific circumstances, however, the FCC has treated non-stock interests in a corporation as the equivalent of equity ownership and has assessed foreign ownership based on contributions to capital. Foreign ownership limitations also apply to partnerships and limited liability companies. The FCC historically has treated partnerships with foreign partners as foreign controlled if there are any foreign general partners. The interests of any foreign limited partners that are not insulated (using FCC criteria) from material involvement in the partnership's media activities and business are considered in determining the equity ownership and voting rights held by foreigners. The interests of limited

partners that are properly insulated only count toward the calculation of equity owned by foreigners.

Because direct and indirect ownership of Reorganized Cumulus' shares by non-U.S. persons and/or entities will proportionally affect the level of deemed foreign ownership and control rights in Reorganized Cumulus, prospective shareholders will be required to provide information to the Debtors on their own foreign ownership and control. The Debtors, in consultation with the Term Lender Group, shall review such information to assess whether permitting such party to hold such interests could impair the qualifications of Reorganized Cumulus to hold FCC broadcast licenses. Upon receipt of the Ownership Certifications, the New Securities will be distributed as set forth in the Equity Allocation Mechanism.

The Equity Allocation Mechanism reflects that Reorganized Cumulus will use a foreign ownership threshold of ~~20~~**22.5**% for the initial distribution of New Common Stock. Because the FCC licenses held by Reorganized Cumulus will be assigned to a licensee subsidiary, this threshold will be below the statutory maximum of 25% foreign ownership permitted under FCC law and accordingly will promote the liquidity of Reorganized Cumulus' stock. Because the New Common Stock will be widely held and freely transferable, the use of a ~~20~~**22.5**% threshold will permit market purchases by individuals or entities that may have the effect of increasing or decreasing the aggregate foreign ownership levels in small amounts, without causing Reorganized Cumulus to exceed the statutory foreign ownership restrictions.

A Petition for Declaratory Ruling will be filed requesting FCC consent for Reorganized Cumulus to exceed the 25% foreign ownership benchmark in Section 310(b)(4).

E. Media Ownership Restrictions

The FCC generally applies its ownership limits to "attributable" media interests held by an individual, corporation, partnership, limited liability company, or other association, as addressed above. FCC rules on media ownership, in turn, limit the number of media properties in which one entity or entities under common control can have an attributable ownership interest. Those rules that could give rise to a prohibited combination for Reorganized Cumulus or for a prospective stockholder of Reorganized Cumulus are described below.

1. Local Radio Ownership.

The local radio ownership rule limits the number of commercial radio stations in a particular geographic area in which an entity can have an attributable interest.

- In markets with 45 or more radio stations, ownership is limited to eight commercial radio stations, no more than five of which can be in the same service (AM or FM).

- In markets with 30 to 44 radio stations, ownership is limited to seven commercial radio stations, no more than four of which can be in the same service (AM or FM).

- In markets with 15 to 29 radio stations, ownership is limited to six commercial radio stations, no more than four of which can be in the same service (AM or FM).

- In markets with 14 or fewer radio stations, ownership is limited to five commercial radio stations or no more than 50% of the market's total, whichever is lower, no more than three of which can be in the same service (AM or FM).

The rule relies on Nielsen Audio Metro methodology for determining radio markets, though areas outside of defined Nielsen Audio Metro markets rely on a contour-overlap methodology.

2. Radio/Television Cross-Ownership Rule.

The radio/television cross-ownership rule prohibits common ownership of more than two television stations and one radio station in the same market, unless the market meets certain size criteria.

- In markets with at least 20 independently owned media voices, a single entity may hold attributable interests in up to two television stations and six radio stations. Alternatively, such an entity is permitted to hold an attributable interest in one television station and seven radio stations in the same market.

- In a market that includes at least 10 independently owned media voices, a single entity may hold attributable interests in up to two television stations and up to four radio stations.

- In all instances, entities also must comply with the local radio and local television ownership limits.

On November 16, 2017, the FCC adopted an order eliminating the radio/television cross-ownership rule. The order will be effective on February 7, 2018, unless stayed by a court order.

3. Newspaper/Broadcast Cross-Ownership Rule.

The newspaper broadcast cross-ownership rule prohibits common ownership of a full-power broadcast station (AM, FM or TV) and daily newspaper if the station's contour completely encompasses the community in which the newspaper is published. On November 16, 2017, the FCC adopted an order eliminating the newspaper/broadcast cross-ownership rule. The order will be effective on February 7, 2018, unless stayed by a court order.

IX. TRANSFER RESTRICTIONS AND CONSEQUENCES UNDER FEDERAL SECURITIES LAWS

No registration statement will be filed under the Securities Act or pursuant to any state securities laws with respect to the offer and distribution of New Securities under or in connection with the Plan. The Debtors believe that the provisions of section 1145(a)(1) of the Bankruptcy Code will exempt the issuance and distribution of the New Common Stock and Special Warrants (including New Common Stock issuable upon exercise or conversion thereof) issued under or in connection with the Plan from federal and state securities registration requirements. The New Securities issued to affiliates of the Company will be treated as issued pursuant to section 1145(a)(1), but will be subject to the restrictions on resale of securities held by affiliates of an issuer. Persons to whom the New Securities are issued are also subject to restrictions on resale to the extent they are deemed an "issuer," an "underwriter" or a "dealer" with respect to such New Securities, as further described below. In addition to the restrictions referred to below, holders of Restricted Stock will also be subject to the transfer restrictions contained in the terms thereof**, as well as in any Shareholders' Agreement**.

A. Bankruptcy Code Exemptions from Registration Requirements

1. Securities Issued in Reliance on Section 1145 of the Bankruptcy Code. Section 1145(a)(1) of the Bankruptcy Code exempts the offer and sale of securities under a plan of reorganization from registration under Section 5 of the Securities Act and state laws if three principal requirements are satisfied:

- first, the securities must be offered and sold under a plan of reorganization and must be securities of the debtor, of an affiliate participating in a joint plan with the debtor, or of a successor to the debtor under the plan;
- second, the recipients of the securities must each hold a prepetition or administrative expense claim against the debtor or an interest in the debtor; and
- third, the securities must be issued entirely in exchange for the recipient's claim against or interest in the debtor or such affiliate, or principally in such exchange and partly for cash or other property.

The offer and issuance of the New Securities are exempt under section 1145(a)(1) of the Bankruptcy Code because: (i) each type of New Security is being offered and sold under the Plan and is a security of a successor to the Debtors under the Plan; and (ii) each type of New Security is being issued entirely in exchange for claims against or interests in the Debtors.

The exemptions provided for in section 1145 of the Bankruptcy Code do not apply to an entity that is deemed an "underwriter" as such term is defined in section 1145(b) of the Bankruptcy Code. Section 1145(b) of the Bankruptcy Code defines an "underwriter" as one who, except with respect to "ordinary trading transactions" of an entity that is not an "issuer":

- purchases a claim against, an interest in, or a claim for administrative expense against, the debtor, with a view to distributing any security received in exchange for such a claim or interest ("accumulators");

- offers to sell securities offered under a plan for the holders of such securities ("distributors");

- offers to buy securities from the holders of such securities, if the offer to buy is (i) with a view to distributing such securities and (ii) made under a distribution agreement; or

- is an "issuer" with respect to the securities, as the term "issuer" is defined in section 2(a)(11) of the Securities Act, which includes affiliates of the issuer, defined as persons who are in a relationship of "control" with the issuer.

Persons who are not deemed "underwriters" may generally resell the securities they receive that comply with the requirements of section 1145(a)(1) of the Bankruptcy Code without registration under the Securities Act or other applicable law. Persons deemed "underwriters" may sell such securities without Securities Act registration only pursuant to exemptions from registration under the Securities Act and other applicable law.

2. Subsequent Transfers of New Securities. Section 1145(c) of the Bankruptcy Code provides that securities issued pursuant to section 1145(a)(1) of the Bankruptcy Code are deemed to have been issued in a public offering. In general, therefore, resales of, and subsequent transactions in, the New Securities will be exempt from registration under the Securities Act pursuant to section 4(a)(1) of the Securities Act, unless the holder thereof is deemed to be an "issuer," an "underwriter" or a "dealer" with respect to such securities. For these purposes, an "issuer" includes any "affiliate" of the issuer, defined as a person directly or indirectly controlling, controlled by or under common control with the issuer. "Control," as defined in Rule 405 of the Securities Act, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise.

A "dealer," as defined in section 2(a)(12) of the Securities Act, is any person who engages either for all or part of his or her time, directly or indirectly, as agent, broker or principal, in the business of offering, buying, selling or otherwise dealing or trading in securities issued by another person. Whether or not any particular person would be deemed to be an "issuer" (including an "affiliate") of the Company or an "underwriter" or a "dealer" with respect to any New Securities will depend upon various facts and circumstances applicable to that person.

The New Securities generally may be resold without registration under state securities laws pursuant to various exemptions provided by the respective laws of those states. However, the availability of such state exemptions depends on the securities laws of each state, and holders of Claims may wish to consult with their own legal advisors regarding the availability of these exemptions in their particular circumstances.

3. Subsequent Transfers of New Securities Issued to Affiliates. Any New Securities issued under the Plan to affiliates of the Debtors will be subject to restrictions on resale. Affiliates of the Debtors for these purposes will generally include its directors and officers and its controlling stockholders. While there is no precise definition of a "controlling" stockholder, the legislative history of section 1145 of the Bankruptcy Code suggests that a creditor who owns 10% or more of a class of securities of a reorganized debtor may be presumed to be a "controlling person" of the debtor.

The SEC's staff has indicated that a "safe harbor" under Rule 144 under the Securities Act is available for the immediate resale of securities issued under a plan of reorganization to affiliates of the issuing debtor that would otherwise be unrestricted under the Securities Act. The Rule 144 safe harbor should therefore be available for resales of the New Securities issued to affiliates under the Plan. The availability of the Rule 144 safe harbor is conditioned on the public availability of certain information concerning the issuer and imposes on selling stockholders certain volume limitations and certain manner of sale and notice requirements.

B. Listing of New Common Stock

For certain purposes, including requiring Reorganized Cumulus to continue as a public reporting company under the Securities Exchange Act of 1934, as promptly as practicable following the Effective Date, Reorganized Cumulus shall file with the SEC a Form 10 or Form 8-A, and Reorganized Cumulus shall use commercially reasonable efforts to have such registration statement declared effective by the SEC as promptly as reasonably practicable.

Reorganized Cumulus shall use its commercially reasonable efforts to obtain a listing for the Class A Common Stock on the New York Stock Exchange or the Nasdaq Capital Market as soon as reasonably practicable following the effectiveness of the Form 10 or Form 8-A (*e.g.*, after listing requirements are satisfied).

The New Securities may be subject to certain transfer and other restrictions pursuant to, among other things, the terms of the Special Warrants, and the New Certificate of Incorporation for Reorganized Cumulus.

GIVEN THE COMPLEX NATURE OF THE QUESTION OF WHETHER A PARTICULAR PERSON MAY BE AN UNDERWRITER, ISSUER, AFFILIATE OR DEALER, THE DEBTORS MAKE NO REPRESENTATIONS CONCERNING THE RIGHT OF ANY PERSON TO TRADE IN SECURITIES TO BE DISTRIBUTED PURSUANT TO OR IN CONNECTION WITH THE PLAN. THE DEBTORS RECOMMEND THAT HOLDERS OF CLAIMS CONSULT THEIR OWN COUNSEL CONCERNING WHETHER THEY MAY FREELY TRADE SUCH SECURITIES.

C. Additional Transfer Restrictions on Restricted Stock

The Debtors and the Term Lender Group may determine, in their reasonable discretion and upon the election of a Holder of an Allowed Credit Agreement Claim, that such Holder may receive its Pro Rata share of the Term Loan Lender Equity Distribution in the form of

Restricted Stock issued in an amount of value equal to the Pro Rata share of the Term Loan Lender Equity Distribution such Holder would otherwise receive.

1. Subsequent Transfers of Restricted Stock

A Holder of an Allowed Credit Agreement Claim may elect on its Ownership Certification to receive its Class A Common Stock or Class B Common Stock as Restricted Stock by checking the Restricted Stock Election box on the Ownership Certification. Shares of Restricted Stock may not be offered, sold or otherwise transferred until after two (2) calendar days following delivery of the Restricted Stock from the transfer agent designated by the Debtors (the "Transfer Agent") to such Holder of the Allowed Credit Agreement Claim (each such period, a "Restricted Period"). After the expiration of a Restricted Period, the initial Holder of such shares may make a request to the Transfer Agent to remove the restrictive legend set forth on such shares (the "Restrictive Legend"). Upon receipt of any such request, the Transfer Agent will remove the Restrictive Legend.

Following the expiration of each applicable Restricted Period and the removal of the Restrictive Legend, the shares of Restricted Stock may be offered, sold or otherwise transferred, subject to the same restrictions on transfer as the New Securities provided herein and in the Disclosure Statement.

2. Restricted Stock Legend

In accordance with the above, each share of Restricted Stock will bear a legend to substantially the following effect:

> "THE SECURITY EVIDENCED HEREBY (THIS "SECURITY") MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED FOR A PERIOD OF TWO (2) CALENDAR DAYS FOLLOWING DELIVERY OF THIS SECURITY FROM THE TRANSFER AGENT DESIGNATED BY THE ISSUER OF THIS SECURITY (THE "TRANSFER AGENT") TO THE INITIAL HOLDER (THE "RESTRICTED PERIOD"). AFTER THE RESTRICTED PERIOD, THIS SECURITY MAY ONLY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED FOLLOWING A REQUEST BY THE INITIAL HOLDER TO THE TRANSFER AGENT TO REMOVE THIS RESTRICTIVE LEGEND."

X. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

The following discussion summarizes certain U.S. federal income tax consequences of the implementation of the Plan to the Debtors, the Reorganized Debtors, and certain holders of Allowed Claims. This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the "Tax Code"), the U.S. Treasury regulations promulgated thereunder ("Treasury Regulations") and administrative and judicial interpretations and practice, all as in effect on the date of this Disclosure Statement and all of which are subject to change, with possible retroactive effect. Due to the lack of definitive judicial and administrative authority in a number of areas, substantial uncertainty may exist with respect to some of the tax consequences described below. The Debtors have not requested, and do not intend to request, any ruling or

determination from the U.S. Internal Revenue Service ("IRS") or any other taxing authority with respect to the tax consequences discussed herein, and the discussion below is not binding upon the IRS or the courts. No assurance can be given that the IRS would not assert, or that a court would not sustain, a different position than any position discussed herein.

On December 22, 2017, President Donald J. Trump signed into law H.R. 1, as passed by the U.S. Congress on December 20, 2017 (the "Tax Legislation"). The Tax Legislation may have a significant impact on the taxation of the Debtors, the Reorganized Debtors and holders of Allowed Claims. The Tax Legislation includes changes in tax rates, limits on the deductibility of interest, the elimination of the alternative minimum tax, limits on the deductibility and carryback of net operating losses, other increases in the income base and broad-based corporate tax reform. Due to the lack of definitive judicial and administrative authority with respect to the Tax Legislation, substantial uncertainty may exist with respect to the application of certain aspects of the Tax Legislation.

This summary does not address all aspects of U.S. federal income taxation that may be relevant to a Holder of an Allowed Claim in light of its individual circumstances or to a Holder that may be subject to special tax rules (such as Persons who are related to the Debtors within the meaning of the Tax Code, broker-dealers, banks, mutual funds, insurance companies, financial institutions, small business investment companies, regulated investment companies, tax-exempt entities, trusts, governmental authorities or agencies, dealers and traders in securities, subchapter S corporations, U.S. expatriates, persons who hold Claims or who will hold the New Securities as part of a straddle, hedge, conversion transaction, or other integrated investment, persons using a mark-to-market method of accounting, Holders of Claims that are subject to the tax on net investment income or the alternative minimum tax and Holders of Claims who are themselves in bankruptcy). Moreover, this summary does not purport to cover all aspects of U.S. federal income taxation that may apply to the Debtors, the Reorganized Debtors or Holders of Allowed Claims based upon their particular circumstances. Additionally, this summary does not discuss any tax consequences of the Plan that may arise under any laws other than U.S. federal income tax law, including under state, local, or non-U.S. tax law.

Furthermore, this summary assumes that a Holder of a Claim holds a Claim only as a "capital asset" (within the meaning of section 1221 of the Tax Code). This summary also assumes that the various debt and other arrangements to which any of the Debtors or the Reorganized Debtors are a party, except for the Special Warrants, will be respected for U.S. federal income tax purposes in accordance with their form. The Debtors intend to treat the Special Warrants as stock for U.S. federal income tax purposes. If the IRS successfully asserted that the Special Warrants are not stock or that any other intended treatment of other arrangements is incorrect, the U.S. federal income tax consequences could differ materially from those described below. This summary does not discuss differences in tax consequences to Holders of Claims that act or receive consideration in a capacity other than any other Holder of a Claim of the same Class or Classes. This summary does not address the U.S. federal income tax consequences to Holders (i) whose Claims are Unimpaired or otherwise entitled to payment in full in Cash under the Plan or (ii) that are deemed to reject the Plan.

For purposes of this discussion, a "U.S. Holder" is a beneficial owner of a Claim that is: (a) an individual citizen or resident of the United States for U.S. federal income tax

purposes; (b) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia; (c) an estate the income of which is subject to U.S. federal income taxation regardless of the source of such income; or (d) a trust (1) if a court within the United States is able to exercise primary supervision over the trust's administration and one or more U.S. persons have authority to control all substantial decisions of the trust or (2) that has a valid election in effect under applicable Treasury Regulations to be treated as a United States person. For purposes of this discussion, a "non-U.S. Holder" is any beneficial owner of a Claim that is not a U.S. Holder other than any partnership (or other entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes).

If a partnership (or other entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes) is a beneficial owner of a Claim, the tax treatment of a partner (or other owner) of such entity generally will depend upon the status of the partner (or other owner) and the activities of the entity. Partners (or other owners) of partnerships (or other pass-through entities) that are beneficial owners of a Claim are urged to consult their respective tax advisors regarding the U.S. federal income tax consequences of the Plan.

ACCORDINGLY, THE FOLLOWING SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER OF A CLAIM. ALL HOLDERS OF CLAIMS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS FOR THE FEDERAL, STATE, LOCAL, AND NON-U.S. TAX CONSEQUENCES APPLICABLE UNDER THE PLAN, INCLUDING THE IMPACT OF THE TAX LEGISLATION.

A. Certain U.S. Federal Income Tax Considerations for the Debtors and the Reorganized Debtors

The tax consequences of the implementation of the Plan to the Debtors will differ depending on whether the Restructuring Transactions include a taxable sale of the Debtors' assets and/or stock. If the transaction undertaken pursuant to the Plan is structured as a taxable sale of the assets (including the assets of any entity that is disregarded as separate from the transferor for U.S. federal income tax purposes) and/or stock of any Debtor (a "Taxable Transaction"), the Debtors would recognize gain or loss upon the transfer in an amount equal to the difference between the fair market value of the assets sold and the Debtors' tax basis in such assets. The Debtors have not yet determined whether or not they intend to structure the Restructuring Transactions as a Taxable Transaction. Such decision will depend on, among other things, whether assets being sold pursuant to a Taxable Transaction have a fair market value in excess of tax basis (*i.e.*, a "built-in gain") or a fair market value less than tax basis (*i.e.*, a "built-in loss"), in the case of assets with built-in gains, whether sufficient tax attributes are available to offset any such built-in gains, and how the fair market value of such assets compares to the expected tax basis of such assets after their tax basis is reduced for cancellation of debt income ("COD Income").

If a Reorganized Debtor purchases, or is treated as purchasing for U.S. federal income tax purposes, assets or stock of any Debtor pursuant to a Taxable Transaction, the Reorganized Debtor will take a fair market value basis in the transferred assets or stock. Certain purchased assets may be eligible for immediate expensing. However, if a Taxable Transaction involves a purchase of stock, the Debtor whose stock is transferred will, unless the parties make certain tax elections, generally retain its basis in its assets.

As of December 31, 2016, the Debtors reported consolidated net operating losses ("NOLs") carryforwards for U.S. federal income tax purposes of approximately $271.9 million. As discussed below, the Debtors' NOLs are expected to be significantly reduced or eliminated upon implementation of the Plan.

1. Cancellation of Indebtedness Income and Reduction of Tax Attributes.

In general, absent an exception, a debtor will realize and recognize COD Income upon satisfaction of its outstanding indebtedness for total consideration less than the amount of such indebtedness. The amount of COD Income, in general, is the excess of (a) the adjusted issue price of the indebtedness satisfied, over (b) the sum of (x) the amount of Cash paid, (y) the issue price (defined below under "Original Issue Discount on the First Lien Exit Facility") of any debt issued (such as the First Lien Exit Facility) and (z) the fair market value of any other new consideration (such as the New Securities) given in satisfaction of such indebtedness at the time of the exchange.

Under section 108 of the Tax Code, a debtor is not required to include COD Income in gross income if the debtor is under the jurisdiction of a court in a case under the Bankruptcy Code and the discharge of debt occurs pursuant to that proceeding. Instead, as a consequence of such exclusion, a debtor must reduce its tax attributes by the amount of COD Income that it excluded from gross income pursuant to section 108 of the Tax Code. In general, tax attributes will be reduced in the following order: (a) NOLs and NOL carryforwards; (b) general business credit carryovers; (c) minimum tax credit carryovers; (d) capital loss carryovers; (e) tax basis in assets (but not below the amount of liabilities to which the debtor remains subject); (f) passive activity loss and credit carryovers; and (g) foreign tax credit carryovers. Alternatively, a debtor with COD Income may elect first to reduce the basis of its depreciable assets pursuant to section 108(b)(5) of the Tax Code. The reduction in tax attributes occurs only after the tax for the year of the debt discharge has been determined. Any excess COD Income over the amount of available tax attributes is not subject to U.S. federal income tax and has no other U.S. federal income tax impact.

In connection with the Restructuring Transactions, the Debtors expect to realize significant COD Income. The amount of the tax attributes required to be reduced will depend on whether the transactions undertaken pursuant to the Plan are structured as a Taxable Transaction. The exact amount of any COD Income that will be realized by the Debtors will not be determinable until the consummation of the Plan. Regardless of the implemented structure, the Debtors expect, however, that the amount of such COD Income will significantly reduce or eliminate their NOLs and tax credits allocable to periods prior to the Effective Date. In addition, depending on the structure of the transactions undertaken pursuant to the Plan, some of the

Debtors' tax basis in their assets may be reduced by COD Income that is not absorbed by the NOLs, tax credits or other tax attributes of the Debtors.

2. Limitation of NOL Carryforwards and Other Tax Attributes.

Under section 382 of the Tax Code, if a corporation undergoes an "ownership change," the amount of any remaining NOLs, net unrealized built-in losses, and possibly certain other attributes of the Reorganized Debtors allocable to periods prior to the Effective Date (collectively, "Pre-Change Losses") that may be utilized to offset future taxable income generally are subject to an annual limitation. In general, the amount of the annual limitation to which a corporation that undergoes an ownership change would be subject is equal to the product of (a) the fair market value of the stock of the loss corporation immediately before the ownership change (with certain adjustments) multiplied by (b) the "long-term tax-exempt rate" in effect for the month in which the ownership change occurs (currently, 1.96% for an ownership change occurring in December 2017). The annual limitation under section 382 represents the amount of pre-change NOLs, as well as certain built-in losses recognized within the five year period following the ownership change, that may be used each year to offset income. The section 382 limitation may be increased to the extent that the Debtors recognize certain built-in gains in their assets during the five-year period following the ownership change, or are treated as recognizing built-in gains pursuant to the safe harbors provided in IRS Notice 2003-65. Section 383 of the Tax Code applies a similar limitation to capital loss carryforwards and tax credits. Any unused limitation may be carried forward, thereby increasing the annual limitation in the subsequent taxable year.

An exception to the foregoing annual limitation rules generally applies when former shareholders and so called "qualified creditors" of a corporation under the jurisdiction of a court in a case under the Bankruptcy Code receive, in respect of their claims, at least 50% of the vote and value of the stock of the reorganized debtor (or a controlling corporation if also under the jurisdiction of a court in a case under the Bankruptcy Code) pursuant to a confirmed Chapter 11 plan (the "382(l)(5) Exception"). Under the 382(l)(5) Exception, a debtor's Pre-Change Losses are not limited on an annual basis but, instead, are required to be reduced by the amount of any interest deductions claimed during the three taxable years preceding the effective date, and during the part of the taxable year prior to and including the plan of reorganization, in respect of all debt converted into stock in the reorganization. If the 382(l)(5) Exception applies and the Reorganized Debtors undergo another ownership change within two years after Consummation of the Plan, then the Reorganized Debtors' section 382 annual limitation will generally be reduced to zero, which would effectively preclude utilization of Pre-Change Losses.

Where the 382(l)(5) Exception is not applicable (either because the debtor company does not qualify for it or the debtor otherwise elects not to utilize the 382(l)(5) Exception), a second special rule will generally apply (the "382(l)(6) Exception"). When the 382(l)(6) Exception applies, a corporation under the jurisdiction of a court in a case under the Bankruptcy Code that undergoes an "ownership change" generally is permitted to determine the fair market value of its stock after taking into account the increase in value resulting from any surrender or cancellation of creditors' claims in the bankruptcy. This differs from the ordinary rule that requires the fair market value of a corporation that undergoes an ownership change to be determined before the events giving rise to the change. The 382(l)(6) Exception also differs from

the 382(l)(5) Exception in that under it the Reorganized Debtors would not be required to reduce their NOLs by the amount of any interest deductions claimed by the Debtors within the prior three-year period and the Reorganized Debtors may undergo a change of ownership within two years without automatically triggering the elimination of its Pre-Change Losses.

The availability to the Debtors of either the 382(l)(5) Exception or the 382(l)(6) Exception will depend on the structure of the transactions undertaken pursuant to the Plan.

Under the Tax Legislation, only 80% of a corporation's taxable income may be offset by available NOL carryforwards arising in taxable years beginning after December 31, 2017. This change could increase the Debtors' or the Reorganized Debtors' tax liability in future periods.

B. Certain U.S. Federal Income Tax Consequences to Certain U.S. Holders of Allowed Claims

The following discussion assumes that the Debtors will undertake the Restructuring Transactions currently contemplated by the Plan. Holders of Claims are urged to consult their tax advisors regarding the tax consequences of the Restructuring Transactions.

1. Consequences of the Exchange to U.S. Holders of Allowed Credit Agreement Claims, Allowed Senior Notes Claims and Allowed General Unsecured Claims.

Pursuant to the Plan, in full satisfaction and discharge of their Claims, each U.S. Holder of (a) an Allowed Credit Agreement Claim will receive its Pro Rata share of (i) commitments under the First Lien Exit Facility and (ii) the distribution of the Term Loan Lender Equity Pool, which consists of 83.5% of the New Securities (subject to dilution by shares issued in connection with the Management Incentive Plan) in the Reorganized Debtors and (b) an Allowed Senior Notes Claim or an Allowed General Unsecured Claim will receive its Pro Rata share of the distribution of the Unsecured Creditor Equity Pool, which consists of 16.5% of the New Securities (subject to dilution by shares issued in connection with the Management Incentive Plan) in the Reorganized Debtors.

The U.S. federal income tax consequences of the Plan to U.S. Holders of Allowed Credit Agreement Claims, Allowed Senior Notes Claims and Allowed General Unsecured Claims will depend, in part, on whether the transactions undertaken pursuant to the Plan constitute a Taxable Transaction. If the transactions undertaken pursuant to the Plan do not constitute a Taxable Transaction (such transaction, a "Reorganization"), the U.S. federal income tax consequences to such U.S. Holders of Allowed Credit Agreement Claims, Allowed Senior Notes Claims and Allowed General Unsecured Claims will further depend on whether the Claims surrendered constitute "securities" for U.S. federal income tax purposes.

2. Taxable Transaction.

To the extent that the transactions undertaken pursuant to the Plan constitute a Taxable Transaction, a U.S. Holder of an Allowed Credit Agreement Claim, Allowed Senior Notes Claim or Allowed General Unsecured Claim would likely be treated as exchanging its

Claims for the New Securities and, if applicable, interests in the First Lien Exit Facility in a fully taxable exchange under section 1001 of the Tax Code.

A U.S. Holder of an Allowed Credit Agreement Claim, Allowed Senior Notes Claim or Allowed General Unsecured Claim who is subject to this treatment should recognize gain or loss equal to the difference between (a) the total fair market value of the New Securities and issue price of the interest in the First Lien Exit Facility, if any, received in exchange for its Claim (subject to the discussion of "Accrued Interest" below) and (b) the U.S. Holder's adjusted tax basis in its Claim. The character of such gain or loss as capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the U.S. Holder, whether the Claim was purchased at a discount, and whether and to what extent the U.S. Holder previously has claimed a bad debt deduction with respect to its Claim. If recognized gain is capital gain, it generally would be long-term capital gain if the U.S. Holder held its Claim for more than one year at the time of the exchange. The deductibility of capital losses is subject to certain limitations as discussed below. To the extent that a portion of the consideration received in exchange for its Claim is allocable to accrued but untaxed interest, the U.S. Holder may recognize ordinary income. See the discussions of "Accrued Interest," "Market Discount" and "Limitations on Use of Capital Losses" below. A U.S. Holder's tax basis in New Securities should be equal to their fair market value and its tax basis in its interest in the First Lien Exit Facility, if any, should be equal to its issue price. A U.S. Holder's holding period for each item of consideration received on the Effective Date should begin on the day following the Effective Date.

3. Treatment of a Debt Instrument as a "Security."

Whether a debt instrument constitutes a "security" for U.S. federal income tax purposes is determined based on all the relevant facts and circumstances, but most authorities have held that the length of the term of a debt instrument at initial issuance is an important factor in determining whether such instrument is a security for U.S. federal income tax purposes. These authorities have indicated that a term of less than five years is evidence that the instrument is not a security, whereas a term of ten years or more is evidence that it is a security. The Allowed Credit Agreement Claims had a term to maturity of approximately seven (7) years when issued and the Allowed Senior Notes Claims had a term to maturity of approximately eight (8) years when issued. Although there is no authority directly addressing the First Lien Exit Facility, the IRS has determined in other circumstances that a debt instrument with a maturity of less than five (5) years may be a security if it is issued in exchange for a debt instrument with similar terms that was a security. There are numerous other factors that could be taken into account in determining whether a debt instrument is a security, including the security for payment, the creditworthiness of the obligor, the subordination or lack thereof with respect to other creditors, the right to vote or otherwise participate in the management of the obligor, convertibility of the instrument into an equity interest of the obligor, whether payments of interest are fixed, variable, or contingent, and whether such payments are made on a current basis or accrued.

4. Reorganization.

If the transactions undertaken pursuant to the Plan constitute a Reorganization and (a) Allowed Credit Agreement Claims, Allowed Senior Notes Claims or Allowed General Unsecured Claims and (b) the First Lien Exit Facility qualify as securities, a U.S. Holder of such a

Claim should recognize gain (but not loss), to the extent of the lesser of (a) the amount of gain realized from the exchange (generally equal to the fair market value of all of the consideration received minus the Holder's adjusted basis, if any, in the Claim) or (b) the fair market value of "other property" received in the distribution that is not permitted to be received under sections 354 and 355 of the Tax Code. For this purpose, the New Securities are expected to constitute "other property." With respect to non-cash consideration that is treated as a "stock or security" of a party to the Reorganization, such U.S. Holder should obtain a tax basis in such property, other than any such amounts treated as received in satisfaction of accrued but untaxed interest, equal to (a) the tax basis of the Claim surrendered, less (b) the fair market value of "other property" received, plus (c) gain recognized (if any). The holding period for such non-cash consideration should include the holding period for the surrendered Claims. With respect to non-cash consideration that is treated as "other property," U.S. Holders should obtain a tax basis in such property, other than any amounts treated as received in satisfaction of accrued but untaxed interest, equal to the property's fair market value as of the date such property is distributed to the U.S. Holder. The holding period for any such property should begin on the day following the receipt of such property.

The tax basis of any non-cash consideration treated as received in satisfaction of accrued but untaxed interest should equal the amount of such accrued but untaxed interest, but in no event should such basis exceed the fair market value of the consideration received in satisfaction of accrued but untaxed interest. The holding period for the non-cash consideration treated as received in satisfaction of accrued but untaxed interest should not include the holding period of the debt instrument constituting the surrendered Claim, and should begin on the day following the receipt of such property.

If the transactions undertaken pursuant to the Plan constitute a Reorganization and the (a) Allowed Credit Agreement Claims, Allowed Senior Notes Claims or Allowed General Unsecured Claims or (b) the First Lien Exit Facility are not treated as securities, a U.S. Holder of such Claim will be treated as exchanging such Claim for New Securities and, if applicable, interests in the First Lien Exit Facility in a taxable exchange under section 1001 of the Tax Code. The U.S. federal income tax consequences to such U.S. Holder will be substantially similar to the consequences, described above, that such U.S. Holder would have experienced in a Taxable Transaction.

HOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE RECOGNITION OF GAIN OR LOSS, FOR FEDERAL INCOME TAX PURPOSES, ON THE SATISFACTION OF THEIR CLAIMS.

5. Consequences to U.S. Holders of Allowed Convenience Claims.

Pursuant to the Plan, in full satisfaction and discharge of their Claims, each U.S. Holder of an Allowed Convenience Claim shall receive Cash. A U.S. Holder of such Claim will be treated as exchanging such Claim for Cash in a taxable exchange under section 1001 of the Tax Code. Such U.S. Holder would recognize gain or loss equal to the difference between (a) the amount of Cash received (subject to the discussion of "Accrued Interest" below) and (b) the U.S. Holder's adjusted tax basis in its Claim. The character of such gain or loss as capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status

of the U.S. Holder, the nature of the Claim in such U.S. Holder's hands, whether the Claim was purchased at a discount, and whether and to what extent the U.S. Holder previously has claimed a bad debt deduction with respect to its Claim. If recognized gain is capital gain, it generally would be long-term capital gain if the U.S. Holder held its Claim for more than one year at the time of the exchange. The deductibility of capital losses is subject to certain limitations as discussed below. To the extent that a portion of the consideration received in exchange for its Claim is allocable to accrued but untaxed interest, the U.S. Holder may recognize ordinary income. See the discussions of "Accrued Interest," "Market Discount" and "Limitations on Use of Capital Losses" below.

6. Accrued Interest.

A portion of the consideration received by U.S. Holders of Allowed Claims may be attributable to accrued interest on such Claims. If any amount is attributable to accrued interest, then such amount should be taxable to that U.S. Holder as interest income if such accrued interest has not been previously included in the U.S. Holder's gross income for U.S. federal income tax purposes. Conversely, U.S. Holders of Allowed Claims should be able to recognize a deductible loss to the extent any accrued interest on the Claims was previously included in the U.S. Holder's gross income but was not paid in full by the Debtors.

If the fair value of the consideration is not sufficient to fully satisfy all principal and interest on an Allowed Claim, the extent to which such consideration will be attributable to accrued interest is unclear. Under the Plan, the aggregate consideration to be distributed to U.S. Holders of Allowed Claims in each Class will be allocated first to the principal amount of such Allowed Claims, with any excess allocated to unpaid interest that accrued on these Claims, if any. Certain legislative history indicates that an allocation of consideration as between principal and interest provided in a Chapter 11 plan of reorganization is binding for U.S. federal income tax purposes, while certain Treasury Regulations generally treat payments as allocated first to any accrued but unpaid interest and then as a payment of principal. The IRS could take the position that the consideration received by the U.S. Holder should be allocated in some way other than as provided in the Plan.

HOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE ALLOCATION OF CONSIDERATION RECEIVED IN SATISFACTION OF THEIR CLAIMS AND THE FEDERAL INCOME TAX TREATMENT OF ACCRUED BUT UNPAID INTEREST.

7. Market Discount.

Under the "market discount" provisions of the Tax Code, some or all of any gain realized by a U.S. Holder of a Claim who exchanges a Claim on the Effective Date may be treated as ordinary income (instead of capital gain) to the extent of the amount of "market discount" on the debt instruments constituting the exchanged Claim. In general, a debt instrument is considered to have been acquired with "market discount" if it is acquired other than on original issue and if its U.S. Holder's adjusted tax basis in the debt instrument is less than (a) the sum of all remaining payments to be made on the debt instrument, excluding "qualified stated interest" or (b) in the case of a debt instrument issued with original issue discount, its adjusted issue price, by at least a

de minimis amount (equal to 0.25% of the sum of all remaining payments to be made on the debt instrument, excluding qualified stated interest, multiplied by the number of remaining whole years to maturity).

Any gain recognized by a U.S. Holder on the taxable disposition of a Claim that had been acquired with market discount should be treated as ordinary income to the extent of the market discount that accrued thereon while the Claim was considered to be held by the U.S. Holder (unless the U.S. Holder elected to include market discount in income as it accrued). To the extent that the Allowed Claims that were acquired with market discount are exchanged in a tax-free transaction for other property, any market discount that accrued on the Allowed Claims (*i.e.*, up to the time of the exchange) but was not recognized by the U.S. Holder is carried over to the property received therefor and any gain recognized on the subsequent sale, exchange, redemption, or other disposition of the property is treated as ordinary income to the extent of the accrued, but not recognized, market discount with respect to the exchanged debt instrument.

HOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE APPLICATION OF THE MARKET DISCOUNT RULES TO THEIR CLAIMS.

8. Issue Price of the First Lien Exit Facility.

The issue price of the First Lien Exit Facility will depend on whether a substantial amount of each of the Credit Agreement and the First Lien Exit Facility is considered to be "traded on an established market." In general, a debt instrument will be treated as traded on an established market if, at any time during the 31-day period ending 15 days after the issue date, (a) a "sales price" for an executed purchase of the debt instrument appears on a medium that is made available to issuers of debt instruments, persons that regularly purchase or sell debt instruments, or persons that broker purchases or sales of debt instruments; (b) a "firm" price quote for the debt instrument is available from at least one broker, dealer or pricing service for property and the quoted price is substantially the same as the price for which the person receiving the quoted price could purchase or sell the property; or (c) an "indicative" price quote for the debt instrument is available from at least one broker, dealer or pricing service for property.

If a debt instrument is considered to be traded on an established market, then the issue price of such instrument is its fair market value on its date of issuance. Therefore, if the First Lien Exit Facility is traded on an established market at the time of the exchange, the issue price of the First Lien Exit Facility will be its fair market value on the date of the exchange. Additionally, if the Debtors determine that any debt instruments are traded on an established market, then the Debtors are required to provide to U.S. Holders the issue price of such debt instruments. The Debtors' determination of the debt instruments' issue price is binding on U.S. Holders unless the holder explicitly discloses that its determination is different from the Debtors' on its U.S. federal income tax return.

However, if the First Lien Exit Facility is not traded on an established market and the Credit Agreement is traded on an established market at the time of the exchange, the issue price of any new debt that is not traded on an established market will be determined by applying the "investment unit" rules and treating the First Lien Exit Facility and the New Securities as part

of an investment unit issued in exchange for the Credit Agreement. Generally, the issue price of an investment unit is determined by applying the issue price rules applicable to debt instruments, and the issue price of a debt instrument that is part of the investment unit and that is not traded on an established market is its allocable portion of the issue price of the investment unit, based on the relative fair market value of such debt instrument and the other property rights in the investment unit (*i.e.*, the New Securities and any debt that is traded on an established market). Thus, if the Credit Agreement is traded on an established market, but the First Lien Exit Facility is not so traded, then the issue price of the investment unit would be equal to the fair market value of the Credit Agreement on the date of the exchange. The issue price of each of the new debt that is not traded on an established market will equal its allocable portion of the investment unit's issue price (determined by multiplying the investment unit's issue price by the fraction obtained by dividing the fair market value of each debt instrument that is not traded on an established market by the sum of the fair market values of the First Lien Exit Facility and the New Securities).

If none of the First Lien Exit Facility or the Credit Agreement is traded on an established market at the time of the exchange, the issue price of the First Lien Exit Facility should equal its stated redemption price at maturity.

9. Original Issue Discount on the First Lien Exit Facility.

A U.S. Holder of a Pro Rata share of commitments under the First Lien Exit Facility will be required to include stated interest on such share of the First Lien Exit Facility in income in accordance with the U.S. Holder's regular method of accounting to the extent such stated interest is "qualified stated interest." Stated interest is generally "qualified stated interest" if it is payable in Cash at least annually at a single fixed rate. Where stated interest payable on the First Lien Exit Facility is not payable at least annually, such portion of the stated interest will be included in the determination of original issue discount ("OID") on such Pro Rata shares of the loans.

A debt instrument generally has OID if its "stated redemption price at maturity" exceeds its "issue price" by more than a *de minimis* amount (generally 0.25% of the product of the stated redemption price at maturity and the number of complete years to maturity from the issue date). The stated redemption price at maturity of a debt instrument is the sum of all payments provided by the debt instrument other than payments of qualified stated interest.

A U.S. Holder of commitments under the First Lien Exit Facility that is issued with OID generally will be required to include any OID in income over the term of such loans in accordance with a constant yield-to-maturity method, regardless of whether the U.S. Holder is a cash or accrual method taxpayer, and regardless of whether and when the U.S. Holder receives Cash payments of interest on such commitments under the First Lien Exit Facility (other than Cash attributable to qualified stated interest). Accordingly, a U.S. Holder could be treated as receiving income in advance of a corresponding receipt of Cash. Any OID that a U.S. Holder includes in income will increase the U.S. Holder's tax basis in its commitments under the First Lien Exit Facility.

A U.S. Holder of commitments under the First Lien Exit Facility will not be separately taxable on any Cash payments that have already been taxed under the OID rules, but will reduce its tax basis in the commitment by the amount of such payments.

A U.S. Holder may obtain the issue price of the First Lien Exit Facility and other information relating to the accrual of OID on the debt instruments by contacting Cumulus Media, Inc., 3280 Peachtree Road NE, Suite 2200, Atlanta, GA 30305, Attn: Vice President, Tax. The application of the OID rules is highly complex.

U.S. HOLDERS OF COMMITMENTS UNDER THE FIRST LIEN EXIT FACILITY ARE URGED TO CONSULT THEIR TAX ADVISORS REGARDING THE TAX CONSEQUENCES OF ANY OID ON SUCH LOANS.

10. Acquisition Premium/Bond Premium.

If a U.S. Holder's initial tax basis in its interest in the First Lien Exit Facility is less than or equal to the stated redemption price at maturity of such interest, but greater than the issue price of such interest, the U.S. Holder will be treated as acquiring such interest in the First Lien Exit Facility at an "acquisition premium." Unless an election is made, the U.S. Holder generally will reduce the amount of OID otherwise includible in gross income for an accrual period by an amount equal to the amount of OID otherwise includible in gross income multiplied by a fraction, the numerator of which is the excess of the U.S. Holder's initial tax basis in its interest in the First Lien Exit Facility over such interest's issue price, and the denominator of which is the excess of the sum of all amounts payable on such interest (other than amounts that are qualified stated interest) over its issue price.

If a U.S. Holder's initial tax basis in its interest in the First Lien Exit Facility exceeds the stated redemption price at maturity of such interest, such U.S. Holder will be treated as acquiring such interest in the First Lien Exit Facility with "bond premium" and will not be required to include OID, if any, in income. Such U.S. Holder generally may elect to amortize the premium over the remaining term of the First Lien Exit Facility, on a constant yield method as an offset to interest when includible in income under such U.S. Holder's regular accounting method. If a U.S. Holder does not elect to amortize the premium, that premium will decrease the gain or increase the loss such U.S. Holder would otherwise recognize on disposition of its interests in the First Lien Exit Facility.

11. Dividends on New Securities.

Any distributions made on account of New Securities will constitute dividends for U.S. federal income tax purposes to the extent of the current or accumulated earnings and profits of the Reorganized Debtor as determined under U.S. federal income tax principles. To the extent that a U.S. Holder receives distributions that would otherwise constitute dividends for U.S. federal income tax purposes but that exceed such current and accumulated earnings and profits, such distributions will be treated first as a non-taxable return of capital reducing the U.S. Holder's basis in its shares. Any such distributions in excess of the U.S. Holder's basis in its shares (determined on a share-by-share basis) generally will be treated as capital gain.

Dividends paid to U.S. Holders that are corporations generally will be eligible for the dividends-received deduction so long as there are sufficient earnings and profits. However, the dividends-received deduction is only available if certain holding period requirements are satisfied. The length of time that a shareholder has held its stock is reduced for any period during which the shareholder's risk of loss with respect to the stock is diminished by reason of the existence of certain options, contracts to sell, short sales, or similar transactions. In addition, to the extent that a corporation incurs indebtedness that is directly attributable to an investment in the stock on which the dividend is paid, all or a portion of the dividends received deduction may be disallowed.

12. Sale, Redemption, or Repurchase of New Securities.

Unless a non-recognition provision applies, U.S. Holders generally will recognize capital gain or loss upon the sale, redemption, or other taxable disposition of New Securities. Such capital gain generally would be long-term capital gain if at the time of the sale, exchange, retirement, or other taxable disposition, the U.S. Holder held the New Securities for more than one year. Long-term capital gains of an individual taxpayer generally are taxed at preferential rates. The deductibility of capital losses is subject to certain limitations as described below. Under the recapture rules of section 108(e)(7) of the Tax Code, a U.S. Holder may be required to treat gain recognized on the taxable disposition of the New Securities as ordinary income if such U.S. Holder took a bad debt deduction with respect to its Allowed Claim or recognized an ordinary loss on the exchange of its Allowed Claim for New Securities.

U.S. Holders of the Special Warrants should not recognize gain or loss as a result of the exercise of the Special Warrants for New Common Stock. The aggregate tax basis in the New Common Stock of a U.S. Holder received upon exercise should be the same as its aggregate tax basis in its Special Warrants immediately prior thereto. Additionally, the holding period of the New Common Stock received upon exercise should include the holding period of the Special Warrants held by such Holder immediately prior thereto.

13. Limitation on Use of Capital Losses.

A U.S. Holder of a Claim who recognizes capital losses as a result of the distributions under the Plan will be subject to limits on the use of such capital losses. For a non-corporate U.S. Holder, capital losses may be used to offset any capital gains (without regard to holding periods), and also ordinary income to the extent of the lesser of (a) $3,000 ($1,500 for married individuals filing separate returns) or (b) the excess of the capital losses over the capital gains. A non-corporate U.S. Holder may carry over unused capital losses and apply them against future capital gains and a portion of their ordinary income for an unlimited number of years. For corporate U.S. Holders, capital losses may only be used to offset capital gains. A corporate U.S. Holder that has more capital losses than may be used in a tax year may carry back unused capital losses to the three years preceding the capital loss year or may carry over unused capital losses for the five years following the capital loss year.

C. Certain U.S. Federal Income Tax Consequences to Certain Non-U.S. Holders of Claims

The following discussion assumes that the Debtors will undertake the Restructuring Transactions currently contemplated by the Plan, and includes only certain U.S. federal income tax consequences of the Restructuring Transactions to non-U.S. Holders. The discussion does not include any non-U.S. tax considerations. The rules governing the U.S. federal income tax consequences to non-U.S. Holders are complex. Each non-U.S. Holder is urged to consult its own tax advisor regarding the U.S. federal, state, and local and the non-U.S. tax consequences of the consummation of the Plan to such non-U.S. Holders.

1. Gain Recognition.

To the extent that the Restructuring Transactions are treated as a Taxable Transaction or otherwise result in the recognition of taxable gain for U.S. federal income tax purposes, any gain realized by a non-U.S. Holder on the exchange of its Claim generally will not be subject to U.S. federal income taxation unless (a) the non-U.S. Holder is an individual who was present in the United States for 183 days or more during the taxable year in which the Restructuring Transactions occur and certain other conditions are met or (b) such gain is effectively connected with the conduct by such non-U.S. Holder of a trade or business in the United States (and if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by such non-U.S. Holder in the United States).

If the first exception applies, to the extent that any gain is taxable, the non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such non-U.S. Holder's capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of the exchange. If the second exception applies, the non-U.S. Holder generally will be subject to U.S. federal income tax with respect to any gain realized on the exchange in the same manner as a U.S. Holder. To claim an exemption from withholding tax, such non-U.S. Holder will be required to provide a properly executed IRS Form W-8ECI (or such successor form as the IRS designates). In addition, if such a non-U.S. Holder is a corporation, it may be subject to a branch profits tax equal to 30% (or such lower rate provided by an applicable treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments.

2. Accrued Interest.

Payments to a non-U.S. Holder that are attributable to accrued interest generally will not be subject to U.S. federal income tax or withholding, provided that the withholding agent has received or receives, prior to payment, appropriate documentation (generally, IRS Form W-8BEN or W-8BEN-E) establishing that the non-U.S. Holder is not a U.S. person, unless:

- the non-U.S. Holder actually or constructively owns 10% or more of the total combined voting power of all classes of the Debtor's stock entitled to vote;

- the non-U.S. Holder is a "controlled foreign corporation" that is a "related person" with respect to the Debtor (each, within the meaning of the Tax Code);

- the non-U.S. Holder is a bank receiving interest described in section 881(c)(3)(A) of the Tax Code; or

- such interest is effectively connected with the conduct by the non-U.S. Holder of a trade or business within the United States (in which case, provided the non-U.S. Holder provides a properly executed IRS Form W-8ECI (or successor form) to the withholding agent, the non-U.S. Holder generally will not be subject to withholding tax, but will be subject to U.S. federal income tax in the same manner as a U.S. Holder (unless an applicable income tax treaty provides otherwise), and a non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such non-U.S. Holder's effectively connected earnings and profits that are attributable to the accrued interest at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty)).

A non-U.S. Holder that does not qualify for the exemption from withholding tax with respect to accrued but untaxed interest that is not effectively connected income generally will be subject to withholding of U.S. federal income tax at a 30% rate (or at a reduced rate or exemption from tax under an applicable income tax treaty) on any payments that are attributable to accrued but untaxed interest. For purposes of providing a properly executed IRS Form W-8BEN or W-8BEN-E, special procedures are provided under applicable Treasury Regulations for payments through qualified foreign intermediaries or certain financial institutions that hold customers' securities in the ordinary course of their trade or business. As described above in more detail under the heading "Accrued Interest," the aggregate consideration to be distributed to holders of Allowed Claims in each Class will be allocated first to the principal amount of such Allowed Claims, with any excess allocated to unpaid interest that accrued on these Claims, if any.

3. Dividends on New Securities.

Any distributions made with respect to New Securities will constitute dividends for U.S. federal income tax purposes to the extent of the Reorganized Debtor's current or accumulated earnings and profits as determined under U.S. federal income tax principles. To the extent that a non-U.S. Holder receives distributions that would otherwise constitute dividends for U.S. federal income tax purposes but that exceed such current and accumulated earnings and profits, such distributions will be treated first as a non-taxable return of capital reducing the non-U.S. Holder's basis in its shares. Any such distributions in excess of a non-U.S. Holder's basis in its shares (determined on a share-by-share basis) generally will be treated as capital gain from a sale or exchange. Except as described below, dividends paid with respect to New Securities held by a non-U.S. Holder that are not effectively connected with a non-U.S. Holder's conduct of a U.S. trade or business (or if an income tax treaty applies, are not attributable to a permanent establishment maintained by such non-U.S. Holder in the United States) will be subject to U.S.

federal withholding tax at a rate of 30% (or lower treaty rate, if applicable). A non-U.S. Holder generally will be required to satisfy certain IRS certification requirements in order to claim a reduction of or exemption from withholding under a tax treaty by providing an IRS Form W-8BEN or W-8BEN-E (or a successor form) to the Reorganized Debtor upon which the non-U.S. Holder certifies, under penalties of perjury, its status as a non-U.S. person and its entitlement to the lower treaty rate or exemption from tax with respect to such payments. Dividends paid with respect to New Securities held by a non-U.S. Holder that are effectively connected with a non-U.S. Holder's conduct of a U.S. trade or business (and if an income tax treaty applies, are attributable to a permanent establishment maintained by such non-U.S. Holder in the United States) generally will be subject to U.S. federal income tax in the same manner as a U.S. Holder, and a non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such non-U.S. Holder's effectively connected earnings and profits that are attributable to the dividends at a rate of 30% (or at a reduced rate under an applicable income tax treaty).

4. Sale, Redemption, or Repurchase of New Securities.

A non-U.S. Holder generally will not be subject to U.S. federal income tax with respect to any gain realized on the sale or other taxable disposition (including a Cash redemption) of New Securities unless:

(i) such non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition and satisfies certain other conditions or who is subject to special rules applicable to former citizens and residents of the United States; or

(ii) such gain is effectively connected with such non-U.S. Holder's conduct of a U.S. trade or business (and if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by such non-U.S. Holder in the United States); or

(iii) the Reorganized Debtors are or have been during a specified testing period a "U.S. real property holding corporation" for U.S. federal income tax purposes.

If the first exception applies, the non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such non-U.S. Holder's capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of disposition of New Securities. If the second exception applies, the non-U.S. Holder generally will be subject to U.S. federal income tax with respect to such gain in the same manner as a U.S. Holder, and a non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to earnings and profits effectively connected with a U.S. trade or business that are attributable to such gains at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty). The Debtors consider it unlikely, based on their current business plans and operations, that any of the Reorganized Debtors will become a "U.S. real property holding corporation" in the future.

5. FATCA.

Under the Foreign Account Tax Compliance Act ("FATCA"), foreign financial institutions and certain other foreign entities must report certain information with respect to their U.S. account holders and investors or be subject to withholding at a rate of 30% on the receipt of "withholdable payments." For this purpose, "withholdable payments" are generally U.S.-source payments of fixed or determinable, annual or periodical income (including dividends, if any, on New Securities), and also include gross proceeds from the sale, on or after January 1, 2019, of any property of a type which can produce U.S. source interest or dividends (which would include New Securities). FATCA withholding will apply even if the applicable payment would not otherwise be subject to U.S. federal nonresident withholding.

EACH NON-U.S. HOLDER IS URGED TO CONSULT ITS OWN TAX ADVISOR REGARDING THE POSSIBLE IMPACT OF THESE RULES ON SUCH NON-U.S. HOLDER'S OWNERSHIP OF NEW SECURITIES.

D. Information Reporting and Back-Up Withholding

All distributions to Holders of Claims under the Plan are subject to any applicable tax withholding, including employment tax withholding. Under U.S. federal income tax law, interest, dividends, and other reportable payments may, under certain circumstances, be subject to "backup withholding" at the then applicable withholding rate (currently 28%). Backup withholding generally applies if the holder fails to furnish its social security number or other taxpayer identification number (a "TIN"), furnishes an incorrect TIN, fails properly to report interest or dividends, or under certain circumstances, fails to provide a certified statement, signed under penalty of perjury, that the TIN provided is its correct number and that it is a United States person that is not subject to backup withholding. Backup withholding is not an additional tax but merely an advance payment, which may be refunded to the extent it results in an overpayment of tax and the appropriate information is supplied to the IRS. Certain persons are exempt from backup withholding, including, in certain circumstances, corporations and financial institutions.

In addition, from an information reporting perspective, the Treasury Regulations generally require disclosure by a taxpayer on its U.S. federal income tax return of certain types of transactions in which the taxpayer participated, including, among other types of transactions, certain transactions that result in the taxpayer's claiming a loss in excess of specified thresholds. Holders are urged to consult their tax advisors regarding these regulations and whether the transactions contemplated by the Plan would be subject to these regulations and require disclosure on the Holders' tax returns.

THE FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN ARE COMPLEX. THE FOREGOING SUMMARY DOES NOT DISCUSS ALL ASPECTS OF FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO A PARTICULAR HOLDER IN LIGHT OF SUCH HOLDER'S CIRCUMSTANCES AND INCOME TAX SITUATION. ALL HOLDERS OF CLAIMS AND INTERESTS ARE URGED TO CONSULT WITH THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE TRANSACTIONS CONTEMPLATED BY THE PLAN, INCLUDING THE APPLICABILITY AND EFFECT OF ANY STATE, LOCAL,

OR FOREIGN TAX LAWS, AND OF THE TAX LEGISLATION AND ANY OTHER CHANGE IN APPLICABLE TAX LAWS.

XI. CERTAIN RISK FACTORS TO BE CONSIDERED

Prior to voting to accept or reject the Plan, holders of Claims should read and carefully consider the risk factors set forth below, in addition to the information set forth in this Disclosure Statement and the attachments, exhibits, or documents incorporated by reference hereto. The factors below should not be regarded as the only risks associated with the Plan or its implementation. Documents filed with the SEC may contain important risk factors that differ from those discussed below. Copies of any document filed with the SEC may be obtained by visiting the SEC website at http://www.sec.gov.

A. Certain Restructuring Law Considerations

1. Effect of Chapter 11 Cases. While the Debtors believe that the Chapter 11 Cases will be of short duration and will not be materially disruptive to their businesses, the Debtors cannot be certain that this will be the case. Although the Plan is intended to effectuate a coordinated financial restructuring of the Company, and enjoys substantial support from the requisite majority of the Company's secured funded debtholders, it is impossible to predict with certainty the amount of time that one or more of the Debtors may spend in bankruptcy, or to assure parties in interest that the Plan will be confirmed. Even if confirmed on a timely basis, court proceedings to confirm the Plan could have an adverse effect on the Company's businesses. Among other things, it is possible that the Chapter 11 Cases could adversely affect the Company's relationships with its vendors, employees, talent, content partners, and key customers. The proceedings also involve additional expense and may divert some of the attention of the Company's management away from business operations.

2. The Debtors May Not Be Able to Confirm the Plan. Although the Debtors believe that the Plan will satisfy all requirements necessary for confirmation by the Bankruptcy Court, there can be no assurance that the Bankruptcy Court will reach the same conclusion or that modifications to the Plan will not be required for confirmation, or that such modifications would not necessitate re-solicitation of votes. Moreover, the Debtors can make no assurances that they will receive the requisite acceptances to confirm the Plan, and even if all voting Classes vote in favor of the Plan or the requirements for "cramdown" are met with respect to any Class that rejected the Plan, the Bankruptcy Court, which may exercise its substantial discretion as a court of equity, may choose not to confirm the Plan. If the Plan is not confirmed, it is unclear what distributions holders of Claims ultimately would receive on account of their Claims under a subsequent plan of reorganization (or liquidation). **The Committee does not believe at this time that the Debtors will be able to satisfy the requirements to "cramdown" the Plan on Holders of Senior Notes Claims or General Unsecured Claims. The Debtors dispute this assertion and believe that the Plan is confirmable under section 1129(b) of the Bankruptcy Code.**

3. Significant Litigation About Enterprise Value May Delay or Preclude Plan Confirmation. As noted above, the Debtors pursued a restructuring alternative with the Ad Hoc Senior Noteholder Group prior to entering the Restructuring Support Agreement with the Term

Lender Group and commencing these Chapter 11 Cases. Some of the members of the Committee were members of the Ad Hoc Senior Noteholder Group. As a result, the Committee, as well as potentially other former members of the Ad Hoc Senior Noteholder Group, may dispute the Debtors' enterprise value contemplated in the Plan. Among other things, at the First Day Hearing, prior to the appointment of the Committee, the Ad Hoc Senior Noteholder Group stated their position that the Debtors' proposed restructuring, if implemented, would overcompensate the Holders of Credit Agreement Claims to the detriment of Holders of the Senior ~~Note~~**Notes** Claims and all other unsecured creditors, and is premised upon an enterprise value that is materially lower than certain of the potential valuations allegedly discussed with the Ad Hoc Senior Noteholder Group prior to the Petition Date. On January 5, 2018, Milbank, Tweed, Hadley & McCloy LLP filed a verified Rule 2019 statement disclosing their representation of an ad hoc cross-holder committee comprised of two Holders, each of which holds both (i) Credit Agreement Claims and (ii) Senior Notes Claims (the "Ad Hoc Cross-Holder Committee") [ECF No. 181]. On January 8, 2018, the Ad Hoc Cross-Holder Committee filed a *Notice of Intent to Participate in Discovery* [ECF No. 185]. Upon information and belief, the members of the Ad Hoc Cross-Holder Committee are former members of the Ad Hoc Senior Noteholder Group that are not on the Committee. The litigation of the Debtors' enterprise value may be protracted and expensive. Moreover, if the Bankruptcy Court concludes that the Plan undervalued the Company, the Debtors may be unable to confirm the Plan in its current form.

4. Non-Consensual Confirmation. In the event that any impaired class of Claims does not accept or is deemed not to accept a plan of reorganization, the Bankruptcy Court may nevertheless confirm such plan at the Debtors' request if at least one impaired class has accepted the plan (with such acceptance being determined without including the vote of any "insider" in such class), and as to each impaired class that has not accepted the plan, the Bankruptcy Court determines that the plan "does not discriminate unfairly" and is "fair and equitable" with respect to the dissenting impaired classes. Should any Class vote to reject the Plan, then these requirements must be satisfied with respect to such rejecting Classes. The Debtors believe that the Plan satisfies these requirements. **As noted above, the Committee does not believe at this time that the Debtors will be able to satisfy the requirements to "cramdown" the Plan on Holders of Senior Notes Claims or General Unsecured Claims. The Debtors dispute this claim and believe that the Plan is confirmable under section 1129(b) of the Bankruptcy Code.**

5. Releases, Injunctions, and Exculpation Provisions May Not Be Approved. The Debtors believe that the Releases are both customary and supported by the facts and circumstances of these Chapter 11 Cases. As noted in Article VI.E.1 of this Disclosure Statement, the U.S. Trustee and the SEC challenge the propriety of the Releases arguing that (a) the Releases impair Classes 1 and 2; (b) the opt-out provisions render the Releases non-consensual and are not supported by "rare and exceptional" circumstances as required by law; (c) the Releases are impermissibly broad; and (d) the Court lacks subject matter jurisdiction to enjoin third parties from asserting claims against each other. The Debtors dispute the positions adopted by the U.S. Trustee and SEC. The Debtors believe that the Releases are customary, consensual, and well within the bounds of relevant legal precedent given the facts and circumstances of these Chapter 11 Cases. The Debtors are prepared to support their positions with the benefit of a full evidentiary record established

at the Confirmation Hearing. There can be no assurance that the Bankruptcy Court will agree with the Debtors' position, however.

~~5~~**6**. Risk of Timing or Non-Occurrence of Effective Date. There can be no assurance as to the timing of the Effective Date. If the conditions precedent to the Effective Date set forth in the Plan have not occurred or have not been waived as set forth in Article IX of the Plan, then the Confirmation Order may be vacated, in which event no distributions would be made under the Plan, the Debtors and all Holders of Claims and Interests would be restored to the *status quo ante* as of the day immediately preceding the Confirmation Date, and the Debtors' obligations with respect to Claims and Interests would remain unchanged. Notably, the conditions precedent include the requirement that the Debtors obtain all governmental and material-third party approvals necessary to effectuate the Restructuring Transactions. Moreover, absent an extension, the Restructuring Support Agreement may be terminated by the Requisite Consenting Term Loan Lenders (as defined in the Restructuring Support Agreement) if the Effective Date does not occur by May 28, 2018. The Debtors cannot assure that the conditions precedent to the Plan's effectiveness will occur or be waived by such date.

~~6~~**7**. Risk of Termination of Restructuring Support Agreement. The Restructuring Support Agreement contains provisions that give the Requisite Consenting Term Loan Lenders the ability to terminate the Restructuring Support Agreement if certain conditions are not satisfied or waived, including the failure to achieve certain milestones. Termination of the Restructuring Support Agreement could result in protracted Chapter 11 Cases, which could significantly and detrimentally impact the Debtors' relationships with vendors, employees, talent, content partners, and major customers, or potentially the conversion of the Chapter 11 Cases into cases under Chapter 7 of the Bankruptcy Code.

~~7~~**8**. Conversion into Chapter 7 Cases. If no plan of reorganization can be confirmed, or if the Bankruptcy Court otherwise finds that it would be in the best interests of Holders of Claims, the Chapter 11 Cases may be converted to cases under chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be appointed or elected to liquidate the Debtors' assets for distribution in accordance with the priorities established by the Bankruptcy Code. *See* Article XIV(C) hereof, as well as the Liquidation Analysis attached hereto as Exhibit D, for a discussion of the effects that a chapter 7 liquidation would have on the recoveries to Holders of Claims.

~~8~~**9**. The Cash Collateral May Be Insufficient to Fund the Debtors' Business Operations, or May Be Unavailable if the Debtors Do Not Comply with the Terms of the Cash Collateral Order. Although the Debtors project that they will have sufficient liquidity to operate their businesses through the Effective Date, there can be no assurance that the revenue generated by the Company's business operations and the cash made available to the Debtors under the Cash Collateral Order will be sufficient to fund the Company's operations. The Company does not currently have financing available to it in the form of a debtor-in-possession credit facility. In the event that revenue flows are not sufficient to meet the Company's liquidity requirements, the Company may be required to seek such financing. There can be no assurance that such additional financing would be available or, if available, offered on terms that are acceptable to the Company or the Bankruptcy Court. If, for one or more reasons, the Company is unable to obtain such

additional financing, the Company's business and assets may be subject to liquidation under chapter 7 of the Bankruptcy Code and the Company may cease to continue as a going concern.

The Cash Collateral Order includes affirmative and negative covenants applicable to the Debtors, including compliance with a budget and maintenance of certain minimum liquidity. There can be no assurance that the Company will be able to comply with these covenants and meet its obligations as they become due or to comply with the other terms and conditions of the Cash Collateral Order. Any event of default under the Cash Collateral Order could imperil the Debtors' ability to reorganize.

~~9~~**10**. Impact of the Chapter 11 Cases on the Debtors. The Chapter 11 Cases may affect the Debtors' relationships with, and their ability to negotiate favorable terms with, creditors, customers, vendors, employees, and other personnel and counterparties. While the Debtors expect to continue normal operations, public perception of their continued viability may affect, among other things, the desire of new and existing customers, talent, vendors, content partners, landlords, employees, or other parties to enter into or continue their agreements or arrangements with the Debtors. The failure to maintain any of these important relationships could adversely affect the Debtors' business, financial condition, and results of operations.

Because of the public disclosure of the Chapter 11 Cases and concerns certain vendors may have about the Debtors' liquidity, the Debtors' ability to maintain normal credit terms with vendors may be impaired. Also, the Debtors' transactions that are outside of the ordinary course of business are generally subject to the approval of the Bankruptcy Court, which may limit the Debtors' ability to respond on a timely basis to certain events or take advantage of certain opportunities. As a result, the effect that the Chapter 11 Cases will have on the Debtors' businesses, financial conditions and results of operations cannot be accurately predicted or quantified at this time.

Additionally, the terms of the Cash Collateral Order may limit the Debtors' ability to undertake certain business initiatives.

~~10~~**11**. The Plan Is Based upon Assumptions the Debtors Developed That May Prove Incorrect and Could Render the Plan Unsuccessful. The Plan and the Restructuring Transactions contemplated thereby reflect assumptions and analyses based on the Debtors' experience and perception of historical trends, current conditions, management's plans, and expected future developments, as well as other factors that the Debtors consider appropriate under the circumstances. The feasibility of the Plan for confirmation purposes under the Bankruptcy Code relies on financial projections, including with respect to revenues, EBITDA, debt service and cash flow. Financial forecasts are necessarily speculative, and it is likely that one or more of the assumptions and estimates that are the basis of these financial forecasts will not be accurate.

Whether actual future results and developments will be consistent with the Debtors' expectations and assumptions depends on a number of factors, including, but not limited to: (a) the ability to maintain customers' confidence in the Company's viability as a continuing entity and to attract and retain sufficient business from them; (b) the ability to retain key employees and (c) the overall strength and stability of general economic conditions in the

United States and in the specific markets in which the Debtors currently do business. The failure of any of these factors could not only vitiate the projections and analyses that informed the Plan, but also otherwise materially adversely affect the successful reorganization of the Debtors' businesses.

The Company expects that its actual financial condition and results of operations may differ, perhaps materially, from what was anticipated. Consequently, there can be no assurance that the results or developments contemplated by any plan of reorganization the Debtors may implement will occur or, even if they do occur, that they will have the anticipated effects on the Debtors and their respective subsidiaries or their businesses or operations. The failure of any such results or developments to materialize as anticipated could materially adversely affect the successful execution of the Plan.

~~11~~12. Projections, Estimates, and Other Forward-Looking Statements Are Not Assured, and Actual Results May Vary. Certain of the information contained in this Disclosure Statement is, by its nature, forward-looking, and contains estimates and assumptions that might ultimately prove to be incorrect, and contains projections which may be materially different from actual future experiences. There are uncertainties associated with any projections and estimates—including estimated recoveries by holders of Allowed Claims—and such projections and estimates should not be considered assurances or guarantees of the amount of assets that will ultimately be available for distribution on the Effective Date or the amount of Claims in the various Classes that might be Allowed.

13. The Court May Determine that the Plan Impermissibly Consolidates the Debtors' Estates. As discussed in Article VI.E of this Disclosure Statement, the Ad Hoc Cross-Holder Committee alleges that the Plan impermissibly substantively consolidates the Debtors' separate estates. The Debtors dispute this allegation and maintain that the recoveries under the Plan result from the settlement with the Term Loan Lenders pursuant to which the Term Loan Lenders are agreeing to transfer value to which the Term Loan Lenders are otherwise entitled to Holders of Allowed General Unsecured Claims and Allowed Senior Notes Claims. However, there can be no assurances that the Bankruptcy Court will agree with the Debtors' position.

B. Risks Relating to the Debtors' and Reorganized Debtors' Business

1. Post-Effective Date Indebtedness. On the Effective Date, on a consolidated basis, it is expected that the Reorganized Debtors will have total secured, outstanding indebtedness of approximately $1.3 billion, which is expected to consist of the First Lien Exit Facility. This level of expected indebtedness and the funds required to service such debt could, among other things, make it difficult for the Reorganized Debtors to satisfy their obligations under such indebtedness, increasing the risk that they may default on such debt obligations.

The Reorganized Debtors' earnings and cash flow may vary significantly from year to year. Additionally, the Reorganized Debtors' future cash flow may be insufficient to meet their debt obligations and commitments. Any insufficiency could negatively impact the Reorganized Debtors' business. A range of economic, competitive, business, and industry factors will affect

the Reorganized Debtors' future financial performance and, as a result, their ability to generate cash flow from operations and to pay their debt. Many of these factors are beyond the Reorganized Debtors' control.

If the Reorganized Debtors do not generate enough cash flow from operations to satisfy their debt obligations, they may have to undertake alternative financing plans, such as:

- Refinancing or restructuring debt;
- Selling assets;
- Reducing or delaying capital investments; or
- Seeking to raise additional capital.

It cannot be assured, however, that undertaking alternative financing plans, if necessary, would be possible on commercially reasonable terms, or at all, and allow the Reorganized Debtors to meet their debt obligations. An inability to generate sufficient cash flow to satisfy their debt obligations or to obtain alternative financing could materially and adversely affect the Reorganized Debtors' ability to make payments on the First Lien Exit Facility, as well as the Reorganized Debtors' business, financial condition, results of operations, and prospects.

The First Lien Exit Credit Agreement will contain restrictions, limitations and specific covenants that could significantly affect the Reorganized Debtors' ability to operate their business, as well as adversely affect their liquidity, and therefore could adversely affect the Reorganized Debtors' results of operations. These covenants are expected to restrict the Reorganized Debtors' ability (subject to certain exceptions) to: (i) incur additional indebtedness and guarantee indebtedness; (ii) pay dividends or make other distributions or repurchase or redeem capital stock; (iii) prepay, redeem, or repurchase certain debt; (iv) make loans and investments; (v) sell assets; (vi) incur liens; (vii) enter into transactions with affiliates; (viii) alter the businesses they conduct; (ix) enter into agreements restricting any restricted subsidiary's ability to pay dividends; and (x) consolidate, merge or sell all or substantially all of their assets.

As a result of these restrictive covenants in the First Lien Exit Credit Agreement, the Reorganized Debtors may be:

- limited in how they conduct their business;
- unable to raise additional debt or equity financing;
- unable to compete effectively or to take advantage of new business opportunities; or
- limited or unable to make certain changes in their business and to respond to changing circumstances;

any of which could have a material adverse effect on their financial condition or results of operations.

Borrowings under the First Lien Exit Credit Agreement are at variable rates of interest and will expose the Reorganized Debtors to interest rate risk, which could cause the Reorganized Debtors' debt service obligations to increase significantly. If interest rates increase, the Reorganized Debtors' debt service obligations on variable rate indebtedness would increase even though the amount borrowed remained the same, and their net income and cash flow available for capital expenditures and debt repayment would decrease. As a result, a significant increase in interest rates could have a material adverse effect on the Reorganized Debtors' financial condition.

In addition, if the Reorganized Debtors enter into a New Revolving Credit Facility Agreement, the risks described above would also generally apply with respect to the New Revolving Credit Facility Agreement and indebtedness outstanding thereunder.

2. Risks Associated with the Debtors' Business and Industry. The risks associated with the Debtors' business and industry are described in the Debtors' SEC filings. Those risks include, but are not limited to, the following:

- the Debtors' liquidity and financial outlook;
- reductions in the Debtors' revenue from market pressures, increased competition or otherwise;
- the Debtors' ability to attract, motivate and/or retain employees necessary to operate competitively in the Debtors' industry;
- changes in interest rates;
- the Debtors' ability to effectively manage costs;
- the Debtors' ability to drive and manage growth;
- the popularity of radio as a broadcasting and advertising medium;
- changing consumer tastes;
- industry conditions, including existing competition and future competitive technologies;
- the impact of general economic and political conditions in the United States or in specific markets in which the Debtors currently do business;
- cancellation, disruptions or postponements of advertising schedules in response to national or world events;

- the Debtors' ability to generate revenues from new sources, including digital initiatives;
- the impact of regulatory rules or proceedings that may affect the Debtors' business from time to time;
- loss of affiliation agreements;
- disruptions or security breaches of the Debtors' information technology infrastructure;
- the future write-off of any material portion of the fair value of the FCC Licenses; and
- the Debtors' ability from time to time to renew one or more of the FCC Licenses.

A discussion of additional risks to the Company's operations, businesses and financial performance is set forth in the Form 10-K and in the other filings Cumulus Media Inc. has made with the SEC. Cumulus Media Inc.'s filings with the SEC are available by visiting the SEC website at http://www.sec.gov.

C. Risk Factors Relating to Securities to Be Issued Under the Plan Generally

1. Public Market for Securities. There is no public market for the New Common Stock or Special Warrants and there can be no assurance as to the development or liquidity of any market for the New Common Stock or Special Warrants, or that the New Common Stock will be listed upon any national securities exchange or any over-the-counter market after the Effective Date. If a trading market does not develop, is not maintained or remains inactive, holders of the New Common Stock and Special Warrants may experience difficulty in reselling such securities or may be unable to sell them at all. Even if such a market were to exist, such securities could trade at prices higher or lower than the estimated value set forth in this Disclosure Statement depending upon many factors, including, without limitation, prevailing interest rates, markets for similar securities, industry conditions, and the performance of, and investor expectations for, the Reorganized Debtors.

Furthermore, persons to whom the New Common Stock or Special Warrants are issued pursuant to the Plan may prefer to liquidate their investments rather than hold such securities on a long-term basis. Accordingly, the market price for such securities could decline and any market that does develop for such securities may be volatile.

2. Potential Dilution. The ownership percentage represented by the New Common Stock distributed on the Effective Date under the Plan will be subject to dilution from the equity issued in connection with the Management Incentive Plan, the Special Warrants, any other shares that may be issued post-emergence, and the conversion of any options, warrants,

convertible securities, exercisable securities, or other securities that may be issued post-emergence.

3. Significant Holders. Certain Holders of Allowed Claims are expected to acquire a significant ownership interest in the New Common Stock and/or Special Warrants pursuant to the Plan. If such holders were to act as a group, such holders would be in a position to control the outcome of all actions requiring stockholder approval, including the election of directors, without the approval of other stockholders. This concentration of ownership could also facilitate or hinder a negotiated change of control of the Reorganized Debtors and, consequently, have an impact upon the value of the New Securities.

4. Equity Interests Subordinated to the Reorganized Debtors' Indebtedness. In any subsequent liquidation, dissolution, or winding up of the Reorganized Debtors, the New Common Stock and the Special Warrants (and the New Common Stock issuable upon exercise thereof) would rank below all debt claims against the Reorganized Debtors including claims under the First Lien Exit Credit Agreement and the New Revolving Credit Facility Agreement (if any). As a result, holders of the New Common Stock would not be entitled to receive any payment or other distribution of assets upon the liquidation, dissolution, or winding up of the Reorganized Debtors until after all the Reorganized Debtors' obligations to their debt holders have been satisfied.

5. No Intention to Pay Dividends. Reorganized Cumulus does not anticipate paying any dividends on the New Common Stock as it expects to retain any future cash flows for debt reduction and to support its operations. In addition, covenants in the documents governing the Reorganized Debtors' indebtedness may restrict their ability to pay cash dividends and may prohibit the payment of dividends and certain other payments. As a result, the success of an investment in the New Common Stock (including the New Common Stock issuable upon exercise of the Special Warrants) will depend entirely upon any future appreciation in the value of the New Common Stock. There is, however, no guarantee that the New Common Stock will appreciate in value or even maintain its initial value.

6. Holders of Class B Common Stock Have Limited Voting Rights. Holders receiving Class B Common Stock (including Class B Common Stock issuable upon conversion of the Special Warrants) will have limited voting rights**,** including a limitation on voting to select members of the board of directors. Conversion of the Class B Common Stock into Class A Common Stock will be limited as set forth in the New Certificate of Incorporation of Reorganized Cumulus and the Equity Allocation Mechanism. As a result, the ability of holders of Class B Common Stock to influence corporate matters may be limited and the market price of Class B Common Stock could be adversely affected.

D. Risks Relating to Regulation

1. The Debtors' Business Depends upon Licenses Issued by the FCC, and If Licenses Were Not Renewed or the Reorganized Debtors Were to Be Out of Compliance with FCC Regulations and Policies, the Reorganized Debtors' Business Would Be Materially Impaired. The Debtors' business depends upon maintaining their broadcasting licenses issued by the FCC, which are issued currently for a maximum term of eight years and are renewable upon timely

application to the FCC. Interested parties may challenge a renewal application. The FCC has authority to revoke licenses, not grant renewal applications, or grant renewal with significant qualifications, including renewals for less than a full term of eight years. In the last renewal cycle, all of the Debtors' licenses were renewed; however, the Debtors cannot be certain that the Reorganized Debtors' future renewal applications will be approved, or that the renewals will not include conditions or qualifications that could adversely affect the Reorganized Debtors' operations, could result in material impairment and could adversely affect the Reorganized Debtors' liquidity and financial condition. If any of the Reorganized Debtors' FCC Licenses are not renewed, it could prevent the Reorganized Debtors from operating the affected stations and generating revenue from them. Further, the FCC has a general policy restricting the transferability of a station license while a renewal application for that station is pending. In addition, the Reorganized Debtors must comply with extensive FCC regulations and policies governing the ownership and operation of their radio stations. FCC regulations limit the number of radio stations that a licensee can own in a market, which could restrict the Reorganized Debtors' ability to consummate future transactions. FCC rules governing the Debtors' radio station operations impose costs on their operations, and changes in those rules could have an adverse effect on the Reorganized Debtors' business. The FCC also requires radio stations to comply with certain technical requirements to limit interference between two or more radio stations. If the FCC relaxes these technical requirements, it could impair the signals transmitted by the Reorganized Debtors' radio stations and could have a material adverse effect on the Reorganized Debtors' business. Moreover, governmental regulations and policies may change over time, and the changes may have a material adverse impact upon the Reorganized Debtors' businesses, financial condition and results of operations.

2. There Will Be FCC Approval Requirements in Connection with Emergence from Chapter 11. The consent of the FCC is required for the assignment of FCC licenses or for the transfer of control of an entity that holds or controls FCC licenses. Except in the case of "involuntary" assignments and transfers of control, prior consent of the FCC is required before an assignment of FCC licenses or a transfer of control of FCC licensees may be consummated.

Upon the commencement of the Chapter 11 Cases, the Debtor Entities that control the FCC Licenses, or the Entities controlling such holders, changed to debtor-in-possession status. The FCC considers this change in status to be an "involuntary" assignment, and after-the-fact approval of this involuntary assignment must be obtained from the FCC. The Debtors' emergence from bankruptcy pursuant to the Plan will require further consent of the FCC to effectuate an assignment of the FCC Licenses from the debtor-in-possession licensees to the Reorganized Debtors. Actions ordered by the Bankruptcy Court, such as appointment of a chapter 11 trustee, could require further consent of the FCC.

The FCC treats emergence from bankruptcy by a licensee or its parent company as a "voluntary" assignment of FCC licenses or a transfer of control of FCC licensees. Prior approval of the FCC is required for such voluntary transfers or assignments. Because the Plan involves, among other things, the issuance of new voting common stock that will effect a substantial change in the ownership of the Debtors under FCC regulations, FCC Approval pursuant to a Long Form Application is required prior to consummating the Plan. As a condition to issuance of the FCC Approval, the FCC may require the Company or certain of its five percent

(5%) or greater shareholders to divest one or more radio broadcast stations or other media entities if the ownership of such station or media entity upon consummation of the Plan would cause the Debtors or one of such shareholders to violate the FCC's multiple or cross-ownership rules. **An example of such required divestitures is the divestitures described above in Summary of Chapter 11 Plan – Chapter 11 Plan – FCC Licenses.**

In addition, the Debtors anticipate filing a Petition for Declaratory Ruling with the FCC to obtain authorization for foreign ownership of the Reorganized Debtors in excess of twenty-five percent (25%). The Debtors cannot guarantee that the FCC will grant the Declaratory Ruling~~. The FCC historically had not permitted~~**, although the FCC in several recent cases has approved indirect** foreign ownership of radio and television broadcast stations ~~to exceed~~**in excess of** twenty-five percent (25%)~~, and the FCC only indicated a willingness to entertain petitions to go beyond that level in 2013~~. In addition, the FCC has imposed conditions in connection with such ~~petitions~~**approvals**.

If the Declaratory Ruling is not granted, or is granted to permit a lesser amount of foreign ownership than the Debtors request, the Special Warrants may not be exercisable by holders thereof that are non-U.S. Persons or are owned in whole or in part by non-U.S. Persons, although such Special Warrants would be exercisable if transferred to one or more U.S. Persons. Even if the FCC grants the Declaratory Ruling, the Debtors cannot guarantee that the Declaratory Ruling will be free from conditions that adversely affect the Debtors' business or the holders of the Special Warrants.

3. Oppositions to the Debtors' Application for FCC Consent to Transfer the FCC Licenses (in Connection with Emerging from Chapter 11) Can Delay the Process. The FCC will allow the application for transfer out of bankruptcy to a "permanent" holder to be filed once the plan of reorganization has been filed with the bankruptcy court, but the FCC will not grant the application until the application has been amended to show that the bankruptcy court has approved the plan of reorganization and authorized the transaction. Generally, three to seven days after submission of the Long Form Application for a voluntary transfer of control, the FCC issues public notice that it has accepted the applications for filing. Interested parties then have 30 days to file petitions to deny the applications. The applicant also is required to give local public notice of the filing of the applications through broadcast announcements and notices in local newspapers serving its broadcast markets. To the extent petitions to deny are filed in this situation, they typically focus on the qualifications of the restructured debtor and its reportable owners, officers and directors to hold or control FCC broadcast licenses.

If petitions to deny are filed against the transfer applications, the applicants will have an opportunity to file an opposition, with the petitioner then having an opportunity to file a reply. The pleading cycle generally will be completed within 60 days. The FCC then will consider the applications and the filings made by the parties to the proceeding.

The FCC's review of applications includes, among other factors, whether the existing media interests of the parties to the application, when combined with the broadcast interests to be acquired in the transaction, will comply with FCC ownership rules. The FCC also considers compliance with limitations on foreign ownership, other legal qualifications, the parties' prior records before the FCC and certain categories of prior adverse determinations against parties to

the application by courts and other administrative bodies that the FCC believes are relevant to assessing the qualifications of parties that will hold attributable interests in a broadcast licensee.

If no oppositions are filed against the applications and the FCC finds the applications to be in compliance with its rules and policies and finds the parties to the applications qualified, the FCC may grant the applications shortly after the close of the public notice period. In some instances, the FCC may request that the applicants supply additional information through amendments to the applications. There is no time limit on how long the FCC may consider transfer applications before acting on them, but the FCC has a stated goal of processing all transfer applications within 180 days, and most applications are granted much more quickly. The FCC will not grant the applications, however, until the bankruptcy court has approved a plan of reorganization and the applications have been amended to reflect that the bankruptcy court has authorized the transaction.

Once the FCC has granted a transfer application, it will issue a public notice of the grant. Interested parties opposed to the grant may file for reconsideration for a period of 30 days following public notice of the grant. If the grant is made by the FCC's staff under delegated authority, the FCC may reconsider the action on its own motion for a period of 40 days following issuance of public notice of the grant. Parties are free to close upon the grant of FCC consent even if petitions for reconsideration are filed, but the consummation will be subject to any further order that the FCC might issue upon reconsideration. Although highly unusual, the FCC may rescind a grant of consent upon reconsideration if it finds that doing so would serve the public interest, convenience and necessity.

The Petition for Declaratory Ruling will follow the same general procedural path as described above for the Long Form Application. In addition, however, the FCC will consult with "Team Telecom," an informal working group of Executive Branch agencies (the Departments of Justice, Homeland Security, and Defense) for coordination and recommendations on national security and foreign policy issues raised by the Petition for Declaratory Ruling. The FCC also may seek additional information and commitments from the Debtors and the future shareholders of Reorganized Cumulus. The FCC typically takes six months or longer to consider a Petition for Declaratory Ruling. While the Debtors expect to ask the FCC to decouple its consideration of the Long Form Application from the Declaratory Ruling, there can be no assurance that the FCC will do so, and grant of the Long Form Application could be delayed.

E. Additional Factors

1. Debtors Could Withdraw Plan. Subject to the terms of, and without prejudice to, the rights of any party to the Restructuring Support Agreement, the Plan may be revoked or withdrawn prior to the Confirmation Date by the Debtors.

2. Debtors Have No Duty to Update. The statements contained in this Disclosure Statement are made by the Debtors as of the date hereof, unless otherwise specified herein, and the delivery of this Disclosure Statement after that date does not imply that there has been no change in the information set forth herein since that date. The Debtors have no duty to update this Disclosure Statement unless otherwise ordered to do so by the Bankruptcy Court.

3. No Representations Outside This Disclosure Statement Are Authorized. No representations concerning or related to the Debtors, the Chapter 11 Cases, or the Plan are authorized by the Bankruptcy Court or the Bankruptcy Code, other than as set forth in this Disclosure Statement. Any representations or inducements made to secure your acceptance or rejection of the Plan that are other than those contained in, or included with, this Disclosure Statement should not be relied upon in making the decision to accept or reject the Plan.

4. No Legal or Tax Advice Is Provided by this Disclosure Statement. The contents of this Disclosure Statement should not be construed as legal, business or tax advice. Each Holder of a Claim is urged to consult its own legal counsel and accountant as to legal, tax, and other matters concerning its Claim. This Disclosure Statement may not be relied upon for any purpose other than to determine how to vote on the Plan or object to confirmation of the Plan.

5. No Representation Made. Nothing contained herein or in the Plan shall constitute a representation of the tax or other legal effects of the Plan on the Debtors or Holders of Claims.

6. Certain Tax Consequences. The tax consequences of the Restructuring Transactions to the Reorganized Debtors may materially differ depending on whether or not it is practicable to implement the Restructuring Transactions as a Taxable Transaction. If it is practicable to structure as a Taxable Transaction, the Reorganized Debtors would be treated as purchasing certain of the assets of the Debtors for U.S. federal income tax purposes, which would result in an increased tax basis in those assets and increased future tax deductions that can be used to reduce the Reorganized Debtors' tax liability. The Debtor has not yet determined whether it will be practicable to structure the Restructuring Transactions in this manner. For a discussion of certain tax considerations to the Debtors and certain holders of Claims in connection with the implementation of the Plan, see Article X hereof.

XII. SOLICITATION AND VOTING PROCEDURES

The procedures and instructions for voting and/or making elections and related deadlines are set forth in the Disclosure Statement Order, which is attached hereto as Exhibit F. ***The Disclosure Statement Order is incorporated herein by reference and should be read in conjunction with this Disclosure Statement.***

THE DISCUSSION OF THE SOLICITATION AND VOTING PROCESS SET FORTH IN THIS DISCLOSURE STATEMENT IS ONLY A SUMMARY. PLEASE REFER TO THE DISCLOSURE STATEMENT ORDER FOR A MORE COMPREHENSIVE DESCRIPTION OF THE PROCEDURES GOVERNING THE SOLICITATION, VOTING, AND TABULATION PROCESS. TO THE EXTENT OF ANY INCONSISTENCY BETWEEN THIS DISCLOSURE STATEMENT AND THE DISCLOSURE STATEMENT ORDER, THE DISCLOSURE STATEMENT ORDER GOVERNS.

A. Voting Instructions and Release Opt-Out Elections

Only Holders of Credit Agreement Claims, Convenience Claims, Senior Notes Claims and General Unsecured Claims (such classes, the "Voting Classes," and the Claims and record Holders of Claims in the Voting Classes, the "Voting Claims" and the "Voting Holders" respectively) are entitled to vote to accept or reject the Plan. The Debtors are providing Ballots and other materials, including the Confirmation Hearing Notice and the Disclosure Statement Order (collectively, a "Solicitation Package") to the Voting Holders, along with instructions to access the Plan and Disclosure Statement on the Debtors' Case Information Website.

The Debtors are not required to provide a copy of the Solicitation Package to certain Holders of Claims and Interests who: (i) are not classified in accordance with section 1123(a)(1) of the Bankruptcy Code; (ii) are not entitled to vote because they are Unimpaired or deemed to accept the Plan under section 1126(f) of the Bankruptcy Code; or (iii) are not entitled to vote because they are deemed to reject the plan under section 1126(g) of the Bankruptcy Code.

Holders of Subordinated Claims and Holders of Interests in Cumulus Media Inc. will receive notices of non-voting status that include optional election forms that such Holders may complete if they elect not to grant the release in Article VIII.E of the Plan (such forms, "Opt-Out Forms"), along with related disclosures.

Each Ballot and Opt-Out Form contains detailed instructions for completion and submission, as well as disclosures regarding, among other things, the Voting Record Date and Voting Deadline, and the applicable standards for tabulating Ballots.

B. Voting Record Date

The Voting Record Date is February 1, 2018. The Voting Record Date is the record date for determining which entities are entitled to vote on the Plan and receive Solicitation Packages.

C. Voting Deadline

The Voting Deadline is March 23, 2018 at 5:00 p.m. (prevailing Eastern Time). For a vote or opt-out election to count, (i) each Voting Holder or Voting Nominee must properly complete, execute, and deliver its respective Ballot or Master Ballot in accordance with the applicable instructions on the Ballot or Master Ballot; and (ii) each Electing Holder or Voting Nominee must properly complete, execute, and deliver its ~~receptive~~**respective** Opt-Out Form in accordance with the instructions set forth on such Opt-Out Form, **in each case to be actually received by the Voting and Claims Agent on or before the Voting Deadline.**

D. Ballots Not Counted

No Ballot will be counted toward Confirmation if, among other things: (i) it is illegible or contains insufficient information to permit the identification of the Holder of the Claim; (ii) it is cast by an Entity that does not hold a Claim in the Class to which the Ballot pertains; (iii)

it does not indicate either an acceptance or rejection of the Plan; (iv) it indicates both an acceptance and rejection of the Plan; (v) it is received after the Voting Deadline; (vi) it is submitted by a Holder not entitled to vote pursuant to the Plan; (vii) it is unsigned; (viii) it does not bear an original signature; and (ix) it is transmitted to the Voting and Claims Agent by facsimile or other means not specifically approved in the Disclosure Statement Order.

Please refer to the Disclosure Statement Order for additional information regarding the procedures governing the voting, solicitation, and tabulation process.

XIII. CONFIRMATION OF PLAN

A. Confirmation Hearing

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court to hold a confirmation hearing upon appropriate notice to all required parties. Notice of the Confirmation Hearing will be provided to all known creditors or their representatives. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for the announcement of the continuation date made at the Confirmation Hearing, at any subsequent continued Confirmation Hearing, or pursuant to a notice filed on the docket for the Chapter 11 Cases. **Pursuant to the *Order Establishing Discovery Schedule and Procedures in Connection with Plan Confirmation* [ECF No. 148], the Confirmation Hearing will commence on April 12, 2018 at 10:00 a.m. (prevailing Eastern Time)**.

B. Objections to Confirmation

Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to the confirmation of a plan. Any objection to confirmation of the Plan must: (a) be in writing; (b) conform to the Bankruptcy Rules, the Local Rules, and the Case Management Procedures in these Chapter 11 Cases; (c) set forth the name of the objector, the nature and amount of Claims held or asserted by the objector against the Debtors' estates or properties; (d) state with particularity the basis for the objection and the specific grounds therefore; (e) be filed with the Bankruptcy Court either electronically, through PACER and the Bankruptcy Court's Electronic Case Filing System in accordance with General Order M-399 (which can be found at http://nysb.uscourts.gov) or by mail, courier, or messenger to the Bankruptcy Court's clerk at the following address: United States Bankruptcy Court, One Bowling Green, New York, NY 10004 (the "Clerk's Office"), with a hard copy to the Bankruptcy Court's chambers, together with proof of service thereof; and (f) be served in accordance with General Order M-399 and the Case Management Procedures in these Chapter 11 Cases so as to be **actually received** no later than **March 23, 2018 at 4:00 p.m. (prevailing Eastern Time)** by the following parties:

(a) The Debtors at:

Cumulus Media Inc.
3280 Peachtree Road, NW
Suite 2200
Atlanta, GA 30325
Attention: John Abbot
Richard S. Denning

E-mail: John.Abbot@cumulus.com
Richard.Denning@cumulus.com

(b) Office of the U.S. Trustee at:

Office of the U.S. Trustee for Region 2
U.S. Federal Office Building
201 Varick Street, Suite 1006
New York, NY 10014
Attention: Paul K. Schwartzberg
Greg Zipes

Fax: +1 212 668 2361
E-mail: Paul.Schwartzberg@usdoj.gov
Greg.Zipes@usdoj.gov

(c) Counsel to the Debtors at:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019-6064
Attention: Paul M. Basta
Lewis R. Clayton
Jacob A. Adlerstein
Claudia R. Tobler

Fax: +1 212 757-3990
E-mail: pbasta@paulweiss.com
lclayton@paulweiss.com
jadlerstein@paulweiss.com
ctobler@paulweiss.com

(d) Counsel to the Term Lender Group at:

Arnold & Porter Kaye Scholer LLP
70 West Madison Street, Suite 4200
Chicago, IL 60602-4321

Attention: Michael B. Solow
Michael D. Messersmith
Seth J. Kleinman

Fax: +1 312 583-2360
E-mail: michael.solow@apks.com
michael.messersmith@apks.com
seth.kleinman@apks.com

(e) Counsel to the Committee at:

Akin Gump Strauss Hauer & Feld LLP
One Bryant Park
New York, New York 10036

Attention: Michael S. Stamer
Abid Qureshi
Meredith A. Lahaie

Fax: +1 212 872-1002
E-mail: mstamer@akingump.com
aqureshi@akingump.com
mlahaie@akingump.com

ONLY THOSE RESPONSES OR OBJECTIONS THAT ARE TIMELY SERVED AND FILED WILL BE CONSIDERED BY THE BANKRUPTCY COURT. OBJECTIONS NOT TIMELY FILED AND SERVED IN THE MANNER SET FORTH ABOVE WILL NOT BE CONSIDERED AND WILL BE DEEMED OVERRULED.

Objections must also be served on those parties who have formally appeared and requested service in these cases pursuant to Bankruptcy Rule 2002 and any other parties required to be served pursuant to the Case Management Procedures in these Chapter 11 Cases.

C. Requirements for Confirmation of Plan

1. Requirements of Section 1129(a) of the Bankruptcy Code.

(a) General Requirements. At the Confirmation Hearing, the Bankruptcy Court will determine whether the confirmation requirements specified in section 1129(a) of the Bankruptcy Code have been satisfied including, without limitation, whether:

i. the Plan complies with the applicable provisions of the Bankruptcy Code;

ii. the Debtors have complied with the applicable provisions of the Bankruptcy Code;

iii. the Plan has been proposed in good faith and not by any means forbidden by law;

iv. any payment made or promised by the Debtors or by a person issuing securities or acquiring property under the Plan, for services or for costs and expenses in or in connection with the Chapter 11 Cases, or in connection with the Plan and incident to the Chapter 11 Cases, has been disclosed to the Bankruptcy Court, and any such payment made before confirmation of the Plan is reasonable, or if such payment is to be fixed after confirmation of the Plan, such payment is subject to the approval of the Bankruptcy Court as reasonable;

v. the Debtors have disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the Plan, as a director or officer of the Reorganized Debtors, an affiliate of the Debtors participating in a Plan with the Debtors, or a successor to the Debtors under the Plan, and the appointment to, or continuance in, such office of such individual is consistent with the interests of holders of Claims and Interests and with public policy, and the Debtors have disclosed the identity of any insider who will be

employed or retained by the Reorganized Debtors, and the nature of any compensation for such insider;

vi. with respect to each Class of Claims or Interests, each Holder of an impaired Claim has either accepted the Plan or will receive or retain under the Plan, on account of such Holder's Claim, property of a value, as of the Effective Date of the Plan, that is not less than the amount such Holder would receive or retain if the Debtors were liquidated on the Effective Date of the Plan under chapter 7 of the Bankruptcy Code;

vii. except to the extent the Plan meets the requirements of section 1129(b) of the Bankruptcy Code (as discussed further below), each Class of Claims either accepted the Plan or is not impaired under the Plan;

viii. except to the extent that the Holder of a particular Claim has agreed to a different treatment of such Claim, the Plan provides that administrative expenses and priority Claims, other than priority tax Claims, will be paid in full on the Effective Date, and that priority tax Claims will receive either payment in full on the Effective Date or deferred cash payments over a period not exceeding five years after the Petition Date, of a value, as of the Effective Date of the Plan, equal to the allowed amount of such Claims;

ix. at least one Class of impaired Claims has accepted the Plan, determined without including any acceptance of the Plan by any insider holding a Claim in such Class;

x. confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtors or any successor to the Debtors under the Plan; and

xi. all fees payable under section 1930 of title 28, as determined by the Bankruptcy Court at the Confirmation Hearing, have been paid or the Plan provides for the payment of all such fees on the Effective Date of the Plan.

(b) Best Interests Test. As noted above, with respect to each impaired class of claims and equity interests, confirmation of a plan requires that each such holder either (i) accept the plan or (ii) receive or retain under the plan property of a value, as of the effective date of the plan, that is not less than the value such holder would receive or retain if the debtors were liquidated under chapter 7 of the Bankruptcy Code. This requirement is referred to as the "best interests test."

This test requires a court to determine what the holders of allowed claims and allowed equity interests in each impaired class would receive from a liquidation of the debtor's

assets and properties in the context of a liquidation under chapter 7 of the Bankruptcy Code. To determine if a plan is in the best interests of each impaired class, the value of the distributions from the proceeds of the liquidation of the debtor's assets and properties (after subtracting the amounts attributable to the aforesaid claims) is then compared with the value offered to such classes of claims and equity interests under the plan.

A hypothetical liquidation analysis (the "Liquidation Analysis") has been prepared by A&M solely for purposes of estimating proceeds available in a liquidation under chapter 7 of the Bankruptcy Code ("Chapter 7") of the Debtors' estates, which is attached hereto as Exhibit D. The Liquidation Analysis is based on a number of estimates and assumptions that are inherently subject to significant economic, competitive and operational uncertainties and contingencies that are beyond the control of the Debtors or a trustee under Chapter 7. Further, the actual amounts of claims against the Debtors' estates could vary materially from the estimates set forth in the Liquidation Analysis, depending on, among other things, the claims asserted during Chapter 7. Accordingly, while the information contained in the Liquidation Analysis is necessarily presented with numerical specificity, the Debtors cannot assure you that the values assumed would be realized or the claims estimates assumed would not change if the Debtors were in fact liquidated, nor can assurances be made that the Bankruptcy Court would accept this analysis or concur with these assumptions in making its determination under section 1129(a) of the Bankruptcy Code.

As set forth in detail in the Liquidation Analysis, the Debtors believe that the Plan will produce a greater recovery for the Holders of Claims than would be achieved in a Chapter 7 liquidation. Consequently, the Debtors believe that the Plan, which provides for the continuation of the Debtors' business, will provide a substantially greater ultimate return to the Holders of Claims than would a Chapter 7 liquidation.

The Committee has concerns regarding certain assumptions made in the Liquidation Analysis and believes that the Total Enterprise Value estimated by the Debtors may be materially lower than the enterprise value of the Reorganized Debtors that the Bankruptcy Court may determine following the presentation of evidence at the Confirmation Hearing. Accordingly, the Committee believes that the Debtors cannot satisfy the "best interests of creditors" test under Bankruptcy Code section 1129(a)(7). The Debtors disagree with the Committee's position and believe that the Plan satisfies the "best interests test."

(c) Feasibility. Pursuant to section 1129(a)(11) of the Bankruptcy Code, among other things, the Bankruptcy Court must determine that confirmation of the Plan is not likely to be followed by the liquidation or need for further financial reorganization of the Debtors or any successors to the Debtors under the Plan. This confirmation condition is referred to as the "feasibility" of the Plan. The Debtors believe that the Plan satisfies this requirement. The Company developed financial projections (the "Financial Projections") in connection with developing its business plan. Based upon the Financial Projections, the Debtors believe that the Reorganized Debtors will be able to make all payments required pursuant to the Plan, and therefore, that confirmation of the Plan is not likely to be followed by liquidation or the need for further reorganization. The Debtors also believe that they will be able to repay or refinance on commercially reasonable terms any and all of the indebtedness under the Plan at or prior to the

maturity of such indebtedness. Accordingly, the Debtors believe that the Plan is feasible. The Financial Projections are attached as Exhibit E to this Disclosure Statement.

(d) Equitable Distribution of Voting Power. On or before the Effective Date, pursuant to and only to the extent required by section 1123(a)(6) of the Bankruptcy Code, the organizational documents for the Debtors shall be amended as necessary to satisfy the provisions of the Bankruptcy Code and shall include, among other things, pursuant to section 1123(a)(6) of the Bankruptcy Code, (i) a provision prohibiting the issuance of non-voting equity securities and (ii) a provision setting forth an appropriate distribution of voting power among classes of equity securities possessing voting power.

2. Additional Requirements for Non-Consensual Confirmation. In the event that any impaired Class of Claims or Interests does not accept or is deemed to reject the Plan, the Bankruptcy Court may still confirm the Plan at the request of the Debtors if, as to each impaired Class of Claims or Interests that has not accepted or is deemed to reject the Plan, the Plan "does not discriminate unfairly" and is "fair and equitable" with respect to such Classes of Claims or Interests, pursuant to section 1129(b) of the Bankruptcy Code. Both of these requirements are in addition to other requirements established by case law interpreting the statutory requirements.

(a) Unfair Discrimination Test. The "no unfair discrimination" test applies to Classes of Claims or Interests that are of equal priority and are receiving different treatment under the Plan. A chapter 11 plan does not discriminate unfairly, within the meaning of the Bankruptcy Code, if the legal rights of a dissenting class are treated in a manner consistent with the treatment of other classes whose legal rights are substantially similar to those of the dissenting class and if no class of claims or interests receives more than it legally is entitled to receive for its claims or interests. This test does not require that the treatment be the same or equivalent, but that such treatment be "fair." The Debtors believe the Plan satisfies the "unfair discrimination" test.

(b) Fair and Equitable Test. The "fair and equitable" test applies to classes of different priority and status (*e.g.*, secured versus unsecured) and includes the general requirement that no class of claims receive more than 100% of the allowed amount of the claims in such class. As to dissenting classes, the test sets different standards depending on the type of claims in such class. The Debtors believe that the Plan satisfies the "fair and equitable" test as further explained below.

(i) Secured Creditors. The Bankruptcy Code provides that each holder of an impaired secured claim either (i) retains its liens on the property to the extent of the allowed amount of its secured claim and receives deferred cash payments having a value, as of the effective date, of at least the allowed amount of such claim, (ii) has the right to credit bid the amount of its claim if its property is sold and retains its liens on the proceeds of the sale, or (iii) receives the "indubitable equivalent" of its allowed secured claim. The Plan provides that Holders of impaired secured Claims in Class 3 shall receive, on account of such Allowed Claims, their share of the Term Loan Lender Equity Pool and the First Lien Exit Facility.

(ii) Unsecured Creditors. The Bankruptcy Code provides that either (i) each Holder of an impaired unsecured claim receives or retains under the plan of

reorganization, property of a value equal to the amount of its allowed claim or (ii) the holders of claims and equity interests that are junior to the claims of the dissenting class will not receive any property under the plan of reorganization. Under the Plan, Holders of Allowed Convenience Claims in Class 4 will receive payment in full, *provided* that aggregate distributions on account of such Convenience Claims shall not exceed the Convenience Class Cap. The Plan provides that all Holders of Allowed Senior Notes Claims in Class 5 will receive their share of the distribution of the Unsecured Creditor Equity Pool. The Plan further provides that Holders of Allowed General Unsecured Claims in Class 6 will also receive their share of the distribution of the Unsecured Creditor Equity Pool. Finally, under the Plan Holders of Subordinated Claims in Class 8 will receive no distributions on account of such Subordinated Claims. Accordingly, the Plan meets the "fair and equitable" test with respect to unsecured Claims.

(iii) Equity Interests. With respect to equity interests, the Plan provides that all Interests in Cumulus Media Inc. shall be cancelled without any distributions on account of such Interests. Accordingly, the Plan meets the "fair and equitable" test with respect to those Interests.

XIV. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

The Debtors have evaluated several alternatives to the Plan. After studying these alternatives, the Debtors have concluded that the Plan is the best alternative and will maximize recoveries to parties in interest, assuming confirmation and consummation of the Plan. If the Plan is not confirmed and consummated, the alternatives to the Plan are (i) the preparation and presentation of an alternative plan of reorganization, (ii) a sale of some or all of the Debtors' assets pursuant to section 363 of the Bankruptcy Code, or (iii) a liquidation under chapter 7 of the Bankruptcy Code.

A. Alternative Plan of Reorganization

If the Plan is not confirmed, the Debtors (or if the Debtors' exclusive period in which to file a plan of reorganization has expired, any other party in interest) could attempt to formulate a different plan. Such a plan might involve either a reorganization and continuation of the Debtors' business or an orderly liquidation of the Debtors' assets. The Debtors, however, submit that the Plan, as described herein, enables their creditors to realize the most value under the circumstances.

As set forth in the Valuation Analysis, the Debtors estimate that the midpoint range of the Total Enterprise Value of the Reorganized Debtors on the Effective Date will be $1.6 billion. The Committee believes that the Total Enterprise Value estimated by the Debtors is materially lower than the actual enterprise value of the Reorganized Debtors that the Bankruptcy Court will determine following the presentation of evidence at the Confirmation Hearing. The resolution of this dispute may have a material impact on the recoveries to all creditors.

Nothing contained herein shall be deemed to be the Committee's or its advisors' acceptance or acquiescence to any methodology utilized by the Debtors or their

advisors in preparing the Valuation Analysis or the acceptance of acquiescence by the Committee or its advisors to any proposed value for the Reorganized Debtors. The Committee and its advisors reserve their rights to set forth their own estimates of the enterprise value of the Reorganized Debtors in connection with the consideration of the Plan.

B. Sale Under Section 363 of the Bankruptcy Code

If the Plan is not confirmed, the Debtors could seek from the Bankruptcy Court, after notice and a hearing, authorization to sell their assets under section 363 of the Bankruptcy Code. Holders of Class 3 Credit Agreement Claims would be entitled to credit bid on any property to which their security interest is attached, and to offset their Claims against the purchase price of the property. Alternatively, the security interests in the Debtors' assets held by Holders of Class 3 Credit Agreement Claims would attach to the proceeds of any sale of the Debtors' assets. After these Claims are satisfied, the remaining funds could be used to pay Holders of Claims in Classes 4, 5, and 6. Upon analysis and consideration of this alternative, the Debtors do not believe a sale of their assets under section 363 of the Bankruptcy Code would yield a higher recovery for Holders of Claims than the Plan.

C. Liquidation Under Chapter 7 or Applicable Non-Bankruptcy Law

If no plan can be confirmed, the Chapter 11 Cases may be converted to cases under Chapter 7 of the Bankruptcy Code in which a trustee would be elected or appointed to liquidate the assets of the Debtors for distribution to their creditors in accordance with the priorities established by the Bankruptcy Code. The Liquidation Analysis sets forth the effect that a hypothetical Chapter 7 liquidation would have on the recovery of holders of Allowed Claims and Interests.

As noted in the Liquidation Analysis, the Debtors believe that liquidation under Chapter 7 would result in lower distributions to creditors than those provided for under the Plan. Among other things, the value that the Debtors expect to obtain from their assets in a Chapter 7 liquidation, instead of continuing as a going concern as provided in the Plan, would be materially less. A Chapter 7 liquidation would also generate more unsecured claims against the Debtors' estates from, among other things, damages related to rejected contracts and the failure to satisfy post-liquidation obligations. In addition, a Chapter 7 liquidation would result in a delay from the conversion of the cases and the additional administrative expenses associated with the appointment of a trustee and the trustee's retention of professionals, who would be required to become familiar with the many legal and factual issues in the Debtors' Chapter 11 Cases.

XV. MISCELLANEOUS PROVISIONS

A. Immediate Binding Effect

Subject to Article IX.A of the Plan and notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Plan and the Plan Supplement shall be immediately effective and enforceable and deemed binding upon the Debtors, the Reorganized Debtors, and any and all Holders of Claims or

Interests (irrespective of whether their Claims or Interests are deemed to have accepted the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, discharges, and injunctions described in the Plan, each Entity acquiring property under the Plan, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors and each of their respective heirs executors, administrators, successors, and assigns.

B. Further Assurances

On or before the Effective Date, the Debtors may File with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors or Reorganized Debtors, as applicable, and all Holders receiving distributions pursuant to the Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

C. Statutory Committee and Cessation of Fee and Expense Payment

On the Effective Date, the Committee appointed in the Chapter 11 Cases shall dissolve and members thereof shall be released and discharged from all rights and duties from or related to the Chapter 11 Cases. The Reorganized Debtors shall no longer be responsible for paying any fees or expenses incurred by the Committee on and after the Effective Date.

D. Reservation of Rights

Except as expressly set forth in the Plan, the Plan shall have no force or effect unless the Bankruptcy Court enters the Confirmation Order, and the Confirmation Order shall have no force or effect if the Effective Date does not occur. None of the Filing of the Plan, any statement or provision contained in the Plan, or the taking of any action by any Debtor or any other Entity with respect to the Plan, the Disclosure Statement, or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of any Debtor or other Entity before the Effective Date.

E. Successors and Assigns

The rights, benefits, and obligations of any Entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, receiver, trustee, successor, assign, Affiliate, officer, director, agent, representative, attorney, beneficiary, or guardian, if any, of such Entity.

F. Entire Agreement

Except as otherwise indicated, the Plan and the Plan Supplement supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan and the Plan Supplement.

G. Exhibits

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of the Plan as if set forth in full in the Plan. After the exhibits and documents are Filed, copies of such exhibits and documents shall be available upon written request to the Debtors' counsel at the address above or by downloading such exhibits and documents from the Debtors' Case Information Website at http://dm.epiq11.com/cumulus or the Bankruptcy Court's website at http://www.nysb.uscourts.gov. To the extent any exhibit or document is inconsistent with the terms of the Plan, unless otherwise ordered by the Bankruptcy Court, the non-exhibit or non-document portion of the Plan shall control.

H. Severability of Plan Provisions

If, before Confirmation, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court, at the request of the Debtors in consultation with the Restructuring Support Parties, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, the Plan Supplement, the New Corporate Governance Documents, the First Lien Exit Facility Documents, and the New Revolving Credit Facility Documents (if any), as any of such documents may have been altered or interpreted in accordance with the foregoing, are: (i) valid and enforceable pursuant to their terms; (ii) integral to the Plan and may not be deleted or modified without the consent of the parties thereto; and (iii) non-severable and mutually dependent.

I. Votes Solicited in Good Faith

Upon entry of the Confirmation Order, the Debtors shall be deemed to have solicited votes on the Plan in good faith and in compliance with the Bankruptcy Code and other applicable law, and pursuant to sections 1125(e), 1125(g), and 1126(b) of the Bankruptcy Code, the Debtors, the Restructuring Support Parties, and each of their respective Affiliates, and each of their and their Affiliates' agents, representatives, members, principals, shareholders, officers, directors, employees, advisors, and attorneys, in each case solely in their respective capacities as such, will be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale, and purchase of New Securities offered and sold under the Plan and any previous plan and, therefore, no such parties, individuals, or the Reorganized Debtors will have any liability for the violation of any applicable law, rule, or regulation governing the solicitation of votes on the Plan or the offer, issuance, sale, or purchase of the New Securities offered and sold under the Plan or any previous plan.

J. Closing of Chapter 11 Cases

The Reorganized Debtors shall, promptly after the full administration of the Chapter 11 Cases, File with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order necessary to close the Chapter 11 Cases.

K. Conflicts

To the extent that any provision of the Disclosure Statement, the Plan Supplement, or any other document referenced in the Plan (or any exhibits, schedules, appendices, supplements, or amendments to any of the foregoing), conflicts with or is in any way inconsistent with the Confirmation Order, the Confirmation Order shall govern and control. Moreover, to the extent that any provision of the Restructuring Support Agreement conflicts with or is in any way inconsistent with the Plan, the Plan shall govern and control in all respects.

[*Remainder of page intentionally left blank.*]

XVI. CONCLUSION AND RECOMMENDATION

The Debtors believe the Plan is in the best interests of all stakeholders and urge the Holders of Voting Classes to vote in favor thereof.

Dated: January ~~18~~31, 2018
New York, New York

CUMULUS MEDIA INC.
(on behalf of itself and each of its Debtor affiliates)

/s/ John Abbot
John Abbot
Executive Vice President, Treasurer, and Chief Financial Offer
Cumulus Media Inc.

Summary report: **Litéra® Change-Pro 10.0.0.27 Document comparison done on 1/31/2018 12:54:43 PM**	
Style name: PW Basic	
Intelligent Table Comparison: Active	
Original DMS: iw://US/US1/11800047/15	
Modified DMS: iw://US/US1/11858159/12	
Changes:	
Add	327
~~Delete~~	232
~~Move From~~	2
Move To	2
Table Insert	3
~~Table Delete~~	5
Table moves to	0
~~Table moves from~~	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	571

EXHIBIT C

EXHIBIT G (PRINCIPAL TERMS AND CONDITIONS OF FIRST LIEN EXIT FACILITY) TO THE REVISED DISCLOSURE STATEMENT

Annex B

CUMULUS NEW FIRST LIEN DEBT

PRINCIPAL TERMS AND CONDITIONS[1]

BORROWER:	Reorganized Cumulus
GUARANTORS:	The direct parent of Reorganized Cumulus (the "Parent") and all present and future wholly-owned subsidiaries of the Parent (subject to exceptions that are substantially consistent with those set forth in the Existing Credit Agreement, excluding any exception for Unrestricted Subsidiaries) (collectively, the "Guarantors").
AMOUNT OF NEW FIRST LIEN DEBT:	$1.3 billion. There will no ability for the Borrower or its Subsidiaries to incur or obtain any incremental term or revolving loans (or commitments) under the documentation evidencing the New First Lien Debt.
ADMINISTRATIVE AGENT:	JPMorgan Chase Bank, N.A. (or, to the extent JPMorgan Chase Bank, N.A. does not serve in such capacity, another institution selected by the Term Lender Group and reasonably acceptable to the Borrower) (the "Agent")
INTEREST RATE:	LIBOR *plus* 4.50% per annum., subject to a LIBOR floor of 1.00% (the "LIBOR Loans") or, at the Borrower's option, ABR *plus* 3.50% per annum, subject to a ABR floor of 2.00%.
MATURITY DATE:	May 15, 2022
AMORTIZATION:	One percent (1%) of the aggregate outstanding principal amount of the New First Lien Debt as of the Effective Date shall be payable annually to be repaid in equal quarterly installments. The remainder of the aggregate outstanding principal amount of the New First Lien Debt shall be payable at maturity. Scheduled amortization payments to be reduced by all optional prepayments and mandatory prepayments (e.g., prepayments made with asset sale proceeds) in inverse order of maturity.

[1] Capitalized terms used herein and not defined herein shall have the meanings set forth in the Term Sheet to which this Annex B is attached, or if not defined in the Term Sheet, in the Credit Agreement referred to in the Term Sheet (such Credit Agreement, the "Existing Credit Agreement").

SECURITY:	The New First Lien Debt will be secured by first priority security interests in all the assets of the Borrower and the Guarantors in a manner substantially consistent with the Existing Credit Agreement; *provided*, that (i) the Borrower and Guarantors shall not be required to grant a lien on any real property that is not owned US real property, (ii) any real property assets having a value of less than $500,000 shall either be (x) subject to a mortgage in favor of the Administrative Agent or (y) excluded from any requirement to obtain a mortgage; provided that the aggregate value of all real properties not subject to a mortgage in favor of the Administrative Agent in reliance of this clause (y) shall not exceed $25.0 million and (iii) if applicable, the New First Lien Debt will be secured by a second priority security interest in accounts receivable and other customary collateral for a receivables-based asset-based credit facility of the Borrower and Guarantors and the proceeds thereof (collectively, "ABL Priority Collateral") to the extent securing a Permitted Revolver (as defined below), and (to the extent there is a Permitted Revolver) the New First Lien Debt will otherwise be subject to customary cross-lien provisions with such Permitted Revolver. Within 60 days after the Effective Date (or such later date as reasonably agreed by the Agent), the Borrower and Guarantors will enter into control agreements in favor of the Agent on all deposit accounts (other than certain customary exceptions to be agreed, including tax, payroll and trust accounts, zero balance accounts, sweep accounts and accounts with a value equal to or lower than an average monthly balance of $500,000 (subject to an aggregate exclusion of $5.0 million for such accounts with an average monthly balance that is equal to or lower than $500,000)). The Borrower and Guarantors shall have up to 180 days after the Effective Date (or such later date as agreed by the Agent), to execute and deliver any mortgages or other related documentation to perfect any liens required to be granted over any real property. The priority of the security interests and related creditor rights between the New First Lien Debt and a Permitted Revolver will be set forth in an intercreditor agreement customary for facilities of this type and otherwise on terms and conditions reasonably satisfactory to the Term Lender Group and the Borrower.
MANDATORY PREPAYMENTS	The New First Lien Debt will be subject to mandatory prepayment on substantially similar terms as are set forth in the Existing Credit Agreement; *provided that* (i) all of the cash proceeds of the sale of the Baltimore property, net of actual out of pocket closing costs and applicable taxes required to be paid in cash (and other customary reductions consistent with the definition of "Net Proceeds" in the Existing Credit Agreement), shall be applied to repay the New First Lien Debt; (ii) all of the cash proceeds of the sale of (x) other real estate or (y) other assets not used in the normal course of business, in each case net of

actual out of pocket closing costs and applicable taxes required to be paid in cash (and other customary reductions consistent with the definition of "Net Proceeds" in the Existing Credit Agreement), shall be applied to repay the New First Lien Debt;

(iii) Net Cash Proceeds (as defined in the Existing Credit Agreement) of the sale of operating assets used in the ordinary course of business may, at the option of the Borrower, be either (x) reinvested solely during the 12 month period following such sale in other assets that are useful in the business of the Borrower and Guarantors, but only to the extent such assets are (or will become) Collateral or (y) applied to repay the First Lien Debt;

(iv) any rights to reinvest asset sale proceeds will not include the right to apply such proceeds to maintenance operating expenses; but will, for the avoidance of doubt, include the right to apply such proceeds to maintenance or other capital expenditures;

(v) unrestricted cash of the Borrower and its Subsidiaries above $35 million on the Effective Date will be swept to repay the New First Lien Debt on the Effective Date, which amount will be calculated on the Effective Date net of any payments made or to be made in satisfaction of the Put/Call Agreement that are reasonably acceptable to the Term Lender Group;

(vi) commencing with the fiscal year of Borrower ending on or about December 31, 2018, 75% of Excess Cash Flow, with a reduction to 50% based upon achievement of Consolidated Total Net Leverage Ratio not exceeding 4.5 to 1.0; provided that any voluntary par prepayments of the New First Lien Debt or permitted repurchases of the New First Lien Debt (as set forth below under the section of this term sheet entitled "Optional Prepayments") shall be credited against Excess Cash Flow prepayment obligations on a dollar-for-dollar basis (and, in the case of the New First Lien Debt prepaid or repurchased at a discount to par, with such reduction of the amount of Excess Cash Flow prepayments being equal to the amount of cash spent to make such prepayment or repurchase (as opposed to the face amount of loans so prepaid)) to the extent such prepayment is financed with Internally Generated Cash (as defined below).

OPTIONAL PREPAYMENTS: For a period of 6 months following issuance of the New First Lien Debt (the "Call Protection Period"), the New First Lien Debt may be voluntarily prepaid in whole or in part only if such voluntary prepayment is accompanied by a premium equal to 1% of the principal amount of the outstanding New First Lien Debt so prepaid. Upon expiration of the Call Protection Period, the New First Lien Debt may be voluntarily prepaid in whole or in part without premium or penalty, except for any breakage costs associated with LIBOR Loans. In addition, the New First Lien Debt shall be permitted to be prepaid or repurchased at a discount to par consistent with the Existing Credit Agreement, except that (x) such prepayments and repurchases shall be

	limited to $50 million per year, (y) after giving effect to any such prepayment or repurchase, the Borrower and its Subsidiaries shall have cash and availability under a Permitted Revolver of at least $25 million in the aggregate and (z) any such prepaid or repurchased First Lien Debt shall be automatically cancelled.
REPRESENTATIONS AND WARRANTIES:	Substantially similar to those set forth in the Existing Credit Agreement, with such changes as are agreed to by the Borrower and the Term Lender Group.
AFFIRMATIVE COVENANTS:	Substantially similar to those set forth in the Existing Credit Agreement, with such changes as are set forth below under the section of this term sheet entitled "Certain Specified Exceptions" or as are otherwise agreed to by the Borrower and the Term Lender Group.
NEGATIVE COVENANTS:	Substantially similar to those set forth in the Existing Credit Agreement, with such changes as are set forth below under the section of this term sheet entitled "Certain Specified Exceptions" or as are otherwise agreed to by the Borrower and the Term Lender Group. For the avoidance of doubt, the affirmative covenant set forth in Section 7.13 of the Existing Credit Agreement shall continue to apply to the New First Lien Debt, including the provisions thereof requiring that the Borrower use commercially reasonable efforts to obtain and maintain ratings from Moody's and Standard & Poor's for the New First Lien Debt.
FINANCIAL COVENANTS:	No maintenance financial covenants.
CERTAIN SPECIFIED EXCEPTIONS	The documentation evidencing the New First Lien Debt will contain terms and provisions that are substantially consistent with those set forth in the Existing Credit Agreement, except (w) as otherwise set forth in this term sheet, (x) as otherwise agreed to by the Borrower and the Term Lender Group, (y) to remove provisions that are no longer relevant for the New First Lien Debt and (z) for the revisions listed on Schedule I to this Annex B.
EVENTS OF DEFAULT:	Substantially similar to those set forth in the Existing Credit Agreement, with such changes as are agreed to by the Borrower and the Term Lender Group.
CONDITIONS PRECEDENT:	Substantially similar to those set forth in the Existing Credit Agreement, with such changes as are agreed to by the Borrower and the Term Lender Group.

ASSIGNMENTS:	Substantially similar to those set forth in the Existing Credit Agreement, with the removal of assignments to Affiliated Lenders (except for, the avoidance of doubt, repurchases at a discount as and to the extent provided under the section of this term sheet entitled Optional Prepayments) and such other changes as are agreed to by the Borrower and the Term Lender Group.
AMENDMENTS, WAIVERS AND CONSENTS:	Substantially similar to those set forth in the Existing Credit Agreement, with such changes as are agreed to by the Borrower and the Term Lender Group.
GOVERNING LAW:	New York.