

DESCRIPTION OF THE TRANSACTION

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*”).

By way of background, in December 2003, 3 Point entered into an agreement with Citicasters Co. for the acquisition of Stations KENZ(FM) and KHTB (FCC File No. BALH-20031217ABD) (the “*Citicasters Acquisition*”). Prior to consummation of the Citicasters Acquisition, 3 Point agreed to sell one of the stations – KENZ – to Citadel (FCC File No. BALH-20040601BEP). In addition to agreeing to purchase KENZ, Citadel entered into an Unconditional Guaranty Agreement, dated May 3, 2004, in favor of Wachovia Bank, National Association (“*Wachovia*”), which enabled 3 Point to obtain a loan from Wachovia in the original principal amount of \$26,000,000 (the “*Loan*”), which it used to fund the Citicasters Acquisition.

3 Point failed to pay the principal and interest due on the Loan at maturity on November 30, 2005, which constituted a default under the Loan and related promissory note. Such default is continuing. Wachovia declared default and demanded payment of the obligations from Citadel, as unconditional guarantor. Citadel was eventually forced to purchase the Loan from Wachovia pursuant to a Loan Sale Agreement, dated June 30, 2006 (the “*Loan Purchase*”), and took an assignment of Wachovia’s liens and security interests in respect of the Loan.

As a result of the Loan Purchase, Citadel’s status as a guarantor, which is a nonattributable interest under the FCC’s attribution rules, changed to that of a holder of debt interest, which is attributable under the FCC’s equity-debt plus rules due to Citadel’s other broadcast interests in the same market. See 47 CFR 73.3555, Note 2, Subsection (i). As set forth in Exhibit 15 to this Application, Citadel already owns eight (8) stations in the Salt Lake Arbitron Metro; therefore, as a result of the involuntary attributable interest described herein, Citadel’s current attributable interests in the Salt Lake Arbitron Metro exceed the permissible cap under the FCC’s multiple ownership rules.

In order for Citadel to come into compliance with the FCC’s multiple ownership rules and in an effort to reach resolution with respect to the default by 3 Point under the Loan, 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 (the “*Transaction Documents*”). The Transaction Documents are submitted as Exhibit 4 to Assignor’s portion of this Application.

In addition, in order to achieve compliance with the FCC’s multiple ownership rules, an appropriate divestiture application is being or will be filed in conjunction with this Application to request FCC consent to assign the license for one Citadel FM station -- KKAT-FM, FCC Facility ID No. 69553, Orem, Utah -- to a divestiture trust, such assignment to be consummated prior to or contemporaneously with the closing of its acquisition of KHTB.