

**COMPLIANCE WITH MULTIPLE OWNERSHIP RULE**

By this application (this “*Application*”), Citadel Broadcasting Company (“*Citadel*”) proposes to acquire radio broadcast station KHTB(FM), FCC Facility ID No. 6545, Provo, Utah (“*KHTB*”), from 3 Point Media – Salt Lake City, LLC (“*3 Point*”). KHTB’s community of license is Provo, which is located in Utah County, Utah. Utah County is included in the Salt Lake, Utah Arbitron Metro.

Citadel is currently the licensee of the following eight (8) stations which are “home” to the Salt Lake Arbitron Metro: KBEE(FM), KBER(FM), KENZ(FM), KUBL(FM), KKAT-FM<sup>1</sup>, KFNZ(AM), KJQS(AM) and KKAT(AM). All of these stations are licensed to communities located within counties included in the Salt Lake Arbitron Metro; therefore, a contour overlap analysis for multiple ownership purposes is not required. In addition to the stations listed above, under the Commission’s equity-debt plus rule, as more fully explained in this Application and in the Transaction Documents submitted herewith, Citadel has an attributable interest in KHTB as the result of the default by 3 Point under a promissory note for which Citadel was a guarantor (the “*Note*”). As a result of this involuntary attributable interest, Citadel currently has an attributable interest in nine (9) stations in the Salt Lake Arbitron Metro – one station in excess of the number of stations permitted under the FCC’s multiple ownership rules.

In order to reach resolution with respect to the default by 3 Point under the Note, Citadel and 3 Point have entered into (i) an Asset Purchase Agreement dated May 22, 2008 pursuant to which 3 Point will assign certain of the assets of KHTB, including the KHTB FCC licenses, to Citadel, and (ii) a Forbearance Agreement dated May 22, 2008 pursuant to which Citadel has agreed to forbear from exercising certain contractual and legal rights against 3 Point. In order to come into compliance with the FCC’s multiple ownership rules, an appropriate divestiture application is being or will be filed in conjunction with this Application to assign the license for one FM station, KKAT-FM, FCC Facility ID No. 69553, Orem, Utah (the “*KKAT-FM Divestiture Application*”), to a divestiture trust, such assignment to be consummated prior to or contemporaneously with the closing of its acquisition of KHTB.

The Commission “has approved the use of properly insulated trust arrangements as a legitimate means to avoid attribution of a broadcast interest under the Commission’s multiple ownership rules.” *Shareholders of AMFM, Inc.*, 15 FCC Rcd 16062, 16072

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<sup>1</sup> KKAT-FM is currently licensed to Orem, Utah, which is located in Utah County, Utah, which is part of the Salt Lake Arbitron Metro. Via a rulemaking proceeding (*see* MM Docket 05-243), the table of allotments has been changed and currently reflects a community of license of Kaysville, Utah for channel 298C. Kaysville is located in Davis County, Utah, which is also part of the Salt Lake Arbitron Metro. Citadel has a pending application for construction permit to change the Station’s community of license from Orem to Kaysville, Utah (FCC File No. BPH-20080331AKP).

(2000). *See also Shareholders of American Radio Systems Corp.*, 13 FCC Rcd 12430, 12441 (1998); *Stockholders of Infinity Broadcasting Corp.*, 12 FCC Rcd 5012, 5040-41 (1996); *Twentieth Holdings Corp.*, 4 FCC Rcd 4052, 4053 (1989); *Attribution of Ownership Interests*, 97 FCC 2d 997, 1023-24 (1984), *recon. granted in part*, 58 RR 2d 604 (1985), *further recon. granted in part*, 1 FCC Rcd 802 (1986). Under this well-established Commission precedent, a beneficiary's ownership interest is not attributable to the beneficiary if it is properly insulated to prevent the exercise of control or influence over the trustee. *See Shareholders of AMFM, Inc.*, 15 FCC Rcd at 16072-73; *Shareholders of American Radio Systems Corp.*, 13 FCC Rcd at 12441.

The Commission has set out certain standards for properly insulated trusts. *See* 47 C.F.R. § 73.3555, n. 2(d); *Attribution of Ownership Interests*, 97 FCC 2d at 1023-24. The proposed trust conforms with these attribution insulation standards. Specifically, under the terms of the proposed trust agreement:

- Citadel cannot replace the trustee at will;
- Citadel cannot revoke the trust;
- The trustee does not have a business, personal or extra-trust relationship with Citadel, its affiliates or any of the shareholders, directors, officers or employees of Citadel or its affiliates (collectively "*Related Parties*");
- The trustee would have at all times the sole and exclusive power to manage and operate the station assigned to the trust and to authorize a sale of the station assigned to the trust; and
- Neither Citadel nor any Related Party may communicate with the trustee concerning the management and operation of the station assigned to the trust, except to deliver financial reports or to facilitate the sale of the station to an unaffiliated third party, and then any permitted communication must be evidenced in writing and retained for inspection by the trust upon Commission request.

By complying with the Commission's attribution insulation standards, the trust is properly insulated from Citadel's influence in accordance with Commission precedent, and is substantially similar to prior trust agreements that the Commission has approved. *See, e.g., Shareholders of AMFM, Inc.*, 15 FCC Rcd at 16072-73; *Shareholders of American Radio Systems Corp.*, 13 FCC Rcd at 12441-42. Because the trust is properly insulated, KKAT-FM will not be attributable to Citadel for the purposes of the local radio ownership rule upon consummation of the KKAT-FM Divestiture Application. As set forth below, after assignment to the trust, Citadel will be in compliance with the Commission's local radio ownership rule.

As shown on the attached *FCC Geographic Market Definition for Salt Lake* that was compiled using BIA's database, there are 65 full-power, commercial and noncommercial radio stations licensed to communities within the Salt Lake Metro, or

which Arbitron designates as “home” to the Salt Lake Metro. The Commission’s local radio multiple ownership rule provides that in markets with 45 or more full-power, commercial and noncommercial radio stations, one party may have a cognizable interest in licenses for not more than eight commercial radio stations, no more than five of which are in the same service (AM or FM). 47 C.F.R. § 73.3555(a)(1)(i). As is shown on the *FCC Geographic Market Definition for Salt Lake*, Citadel has an attributable interest in five FM stations and three AM stations in the Salt Lake Arbitron Metro, and will continue to have a cognizable interest in five FM stations and three AM stations in the market upon a grant of the Application and the KKAT-FM Divestiture Application and the consummation of the transactions proposed therein (KBEE(FM), KBER(FM), KENZ(FM), KUBL(FM), KHTB(FM), KFNZ(AM), KJQS(AM) and KKAT(AM)). Therefore, the transactions proposed by this Application and the KKAT-FM Divestiture Application would comply with the local radio ownership rules set forth at 47 C.F.R. § 73.3555.



# FCC Geographic Market Definition for Salt Lake

Call Letters	AM/FM	Freq	Type	Station	Format	Home Market	Market Designtn Date	Home Mkt Rank	Owner	City & State of License	County of License
KALL	AM	700	C	Sports	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	UT Radio Acquisition LLC	North Salt Lake City, UT	Davis
KANN	AM	1120	NC	ChrisContem	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Faith Communications Corporation	Roy, UT	Weber
KTUB	AM	1600	C	Mexican	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Bustos Media Enterprises LLC	Centerville, UT	Davis
KOSY	FM	106.5	C	Soft AC	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	p Clear Channel	Spanish Fork, UT	Utah
KFNZ	AM	1320	C	Sports	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Citadel Communications	Salt Lake City, UT	Salt Lake
KTMY	FM	105.7	C	Country	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	p Clear Channel	Centerville, UT	Davis
KBEE	FM	98.7	C	AC	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Citadel Communications	Salt Lake City, UT	Salt Lake
KBER	FM	101.1	C	AOR	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Citadel Communications	Ogden, UT	Weber
KOVO	AM	960	C	Sports	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Simmons Media Group Inc	Provo, UT	Utah
KZNS	AM	1280	C	Sports	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Simmons Media Group Inc	Salt Lake City, UT	Salt Lake
KEYY	AM	1450	NC	Inspiration	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Biblical Ministries	Provo, UT	Utah
KWDZ	AM	910	C	Family Hits	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	ABC/Disney	Salt Lake City, UT	Salt Lake
KXRK	FM	96.3	C	Alternative	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Simmons Media Group Inc	Provo, UT	Utah
KYMV	FM	100.7	C	Rhymc/AC	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Simmons Media Group Inc	Salt Lake City, UT	Salt Lake
KHQN	AM	1480	C	Nws/Tik/Spt	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Howell, Robyn	Provo, UT	Utah
KHTB	FM	94.9	C	Cisc Rock	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	3 Point Media LLC	Woodruff, UT	Rich
KOGN	AM	1490	C	Adlt Stndrd	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Legacy Media Corporation	Spanish Fork, UT	Utah
KYFO	FM	95.5	NC	Christian	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Bible Broadcasting Network	Provo, UT	Utah
KKAT	FM	107.5	C	Country	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Citadel Communications	Ogden, UT	Weber
KJQS	AM	1230	C	Sports	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Citadel Communications	Ogden, UT	Weber
KODJ	FM	94.1	C	Cisc Hits	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	p Clear Channel	Orem, UT	Utah
KLO	AM	1430	C	Nws/Tik/Spt	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Capital Broadcasting	Murray, UT	Salt Lake
KSRR	AM	1400	C	FullService	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Zeta Holdings LLC	Salt Lake City, UT	Salt Lake
KZHT	FM	97.1	C	CHR	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	p Clear Channel	Ogden, UT	Weber
KNRS	AM	570	C	News/Talk	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	p Clear Channel	Provo, UT	Utah
KENZ	FM	101.9	C	Alternative	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Citadel Communications	Salt Lake City, UT	Salt Lake
KAUU	FM	105.1	C	HHp/Rym/C	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Millcreek Broadcasting LLC	Salt Lake City, UT	Salt Lake
KUDD	FM	107.9	C	CHR	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Millcreek Broadcasting LLC	Ogden, UT	Weber
KDYL	AM	1060	C	Oldies	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Carlson Communications International	Manti, UT	Sanpete
KRSP	FM	103.5	C	Cisc Rock	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Bonneville International Corp	Roy, UT	Weber
KSFI	FM	100.3	C	Soft AC	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Bonneville International Corp	South Salt Lake, UT	Salt Lake
KSL	AM	1160	C	News/Talk	Salt Lake City-Ogden-Provo, UT	Salt Lake City-Ogden-Provo, UT	07/02/2003	31	Bonneville International Corp	Salt Lake City, UT	Salt Lake
									Bonneville International Corp	Salt Lake City, UT	Salt Lake

"C" - Commercial Station; "NC" - Non Commercial Station

"p" indicates pending sale to owner listed



# FCC Geographic Market Definition for Salt Lake

Call Letters	AM/FM	Freq	Type	Station	Format	Home Market	Market Designntn Date	Home Mkt Rank	Owner	City & State of License	County of License
KSOP	AM	1370	C	Country	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	KSOP Inc	South Salt Lake, UT	Salt Lake
KSOP	FM	104.3	C	Country	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	KSOP Inc	Salt Lake City, UT	Salt Lake
KSVN	AM	730	C	Mexican	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Azteca Broadcasting Corp	Ogden, UT	Weber
KCPW	AM	1010	NC	Nws/Tlk/Inf	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Community Wireless of Park City	Tooele, UT	Tooele
KUUU	FM	92.5	C	Hfp/Rym/C	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Millcreek Broadcasting LLC	South Jordan, UT	Salt Lake
KVFX	FM	94.5	C	CHR	Salt Lake City-Ogden-Provo, UT		09/09/2005	31	Sun Valley Radio Inc	Logan, UT	Cache
KBZN	FM	97.9	C	Smooth	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Capital Broadcasting	Ogden, UT	Weber
KTKK	AM	630	C	News/Talk	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	United Broadcasting Company Inc	Sandy, UT	Salt Lake
KLLB	AM	1510	C	Gospel	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	United Security Financial	West Jordan, UT	Salt Lake
KKAT	AM	860	C	Country	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Citadel Communications	Salt Lake City, UT	Salt Lake
KUBL	FM	93.3	C	Country	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Citadel Communications	Salt Lake City, UT	Salt Lake
KUDE	FM	103.9	C	CHR	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Millcreek Broadcasting LLC	Salt Lake City, UT	Salt Lake
KJMY	FM	99.5	C	McRck/Altve	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Clear Channel	Nephi, UT	Juab
KMRI	AM	1550	C	Gospel	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Alpha & Omega Communications LLC	Bountiful, UT	Davis
KSL	FM	102.7	C	News/Talk	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Bonneville International Corp	West Valley City, UT	Salt Lake
KXOL	AM	1660	C	Spanish	Salt Lake City-Ogden-Provo, UT		03/04/2004	31	Inca Communications Inc	Midvale, UT	Salt Lake
KTCE	FM	92.1	C	Hot AC	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Moenkopi Communications Inc	Brigham City, UT	Box Elder
KDUT	FM	102.3	C	Mexican	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Bustos Media Enterprises LLC	Payson, UT	Utah
KBYU	FM	89.1	NC	Classical	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Brigham Young University	Randolph, UT	Rich
KCPW	FM	88.3	NC	Nws/Tlk/Inf	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Community Wireless of Park City	Provo, UT	Utah
KOHS	FM	91.7	NC	Alternative	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Alpine School District	Salt Lake City, UT	Salt Lake
KPGR	FM	88.1	NC	Variety	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Alpine School District	Orem, UT	Utah
KRCL	FM	90.9	NC	Variety	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Listeners Community Radio of Utah	Pleasant Grove, UT	Utah
KUER	FM	90.1	NC	Nws/Tlk/Jaz	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	University of Utah	Salt Lake City, UT	Salt Lake
KUFR	FM	91.7	NC	Religion	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Family Stations Inc	Salt Lake City, UT	Salt Lake
KWCR	FM	88.1	NC	Modern	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Weber State University	Salt Lake City, UT	Salt Lake
KBJA	AM	1640	C	Span/Talk	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	United Broadcasting Company Inc	Ogden, UT	Weber
KOAY	FM	97.5	C	DARK	Salt Lake City-Ogden-Provo, UT		10/18/2006	31	3 Point Media LLC	Sandy, UT	Salt Lake
KJQN	FM	103.1	C	Jack	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Simmons Media Group Inc	Coalville, UT	Summit
KUTR	AM	820	C	ChrsConfem	Salt Lake City-Ogden-Provo, UT		07/02/2003	31	Epperson, Julie	Coalville, UT	Summit
KEGH	FM	106.9	C	Country	Salt Lake City-Ogden-Provo, UT		05/09/2005	31	Simmons Media Group Inc	Taylorsville, UT	Salt Lake
KEGA	FM	101.5	C	Country	Salt Lake City-Ogden-Provo, UT		02/02/2004	31	Simmons Media Group Inc	Brigham City, UT	Box Elder
										Oakley, UT	Summit

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KNKL	FM	88.7	NC	ChrsContem Salt Lake City-Ogden-Provo, UT			09/14/2004	31	Educational Media Foundation	N Ogden, UT	Weber

## Number of Stations in Geographic Market 65

### Previous Stations in Geographic Market

KYLZ	FM	104.9	C	Country			10/24/2007	0	3 Point Media LLC	Tremonton, UT	Box Elder
KOMB	FM	96.7	C	Hot AC			05/08/2007	0	Zeta Holdings LLC	Levan, UT	Juab

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