

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

CITADEL BROADCASTING CORPORATION, *et al.*,

Debtors.

)
) Chapter 11
)

) Case No. 09-17442 (BRL)
)

) Jointly Administered
)

**SUPPLEMENTAL DECLARATION OF MICHAEL D. KANG IN SUPPORT
OF THE SECOND MODIFIED JOINT PLAN OF REORGANIZATION
OF CITADEL BROADCASTING CORPORATION AND ITS DEBTOR
AFFILIATES PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE**

Pursuant to 28 U.S.C. § 1746, I, Michael D. Kang, hereby declare as follows under penalty of perjury:

1. I am a Managing Director with Alvarez & Marsal North America, LLC (together with its wholly-owned subsidiaries, agents and independent contractors, “*A&M*”), which has been retained as restructuring advisors to Citadel Broadcasting Corporation (“*Citadel*”) and its debtor affiliates, as debtors and debtors in possession (collectively, the “*Debtors*”)¹ in the above

¹ The Debtors in these chapter 11 cases are: Alphabet Acquisition Corp.; Atlanta Radio, LLC; Aviation I, LLC; Chicago FM Radio Assets, LLC; Chicago License, LLC; Chicago Radio Assets, LLC; Chicago Radio Holding, LLC; Chicago Radio, LLC; Citadel Broadcasting Company; Citadel Broadcasting Corporation; DC Radio Assets, LLC; DC Radio, LLC; Detroit Radio, LLC; International Radio, Inc.; KLOS Radio, LLC; KLOS Syndications Assets, LLC; KLOS-FM Radio Assets, LLC; LA License, LLC; LA Radio, LLC; Minneapolis Radio Assets, LLC; Minneapolis Radio, LLC; Network License, LLC; NY License, LLC; NY Radio Assets, LLC; NY Radio, LLC; Oklahoma Radio Partners, LLC; Radio Assets, LLC; Radio License Holding I, LLC; Radio License Holding II, LLC; Radio License Holding III, LLC; Radio License Holding IV, LLC; Radio License Holding V, LLC; Radio License Holding VI, LLC; Radio License Holding VII, LLC; Radio License Holding VIII, LLC; Radio License Holding IX, LLC; Radio License Holding X, LLC; Radio License Holding XI, LLC; Radio License Holding XII, LLC; Radio Networks, LLC; Radio Today Entertainment, Inc.; Radio Watermark, Inc.; San Francisco Radio Assets, LLC; San Francisco Radio, LLC; SF License, LLC; WBAP-KSCS Acquisition Partner, LLC; WBAP-KSCS Assets, LLC; WBAP-KSCS Radio Acquisition, LLC; WBAP-KSCS Radio Group, Ltd.; and WPLJ Radio, LLC. The principal corporate locations of the Debtors are: 142 West 57th Street, 11th Floor, New York, New York 10019; and 7201 W. Lake Mead Blvd., Suite 400, Las Vegas, Nevada 89128. The service address for all of the Debtors is 7201 W. Lake Mead Blvd., Suite 400, Las Vegas, Nevada 89128. Information regarding the Debtors’ business and the background of these chapter 11 cases can be found in the Declaration of Randy L. Taylor Pursuant to Rule 1007-2 of the Local Bankruptcy Rules for the Southern District of New York in Support of First-Day Pleadings (the “*First Day Declaration*”), (Continued...)

captioned chapter 11 cases (the “**Chapter 11 Cases**”).² In this capacity, I am generally familiar with the Debtors’ day-to-day operations, certain business and financial affairs, and books and records.

2. A&M is an internationally recognized restructuring and turnaround advisory firm, which specializes in providing consulting services to senior executives and management services on an interim basis to financially troubled companies. A&M professionals have extensive experience working with financially troubled companies and serving as financial advisors in large and complex restructurings both out-of-court and in chapter 11 cases.

3. On May 10, 2010, I submitted a declaration in support of confirmation of the Debtors’ Plan [Docket No. 341] (the “**Original Declaration**”).³ I submit this supplemental declaration (this “**Supplemental Declaration**”) in further support of confirmation of the Debtors’ Plan. All facts set forth in this Declaration are based on: (a) my personal knowledge; (b) work performed under my direction; (c) my review of relevant documents; or (d) as to matters involving United States bankruptcy law or rules or other applicable laws, my reliance on the advice of counsel to the Debtors. If I were called upon to testify, I would testify competently to the facts set forth herein.

4. I am advised that to satisfy the requirements of the “absolute priority” rule under section 1129(b) of the Bankruptcy Code, the Debtors’ Secured Claims (including interest and any reasonable fees, costs and charges provided for under the agreement governing such Secured

filed on December 20, 2009, the date the Debtors filed their petitions (the “**Petition Date**”) under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”).

² On February 3, 2010, the Court entered an order approving A&M’s retention in these Chapter 11 Cases [Docket No. 107].

³ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the *Second Modified Joint Plan of Reorganization of Citadel Broadcasting and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 336] (the “**Plan**”).

Claims) and Unsecured Claims (including interest), need to be satisfied in full before any distribution is permitted to be made to Holders of Interests. The following represents an estimate of the total amount of the Debtors' Secured and Unsecured Claims, which would need to be satisfied in full before the Holders of Interests could receive a recovery in accordance with the absolute priority rule:⁴

SUMMARY OF CLAIM ESTIMATES				
	Claim Estimates		Estimate of	Claim Estimates
	Excluding		Postpetition	Including
	Postpetition	+	Interest	=
	Interest and Fees		and Fees ^(a)	Postpetition
				Interest and Fees
Senior Claims ^(b)	\$2,144,387,154.18		\$55,930,411.42	\$2,200,317,565.60
Subordinated Notes Claims ^(c)	49,631,188.00		1,712,931.83	51,344,119.83
Other Unsecured Claims ^(d)	27,998,022.00		191,784.33	28,189,806.33
Total Secured and Unsecured Claim Estimates	\$2,222,016,364.18		\$57,835,127.58	\$2,279,851,491.77

- (a) Postpetition interest and fee amounts are calculated based on an assumed emergence date of May 31, 2010.
- (b) Senior Claims exclude \$2.9mm outstanding but undrawn letters of credit since they are cash collateralized at 105% per the Cash Collateral Order.
- (c) Postpetition interest is calculated based on prepetition rates of 8% and 1.875% applicable to the two tranches of Subordinated Notes Claims. It should be noted, however, that the 8% Subordinated Notes Indenture provides as follows: "between January 1, 2010 and January 10, 2010, the Company Bank and the Trustee Bank shall agree on the annual interest rate which would be required as of January 1, 2010 in order to make all such Securities trade at par value as of January 1, 2010, excluding accrued but unpaid interest thereon...."
- (d) Estimates of other Unsecured Claims are as of May 3, 2010. Postpetition interest is calculated based on the prime rate as of December 20, 2009 for the TWDC Working Capital Settlement and the yield of 12- month treasuries as of December 20, 2009 for other trade and accrued claim estimates.

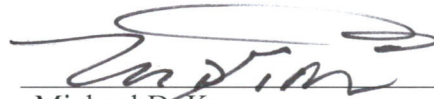
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⁴ As explained in my Original Declaration, I, together with the Debtors' management and other A&M personnel, prepared the liquidation analysis attached as **Exhibit G** to the Disclosure Statement. The liquidation analysis, which was prepared in connection with the filing of the original versions of the plan and disclosure statement on February 3, 2010, included certain estimates of Secured and Unsecured Claims.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: May 14, 2010

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Michael D. Kang", is written over a horizontal line.

Michael D. Kang
Managing Director
Alvarez & Marsal North America, LLC