IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
REGENT COMMUNICATIONS, INC., *et al.*,[1]	Case No. 10-10632 (____)
	Joint Administration Pending
Debtors.	

DECLARATION OF ANTHONY A. VASCONCELLOS IN SUPPORT OF CHAPTER 11 PETITIONS AND FIRST DAY MOTIONS

I, Anthony A. Vasconcellos, being duly sworn, depose and say:

1. I am the Executive Vice President and Chief Financial Officer of Regent Communications, Inc. ("**Regent Communications**"), a corporation organized under the laws of the state of Delaware and the ultimate parent corporation of the other debtors and debtors-in-possession (together with Regent Communications, "**Regent**" or the "**Debtors**") in the above-

[1] The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Regent Communications, Inc., a Delaware corporation (2857); B&G Broadcasting, Inc., a Delaware corporation (9111); Livingston County Broadcasters, Inc., an Illinois corporation (2024); Regent Broadcasting, LLC, a Delaware limited liability company (1632); Regent Broadcasting Management, LLC, a Delaware limited liability company (5451); Regent Broadcasting of Albany, Inc., a Delaware corporation (7566); Regent Broadcasting of Bloomington, Inc., a Delaware corporation (2658); Regent Broadcasting of Buffalo, Inc., a Delaware corporation (7815); Regent Broadcasting of Chico, Inc., a Delaware corporation (1263); Regent Broadcasting of Duluth, Inc., a Delaware corporation (9495); Regent Broadcasting of El Paso, Inc., a Delaware corporation (1469); Regent Broadcasting of Erie, Inc., a Delaware corporation (8859); Regent Broadcasting of Evansville/Owensboro, Inc., a Delaware corporation (9510); Regent Broadcasting of Flagstaff, Inc., a Delaware corporation (3259); Regent Broadcasting of Flint, Inc., a Delaware corporation (6474); Regent Broadcasting of Ft. Collins, Inc., a Delaware corporation (9503); Regent Broadcasting of Grand Rapids, Inc., a Delaware corporation (6790); Regent Broadcasting of Kingman, Inc., a Delaware corporation (3260); Regent Broadcasting of Lafayette, LLC, a Delaware limited liability company (5450); Regent Broadcasting of Lake Tahoe, Inc., a Delaware corporation (1261); Regent Broadcasting of Lancaster, Inc., a Delaware corporation (9505); Regent Broadcasting of Lexington, Inc., a Delaware corporation (0854); Regent Broadcasting of Mansfield, Inc., a Delaware corporation (6796); Regent Broadcasting Midwest, LLC, a Delaware limited liability company (5369); Regent Broadcasting of Palmdale, Inc., a Delaware corporation (5821); Regent Broadcasting of Peoria, Inc., a Delaware corporation (9348); Regent Broadcasting of Redding, Inc., a Delaware corporation (1262); Regent Broadcasting of San Diego, Inc., a Delaware corporation (3044); Regent Broadcasting of South Carolina, Inc., a Delaware corporation (3151); Regent Broadcasting of St. Cloud, Inc., a Delaware corporation (9265); Regent Broadcasting of St. Cloud II, Inc., a Minnesota corporation (6304); Regent Broadcasting of Utica/Rome, Inc., a Delaware corporation (1480); Regent Broadcasting of Watertown, Inc., a Delaware corporation (1476); Regent Broadcasting West Coast, LLC, a California limited liability company (8962); Regent Licensee of Chico, Inc., a Delaware corporation (1681); Regent Licensee of Erie, Inc., a Delaware corporation (8861); Regent Licensee of Flagstaff, Inc., a Delaware corporation (1677); Regent Licensee of Kingman, Inc., a Delaware corporation (9969); Regent Licensee of Lake Tahoe, Inc., a Delaware corporation (2685); Regent Licensee of Lexington, Inc., a Delaware corporation (5710); Regent Licensee of Mansfield, Inc., a Delaware corporation (8147); Regent Licensee of Palmdale, Inc., a Delaware corporation (1678); Regent Licensee of Redding, Inc., a Delaware corporation (1679); Regent Licensee of San Diego, Inc., a Delaware corporation (3036); Regent Licensee of South Carolina, Inc., a Delaware corporation (3136); Regent Licensee of St. Cloud, Inc., a Delaware corporation (9266); Regent Licensee of Utica/Rome, Inc., a Delaware corporation (1482); Regent Licensee of Watertown, Inc., a Delaware corporation (1477). The mailing address for Regent Communications Inc. is Regent Broadcasting Management, LLC, 100 E. RiverCenter Blvd., 9th Floor, Covington, KY 41011.

captioned chapter 11 cases (collectively, the "**Chapter 11 Cases**"). I am authorized to submit this declaration (the "**First Day Declaration**") on behalf of Regent.

2. As Executive Vice President and Chief Financial Officer of Regent Communications I am responsible for overseeing the financial activities of the Debtors, including but not limited to, monitoring cash flow, and tax and financial planning. As a result of my tenure with Regent, my review of public and non-public documents, and my discussions with other members of Regent's management team, I am familiar with Regent's business, financial condition, policies and procedures, day-to-day operations, and books and records. No one individual, including myself, has personal knowledge of all of the facts set forth in this First Day Declaration. Except as otherwise set forth herein, all facts included herein are based upon (i) my personal knowledge of Regent's operations and finances; (ii) information learned from review of relevant documents; and/or (iii) information supplied to me by members of Regent's management team and our advisors. References to the Bankruptcy Code, the chapter 11 process and related legal matters are based on my understanding of such matters in reliance on the explanation provided by, and the advice of, counsel. If called upon to testify, I would testify competently to the facts set forth in this First Day Declaration.

3. On March 1, 2010 (the "**Petition Date**"), each of the Debtors filed voluntary petitions for relief in the Bankruptcy Court for the District of Delaware (the "**Court**"). The Debtors will continue to operate their businesses and manage their properties as debtors-in-possession.

4. I submit this First Day Declaration on behalf of the Debtors in support of the Debtors' (a) voluntary petitions for relief under chapter 11 of title 11 of the United States

Code, 11 U.S.C. §§ 101-1330, as amended (the "**Bankruptcy Code**") and (b) "first-day" motions, which are being filed concurrently herewith.

INTRODUCTION

5. The recent and dramatic economic downturn has left very few businesses and industries unscathed. The media sector — and the radio broadcast business more particularly — is one of the many industries that has been hit the hardest, experiencing a dramatic and significant deterioration in revenues due to the financial crisis. Media companies are fueled by advertising dollars, and the economic slowdown has put a chokehold on advertising spending, which has negatively affected the financial results of such companies.

6. Regent, like many radio, television and newspaper companies, has seen its revenue and profitability decline due to the downturn in advertising spending by companies in general, and in the auto, financial and entertainment sectors in particular. Regent is also highly overleveraged, indebted to its lenders for approximately $204.7 million in secured loans including accrued interest and swap obligations. Indeed, based on Regent's current financial position and recent industry performance, Regent has not been able to comply with the financial covenants imposed by its credit agreement since approximately April 1, 2009.

7. All of these factors, which have been highly publicized in the marketplace, have contributed to increasing pressure from competitors in light of the instability surrounding Regent's existing capital structure. Recognizing all of this, Regent determined that an expeditious balance sheet restructuring was key to its future success.

8. Beginning in the spring of 2008, the Debtors, together with their advisors, explored a possible sale process, which did not proceed due to the economic downturn in September 2008. Beginning in February 2009, the Debtors began exploring several strategic

alternatives, including the possibility of an amendment or a standalone reorganization, with the assistance of various advisors including Latham & Watkins LLP, legal advisors to the Debtors. In June 2009, the Debtors formally engaged Oppenheimer & Co. Inc. ("**Oppenheimer**"), as an investment banker and financial advisor to the Debtors and Oppenheimer immediately commenced a formal marketing process. After discussions with the Debtors, the Prepetition Administrative Agent and the Prepetition Lenders, Oppenheimer contacted 13 potential financial investors with significant knowledge and experience in the radio industry. Of these potential financial investors, nine executed confidentiality agreements and were provided with a confidential information memorandum that included the Debtors' financial information for the years 2005 through 2009, as well as various other financial details regarding the Debtors' businesses.

9. After more than six months of intense and protracted negotiations among Regent Communications, Bank of America, N.A., in its capacity as administrative agent under the Prepetition Credit Agreement (as defined below), BMO Capital Markets, General Electric Capital Corporation, affiliates of Oaktree Capital Management, L.P. ("**Oaktree**"),[2] SunTrust Robinson Humphrey and Wells Fargo Foothill, among others, detailed terms regarding the parameters of a global financial restructuring — which restructuring will serve as the foundation for maximizing the value of these estates for the benefit of all parties in interest — have been agreed upon. Indeed, prepetition senior lenders holding at least 76.3% of the principal amount of the loans outstanding under the Prepetition Credit Agreement and Specified Swap Agreements have confirmed their support for a detailed framework of Regent's restructuring, the terms of which are reflected in the term sheet annexed as Exhibit 1 to the

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[2] Affiliates of Oaktree own approximately 53.2% of outstanding senior debt claims.

Restructuring Support Agreement attached hereto as **Exhibit A** (the "**Restructuring Support Agreement**").

10. Pursuant to the Plan, and subject to the terms of the Restructuring Support Agreement, despite the fact that Holders of First Lien Debt Claims (who have overwhelmingly committed to support the Plan) are impaired, the Plan nonetheless provides for a full cash recovery to Holders of General Unsecured Claims or such other treatment so as to render such Holders unimpaired. In addition, while the existing Holders of Equity Interests are clearly "out of the money" in these cases, the Plan provides that such Holders will receive a "gift" recovery from the Holders of First Lien Debt Claims in the form of their Pro Rata share of $5.5 million in cash.

11. In addition to the payment in full of all General Unsecured Claims and the "gift" recovery to Equity Interests, the financial transactions under the Plan are more or less comprised of two distinct elements: (a) the recapitalization and restructuring of the Debtors' balance sheets; and (b) the reconstitution of the Debtors' governance and corporate structure. Specifically, the Plan provides, among other things, that:

- the Reorganized Debtors will enter into (a) a first-priority, senior secured term loan in the principal amount of $95 million under the New Term Loan Agreement (the "**New Term Loan**"); (b) an unsecured paid-in-kind loan in the principal amount of $25 million under the New PIK Loan Agreement (the "**New PIK Loan**"); and (c) the Permitted Indebtedness, at the option of the Lenders approved by the Requisite Consenting Lenders;

- each Holder of First Lien Debt Claims shall receive in full satisfaction of such Claims its Pro Rata share of (i) the New Term Loan; (ii) the New PIK Loan; and (iii) 100% of the New Equity. The percentage of ownership represented by the shares of New Equity is subject to dilution, including dilution for (i) the Management Equity Incentive Program and (ii) future post-restructuring issuances; provided, however, that if the Effective Date occurs prior to the FCC granting its consent to the transfer of control to the Holders of First Lien Debt

Claims, such Holders shall receive their Pro Rata share of the beneficial interests of an FCC Trust to which the Debtors' interests in their FCC licenses shall be transferred as of the Effective Date in lieu of any New Common Shares they would have otherwise been entitled to receive;

- the Holders' of Equity Interests of Parent will be cancelled and the Holders will receive their pro rata share of $5.5 million in cash (the "**Transferred Cash**");
- each Holder of Other Secured Claims will be unimpaired in accordance with the terms of the Plan; and
- each Holder of General Unsecured Claims will be paid in full in cash in accordance with the terms of the Plan.

12. With the support of prepetition senior lenders holding at least 76.3% of the principal amount of the loans outstanding under the Prepetition Credit Agreement and Specified Swap Agreements (who have executed the Restructuring Support Agreement) for a restructuring that will result in a net reduction of approximately $86.7 million in long-term indebtedness, and having analyzed and diligenced (over the course of several months) various legal impediments and issues that were critical to resolve in connection with any recapitalization transaction, Regent intends to move forward with its pre-negotiated restructuring as quickly as possible. Indeed, the Restructuring Support Agreement requires that the Debtors use their commercially reasonable efforts to: (i) file the Plan, Disclosure Statement and a motion seeking approval of procedures governing the solicitation of the Prearranged Plan (the "**Solicitation Procedures Motion**") with the Bankruptcy Court on the Petition Date; (ii) obtain entry of an order of the Bankruptcy Court approving the Solicitation Procedures Motion and Disclosure Statement within thirty-three (33) calendar days of the Petition Date (e.g., April 3, 2010), and (iii) obtain entry of a Confirmation Order (defined below) within forty (40) calendar days of the Petition Date (e.g., April 10, 2010).

13. Regent is hopeful that the milestone dates in the Restructuring Support Agreement are truly "outside dates," as Regent intends to effectuate the restructuring process swiftly to ensure the least amount of business disruption and accomplish an immediate repositioning of Regent for future growth and success. Moreover, the Debtors' projections show that the Debtors have sufficient cash to confirm a plan within 40 to 45 days and go effective within 60 days, but that the Debtors do not have sufficient cash to have a 90-day or 105-day chapter 11 case and make all the payments that would have to be made upon confirmation of the proposed Plan, including payment in full of unsecured claims and payment of $5.5 million to holders of equity.

14. A chart of the proposed confirmation related dates and deadlines is set forth below (the "**Proposed Confirmation Timeline**"):[3]

Event	Date/Deadline
Filing of Disclosure Statement and Plan	March 1, 2010
Service of Disclosure Statement, Plan, Notice of Disclosure Statement Hearing and Notice of Confirmation Hearing	March 2, 2010
Deadline to Publish Notice of Disclosure Statement Hearing and Confirmation Hearing	March 12, 2010
Deadline For Objections to Disclosure Statement	March 30, 2010 at 4:00 p.m. Eastern Standard Time
Voting Record Date	March 30, 2010
Disclosure Statement Hearing	April 1, 2010 at
Solicitation Mailing Date	April 2, 2010
Deadline For Objections to Confirmation (the "**Confirmation Objection Deadline**")	April 6, 2010 at 4:00 p.m. Eastern Standard Time

[3] To the extent of any conflict between the dates in this chart and those in the Disclosure Statement Order, the dates in the Disclosure Statement Order shall control.

Event	Date/Deadline
Voting Deadline	April 6, 2010 at 4:00 p.m. Eastern Standard Time
Confirmation Hearing	April 8, 2010

15. To minimize the adverse effects of the commencement of these Chapter 11 Cases on their businesses and ensure that their restructuring goals can be implemented with limited disruption to operations, the Debtors have requested a variety of relief in "first day" motions and applications (each, a "**First Day Pleading**" and, collectively, the "**First Day Pleadings**"),[4] filed concurrently herewith. I am familiar with the contents of each of the First Day Pleadings, and I believe that the relief sought therein is necessary to permit an effective transition into chapter 11.

16. In fact, I believe that the Debtors' estates would suffer immediate and irreparable harm absent the ability to use cash on hand and make certain essential payments and otherwise continue their business operations as sought in the First Day Pleadings. In my opinion, approval of the relief requested in the First Day Pleadings will minimize disruption to the Debtors' business operations, thereby preserving and maximizing the value of their estates and assisting the Debtors in achieving a successful reorganization.

17. To assist the Court in becoming familiar with the Debtors and the initial relief sought by the Debtors to stabilize operations and facilitate a balance sheet restructuring, I have organized this First Day Declaration into two parts. Part I of this First Day Declaration provides an overview of the Debtors' businesses, organizational structure, capital structure, and significant prepetition indebtedness, as well as a discussion of their financial performance and

[4] Unless otherwise defined herein, all capitalized terms shall have the meaning ascribed to them in the applicable First Day Motions or the Plan.

the events leading to these chapter 11 filings. Part II sets forth the relevant facts in support of the Debtors' First Day Motions.

PART I

A. GENERAL BACKGROUND

i. Regent's Businesses

18. Regent is a radio broadcasting company focused on acquiring, developing and operating radio stations in mid-sized markets. Regent, operating through Regent Communications' various subsidiaries, currently owns and operates 50 FM and 12 AM radio stations divided into 13 markets in Colorado, Illinois, Indiana, Kentucky, Louisiana, Michigan, Minnesota, New York and Texas. A corporate organization chart is attached hereto as Exhibit B. In 2008, Regent generated net revenue of approximately $92.8 million and, in 2009, Regent generated net revenue of approximately $80.5 million.

19. Substantially all of Regent's revenue is generated from the sale of advertising time on Regent's 62 radio stations. These stations service 13 different geographical areas, which Regent refers to as "markets". These markets are located in nine states. Regent's radio stations rank first or second in terms of revenue share in all of the markets that are ranked by BIA Publications, Inc. in their *Investing in Radio 2008 Market Report,* except in Albany, New York, Grand Rapids, Michigan and El Paso, Texas, where Regent ranked third. The Debtors expect the rankings to remain substantially similar in 2009.

20. As of the date hereof, Regent employs approximately 808 persons.

21. As of February 28, 2010 Regent Communications had 43,005,020 shares of common stock outstanding. Regent Communications' common stock delisted from The Nasdaq Global Market on January 8, 2010.

ii. Radio Broadcasting Industry

22. Substantially all of the radio broadcasting industry's revenues arise from advertising. In 2008, the radio broadcasting industry's revenue decreased approximately 9 percent compared to 2007, according to the Radio Advertising Bureau ("**RAB**"). In 2009, RAB indicated that the radio broadcasting industry's revenue decreased approximately 18 percent compared to 2008. RAB further indicated that in 2008, local revenues decreased 10 percent and national revenues decreased 12 percent, and in 2009, local revenues decreased 20 percent and national revenues decreased 19 percent.

iii. Regent's Radio Operations

23. Regent owns and operates 62 radio stations (49 FM and 13 AM radio stations) and holds Federal Communications Commission ("**FCC**") licenses in 13 markets located in 9 states. Thus, Regent's radio broadcast operations are subject to significant regulation by the FCC under the Communications Act of 1934 (the "**Communications Act**"). A radio station may not operate without authorization of the FCC. Approval of the FCC is required for the issuance, renewal and transfer of station operating licenses. Regent's 65 FCC licenses (the "**FCC Licenses**") enable Regent to operate its radio stations.

24. Regent's stations hold the number one or two revenue positions in 10 of its 13 markets. Additionally, according to broadcast analysts, Regent is among the few radio companies which have a highly concentrated average market share. Regent has out-performed the industry, as reported by RAB, in same station net revenue growth for the past 22 out of 24 quarters.

25. Regent's portfolio is highly diversified: stations are located in 13 mid-sized markets in nine states across the country and serve diverse target demographics through a range of programming formats such as adult contemporary (hot and soft), rock (classic, new

and active), country, alternative, oldies, urban, Spanish and sports/news/talk. Similarly, Regent's advertising is comprised of a broad range of industries, including many of the top advertising industries.

26. Regent is currently broadcasting 24 FM stations and two AM stations in digital, or high definition radio ("**HD Radio**"). The conversion to HD Radio will enable the stations to broadcast digital-quality sound and also provide additional services, such as on-demand traffic, weather and sports scores. Additionally, this new technology will enable each converted radio station to broadcast additional channels of programming for public, private or subscription services.

27. Regent has also continued to develop an "Interactive" initiative in 2009 and 2010, which focuses on generating revenues through Regent's radio stations' websites. Regent's integrated selling effort combines the sale of its Interactive products with sales of its traditional broadcasting spots. Net revenue provided by Regent's Interactive initiative during the first nine months of 2009 increased by approximately 45 percent over the comparable 2008 period, and Regent's management anticipates that the economic benefits from this revenue source will increase through the remainder of 2009 and beyond. In addition, Regent's management has indicated that it is focused on developing Interactive revenue from new sources that are not affiliated with Regent's radio stations.

28. Regent's radio stations are subject to rapid technological change, evolving industry standards, and the emergence of competition from traditional competition in addition to new media technologies and services. Various new media technologies and services have been introduced, or are being developed, including: (i) satellite-delivered digital audio radio service, which has resulted in the introduction of new subscriber-based satellite radio

services with numerous niche formats, including the Howard Stern channel, the E Street channel and other specialized programming; (ii) audio programming by cable systems, direct-broadcast satellite systems, personal communications systems, internet content providers and other digital audio broadcast formats; (iii) in-band on-channel digital radio, which provides multi-channel, multi-format digital radio services in the same bandwidth currently occupied by traditional AM and FM radio services; (iv) low-powered FM radio, which could result in additional FM radio broadcast outlets; and (v) Apple iPods and other MP3 players and other personal audio systems that create new ways for individuals to listen to music and other content of their own choosing.

29. Regent's financial results are seasonal. As is typical in the radio broadcasting industry, Regent's management expects its first calendar quarter to produce the lowest revenues for the year, and the fourth calendar quarter to produce the highest revenues for the year. Regent's operating results in any period may be affected by advertising and promotion expenses that do not necessarily produce commensurate revenues until the impact of the advertising and promotion is realized in future periods.

iv. Advertising Revenue

30. Regent, like its competitors in the radio broadcasting industry, generates the majority of its revenue from the sale of local, regional and national advertising for broadcast on Regent's radio stations. In 2009, approximately 89.3 percent of Regent's net broadcast revenue was generated from the sale of locally driven advertising, network compensation payments and other miscellaneous transactions, including Regent's Interactive initiative discussed above, which focuses on generating advertising revenues via the internet. The remaining 10.7 percent was generated from the sale of national advertising. The major

categories of Regent's advertisers include automotive, retail, telecommunications and entertainment.

31. During the year ended December 31, 2008, broadcast revenues (excluding barter) for Regent decreased 1.6 percent, to approximately $92.8 million from approximately $94.3 million in 2007. During the year ended December 31, 2009, preliminary broadcast revenues (excluding barter) for Regent decreased 13.3 percent to approximately $80.5 million.

v. Company History

32. Regent Communications was incorporated in Delaware in November 1996 by William L. Stakelin and Terry S. Jacobs with the objective of acquiring radio properties, primarily in medium and smaller radio markets, that have a history of growing revenues and broadcast cash flow, have capable operating management and are in communities with good growth prospects or have attractive competitive environments. Regent Communications acquired its first radio station in 1997. Since 1997, Regent Communications grew its operations both internally and through acquisitions of stations that serve mid-sized markets to 62 radio stations in 13 markets.

33. From 1997 until the consummation of the Faircom merger described below, Regent Communications and certain of its subsidiaries engaged in limited operations consisting principally of the ownership and operation of one AM radio station and the operation of 24 other radio stations under time brokerage agreements.

34. On June 15, 1998, Regent Communications consummated a merger with Faircom Inc. ("**Faircom**"), pursuant to which Faircom became a wholly-owned subsidiary of Regent Communications and Regent Communications expanded its operations to 31 radio

stations in 9 markets. Following the merger, Regent Communication 's pre-merger stockholders owned approximately 59.8 percent of the outstanding capital stock of Regent Communications, Faircom's pre-merger common stockholders and option holders owned approximately 13.2 percent of the outstanding capital stock of Regent Communications, and approximately 27.0 percent was owned by holders of the Faircom subordinated notes or their assignees. In addition, upon consummation of the merger Regent Communications became subject to the reporting requirements of the Exchange Act of 1934, as amended.

35. On January 25, 2000, Regent Communications completed an initial public offering of 16,000,000 shares of common stock at $8.50 per share. On April 29, 2002, Regent Communications sold an additional 7,500,000 shares at $7.50 per share.

B. OVERVIEW OF THE PREPETITION CAPITAL STRUCTURE

36. As of the date hereof, Regent has prepetition indebtedness of approximately $204.7 million, all of which is secured debt (collectively, the "**Secured Debt**"). The following chart summarizes Regent's approximate prepetition indebtedness:

Financing	Original Amount	Principal Amount (estimated as of the Petition Date)	Unpaid Amounts[5]	Accrued Interest (estimated as of the Petition Date)	Total Outstanding Amount (estimated as of the Petition Date)	Maturity Date	Security
Revolving Credit Facility[6]	$75,000,000	$40,500,000 (funded)	$689,832	$443,673	$41,633,505	November 21, 2013	Secured
Term Loan (Delayed Draw)	$50,000,000	$41,386,000	$659,058	$424,770	$42,469,828	November 21, 2013	Secured
Term Loan B	$115,000,000	$105,844,000	$1,618,108	$1,042,235	$108,504,343	November	Secured

[5] All amounts as of December 31, 2009, except for the interest swap agreement, which is as of January 12, 2010, the date of the swap termination.

[6] Includes commitment and letter of credit fees, comprising $44,883 of unpaid amounts and $27,996 of accrued interest (estimated as of the Petition Date).

Financing	Original Amount	Principal Amount (estimated as of the Petition Date)	Unpaid Amounts[5]	Accrued Interest (estimated as of the Petition Date)	Total Outstanding Amount (estimated as of the Petition Date)	Maturity Date	Security
						21, 2013	
Interest Swap Agreement	N/A	$10,797,978	$1,269,372	$35,012	$12,102,362	Terminated January 12, 2010	Secured
Total	$240,000,000	$198,527,978	$4,236,370	$1,945,690	$204,710,038	N/A	Secured

i. ***The Secured Debt***

37. Regent's Secured Debt consists of: (a) a $75 million seven-year revolving credit facility including commitment and letter of credit fees (the "**Revolver**")[7] due November 21, 2013; (b) a $50 million seven-year delayed draw term loan (the "**Delayed Draw Term Loan**") due November 21, 2013; and (c) a $115 million seven-year term loan B (the "**Term Loan B**") due November 21, 2013. As of the date hereof, approximately $204,710,038 in Secured Debt is outstanding. This balance includes approximately $41,633,505 outstanding on the Revolver (including approximately $72,879 of outstanding letter of credit and commitment fee obligations), approximately $42,469,828 outstanding on the Delayed Draw Term Loan, approximately $108,504,343 outstanding on the Term Loan B and approximately $12,102,362 of outstanding swap obligations.

38. The Secured Debt is memorialized by that certain Credit Agreement (as amended, restated, and modified as of the date hereof, the "**Prepetition Credit Agreement**"), dated as of November 21, 2006, by and among Regent Broadcasting, LLC, as borrower, Regent

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7 The availability under the Revolver was reduced to $150 million and later to $140 million pursuant to certain amendments to the Prepetition Credit Agreement (as defined below).

Communications, as parent company and guarantor, Bank of America, N.A., as administrative agent (the "**Prepetition Agent**") and various lenders party thereto (the "**Prepetition Lenders**").

39. The obligations under the Prepetition Credit Agreement are unconditionally guaranteed by Regent Communications and certain of Regent Communications' operating subsidiaries (collectively, the "**Subsidiary Guarantors**").[8] The debt issued under the Prepetition Credit Agreement is secured by a first priority security interest in substantially all of Regent Communication's, Regent Broadcasting, LLC's and the Subsidiary Guarantors' assets other than certain assets as permitted by the Prepetition Credit Agreement and as set forth in the Cash Collateral Motion (defined below).

40. On or about April 1, 2009, an event of default occurred as a result of Regent's failure to comply with certain financial covenants in the Prepetition Credit Agreement. On December 31, 2009, Regent Broadcasting, LLC, failed to make a required principal repayment of the Term Loan B and the Delayed Draw Term Loan in the aggregate amount of $1,454,000, the required interest payment due under the Prepetition Credit Agreement in the amount of $2,967,976 and the required swap agreement interest payment of $1,269,372.

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[8] The Subsidiary Guarantors in these cases are: Regent Broadcasting Management, LLC, a Delaware limited liability company; Regent Broadcasting Midwest, LLC, a Delaware limited liability company; Regent Broadcasting of Albany, Inc., a Delaware corporation; Regent Broadcasting of Bloomington, Inc., a Delaware corporation; Regent Broadcasting of Buffalo, Inc., a Delaware corporation; Regent Broadcasting of Chico, Inc., a Delaware corporation; Regent Broadcasting of Duluth, Inc., a Delaware corporation; Regent Broadcasting of El Paso, Inc., a Delaware corporation; Regent Broadcasting of Erie, Inc., a Delaware corporation; Regent Broadcasting of Evansville/Owensboro, Inc., a Delaware corporation; Regent Broadcasting of Flint, Inc., a Delaware corporation; Regent Broadcasting of Ft. Collins, Inc., a Delaware corporation; Regent Broadcasting of Grand Rapids, Inc., a Delaware corporation; Regent Broadcasting of Lafayette, LLC, a Delaware limited liability company; Regent Broadcasting of Lancaster, Inc., a Delaware corporation; Regent Broadcasting of Mansfield, Inc., a Delaware corporation; Regent Broadcasting of Peoria, Inc., a Delaware corporation; B&G Broadcasting, Inc., a Delaware corporation; Regent Broadcasting of Redding, Inc., a Delaware corporation; Regent Broadcasting of St. Cloud II, Inc., a Minnesota corporation; Regent Broadcasting of St. Cloud, Inc., a Delaware corporation; Regent Broadcasting of Utica/Rome, Inc., a Delaware corporation; Regent Broadcasting of Watertown, Inc., a Delaware corporation; Regent Broadcasting West Coast, LLC, a California limited liability company; Regent Licensee of Chico, Inc., a Delaware corporation; Regent Licensee of Erie, Inc., a Delaware corporation.

ii. ***Swap Agreements***

41. Regent Broadcasting, LLC ("**Regent Broadcasting**") is party to several interest swap agreements, which were entered into in 2006 in an effort to manage the Company's exposure to the variability of future cash flows related to its floating interest rate obligations under the Prepetition Credit Agreement. The swap agreements are memorialized by: (a) in respect of interest swap agreements with Bank of America, N.A. ("**BOA**") (i) a Confirmation, dated December 16, 2006, whereby Regent Broadcasting pays a quarterly fixed amount to BOA and BOA pays a quarterly floating amount based on a $25,500,000.00 notional amount as of December 15, 2009 and (ii) a Confirmation, dated December 4, 2006, whereby Regent Broadcasting paid a quarterly fixed amount to BOA and BOA paid a quarterly floating amount based on a $27,887,500.00 notional amount as of December 31, 2009; (b) in respect of interest swap agreements with SunTrust Bank ("**SunTrust**") (x) an ISDA Master Agreement, dated as of August 27, 2003, between SunTrust and Regent, as supplemented by the ISDA Schedule to the Master Agreement, dated as of December 12, 2006, (y) the Confirmation of Swap Transaction, dated December 15, 2006, whereby Regent Broadcasting paid a quarterly fixed amount to SunTrust and SunTrust paid a quarterly floating amount based on a $17,000,000.00 notional amount as of December 15, 2009, and (z) the Confirmation of Swap Transaction, dated December 4, 2006, whereby Regent Broadcasting paid a quarterly fixed amount to SunTrust and SunTrust paid a quarterly floating amount based on a $55,775,000.00 notional amount as of December 31, 2009; and (c) in respect of interest swap agreements with Bank of Montreal ("**BMO**") (1) an ISDA Master Agreement, dated as of January 12, 2007, between BMO and Regent Broadcasting, as supplemented by the ISDA Schedule to the Master Agreement, dated as of January 12, 2007 and (2) the Confirmation, dated December 5, 2006, whereby Regent Broadcasting paid a quarterly fixed amount to BMO and BMO paid a quarterly

floating amount based on a $27,887,500.00 notional amount as of December 31, 2009 (collectively, the "**Swap Agreements**").

42. The Swap Agreements were terminated in letters received from BMO, BOA and SunTrust in January of 2010 which calculated termination amounts totaling $12,067,350 (the "**Termination Amounts**") as of January 12, 2010 (the "**Swap Early Termination Date**"). The Termination Amounts from BMO include $2,297,281 of settlement amounts on the terminated transactions and $317,281 of unpaid amounts owed prior to the termination date. The Termination Amounts from BOA include $4,003,281 of settlement amounts on the terminated transactions and $317,281 of unpaid amounts owed prior to the termination date. The Termination Amounts from SunTrust include $5,766,787 of settlement amounts on the terminated transactions and $634,809 of unpaid amounts owed prior to the termination date. The Termination Amounts from each party accrue interest payable at the Applicable Rate in their respective Master Agreements. (The Applicable Rate in each of the respective agreements is a formula based upon (a) the one month BBA LIBOR daily floating rate, (b) an internal cost of capital for each bank and (c) a 1.0% margin. For purposes of this First Day Declaration, the total interest rate payable is assumed to be 2.25% per annum, applied to the outstanding amounts on the basis of daily compounding and the actual number of days elapsed.)

43. As of December 31, 2009, the notional amount of the Swap Agreements was $9,344,317.

C. EVENTS LEADING TO THE CHAPTER 11 FILINGS

44. Over the past year, Regent has experienced declining profitability as a result of the cyclical economic downturn and secular changes in the industry. Regent, like its competitors, derives substantially all of its revenue from advertising. For this reason, the

financial crisis, with its particular impact on consumer-driven segments, has had a significant negative impact on advertising. Significant sources of Regent's advertising revenues relate to several beleaguered consumer-driven sectors (*e.g.*, auto, financial services and entertainment). In addition, advertising has decreased due to secular factors such as the shift in advertising expenditures to online media.

45. Regent's intangible assets consist principally of the value of FCC licenses ("**FCC Licenses**") and the excess of the purchase price over the fair value of net assets of acquired radio stations ("**Goodwill**"). In conjunction with Regent's 2007 annual impairment testing of Goodwill and indefinite-lived intangible assets, Regent determined that the fair value of Goodwill and FCC Licenses for certain markets was less than the carrying values recorded in Regent's financial statements. As a result, Regent recorded an impairment charge of approximately $163.6 million in the fourth quarter of 2007. The FCC License and Goodwill impairment was due to a combination of factors, including the adjustment of certain metrics used to measure the discounted cash flow utilized in the valuation, and the adjustment of cash flow multiples to reflect current industry conditions.

46. Based on deteriorating national economic conditions and volatility in the equity markets, Regent performed an analysis for potential impairment of its indefinite-lived intangible assets and Goodwill during the third quarter of 2008. Based primarily upon declining radio station transaction multiples, decreases in common stock price, and changes in the cost of capital, Regent determined that the fair value of Goodwill and FCC Licenses for certain broadcast markets was less than the carrying values recorded in Regent's financial statements. Consequently, Regent recorded estimated pre-tax impairment charges of

approximately $67.5 million against FCC Licenses and Goodwill during the third quarter of 2008.

47. Based on deteriorating economic conditions, volatility in the equity markets, and operating results for the quarter, Regent performed an additional analysis for potential impairment of indefinite-lived intangibles and Goodwill during the first quarter of 2009. Based primarily upon material changes in future revenue and cash flow projections, Regent determined that the fair value of Goodwill and FCC Licenses for certain markets was less than the carrying value recorded in the financial statements. Consequently, during the first quarter of 2009 Regent recognized pre-tax impairment charges of approximately $25.6 million for FCC Licenses and approximately $6.2 million for Goodwill.

48. Regent's highly leveraged capital structure, the effects of the economic downturn beginning in 2008 (which has continued through 2009) and secular factors forced Regent to consider a variety of options to delever its balance sheet and address the continuing impact on the company. These factors, combined with a decline in operating performance, resulted in Regent's inability to continue to comply with the debt and financial covenants in its Prepetition Credit Agreement.

49. Regent, together with its advisors, explored several strategic alternatives, including a potential recapitalization through and/or sale to an outside sponsor(s), an amendment or a standalone reorganization. A formal marketing process to financial investors was launched by Oppenheimer in June 2009. After discussions with Regent, the Prepetition Agent and the Prepetition Lenders, Oppenheimer contacted 13 potential financial investors with significant knowledge and experience in the radio industry. Of these potential financial investors, nine executed confidentiality agreements and were provided with a confidential

information memorandum that included Regent's financial information for the years 2005 through 2009, as well as various other financial details regarding Regent's business.

50. Regent received 11 initial indications of interest and three parties submitted formal term sheets. Oppenheimer presented the indications of interest to the Prepetition Agent and formally presented the most attractive proposal to the lenders on a lender conference call facilitated by the Prepetition Agent. After considering the various offers and discussing them with Regent's board of directors, their advisors and the Prepetition Agent, Regent determined that a sale of their businesses or third-party sponsor investment at the levels of interest indicated would not result in the maximization of value of these estates. In December 2009, Regent instructed Oppenheimer to expand the marketing effort to include potential strategic buyers who could effectuate an outright purchase of the Company. Oppenheimer had discussions with 11 potential strategic buyers. These conversations resulted in one confidentiality agreement, three indications of interest and one term sheet. There were no indications of interest to acquire the Company as a whole; however, there were indications of interest for select markets and a term sheet for a management contract by a competitor. Concurrent with the strategic process, Regent and its advisors pursued amendment and standalone reorganization alternatives with the Prepetition Agent, Prepetition Lenders and additional capital sources. In January 2010, Regent and its advisors determined that a standalone restructuring could be effectuated that would be the most attractive value proposition to all affected parties. After much back and forth, including the resolution of several complicated legal issues, one of which relates to restrictions that arise in connection with the prepetition lenders owning interests in an FCC-regulated entity, Regent and holders of at least 76.3 percent of the principal amount of the loans outstanding under the Prepetition

Credit Agreement and Specified Swap Agreements have agreed on the framework of a chapter 11 plan of reorganization, which will result in the elimination of approximately $86.7 million in indebtedness.

51. The commencement of the Chapter 11 Cases affords Regent the opportunity to adjust its debt levels and capital structure in a manner that is commensurate with its projected cash flows. Regent expects to accomplish this goal through a process that will be consensual and that has the support of its key constituents.

52. Regent's restructuring efforts are designed to result in greater profitability for Regent and to solidify its position as the market leader in the various markets in which it operates. Regent expects to expeditiously emerge from chapter 11 having rationalized its capital structure by reducing debt to levels commensurate with its cash flow generating capacity and industry norms. Reducing leverage should create financial flexibility for future operating requirements and capital expenditures, improve liquidity, and enable the Company to effectively serve the public interest in accordance with its obligations as an FCC licensee.

53. As a result, for the foregoing reasons, Regent has concluded that it is in the best interests of its businesses, creditors and stakeholders to commence these Chapter 11 Cases to, among other things, implement the pre-negotiated restructuring agreement entered into with the Prepetition Lenders and effectuate a significant restructuring of Regent's outstanding indebtedness.

PART II

54. In furtherance of the objective of successfully reorganizing, the Debtors have sought approval of the First Day Motions and related orders (the "**Proposed Orders**"), and respectfully request that this Court consider entering orders granting such First Day Motions. For the avoidance of doubt, the Debtors seek authority, but not direction, to pay amounts or satisfy obligations with respect to the relief requested in any of the First Day Motions.

55. I have reviewed each of the First Day Motions and Proposed Orders (including the exhibits thereto), and the facts set forth therein are true and correct to the best of my knowledge, information, and belief. Moreover, I believe that the relief sought in each of the First Day Motions (a) is vital to enable the Debtors to make the transition to, and operate in, chapter 11 with a minimum of interruption or disruption to its businesses or loss of productivity or value and (b) constitutes a critical element in achieving the Debtors' successful reorganization. Unless this "first day" relief is granted, I believe the Debtors' business operations will suffer significant consequences because parties may refuse to continue to provide services to, or do business with, the Debtors.

56. Several of the First Day Motions request authority to pay certain prepetition claims. I am told by my advisors that rule 6003 of the Federal Rules of Bankruptcy Procedures provides, in relevant part, that the Court shall not consider motions to pay prepetition claims during the first 21 days following the filing of a chapter 11 petition, "except to the extent relief is necessary to avoid immediate and irreparable harm." In light of this requirement, and as set forth below, the Debtors have narrowly tailored their requests for immediate authority to pay certain prepetition claims into those circumstances where the failure

to pay such claims would cause immediate and irreparable harm to the Debtors and their estates. Other relief will be deferred for consideration at a later hearing.

D. ADMINISTRATIVE AND PROCEDURAL MOTIONS

i. Joint Administration Motion

57. The Debtors seek the joint administration of their Chapter 11 Cases, forty-eight in total, for procedural purposes only. Many of the motions, hearings, and other matters involved in these Chapter 11 Cases will affect all of the Debtors. Thus, I believe that the joint administration of these cases will avoid the unnecessary time and expense of duplicative motions, applications, orders and other pleadings, thereby saving considerable time and expense for Regent and resulting in substantial savings for its estates.

ii. Scheduling Motion

58. The Debtors request entry of an order (the "**Scheduling Order**") (a) scheduling the Disclosure Statement Hearing, (b) scheduling the Confirmation Hearing, (c) fixing certain dates related thereto and (d) approving the manner and forms of notice of the Disclosure Statement Hearing and Confirmation Hearing.

59. The Debtors recognize that the proposed confirmation timeline is an expedited timeline. However, the Debtors' request that the Disclosure Statement Hearing occur on April 1, 2010 and the Confirmation Hearing occur on April 8, 2010 is supported by the unique facts and circumstances of these cases, and is in the best interest of the Debtors' creditors. As noted above, certain of the Debtors' Prepetition Lenders who hold more than 76.3 percent of the outstanding First Lien Debt Claims participated in the negotiations that gave rise to the Plan. These key creditors support the Plan, as evidenced by the Restructuring Support Agreement, and the Debtors' efforts to obtain confirmation of the Plan as soon as possible.

60. Additionally, the Debtors note that the expedited confirmation of the Plan will not harm their unsecured creditors. Some of the Debtors' general unsecured creditors will be paid on account of their prepetition claims pursuant to the first day orders entered in these Chapter 11 Cases. Those unsecured creditors whose claims will not be satisfied pursuant to the first day orders will benefit from an expedited confirmation process, since it will enable the Debtors to make distributions to those creditors as soon as possible.

61. The proposed confirmation schedule affords creditors, interest holders, and all other parties in interest ample notice of the confirmation proceedings. All such parties will receive notice of their treatment in these Chapter 11 Cases and will be provided an opportunity to obtain a copy of the Plan and Disclosure Statement with sufficient time to evaluate the documents prior to the proposed Disclosure Statement and Confirmation Hearing. No party in interest will be prejudiced by the relief requested herein.

iii. Retention Applications

62. The retention of chapter 11 professionals is essential to the Debtors' reorganization efforts. Accordingly, during the filing of these Chapter 11 Cases, the Debtors anticipate that they will request permission to retain, among others, the following professionals: (a) Latham & Watkins, LLP as co-counsel; (b) Young Conaway Stargatt & Taylor, LLP as co-counsel; (c) Oppenheimer & Co. Inc., as investment banker and financial advisor; (d) Ernst &Young, LLP, as tax advisors, (e) Kurtzman Carson Consultants LLC, as noticing, claims and balloting agent; and (f) Financial Resource Associates Inc., as restructuring consultant and financial advisor. I believe that the above professionals are well qualified to perform the services contemplated by their various retention applications, the services are necessary for the Debtors' reorganization, and the professionals will coordinate their services to avoid

duplication of efforts. I understand that the Debtors may find it necessary to seek retention of additional professionals as these Chapter 11 Cases progress.

iv. Equity Securities Trading Motion

63. The Equity Securities Trading Motion seeks the entry of an order establishing notice and hearing procedures that must be satisfied before certain transfers of equity securities in Regent Communications, or of any beneficial interest therein, are deemed effective. The Debtors' have approximately $120 million in net operating loss carryforwards ("**NOLs**") and approximately $125 million in unrealized built-in losses ("**Built-in Losses**") that can be carried forward as valuable tax attributes (the "**Tax Attributes**") because these NOLs and Built-in Losses can be used to offset income generated during the Chapter 11 Cases and in tax years thereafter, subject to certain limitations. These Tax Attributes could ultimately add up to significant federal tax savings for the Debtors.

64. It is critical to the Debtors that they are able to preserve these Tax Attributes to avoid irreparable harm caused by unrestricted trading in Regent Communications' equity securities against the Debtors, which could result in the Debtors' inability to utilize their NOLs and significant limitations imposed on their ability to recognize the Built-in Losses. I believe that if the Debtors filed the Equity Securities Trading Motion in accordance with the usual notice procedures set forth in the Bankruptcy Rules, it is likely that a flurry of trading of equity securities of the Debtors could immediately follow. Parties holding such equity securities might rush to transfer their equity securities before the restrictions on such trading are imposed by this Court. Such trading would put the Tax Attributes in jeopardy. Notably, the Debtors only request this limit for those potential stock trades that pose a risk of an ownership change (as that term is defined in the Equity Securities Trading Motion).

v. Cash Collateral Motion

65. The Debtors seek entry of an order (a) authorizing the use cash collateral on an interim basis pursuant to Sections 361 and 363 of the Bankruptcy Code pending a final hearing; (b) approving the form of adequate protection to be provided to the Debtors' Prepetition Lenders pursuant to Sections 361, 362, 363 and 364 of the Bankruptcy Code; (c) prescribing the form and manner of notice and setting the time for the final hearing to consider entry of a final order authorizing the relief provided in the interim order on a permanent basis; and (d) granting related relief. As described below, I believe the relief sought in the Cash Collateral Motion is essential and in the best interests of the Debtors' estates.

66. The use of cash collateral on an interim basis is necessary to avoid immediate and irreparable harm to the Debtors pending the final hearing. Such use of cash collateral has been negotiated in good faith and at arm's length among the Debtors and the Requisite Consenting Lenders. The Prepetition Lenders have consented to the Debtors' use of cash collateral in the ordinary course of business pursuant to terms detailed in the Cash Collateral Motion and as provided in the Interim Order attached thereto in exchange for the Debtors providing adequate protection against any diminution in value of the Prepetition Lenders' interests in the Prepetition Collateral. The Debtors have agreed to provide the Prepetition Lenders with various forms of adequate protection. As more completely set forth in the Cash Collateral Motion, the Debtors will provide the Prepetition Lenders with the following adequate protection: (a) the Adequate Protection Liens; (b) the Administrative Claim; (c) the payment of reasonable professional fees; (d) the Excess Cash payment; and (e) the Reporting Requirements.

67. As of the Petition Date, the Debtors have approximately $5,000,000 in unrestricted cash. All of the unrestricted cash amount was derived from loan proceeds and not proceeds of Prepetition Collateral and hence constitutes unencumbered cash (the "**Unencumbered Cash**"). Subject to the entry of a Final Order, the Prepetition Lenders have agreed to treat the Unencumbered Cash as cash collateral, subject to the Prepetition Liens and Adequate Protection Liens.

68. The Debtors have in good faith prepared a thirteen-week rolling cash flow budget acceptable to the Requisite Consenting Lenders and have agreed to limit expenditures (exclusive of professional fees and expenses in excess of the budget, other than the Debtors' professional fees and expenses) in accordance with the budget, measured on a cumulative basis and with a permitted variance of 10%. As part of complying with the budget, the Debtors, without prior Court approval, have agreed not to incur any expenses postpetition other than (i) professional fees; restructuring-specific costs and expenses; and/or (ii) expenses as would have been incurred prepetition in the ordinary course of business for the Debtors. Further, the Debtors have agreed to maintain, on a weekly basis a minimum cash balance (after adding back the amount of any fees and expenses of non-Debtor professionals in excess of the budget) of not less than eighty percent (80%) of the lowest weekly "ending cash" balance amount for each month as set forth in the budget, and in any event to maintain a minimum cash balance of not less than $5,000,000.

69. I believe that the relief sought in the Cash Collateral Motion is essential for the Debtors to be able to finance their ongoing operations during the Chapter 11 Cases and is critical to the Debtors' successful reorganization.

E. BUSINESS OPERATION MOTIONS

vi. On-Air Talent Motion

70. The Debtors seek an order authorizing, but not directing, the Debtors to pay or honor prepetition claims and obligations due and owing to the Debtors' On-Air Talent in the ordinary course of their business. The Debtors employ a host of employees and independent contractors in connection with producing their radio programming, including, without limitation, on-air radio personalities and program hosts, program directors, and program producers (the "**On-Air Talent**"). The Debtors estimate that the On-Air Talent includes approximately 67 individuals. The Debtors' On-Air Talent includes significant local celebrities that form a key part of the Debtors' appeal to listeners and advertisers. I believe that the On-Air Talent is critical to the Debtors' businesses and viability.

71. Many listeners tune in to the Debtors' radio stations to listen to specific On-Air Talent, and, as a result, the On-Air Talent directly impacts the desire of advertisers to advertise on the Debtors' radio stations. Thus, if the On-Air Talent does not perform services for the Debtors, and listener volume drops, advertising pricing will drop or advertisers will choose not to advertise with the Debtors, resulting in a direct impact on the Debtors' revenues to the detriment of all parties in interest.

72. Most of the On-Air Talent have contracts with the Debtors (the "**Talent Contracts**") that range from one to five years, often with options that the Debtors may exercise to extend the contract. The Talent Contracts provide for payment to the On-Air Talent on a salary or fixed fee basis, which is paid as part of the Debtors' normal compensation cycle. Additionally, many of the Talent Contracts provide bonuses based on (i) the ratings that the applicable program generates within a particular demographic audience in the relevant

geographic area, as measured by Arbitron, Inc. (a media and market research firm) ("**Arbitron**"), or (ii) other performance-based milestones as outlined in the Talent Contracts, such as station ratings, revenue goals, awards, or other forms of professional recognition.

73. As of the Petition Date, the Debtors owe the On-Air Talent approximately $27,115 in normal compensation in the aggregate. Additionally, the Debtors owe the On-Air Talent for bonuses that were earned prepetition but that the Debtors will not be in a position to calculate until the end of the current quarter after Arbitron publishes ratings. Based on results from previous quarters, the Debtors estimate that the bonuses owed to the On-Air Talent as of the Petition Date will be approximately $65,000 in the aggregate. On-Air Talent is critical to the Debtors' successful reorganization, and I believe that the Debtors would be unable to operate absent the uninterrupted service of the On-Air Talent.

vii. Cash Management Motion

74. The Debtors have approximately $10.5 million cash on hand as of the Petition Date. The Debtors seek an order (I) authorizing the continued use of the Debtors' existing (a) bank accounts, (b) cash management system, and (c) business forms and checks; (II) authorizing the continuation of intercompany transactions among the Debtors and according superpriority status to all postpetition intercompany claims; and (III) waiving the investment and deposit requirements of 11 U.S.C. § 345(b). As described below, I believe the relief sought in the Cash Management Motion is essential and in the best interests of the Debtors' estates.

75. Bank Accounts. Prior to the commencement of these cases, in the ordinary course of business, the Debtors maintained approximately 44 bank accounts (the "**Bank Accounts**") at National City Bank, US Bank, Fifth Third Bank, Bank of America, HSBC, Wells Fargo, Bank One, Capital One Bank, Chase Bank, Liberty Savings Bank, and

M&T Bank. The Bank Accounts include those maintained, among others, as concentration accounts, payroll accounts, disbursement accounts and lockbox accounts.

76. The Debtors routinely deposit, withdraw, and otherwise transfer funds to, from, and between the Bank Accounts by various methods including checks (which the Debtors print themselves), automated clearing house ("**ACH**") transactions, electronic funds transfers and direct deposits. The Debtors generate thousands of checks per month from the Bank Accounts. I believe that the Bank Accounts are generally in financially stable banking institutions with the Federal Deposit Insurance Corporation ("**FDIC**"), the Federal Savings and Loan Insurance Corporation ("**FSLIC**"), or other appropriate government-guaranteed deposit protection insurance.

77. Furthermore, the Bank Accounts are part of a carefully constructed and complex, automated cash-management system (described more fully below) that ensures the Debtors' ability to efficiently monitor and control all of their cash receipts and disbursements. Closing the existing Bank Accounts and opening new accounts inevitably would disrupt the Debtors' businesses and result in delays impeding the Debtors' ability to transition smoothly into chapter 11, and would likewise jeopardize the Debtors' efforts to successfully reorganize in a timely and efficient manner.

78. In my opinion, it is thus essential that the Debtors be permitted to continue to maintain their existing Bank Accounts and, if necessary, open new accounts (and give notice to the U.S. Trustee of such newly opened accounts), wherever they are needed, irrespective of whether such banks are designated depositories in the District of Delaware; provided, however, that any new bank account opened by the Debtors will be with a bank that is insured by the FDIC or the FSLIC and organized under the laws of the United States of

America or any state therein and shall be designated a "debtor-in-possession" or "DIP" account by the respective bank. The Debtors request that the Bank Accounts be deemed to be debtor-in-possession accounts, and that their maintenance and continued use, in the same manner and with the same account numbers, styles, and document forms as those employed during the prepetition period, be authorized.

79. Cash Management System. In order to ensure an orderly transition into chapter 11, the Debtors also request authority to continue to use their existing cash management system as required by the Debtors in the ordinary course of business. Prior to the commencement of these cases, the Debtors used a complex, automated and integrated, centralized cash management system to collect, transfer, and disburse funds generated by their operations and to accurately record all such transactions as they are made (the "**Cash Management System**").

80. As described more fully in the Cash Management Motion, the Cash Management System is complex, automated and computerized, and includes accounting controls needed to enable the Debtors, as well as creditors and this Court, if necessary, to trace funds through the system and ensure that all transactions are adequately documented and readily ascertainable. When manual transactions are made in the system, the Debtors closely monitor the accounts to ensure the transactions are appropriately documented.

81. I believe that the cash management procedures utilized by the Debtors are ordinary, usual and essential business practices, and are similar to those used by other major corporate enterprises. The Cash Management System provides significant benefits to the Debtors, including the ability to control corporate funds centrally, segregate cash flows, ensure availability of funds when necessary, and reduce administrative expenses by facilitating the

movement of funds and the development of more timely and accurate balance and presentment information.

82. Requiring the Debtors to adopt new cash management procedures at this critical stage of these Chapter 11 Cases would be expensive, would create unnecessary administrative burdens and problems, and would likely disrupt and adversely impact the Debtors' ability to reorganize successfully. Indeed, requiring Cash Management System changes could irreparably harm the Debtors, their estates and their creditors by creating cash-flow interruptions while systems are changed.

83. Business Forms and Checks. Prior to the Petition Date, in the ordinary course of business, the Debtors used numerous business forms including, but not limited to, letterhead, purchase orders, and invoices.

84. To minimize expenses to their estates, the Debtors also seek authorization to continue using all correspondence and business forms (including without limitation, letterhead, purchase orders, and invoices), without reference to the Debtors' status as debtors-in-possession. I believe that changing correspondence and business forms would be expensive, unnecessary, and burdensome to the Debtors' estates and disruptive to the Debtors' business operations and would not confer any benefit upon those dealing with the Debtors. Moreover, the Debtors print their own checks. Accordingly, I believe it would be appropriate for this Court to authorize the Debtors to use existing checks and business forms without being required to place the label "Debtor-in-Possession" on each, and for the Court to authorize the Debtors to continue to print their own checks.

85. Intercompany Transactions. The Debtors maintain intercompany accounts for the purpose of internal accounting. On a monthly basis, subsidiary Debtors remit

all profits to Regent Communications, Inc. Regent Communications, Inc. makes certain payments on behalf of the subsidiary Debtors and debits the relevant subsidiaries' intercompany accounts. These intercompany transactions (the "Intercompany Transactions") allow the Debtors to efficiently monitor each subsidiary's profitability. As a result of the Intercompany Transactions, the Debtors' books and records reflect prepetition relationships among the Debtors.

86. To ensure that each individual Debtor will not, at the expense of its creditors, fund the operations of another Debtor entity, the Debtors respectfully request that, pursuant to Section 364(c)(1) of the Bankruptcy Code, all intercompany claims against a Debtor by another Debtor arising after the Petition Date as a result of intercompany transactions and allocations be accorded superpriority status, with priority over any and all administrative expenses. The Debtors will continue to maintain records of such transfers, including records of all current intercompany accounts receivable and payable.

87. Investment and Deposit Guidelines. As discussed in the Cash Management Motion, the vast majority of the Debtors' existing bank accounts are zero-balance accounts. I believe that the Debtors' use of the Bank Accounts, including the Investment Accounts, substantially conforms with the approved investment practices I am told are identified in Section 345 of the Bankruptcy Code, and that all deposits and investments into the Investment Accounts and the other Bank Accounts are safe, prudent, and designed to yield the maximum reasonable net return on the funds invested. Nonetheless, out of an abundance of caution, to the extent that such deposits and investments do not conform with the approved investment practices identified in Section 345 of the Bankruptcy Code, the Debtors seek a waiver of such requirements.

viii. Customer Programs Motion

88. The Debtors seek authority, but not direction, to pay prepetition amounts related to the Debtors' practices to develop and sustain positive reputations with their customers and in the marketplace (collectively, the "**Customer Programs**") in the ordinary course of business, and to continue the Customer Programs postpetition.

89. An accurate and detailed description of the significant Customer Programs offered by the Debtors is set forth in paragraphs 12 through 19 of the Customer Programs Motion. These programs include (a) the Value Connection Program (as defined in paragraph 12 of the Customer Programs Motion), (b) cash in advance sales, (c) barter obligations, (d) nontraditional revenue events, and (e) unclaimed prizes.

90. The Debtors estimate that they may owe approximately $3.2 million on account of Customer Obligations as of the Petition Date. Only approximately $1.3 million of this total obligation, however, represents a potential out of pocket cash cost. I believe that absent being afforded the relief requested herein, the Debtors would be unable to effectively maintain their customer relationships, which could cause significant harm to the Debtors, their estates, creditors, and all parties in interest at a time with customer support is critical to the Debtors' operations and restructuring effort.

91. I believe that the uninterrupted maintenance of the Customer Programs is essential to attracting new customers and maintaining existing customer satisfaction. The markets the Debtors operate within are highly competitive, and the Debtors' Customer Programs are integral to their ability to induce customers to purchase advertising on the Debtors' radio stations. Discontinuation of the Debtors' Customer Programs would thus disrupt their business operations, generate adverse publicity and undermine the Debtors' relationship

with their customers. Additionally, I believe that the Debtors' failure to honor their Customer Programs in the ordinary course of business will hinder the Debtors' ability to continue operating during this reorganization. Indeed, the Debtors' continued relationship with customers is one of the key elements for a successful reorganization.

ix. Employee Obligations Motion

92. The Debtors seek, in their discretion and in the exercise of their business judgment, interim and finals orders (I) authorizing, but not directing, the Debtors to (a) pay or otherwise honor the Debtors' various employee-related prepetition obligations; (b) continue postpetition certain of the Debtors' employee benefit plans and programs in effect immediately prior to the filing of these cases; and (c) honor the Debtors' workers' compensation obligations (the foregoing and other similar obligations collectively referred to herein as the "**Employee Obligations**"); (II) confirming that they are authorized, but not directed, to pay any and all local, state, and federal withholding and payroll-related taxes relating to prepetition periods; and (III) directing all banks to receive, process, honor and pay any and all checks drawn on their payroll and general disbursement accounts, whether presented before or after the Petition Date. Pursuant to the Employee Obligations Motion, the Debtors seek an interim order authorizing the payment of Employee Obligations to the extent such Employee Obligations do not exceed $24,281.48. The Debtors also move for the authority to pay all Employee Obligations.

93. The Debtors employ 517 full-time employees and 291 part-time employees (the "Employees"). Of the Debtors' 808 total full and part-time employees, 25 employees are employed at the corporate level (of which 24 are salaried employees and 1 is an hourly employee) (collectively the "**Corporate Employees**"), and 783 are employed at the

market level (collectively the "**Market Employees**"). I believe that the continued and uninterrupted service of the Employees is essential to the Debtors' continuing operations and to their ability to reorganize.

94. To minimize the personal hardship the remaining Employees will suffer if prepetition Employee Obligations are not paid when due, and to maintain the Employees' morale during this critical time, I believe it is imperative that the Debtors be granted the authority, in their sole discretion, to pay the Employee Obligations outlined below and more fully described in the Employee Obligations Motion.

95. Salaries and Wages. The average monthly payroll for the Debtors' Corporate Employees is approximately $196,000. The average monthly payroll for the Debtors' Market Employees is approximately $2.5 million. The Debtors' Employees are paid on a semi-monthly basis. Salaried employees are current as of their pay dates. Hourly and part-time employees are owed wages for the time period from February 21, 2010 to the Petition Date. The Amount owed to hourly and part-time employees is approximately $46,000. Approximately 191 of the Debtors' Market Employees, all of whom are account executives or sales managers, receive commissions as their wages, or as a component of their wages. Commissions were last paid on February 26, 2010. As of the Petition Date, the Debtors anticipate that there will be approximately $46,000 in earned and unpaid salary and $565,000 in earned but unpaid commissions. The Debtors seek authority, but not direction, to pay the prepetition and postpetition amounts owed to Employees on account of salaries, wages, and commissions.

96. Certain of the Debtors' employees who receive commissions as their wages, or as a component of their wages, are owed, or could be owed if certain customer

invoices are paid, amounts in excess of $10,950. The Debtors estimate that approximately 17 Employees could be owed amounts in excess of $10,950. The Debtors estimate that this amount could reach $249,175.09 in the aggregate (assuming that the Debtors receive payment for all outstanding invoices), and that no Employee will be owed more than $24,281.48. No insider is owed an amount for wages in excess of $10,950. The Debtors seek authority to pay these amounts in the ordinary course. The Debtors believe such relief is justified as a result of the critical importance of such sales Employees. Additionally, for Employees in the markets utilizing the "collection" method of payment, as further described in the Employee Obligations Motion, the amounts will only be paid as customer invoices are paid to the estate, and, as a result, the Debtors believe that there is no prejudice in paying the commissions that result from such collections.

97. Independent Contractors. In addition to the Employees described above, the Debtors employ approximately 101 independent contractors (the "**Independent Contractors**") to provide various services including, but not limited to, providing on-air broadcasts and additional audio material for the Debtors' programming, providing technical services relating to broadcasts, security for events, and repair services for the Debtors' broadcasting equipment. Ensuring that the Independent Contractors are paid in the ordinary course just like the Employees is essential to the Debtors' continuing operations and, therefore, to their ability to reorganize. As of the Petition Date, the total accrued but unpaid wages for the Independent Contractors are approximately $9,200 in the aggregate. The Debtors are seeking authorization, but not direction, to pay the prepetition amounts owed to the Independent Contractors and their agencies to ensure the uninterrupted employment of the Independent Contractors with the Debtors.

98. On-Air Talent. The Debtors' key on-air talent consists of both Employees and Independent Contractors. The Debtors' relationship with the On-Air Talent is described in the On-Air Talent Motion.

99. Vacations, Sick Leave, and Holidays. Paragraphs 14 through 15 of the Employee Obligations Motion provide an accurate and detailed description of the Debtors' vacation, sick leave, and holiday policies. The Debtors seek authority to honor all liabilities to their Employees that arose under their vacation, sick leave and holiday vacation policies prior to the Petition Date. The Debtors anticipate that their Employees will utilize any accrued vacation or sick leave in the ordinary course of business, without resulting in any material cash flow requirements beyond the Debtors' normal payroll obligations.

100. Existing Bonus Plan. The Debtors offer incentive bonuses to certain Employee constituencies at the corporate and market levels through a variety of award plans (collectively, the "**Bonus Plans**"). Bonuses may be awarded pursuant to the Bonus Plans for, among other things, achieving certain sales and revenue monthly goals, meeting certain ratings among specific audiences as determined by third party rating agencies, or achieving a specified annual cash flow number. In 2008, Debtors made $1,615,190 in payments to their Employees pursuant to the Bonus Plans. In 2009, the Debtors paid $1,383,066 in payments to their Employees pursuant to the Bonus Plans. As of the Petition Date, 269 Employees were eligible to receive bonuses under the Bonus Plans. The Debtors estimate the bonuses earned but unpaid under the Bonus Plans to be $279,824 in the aggregate as of the Petition Date, owed to approximately 213 Employees. The Debtors seek authority, but not direction, to continue to honor and perform under the existing Bonus Plans set forth above.

101. Long-Term Incentive Plan. Approximately 70 Employees participate in a long-term incentive plan, designed to align the incentives and compensation of such Employees with the success of the Debtors and their shareholders (the "**Long-Term Incentive Plan**"). Under the plan, the Debtors may grant the Employees, at the Debtors' discretion, (a) stock appreciation rights, (b) restricted stock, or (c) options. Restricted shares of Regent are typically distributed each January and also are distributed as employees of an eligible level are hired or promoted. The total number of shares under the Long-Term Incentive Plan is 3.5 million. The Long-Term Incentive Plan was established on August 3, 2005, and expires on the earliest of: (a) the decision of the Board of Directors to terminate the plan, (b) all shares subject to the plan have been purchased or acquired under the terms of the Long-Term Incentive Plan, or (c) August 3, 2015. The Debtors seek authority to honor their obligations to Employees under the Long-Term Incentive Plan.

102. Bonus Payments to Insiders. Certain of the Debtors' officers and directors participate in the Bonus Plans and the Long-Term Incentive Plan. Additionally, certain of the Debtors' officers and directors participate in a senior management bonus plan (collectively, the "**Executive Bonus Programs**"). The Debtors do not seek authority by the Employee Obligations Motion to make payments to insiders (as such term is defined in the Bankruptcy Code) under the Bonus Plans, the Long-Term Incentive Plan, or under the Executive Bonus Programs, by this Motion, and will not make any such payments without further order of the Court.

103. Miscellaneous Payroll Deductions. In addition to the deductions discussed herein, the Debtors deduct certain amounts from their Employees' paychecks to make payments on behalf of Employees for, among other things, court orders, garnishments, child

support, health clubs, and other pre-tax and after-tax deductions payable pursuant to certain miscellaneous employee benefit plans (collectively, the "**Miscellaneous Payroll Deductions**"). The Debtors subsequently forward these deductions to appropriate third party recipients. On average, the Debtors have historically deducted approximately $17,750 in Miscellaneous Payroll Deductions from Employees' paychecks per month. As of Petition Date, approximately $1,000 that was previously deducted from Employees' paychecks has not yet been remitted to the appropriate third party recipients. The Debtors seek authority, but not direction, to continue (a) to remit the funds, and (b) to forward all of the Miscellaneous Payroll Deductions to the appropriate parties.

104. Reimbursable Business Expense Compensation Obligations. In the ordinary course of the Debtors' businesses, many Employees incur a variety of business expenses that are typically reimbursed by the Debtors, pursuant to their normal business practices. The reimbursable business expenses incurred by the Employees include business travel expenses, relocation expenses, education expenses, professional memberships, professional certifications, and other similar items reimbursable under the Debtors' existing policies (collectively, the "**Reimbursable Business Expenses**"). Certain Employees have not yet been reimbursed for Reimbursable Business Expenses previously incurred on behalf of the Debtors primarily because the Debtors filed their chapter 11 petitions in the midst of their regular reimbursement cycle for Reimbursable Business Expenses. All Reimbursable Business Expenses were incurred with the understanding that they would be reimbursed by the Debtors. As of the Petition Date, the Debtors estimate that approximately $13,500 in Reimbursable Business Expenses have been incurred by certain Employees and have not yet been reimbursed

to Employees. The Debtors seek authority, but not direction, to pay all Reimbursable Business Expenses in the ordinary course of business, including those incurred prior to the Petition Date.

105. Health Care Programs. In the ordinary course of their businesses, the Debtors provide medical, dental, and prescription drug coverage, and employee assistance program services, whether through third party insurers or otherwise (the "**Health Care Programs**"). The Debtors' Health Care Programs are primarily provided through self-insured programs administered through third parties. For example, the medical coverage for the Debtors' Employees is provided through self-insured medical plans administered by Anthem Blue Cross & Blue Shield, and dental insurance is provided through self-insured dental plans administered by Guardian Insurance. The Debtors also use Chard, Snyder & Associates to provide flexible spending accounts and dependent care spending accounts. Additionally, the Debtors use Bethesda:CONCERN to provide employee assistance program services. The Health Care Programs are funded through contributions by the Debtors and participating Employees. The Debtors' Employees pay a fixed percentage of the costs of the Health Care Programs on a semi-monthly basis. On average, the Debtors pay approximately $246,250 per month in the aggregate for the Health Care Programs, including claim payments, premiums, and administrative fees. As of the Petition Date, the estimated outstanding but unpaid amount for the Health Care Programs is approximately $46,073.

106. Employee Welfare Programs. In the ordinary course of business, the Debtors also provide long and short-term disability insurance, life insurance, and other related insurance to their Employees (the "**Employee Welfare Programs**"). The Debtors provide self-insured short-term disability benefits ("**Short-Term Disability Benefits**") for the majority of their Employees. The Short-Term Disability Benefits are administered through UNUM. The

Short-Term Disability Benefits are funded entirely through employee payments. The Debtors' deduct approximately $4,475 per month from payroll to fund the Short-Term Disability Benefits. I believe that such amounts are being held in trust for the benefit of those contributing Employees and, therefore, are not property of the Debtors' bankruptcy estates. Nonetheless, out of an abundance of caution, the Debtors seek the approval of this Court to continue this program and reimburse Employees in the ordinary course.

107. The Debtors currently provide self-insured long-term disability benefits ("**Long-Term Disability Benefits**"). The Long-Term Disability Benefits are administered through Guardian. The approximate monthly cost for Long-Term Disability Benefits is $8,367 per month, including premium payments and administration fees.

108. The Debtors provide basic and supplemental life insurance ("**Life Insurance**") to their eligible Employees through Guardian. The Debtors' approximate monthly cost for providing Life Insurance to its Employees is $4,481, including claim payments, premiums, and administration fees.

109. Furthermore, the Debtors provide Employees with flexible spending account plans, pursuant to which 136 Employees currently maintain flexible spending accounts for healthcare and dependent care expenses. Flexible spending accounts are composed entirely of Employee contributions with average monthly Employee payroll deductions of $21,000. The Debtors believe that such amounts are being held in trust for the benefit of those contributing Employees and, therefore, are not property of the Debtors' bankruptcy estates. Nonetheless, out of an abundance of caution, the Debtors seek the approval of this Court to continue this program and reimburse Employees in the ordinary course.

110. On average, approximately 7% is withheld from Employee payroll as the required contributions to the above-mentioned Health Care Programs and Employee Welfare Programs. The percentage withheld varies depending on, among other things, the benefit program elected and the employee group of the benefit recipient.

111. The Debtors seek authority, but not direction, to continue post-petition and to pay all amounts due and owing as of the Petition Date for the Health Care Programs and the Employee Welfare Programs.

112. Workers' Compensation Obligations. Under the laws of the various jurisdictions in which they operate, the Debtors are required to maintain workers' compensation policies and programs and to provide Employees with workers' compensation coverage for claims arising from or related to their employment with the Debtors. Accordingly, the Debtors maintain workers' compensation programs in all states in which they operate pursuant to the applicable requirements of local law. Paragraphs 30 through 31 of the Employee Obligations Motion provide an accurate and detailed description of the Debtors' workers' compensation programs and obligations.

113. Retirement Savings Plan. The Debtors' provide a retirement savings plan (the "**Retirement Savings Plan**") for their Employees. The Retirement Savings Plan is a defined contribution plan under Section 401(k) of the Internal Revenue Code, and is administered by Fidelity Investments. As of the Petition Date, there are 341 Employees participating in the various Retirement Savings Plans. Under the Retirement Savings Plan, the Debtors make deductions from each participating Employee's payroll check and transfer the withheld funds to the plan trustee. The Debtors simultaneously remit the Employees' contributions to the Retirement Savings Plan on the date of each payroll run and, therefore, I

believe that the Employee contributions not yet remitted to the Retirement Savings Plan are negligible as of the Petition Date. The Debtors seek authority, but not direction, to pay amounts owed as of the Petition Date and continue performing under the Retirement Savings Plans.

114. Obligations to Former Employees. As of the Petition Date, there were 19 former Employees receiving COBRA benefits ("**Continued Healthcare Benefits**"). Further, as of the Petition Date, there were 4 former Employees that are eligible but have not yet elected Continued Healthcare Benefits. Therefore, in the event that a severed employee makes such an election after the Petition Date, the Debtors request authority to pay pre-petition and post-petition Continued Healthcare Benefits to such severed Employees. The Debtors' Continued Healthcare Benefits are self-insured and I believe that there is no outstanding liability related to Continued Healthcare Benefits as of the Petition Date.

115. Additionally, the American Recovery and Reinvestment Act of 2009 (the "**ARRA**") provides for an employer subsidy of COBRA premiums for involuntarily terminated employees. Under the ARRA, an employee who becomes eligible for COBRA between September 1, 2008 and February 28, 2010 due to a covered employee's involuntary termination of employment will only be required to pay 35 percent of his or her COBRA premium. The remaining 65 percent of the COBRA premium will be paid for by the employer and then reimbursed by means of a payroll tax credit to the employer. As of the Petition Date, approximately 19 of the Debtors' former Employees elected COBRA and may be eligible for employer subsidized COBRA under the ARRA. As of the Petition Date, the Debtors estimate that there are approximately 4 former Employees who may elect COBRA (and the ARRA subsidy) after receiving notice. The Debtors seek authority to honor all obligations related to COBRA premiums subsidies for eligible individuals under the ARRA.

116. Miscellaneous Programs. The Debtors provide a number of miscellaneous benefits to Employees. For example, the Debtors have a military leave policy, a jury duty policy, and medical leave policy. The Debtors believe that the amounts owing on the Petition Date under all of these and other miscellaneous benefits is de minimis. Therefore, the Debtors seek authority, but not direction, to pay any outstanding prepetition obligations under any of the miscellaneous benefit programs and to continue these benefits postpetition.

117. Administration of Payroll Taxes. As is customary in the case of most large companies, the Debtors utilize the services of ADP to administer their payroll taxes. The administration services cost the Debtors approximately $7,945 per month. Additionally, the Debtors pay a yearly fee, typically in January of each year, for year-end administrative services of approximately $4,849. The Debtors request that they be authorized, but not directed, to pay the various costs incident to maintaining, or paying third parties to maintain and provide, record keeping relating to the various Employee benefit programs identified in the Employee Obligations Motion that may be outstanding as of the Petition Date. The Debtors believe that these unpaid processing costs will be de minimis.

118. Employment and Withholding Taxes. The Debtors accrue, in the ordinary course of business, state, local and federal employment and withholding taxes as wages are earned by the Debtors' Employees. These taxes are calculated based on statutorily mandated percentages of earned wages. Historically the Debtors have timely paid all federal, state and local Employment and Withholding Taxes to the relevant taxing authority, usually on a per pay period basis. The Debtors' payroll taxes, including both the employee and employer portion, for calendar year 2009 were approximately $8.9 million. The Employment and Withholding Taxes constitute so-called "trust fund" taxes which are required to be collected

from third parties and held in trust for payment to the taxing authorities, and thus, are not property of the Debtors' estates under Section 541(d) of the Bankruptcy Code. As of the Petition Date, the Debtors estimate the amount of accrued and outstanding prepetition obligations with respect to the payroll taxes to be $5,800. Accordingly, the Debtors seek the authority to continue to timely pay the Employment and Withholding Taxes with respect thereto.

119. As stated above, the relief requested in the Employee Obligation Motion is necessary and appropriate and is in the best interest of the Debtors' estates, creditors, and other parties-in-interest. In short, I believe that all parties-in-interest will suffer if the Employee Obligations are not paid when due and as expected during this critical time.

x. Tax Motion

120. The Debtors seek authorization, but not direction, to charge and/or pay certain prepetition taxes and fees, including (1) sale and use taxes, (2) franchise and income taxes, (3) fees to the Federal Communications Commission, (4) property taxes against the Debtors' real property and personal property, (5) business license fees and reporting taxes and certain other taxes (collectively, the "**Taxes**") to the respective federal, state and local taxing authorities (the "**Taxing Authorities**") in the ordinary course of the Debtors' businesses. Prior to the Petition Date, the Debtors generally paid their tax obligations as they became due.

121. An accurate and detailed description of the Taxes is set forth in paragraphs 5 through 12 of the Tax Motion. The Debtors' failure to pay the Taxes could cause some states to challenge the Debtors' right to operate within their jurisdiction. Addressing any subsequent action taken by those states would be costly, place an administrative burden on management, and divert management's attention from the reorganization process.

xi. Utilities Motion

122. In the operation of their facilities, the Debtors incur utility expenses for, among other things, water, sewer service, electricity, natural gas, propane, telephone and internet service (collectively, the "**Utility Services**") in the ordinary course of business. These Utility Services are provided by approximately 140 providers (collectively, the "**Utility Providers**").

123. Uninterrupted Utility Services are essential to the Debtors' ongoing business operations and, consequently, to the success of their Chapter 11 Cases. The Debtors depend on the reliable delivery of Utility Services to operate their businesses. I believe that the discontinuation of the Utility Services would irreparably disrupt the Debtors' ability to operate their facilities, which would negatively affect customers, cash flow and, ultimately, value and creditor recoveries. Accordingly, the relief requested in the Utilities Motion is necessary and in the best interests of the Debtors' estates and their creditors.

124. To provide adequate assurance of payment to the Utility Providers, the Debtors propose to deposit a sum equal to $98,960, which is approximately the cost of half a month of the Debtors' Utility Services, calculated as a historical average into an interest-bearing, newly created segregated account within twenty (20) days of the Petition Date. I believe that these assurances are sufficient and that the adequate assurance methods proposed are a reasonable accommodation of the interests of the Utility Companies and the Debtors.

xii. Insurance Policy Motion

125. The Debtors seek authorization, but not direction, to (a) maintain, and to pay all policy premiums and brokers' fees arising under, or in connection with, their various insurance policies (collectively, the "**Insurance Policies**") which the Debtors have obtained

through several third-party insurance carriers (collectively, the "**Insurance Carriers**") and (b) enter into new insurance policies through renewal of the current Insurance Policies or purchase of new postpetition policies. I estimate that in 2009, the insurance brokers' fees paid totaled approximately $102,000. Furthermore, I estimate that, for policies currently in place, the Debtors paid approximately $907,000 in premiums in 2009. As of the Petition Date, the Debtors have fully paid their Insurance Policies and do not owe any prepetition amounts on account of the Insurance Policies.

126. In connection with the operation of their businesses and management of their properties, the Debtors maintain various Insurance Policies. The Insurance Policies include, but are not limited to, coverage for workers' compensation claims, automobile claims, fiduciary liability claims, claims for losses due to crime, directors' and officers' liability, certain general and excess liability claims and various casualty and property-related liabilities. I believe that the third-party claims that are covered by the Insurance Policies are neither unusual in amount, nor in number, in relation to the extent of the business operations conducted by the Debtors.

127. Payment of the Insurance Premiums and Brokers' Commissions. Maintenance of insurance coverage under the various Insurance Policies is essential to the continued operation of the Debtors' businesses and is required under the United States Trustee's Operating Guidelines For Chapter 11 Cases (the "**Operating Guidelines**"), the laws of the various states in which the Debtors operate, and the Debtors' various debt agreements. Thus, I believe that the Court should authorize the Debtors to continue to pay Insurance Policy premiums as such premiums come due in the ordinary course of the Debtors' businesses.

128. The Debtors have been represented in their negotiations with their various insurance underwriters by The Hauser Group. The employment of The Hauser Group as the Debtors' insurance broker has allowed the Debtors to obtain the insurance coverage necessary to operate their businesses in a reasonable and prudent manner and to realize considerable savings in the procurement of such policies. The Hauser Group charges the Debtors a commission on each insurance policy that it brokers for the Debtors. The commissions range between 7 and 15 percent of each insurance premium paid by the Debtors. For bonds, The Hauser Group charges a 30 percent commission on the premium. The average commission paid by the Debtors to The Hauser Group in 2009 was 12.11 percent, and the total payments made by the Debtors to The Hauser Group in 2009 was approximately $102,000. As of the Petition Date, the Debtors have fully paid the Hauser Group and do not owe any prepetition amounts to the Hauser Group. I believe that it is in the best interests of the Debtors' estates and creditors to continue their business relationship with The Hauser Group. Accordingly, the Debtors seek the Court's authorization, but not direction, to continue their prepetition practice of paying brokerage commissions to The Hauser Group in connection with their representation of the Debtors in various ongoing negotiations with the Debtors' insurers.

F. CONCLUSION

129. The Debtors' ultimate goal is to reorganize their financial affairs pursuant to the terms of a confirmed chapter 11 plan. In the near term, however, to minimize any loss of value of their businesses during the restructuring, the Debtors' immediate objective is to maintain a business as usual atmosphere during the early stages of these Chapter 11 Cases, with as little interruption or disruption to the Debtors' operations as possible. I believe that if the Court grants the relief requested in each of the First Day Motions, the prospect for

achieving these objectives and completing a successful reorganization of the Debtors' businesses will be substantially enhanced.

130. I hereby certify that the foregoing statements are true and correct to the best of my knowledge, information and belief, and respectfully request that all of the relief requested in the First Day Motions be granted, together with such other and further relief as is just.

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

Executed this 1st day of March, 2010.

Regent Communications, Inc. et al.
Debtors and Debtors in Possession

/s/
Anthony A. Vasconcellos
Executive Vice President and Chief Financial Officer

EXHIBIT A

Restructuring Support Agreement

RESTRUCTURING SUPPORT AGREEMENT

This RESTRUCTURING SUPPORT AGREEMENT (together with the Term Sheet, as defined below, this "Agreement") is made and entered into as of February 28, 2010, by and among (i) Regent Communications, Inc., a Delaware corporation ("Parent"), Regent Broadcasting, LLC, a Delaware limited liability company ("Regent"), and all of their undersigned subsidiaries and affiliates that may or will be one of the debtors in Regent's voluntary reorganization cases (collectively, the "Company" or the "Debtors," as appropriate) and (ii) the Lenders (defined below) that are signatories hereto (the "Consenting Lenders" and, together with the Company, the "Parties").

Capitalized terms used herein and not otherwise defined have the meanings assigned thereto in the Term Sheet (both as defined herein), as applicable.

WITNESSETH:

WHEREAS, the Company is party to that certain Credit Agreement, dated as of November 21, 2006 (as amended, modified, supplemented, or waived from time to time, the "Credit Agreement"), by and among Regent, as borrower, the guarantors party thereto, Bank of America, N.A. ("BofA"), as administrative agent (in such capacity, the "Administrative Agent"), BofA, as issuing lender (in such capacity, the "Issuing Lender"), and the banks and other financial institutions from time to time party thereto, as lenders (the "Lenders"), providing for a maximum revolving credit facility of $75,000,000 (the "Revolving Credit Facility"), a $115,000,000 initial senior secured Term B Loan (the "Term Facility"), and a senior secured delayed draw term loan facility in the aggregate principal amount of $50,000,000 (the "Delayed Draw Facility", together with the Revolving Facility, the Delayed Draw Facility and the Term Facility, the "Credit Facility"). As of February 28, 2010, the Company is obligated for an aggregate principal amount of $41,633,504 outstanding under the Revolving Credit Facility, $108,504,343 under the Term Facility, and $42,469,828 under the Delayed Draw Facility (such obligations together with the other "Obligations" (as defined in the Credit Facility), collectively, the "Credit Facility Obligations");

WHEREAS, the Company is party to certain Specified Swap Agreements (collectively, the "Specified Swap Agreements"), including: (i) those certain Confirmations dated December 4, 2006 and December 16, 2006, between BofA and Regent Broadcasting, Inc., as amended, (ii) those certain Confirmations of Swap Transactions, dated December 4, 2006 and December 15, 2006, between Suntrust ("Suntrust") and Regent Broadcasting, Inc., as amended, and (iii) that certain Confirmation dated December 5, 2006, and that certain ISDA Master Agreement dated as of January 12, 2007, in each case between Bank of Montreal ("Bank of Montreal" and, together with BofA and Suntrust, the "Swap Counterparties"), and Regent Broadcasting, LLC, as amended. As of February 28, 2010, the Company is obligated for an aggregate principal amount of $12,102,361 under the Specified Swap Agreements (such obligations, collectively, the "Specified Swap Obligations" and, together with the Credit Facility Obligations but without duplication, the "Obligations");

WHEREAS, the Company's boards of directors have determined that a financial restructuring is advisable and in the best interests of their stockholders and creditors;

WHEREAS, the Parties, with the assistance of their legal and financial advisors, have engaged in good faith negotiations with the objective of reaching an agreement with regard to a restructuring of the outstanding indebtedness and liabilities of the Company, in accordance with the terms set forth in this Agreement;

WHEREAS, Exhibit A hereto is a term sheet (as may be amended, supplemented or otherwise modified only with the consent of Consenting Lenders who together hold at least 66 2/3% of the aggregate principal amount of the outstanding Obligations (such Consenting Lenders, the "Requisite Consenting Lenders") in their sole discretion, the "Term Sheet") setting forth the principal terms of a restructuring (the "Restructuring") of all the outstanding indebtedness under the Credit Agreement and the Specified Swap Agreements;

WHEREAS, the Term Sheet is expressly incorporated by reference herein and made a part hereof;

WHEREAS, the Company intends to: (a) to commence voluntary reorganization cases (each a "Chapter 11 Case," and collectively, the "Chapter 11 Cases") under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") to effect the Restructuring through a prenegotiated chapter 11 plan of reorganization, which such plan, including any amendment or modification thereto, shall be in form and substance acceptable to the Requisite Consenting Lenders and the Company and consistent in all respects with this Agreement (the "Prearranged Plan"); and (b) consistent with the terms of this Agreement, file and use reasonable efforts to obtain approval and confirmation, as applicable, of the Prearranged Plan and the accompanying disclosure statement, which such disclosure statement, including any amendment or modification thereto, shall be in form and substance acceptable to the Requisite Consenting Lenders and the Company and consistent in all respects with this Agreement (the "Disclosure Statement");

WHEREAS, each Consenting Lender is the holder of a claim, within the meaning of Section 101(5) of the United States Bankruptcy Code, arising out of or related to the Credit Facility and/or the Specified Swap Agreements, as applicable (each, a "First Lien Debt Claim");

WHEREAS, each Company and each Consenting Lender has reviewed, or has had the opportunity to review, this Agreement with the assistance of their respective legal and financial advisors of their own choosing;

WHEREAS, each Company and each Consenting Lender desires to consent to and support the Restructuring and, if applicable, vote to accept the Prearranged Plan and not otherwise act inconsistent with or impede the support of the Prearranged Plan that implements the terms of the Restructuring; and

WHEREAS, subject to execution of definitive documentation and appropriate approvals by the Bankruptcy Court of the Disclosure Statement and the Prearranged Plan, this Agreement sets forth the terms and conditions of the Parties' respective obligations hereunder.

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

Section 1. Term Sheet. The Term Sheet is incorporated by reference herein and is made part of this Agreement as if fully set forth herein. The general terms and conditions of the Restructuring are set forth in the Term Sheet; provided, however, that the Term Sheet is supplemented by the terms and conditions of this Restructuring Support Agreement. In the event of any inconsistencies between the terms of this Restructuring Support Agreement and the Term Sheet, the Term Sheet shall govern.

Section 2. Support for the Prearranged Plan.

(a) Each Debtor agrees to use its commercially reasonable efforts to: (i) support, complete and do all things necessary and appropriate to implement, and to otherwise take all appropriate action in furtherance of, the transactions embodied in this Agreement, including, without limitation, (A) commencing the Chapter 11 Cases on or before March 1, 2010 (the date of commencement of the Chapter 11 Cases is hereinafter referred to as the "Petition Date"), (B) filing the Prearranged Plan, Disclosure Statement and a motion seeking approval of procedures governing the solicitation of the Prearranged Plan (the "Solicitation Procedures Motion") with the Bankruptcy Court on the Petition Date; (C) obtaining an order of the Bankruptcy Court approving the Solicitation Procedures Motion and Disclosure Statement within thirty-three (33) calendar days of the Petition Date, (D) obtaining a Confirmation Order (defined below) within forty (40) calendar days of the Petition Date, (E) causing the effective date of the Prearranged Plan (the "Effective Date") to occur on or prior to the later of (x) fifteen (15) calendar days after the entry of the Confirmation Order and (y) three (3) business days after the date the Necessary Approval[1] from the Federal Communications Commission (the "FCC") is obtained, and (F) obtaining an order from the Bankruptcy Court approving the use of cash collateral and grant of adequate protection to the Lenders, each as described more fully in Section 7 hereof; (ii) obtain the Necessary Approval as soon as practicable after the Petition Date but in any event on or prior to July 23, 2010; and (iii) take all steps necessary and appropriate to obtain any and all required regulatory and/or third-party approvals for the Restructurings, including, without limitation, (A) filing the short-form FCC approval applications seeking a *pro forma* involuntary assignment of the Company's broadcasting and other FCC-issued licenses (the "FCC Licenses") to the Debtors ("Short-Form FCC Applications") within three (3) business days

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[1] For purposes hereof, "Necessary Approval" shall mean the earliest receipt of (a) FCC approval of transfer of control of the FCC Licenses to the holders of New Equity (as defined in the Term Sheet) issued pursuant to the Prearranged Plan (the "Transfer of Control"), (b) FCC approval of *pro forma* assignment or transfer of control of the FCC Licenses to a trust managed by Jay Meyers (or such other independent trustee acceptable to the Required Lenders (as defined in the Credit Agreement)) (the "Independent Trustee," and such trust, the "Independent Trust") pursuant to a trust agreement acceptable to the Requisite Consenting Lenders (the "Independent Trust Agreement") for the benefit of Reorganized Borrower (or its designee(s)), or (c) FCC approval of *pro forma* assignment or transfer of control of the FCC Licenses to a trust managed by a board comprised of four (4) members of the current board of directors of Parent and three (3) additional individuals, all seven (7) of which shall be selected by the Required Lenders (as defined in the Credit Agreement) (the "Traditional Trustee," and such trust, the "Traditional Trust") pursuant to a trust agreement acceptable to the Requisite Consenting Lenders (the "Traditional Trust Agreement") for the benefit of Reorganized Borrower (or its designee(s)).

of the Petition Date, (B) filing the long-form FCC approval applications seeking FCC consent to the Transfer of Control to the holders of new equity issued pursuant to the Prearranged Plan ("Long-Form FCC Applications") no later than three (3) business days after receipt of approval from the FCC of the Short-Form FCC Applications (or, if later, two (2) business days after the date on which the Requisite Consenting Lenders are prepared to file the Long-Form FCC Applications), (C) filing a motion (the "Independent Trust Motion") with the Bankruptcy Court seeking an order approving the Independent Trust and the Independent Trust Agreement, which order shall be acceptable to the Requisite Consenting Lenders in their sole discretion (the "Independent Trust Order"), within five (5) business days after the Petition Date, (D) filing the short-form FCC approval applications seeking an assignment to the Independent Trust of the FCC Licenses and any related assets designated by the Requisite Consenting Lenders (collectively, the "Independent Trust FCC Application") within three (3) business days after the later of (x) receipt of approval from the FCC of the Short-Form FCC Applications and (y) the date on which the Bankruptcy Court enters the Independent Trust Order, (E) filing the short-form FCC approval applications seeking an assignment to the Traditional Trust of the FCC Licenses and any related assets designated by the Requisite Consenting Lenders (collectively, the "Traditional Trust FCC Application") on the date which is the later of (x) three (3) business days after the entry of the Confirmation Order (as defined in Section 5(a)(5) below) and (y) the thirtieth (30th) calendar day following the filing of the Independent Trust FCC Application, or, if earlier requested by the Requisite Consenting Lenders, within three (3) business days after such request, (F) if requested by the Requisite Consenting Lenders, filing a motion (the "Traditional Trust Motion") with the Bankruptcy Court seeking an order approving the Traditional Trust and the Traditional Trust Agreement, which order shall be acceptable to the Requisite Consenting Lenders (the "Traditional Trust Order"), within five (5) business days after such request, and (G) using commercially reasonable efforts to otherwise support the Short-Form FCC Applications, the Long-Form FCC Applications, the Independent Trust Application, the Independent Trust Motion, the Traditional Trust Motion (if any) and the Traditional Trust FCC Application (if any).

(b) Subject to the terms and conditions of this Agreement and in accordance with the terms hereof, each Debtor agrees to not object, commence any proceeding or otherwise oppose or alter any of the terms of the Prearranged Plan or any other document filed in connection with the confirmation of the Prearranged Plan (each such document, the terms of which shall be reasonably acceptable in all respects to the Requisite Consenting Lenders and the Debtors, a "Reorganization Document") and agrees to not take any action which is inconsistent with, or that would delay approval or confirmation of, the Prearranged Plan, the Disclosure Statement or any of the Reorganization Documents, or that could reasonably be expected to prevent, delay or impede the Restructuring pursuant to the Prearranged Plan or any Reorganization Document.

(c) Subject to the terms and conditions of this Agreement and in accordance with the terms hereof, from the date hereof through the Effective Date, each Debtor agrees that it will operate in the ordinary course of business consistent with past practice and use its commercially reasonable efforts to keep intact the assets, operations and relationships of its business. Each Debtor shall inform the Requisite Consenting Lenders immediately about all occurrences which may have a material adverse effect on the assets, operations or relationships of the Debtors' businesses. In addition to, and not in limitation of, the foregoing, each Debtor hereby covenants and agrees that it shall not, without the consent of the Requisite Consenting

Lenders, extend, amend or renew, or enter into, any contract or other binding commitment or arrangement which (A) is entered into outside the ordinary course of business and requires the Debtors pay an amount in excess of $50,000 in any given twelve month period or (B) is entered into in the ordinary course of business but requires the Debtors pay an amount in excess of $100,000 in any given twelve month period, including, without limitation, (i) any contract, commitment or other binding arrangement, the subject matter of which is not directly used in the operation of any of the Company's radio stations, (ii) any contract, commitment or other binding arrangement with any officer, director, employee, consultant or independent contractor of the Company (except as expressly provided by the Term Sheet), or (iii) any profit sharing, bonus, deferred compensation, savings, insurance, pension, retirement, or other employee benefit plan. For the avoidance of doubt, nothing in this section is intended to, nor shall it, constitute a waiver of the Consenting Lenders' right to object to any such contracts, commitments or other binding arrangements, whether or not prohibited hereunder (except for those agreements to be assumed pursuant to the Term Sheet).

(d) Subject to the terms and conditions of this Agreement and in accordance with the terms hereof, each Consenting Lender agrees to: (i) vote its First Lien Debt Claims to accept the Prearranged Plan by delivering its duly executed and completed ballot accepting the Prearranged Plan, provided, however, that such vote shall be immediately revoked and deemed *void ab initio* upon termination of this Agreement pursuant to the terms hereof; and (ii) not withdraw, change or revoke (or cause to be withdrawn, changed or revoked) its vote with respect to the Prearranged Plan except as otherwise expressly permitted pursuant to subsection (i) above.

(e) Each Consenting Lender agrees to use commercially reasonable efforts to support, complete and do all things necessary and appropriate to implement, and to otherwise use commercially reasonable efforts to take all appropriate action in furtherance of, the transactions embodied in this Agreement, including, without limitation, using commercially reasonable efforts to (i) cause the Effective Date to occur on or prior to the later of (A) fifteen (15) calendar days after the entry of the Confirmation Order and (B) three (3) business days after the Necessary Approval is obtained, (ii) obtain the Necessary Approval on or prior to July 23, 2010, and (iii) take all steps necessary and appropriate to obtain any and all required regulatory and/or third-party approvals for the Restructuring, including, without limitation, using commercially reasonable efforts to support the Short-Form FCC Applications, the Long-Form FCC Applications, the Independent Trust Application, the Independent Trust Motion, the Traditional Trust Motion (if any) and the Traditional Trust FCC Application (if any).

(f) The Parties agree to reasonably cooperate in (i) seeking approval of the Short-Form FCC Applications, the Long-Form FCC Applications, the Independent Trust Application, the Traditional Trust FCC Application (if any), the Independent Trust Motion and the Traditional Trust Motion (if any), (ii) proposing in the Long-Form FCC Applications the assignment to a divestiture trust of any of the Company's radio stations necessary to comply with the FCC's multiple or cross-ownership rules, and (iii) seeking any waiver of the FCC's Rules regarding contingent or inconsistent applications which may be necessary.

(g) Subject to the terms and conditions of this Agreement and in accordance with the terms hereof, each Consenting Lender agrees to not object, commence any proceeding or otherwise oppose or alter any of the terms of the Prearranged Plan or any other Reorganization

Document and agrees to not take any action which is inconsistent with, or that would delay approval or confirmation or assumption of the Prearranged Plan, the Disclosure Statement or any of the Reorganization Documents, or that could reasonably be expected to prevent, delay or impede the Restructuring pursuant to the Prearranged Plan or any Reorganization Document.

(h) Each of the Parties agrees that it will negotiate in good faith (i) the documentation regarding the Restructuring or otherwise contemplated by the Term Sheet, (ii) the Prearranged Plan, and (iii) the other documents contemplated hereby and thereby.

Section 3. Transfer of Claims, Interests, and Securities. Each Consenting Lender individually and severally covenants that, from the date hereof until the termination of this Agreement with respect to such Party, such Party shall not, directly or indirectly, sell, pledge, hypothecate, or otherwise transfer ("Transfer") any First Lien Debt Claims, or any option or right to acquire, or voting, participation, or other interest therein, except to another Consenting Lender or to a purchaser or other entity that represents that it will execute and deliver (and who does so execute and deliver) to the Company and the Consenting Lenders within two business days of settlement of such trade or transfer an agreement in writing (in a form substantially similar to Exhibit B hereto) to assume and be bound by all the terms of this Agreement with respect to the relevant First Lien Debt Claims, or other interests being transferred to such purchaser (which agreement shall include the representations and warranties set forth in this Agreement). The Company shall promptly acknowledge any such trade or transfer in writing and provide a copy of such acknowledgement to the transferor. By its acknowledgement of the relevant trade or transfer, the Company shall be deemed to have acknowledged that their obligations to the Consenting Lender hereunder shall be deemed to constitute obligations in favor of the relevant transferee as a Consenting Lender hereunder. Any Transfer of any First Lien Debt Claim that does not comply with the foregoing shall be deemed *void ab initio*. This Agreement shall in no way be construed to preclude a Party from acquiring additional claims under the Credit Agreement or Specified Swap Agreements, as applicable, or other interests in any Debtor; provided, however, that any such additional claims under the Credit Agreement or Specified Swap Agreements shall automatically be deemed to be subject to all the terms of this Agreement.

Section 4. Representations and Warranties.

(a) Representations and Warranties of Each Party. Each of the Parties severally, but not jointly, represents and warrants to each of the other Parties that the following statements are true and correct as of the date hereof:

(1) Power and Authority. It has all requisite power and authority to enter into this Agreement and to carry out the transactions contemplated by, and perform its respective obligations under, this Agreement.

(2) Authorization. The execution and delivery of this Agreement and the performance of its obligations hereunder have been duly authorized by all necessary action on its part.

(3) No Conflicts. The execution, delivery, and performance by it of this Agreement do not and shall not (i) violate any provision of law, rule, or regulation

applicable to it or its certificate of incorporation, by-laws, or other organizational documents; or (ii) conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any material contractual obligation to which it is a party or under its certificate of incorporation or by-laws (or other organizational documents).

(4) Governmental Consent. The execution, delivery, and performance by it of this Agreement do not and shall not require any registration or filing with, consent or approval of, or notice to, or other action to, with, or by, any Federal, state, or other governmental authority or regulatory body, except: (i) such filings as may be necessary and/or required for disclosure by the FCC, Securities and Exchange Commission and applicable state securities or "blue sky" laws; (ii) any filings in connection with the Chapter 11 Cases, including the approval of the Disclosure Statement and confirmation of the Prearranged Plan; and (iii) in the case of the Company, (A) filings of amended articles of incorporation or formation or other organizational documents with applicable state authorities, and (B) other registrations, filings, consents, approvals, notices, or other actions that are reasonably necessary to maintain permits, licenses, qualifications, and governmental approvals to carry on the businesses of the Company.

(b) Additional Representations and Warranties of the Consenting Lenders. Each of the Consenting Lenders represents and warrants, severally but not jointly, to each of the other Parties that the following statements are true, correct, and complete as of the date hereof:

(1) Ownership. It is: (A) (i) the sole beneficial owner and/or the investment advisor or manager for the beneficial owners of the claims set forth on its signature page attached hereto, having the power to vote and dispose of such claims on behalf of such beneficial owners; and (ii) entitled (for its own account or for the account of other persons claiming through it) to all of the rights and economic benefits of such claims; or (B) otherwise entitled to act on behalf of such claims and/or the beneficial owner or owners and/or investment advisor or manager thereof.

(2) Transfers. It has made no prior assignment, sale, participation, grant, conveyance, or other transfer of, and has not entered into any other agreement to assign, sell, participate, grant, or otherwise transfer, in whole or in part, any portion of its right, title, or interests in the claims that are subject to this Agreement that are inconsistent with the representations and warranties made above or would render such Consenting Lender otherwise unable to comply with this Agreement.

(3) Laws. It is: (A) a sophisticated investor with respect to the transactions described herein with sufficient knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of owning and investing in any securities that may be issued in connection with the Restructuring in accordance with this Agreement, making an informed decision with respect thereto, and evaluating properly the terms and conditions of this Agreement, and it has made its own analysis and decision to enter in this Agreement; and (B) a "qualified institutional buyer" within the meaning of Rule 144A of the Securities Act of 1933, as amended.

Section 5. Termination of the Agreement.

(a) Termination Events. In addition to any termination of this Agreement that may occur pursuant to Section 6 hereof, this Agreement and the obligations of the Parties hereunder may be terminated in accordance with Section 5(b) below in the event of any of the following (each, a "Termination Event"):

(1) the Debtors fail to commence the Chapter 11 Case on or prior to March 1, 2010;

(2) the Debtors fail to file the Prearranged Plan, Disclosure Statement and Solicitation Procedures Motion on the Petition Date;

(3) the Debtors fail to (A) file the Short-Form FCC Applications within three (3) business days after the Petition Date, (B) file the Independent Trust Motion within five (5) business days after the Petition Date, (C) file the Independent Trust FCC Application within three (3) business days after the Bankruptcy Court enters the Independent Trust Order, (D) file the Traditional Trust FCC Application on the date which is the later of (x) three (3) business days after the entry of the Confirmation Order (as defined below) and (y) the thirtieth (30th) calendar day following the filing of the Independent Trust FCC Application, or, if earlier requested by the Requisite Consenting Lenders, within three (3) business days after such request (unless in each case the Necessary Approval has already been obtained and remains in effect), or (E) if requested by the Requisite Consenting Lenders, file the Traditional Trust Motion within five (5) business days after receipt of such request (unless the Necessary Approval has already been obtained and remains in effect);

(4) the Debtors fail to file the Long-Form FCC Applications no later than three (3) business days after receipt of approval from the FCC of the Short-Form FCC Applications (or, if later, two (2) business days after the date on which the Requisite Consenting Lenders are prepared to file the Long-Form FCC Applications);

(5) the order (the "Confirmation Order") (a) confirming the Prearranged Plan and (b) approving all exhibits, appendices, Plan supplement documents and related documents (collectively, the "Plan Supplement"), the terms and substance of which shall be acceptable in all respects to (i) the Requisite Consenting Lenders and, (ii) solely with respect to any Plan Supplement documents or related documents (A) which affect the treatment of claims of holders of unsecured claims or interests of holders of existing equity interests under the Plan or (B) to which the Debtors are a party, the Debtors, shall not have been entered by the Bankruptcy Court within one-hundred and five (105) calendar days of the Petition Date, or the Confirmation Order shall have been reversed on appeal or vacated at any time after entry of such order;

(6) the Effective Date shall not have occurred on or prior to the earlier of: (a) the later to occur of (i) fifteen (15) calendar days after the entry of the Confirmation Order and (ii) three (3) business days after the Necessary Approval from the FCC is obtained, provided that such Necessary Approval shall have remained in effect; and (b) July 28, 2010;

(7) the issuance by any governmental authority, including any regulatory authority or court of competent jurisdiction, of any ruling or order enjoining the consummation of a material portion of the Restructuring, including, without limitation, an order denying confirmation of the Prearranged Plan or declaring this Agreement to be unenforceable against any of the Debtors;

(8) any of the Debtors (x) files, propounds or otherwise supports for any Debtor any plan of reorganization in the Chapter 11 Cases other than the Prearranged Plan, (y) files any motion or pleading with the Bankruptcy Court that is not consistent in any material respect with this Agreement or the Prearranged Plan, or (z) withdraws the Prearranged Plan or publicly announces its intention not to support the Prearranged Plan;

(9) the Debtors' exclusive right to file a chapter 11 plan pursuant to section 1121 of the Bankruptcy Code shall have terminated;

(10) any Debtor shall have sought dismissal of its Chapter 11 Case or an order dismissing one or more of the Debtors' Chapter 11 Cases shall have been entered;

(11) any of the Chapter 11 Cases of the Company is converted to a case under chapter 7 of the Bankruptcy Code or is dismissed;

(12) any of the Debtors shall file a motion or the Bankruptcy Court shall enter an order approving a payment to any party (whether in cash or other property or whether as adequate protection, settlement of a dispute, or otherwise) that would be materially inconsistent with the treatment of such party under this Agreement;

(13) entry of an order by the Bankruptcy Court allowing for the recovery of any costs, expenses or other amounts from the Lenders' collateral under section 506(c) of the Bankruptcy Code or the filing by the Debtors of a motion or complaint to avoid the liens of the Lenders under the Credit Facility or the entry of an order by the Bankruptcy Court, whether in response to a motion or complaint brought by the Debtors or otherwise, avoiding such liens;

(14) the entry of an order by the Bankruptcy Court appointing an examiner with enlarged powers relating to the operation of any material part of the business of the Debtors, taken as a whole (powers beyond those set forth in section 1106(a)(3) and (4) of the Bankruptcy Code) under section 1106(b) of the Bankruptcy Code, or the entry of an order by the Bankruptcy Court appointing a trustee under section 1104 of the Bankruptcy Code;

(15) any Party has breached any material provision of this Agreement (including, without limitation, in the case of the Company, its failure to use commercially reasonable efforts under Section 2(a) hereof) and such breach has not been duly waived or cured in accordance with the terms hereof within five (5) days after receipt of notice of such breach; provided, however, that so long as the Debtors are using their commercially reasonable efforts to meet the conditions set forth in Section 2(a) hereof, failure to meet the deadlines in Section 2(a) hereof shall not constitute a Termination Event under this Section 5(a)(15);

(16) the Company is or becomes subject to one or more fixed, liquidated liabilities, or contingent or disputed liabilities that are reasonably likely to become fixed, liquidated liabilities, in an aggregate amount greater than $750,000, provided that all liabilities disclosed on the Company's balance sheet as of December 31, 2009 or otherwise disclosed to the Consenting Lenders in the side letter among the Parties dated as of the date hereof shall be excluded for purposes of making such determination; provided, further, that all liabilities incurred by the Company since December 31, 2009 in the ordinary course of business consistent with past practice (other than for breach of contract, tort, infringement, violation of or liability under applicable law to the extent not covered by insurance), shall be excluded for purposes of making such determination;

(17) in connection with the Consenting Lenders' due diligence review of the Debtors, any contamination, condition, violation or liability, as determined by an environmental consultant who is not an affiliate of Oaktree, including contamination that exceeds currently-allowed regulatory limits or cleanup standards and is not otherwise permanently authorized by permit or law (such items, "Environmental Defects") are discovered prior to the Effective Date and the cost to remediate, correct or settle such Environmental Defects (the "Remediation Value") exceeds or is reasonably likely to exceed $750,000 in the aggregate; provided that Oaktree will provide notice of the discovery of such Environmental Defects to the Debtors and the Consenting Lenders; and

(18) the Company and the Requisite Consenting Lenders agree in writing to terminate the Agreement.

The foregoing Termination Events are intended solely for the benefit of the Party or Parties who are entitled to terminate this Agreement pursuant to Section 5(b) as a result of the occurrence of such Termination Event.

(b) Termination Event Procedures.

(1) Upon the occurrence of any of the Termination Events described in Sections 5(a)(1) through 5(a)(5), unless primarily caused by a breach of this Agreement by any Consenting Lender, this Agreement, and the obligations of the Parties hereunder, shall terminate upon the delivery by Kirkland & Ellis LLP ("Kirkland"), at the written direction of the Requisite Consenting Lenders at their option, of a written notice of such termination to each of Regent and the other Consenting Lenders in accordance with Section 8(c) hereof; it being agreed by each of the Parties hereto that each such Party hereby waives any requirement under section 362 of the Bankruptcy Code to lift the automatic stay in connection with the giving of such termination notice.

(2) Upon (x) the occurrence of the Termination Event described in Section 5(a)(15) due to a material breach of this Agreement by any of the Debtors not primarily caused by a breach of this Agreement by any Consenting Lender or (y) the occurrence of any of the Termination Events described in Sections 5(a)(6) through 5(a)(14) or Sections 5(a)(16) through 5(a)(17) not primarily caused by a breach of this Agreement by any Consenting Lender, this Agreement and the obligations of the parties hereunder shall automatically terminate without further action unless no later than five (5) business days after the occurrence of any such Termination Event, the occurrence of such Termination Event is waived in writing by the Requisite

Consenting Lenders in their sole discretion, notice of which waiver will be delivered by Kirkland to Regent.

(3) Upon the occurrence of the Termination Event described in Section 5(a)(15) due to a material breach of this Agreement by Consenting Lenders who together hold more than thirty-four percent (34%) of the aggregate principal amount of the outstanding Obligations, this Agreement and the obligations of the Parties hereunder shall terminate upon the delivery by Regent of a written notice of such termination to each of the Consenting Lenders in accordance with Section 8(c) hereof.

(c) Effect of Termination.

(1) Subject to Section 5(c)(2), any termination of this Agreement shall render such Agreement void and of no further force or effect, and there shall be no liability or obligation on the part of any Party.

(2) No termination of this Agreement (whether pursuant to Section 5 or 6 hereof) shall limit the Parties' rights and remedies for any breach of this Agreement or non-performance of any obligations hereunder by any Party in each case prior to such termination, including, but not limited to, the reservation of rights set forth herein.

Section 6. Fiduciary Obligations. Notwithstanding anything to the contrary contained in this Agreement:

(a) the Company may furnish, or cause to be furnished, subject to customary confidentiality and other terms, information concerning the Company and its affiliates and the businesses, properties or assets of the Company and its affiliates to a party from whom it receives an unsolicited offer that the Company and its Board of Directors reasonably believe in good faith is a Topping Proposal, provided that the Company and its Board of Directors must reasonably believe in good faith that such party has expressed a legitimate interest in, and has the financial wherewithal to consummate, such Topping Proposal (a "Potential Acquiror"); provided, further, that, except to the extent expressly provided in this Section 6(a) and Section 6(c) hereof, the Company shall not, and shall cause its directors, officers, affiliates, representatives, advisors and agents to not, directly or indirectly, seek, solicit, support, encourage, consent to, participate in any discussions regarding the negotiation or formulation of, or enter into any letter of intent or definitive agreement with respect to, a Topping Proposal or any other Alternative Transaction;

(b) following receipt of any proposal, offer or indication of interest for an Alternative Transaction by any party other than the Requisite Consenting Lenders, the Debtors shall disclose to Kirkland in writing on a confidential basis (it being agreed that Kirkland may share such disclosure with the Requisite Consenting Lenders): (i) the identity of such party; (ii) the nature of any interest expressed by such party; and (iii) the terms and conditions of any proposal or offer or other expression of interest for an Alternative Transaction from such party; which disclosure shall be given by the Debtors to Kirkland within one (1) business day of receipt by the Debtors;

(c) following a reasonable good faith determination by the Company and its Board of Directors, after consultation with its advisors, that a proposal or offer for an Alternative

Transaction is a Topping Proposal from a Potential Acquiror, the Company (i) may negotiate and discuss such Topping Proposal with the Potential Acquiror and (ii) may terminate this Agreement and the obligations of the Parties hereunder by providing five (5) business days prior written notice to each other Party hereto in accordance with Section 8(c) hereof, in each case to the extent that the Company and its Board of Directors has made a reasonable good faith determination, after consulting with its advisors, that the failure to do so would be a violation of its fiduciary duties; provided, however, that if the Confirmation Order includes a provision expressly authorizing compliance with this proviso (which the Debtors shall use commercially reasonable efforts to obtain), then this Agreement shall not terminate as a result of such notice if the Effective Date of the Prearranged Plan has occurred prior to the expiration of such five (5) business day period; and

(d) if the Company or any of its directors, officers, affiliates, representatives, advisors or agents (i) enters into a letter of intent (binding or non-binding) or a definitive agreement for an Alternative Transaction (or otherwise breaches any provision of this Section 6) or (ii) requests any modifications of the Prearranged Plan adverse to the interests of the Lenders or any additional consideration to be provided to any other creditors or holders of existing equity interests beyond that contemplated by the Prearranged Plan, the Requisite Consenting Lenders may terminate this Agreement and the obligations of the Parties hereunder at anytime thereafter by delivering written notice of such termination to each other Party hereto in accordance with Section 8(c) hereof.

(e) For purposes of this Section 6:

(1) "Alternative Transaction" means any restructuring, merger, consolidation or combination to which the Company or any of its subsidiaries is a party; any proposed sale or other disposition of capital stock or other ownership interests of the Company and its subsidiaries; or any proposed sale or other disposition of all or substantially all of the assets or properties of Company and its subsidiaries; and

(2) "Topping Proposal" means a proposal, offer or indication of interest from a Potential Acquiror for an Alternative Transaction that the Company and its Board of Directors reasonably determines in good faith, after reasonable diligence, (x) is reasonably likely to be consummated within a reasonable time, and (y) if consummated, would result in payment in full of the First Lien Debt Claims of the Lenders and would otherwise be more favorable than the Restructuring to the Debtors' estates and their creditors, equity holders and other parties to whom the Debtors owe fiduciary duties (including, without limitation, the Lenders); provided that such reasonable good faith determination shall take into account, among other relevant factors, the identity of the Potential Acquiror, the likelihood that any such offer or proposal will be negotiated to finality within a reasonable time, and the potential loss to the Debtors' estates and their creditors and other parties to whom the Debtors owe fiduciary duties (including, without limitation, the Lenders) if such Alternative Transaction is not consummated.

Section 7. Consenting Lender Consent to Use of Cash Collateral. As long as a Termination Event has not occurred, or has occurred but has been duly waived or cured in accordance with the terms hereof, the Consenting Lenders hereby consent to the Debtors' use of cash collateral in accordance with (a) a budget based upon a 13-week rolling cash flow

projection acceptable to the Requisite Consenting Lenders in their sole discretion (the "Budget") and (b) an interim and final cash collateral order, the form and substance of which shall be in all respects subject to the consent of the Requisite Consenting Lenders, providing for (i) replacement liens on substantially all of the assets of the Debtors subordinate to a carve-out for the Debtors' professionals and the professionals of any official committees equal to actual fees and expenses of each such professional prior to the issuance of a Carve Out Trigger Notice[2] plus, after the issuance of a Carve Out Trigger Notice, $1,250,000 in the aggregate split among such professionals on a pro rata basis in accordance with the amount budgeted for each such professional in the Budget (the "Carve-Out"), (ii) superpriority claims subordinate to the Carve-Out, (iii) payment of fees and expenses of the Consenting Lenders' professionals, including, without limitation, Kirkland, Drinker Biddle & Reath LLP, Finn Dixon & Herling LLP and a financial advisor to be determined at the Requisite Consenting Lenders' election, on a regular monthly basis during the Chapter 11 Cases, (iv) payment, on or immediately preceding the Effective Date, to the Lenders on a pro rata basis on account of any Credit Facility Obligations and/or Specified Swap Obligations of "Excess Cash"[3] and (v) information, reports, documents and other additional materials the Consenting Lenders may reasonably request, either directly or through their professionals, to the extent provided in the Credit Facility and Specified Swap Agreements.

Section 8. Miscellaneous.

(a) Governing Law; Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of New York, regardless of the laws that might otherwise govern under applicable principles of conflict of laws of the State of New York. By its execution and delivery of this Agreement, each of the Parties hereto hereby irrevocably and unconditionally agrees for itself that any legal action, suit, or proceeding against it with respect to any matter under or arising out of or in connection with this Agreement or for recognition or enforcement of any judgment rendered in any such action, suit, or proceeding, shall be brought in a federal court of competent jurisdiction in the United States District Court for the Southern District of New York. By execution and delivery of this Agreement, each of the Parties hereto hereby irrevocably accepts and submits to the nonexclusive jurisdiction of such court, generally and unconditionally, with respect to any such action, suit, or proceeding. Notwithstanding the foregoing consent to jurisdiction, upon the commencement of the Chapter 11 Cases, each of the Parties hereto hereby agrees that the Bankruptcy Court shall have exclusive jurisdiction over all matters arising out of or in connection with this Agreement.

(b) No Waiver of Participation and Preservation of Rights. This Restructuring Support Agreement and the Term Sheet are part of a proposed settlement of disputes among the Parties. Without limiting the foregoing sentence in any way, if the transactions contemplated by this Agreement or otherwise set forth in the Prearranged Plan are not consummated as provided herein, if a Termination Event occurs, or if this Agreement is otherwise terminated for any

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2 As will be defined in the cash collateral order.

3 For the purposes hereof, "Excess Cash" shall mean any cash in excess of $3 million on the Debtors' balance sheet after payment and distribution of all amounts to be paid or distributed under the Prearranged Plan, which such monetary threshold may be increased by the consent of the Requisite Consenting Lenders.

reason, the Parties each fully reserve any and all of their respective rights, remedies, claims, and interests.

(c) Notices. All demands, notices, requests, consents, and communications hereunder shall be in writing and shall be deemed to have been duly given if delivered personally or by courier service, messenger, facsimile, telecopy, or if duly deposited in the mails, by certified or registered mail, postage prepaid-return receipt requested, and shall be deemed to have been duly given or made: (i) upon delivery, if delivered personally or by courier service, or messenger, in each case with record of receipt; (ii) upon transmission with confirmed delivery, if sent by facsimile or telecopy; or (iii) when received after being sent by certified or registered mail, postage pre-paid, return receipt requested, to the following addresses, or such other addresses as may be furnished hereafter by notice in writing, to the following Parties:

If to the Company:

Regent Communications, Inc.
100 East River Center, 9th Floor
Covington, KY 41011
Facsimile: (859) 814-0136
Attn: Tony Vasconcellos (Tony.Vasconcellos@RegentComm.com)

with copies (which shall not constitute notice) to:

Latham & Watkins LLP
233 S. Wacker Drive, Suite 5800
Chicago, Illinois 60606
Facsimile: 312-993-9767
Attn: Josef S. Athanas (josef.athanas@lw.com)
William P. O'Neill (william.o'neill@lw.com)

If to a Consenting Lender or a transferee thereof:

To the addresses or facsimile numbers set forth below following the Consenting Lender's signature (or as directed in writing by any transferee thereof),

with copies (which shall not constitute notice) to:

Kirkland & Ellis, LLP
300 North LaSalle Street
Chicago, IL 60654
Facsimile: (312) 862-2200
Attn: David L. Eaton, Esq. (david.eaton@kirkland.com)
Christopher J. Greeno, P.C. (cgreeno@kirkland.com)

and

Oaktree Capital Management, L.P.
333 S. Grand Avenue, 28th Floor
Los Angeles, CA 90071
Facsimile: (213) 830-6377
Attn: Andrew Salter (asalter@oaktreecapital.com)
David Quick (dquick@oaktreecapital.com)

(d) Complete Agreement. This Agreement, the Term Sheet and any and all side letters executed by the Parties in connection herewith constitute the full and complete understanding and agreement among the Parties with regard to the subject matter hereof and supersedes all prior agreements, understandings, or representations by or among the Parties, written or oral, which may have related to the subject matter hereof in any way.

(e) Interpretation of this Agreement. This Agreement is the product of negotiation by and among the Parties. Any Party enforcing or interpreting this Agreement shall interpret in a neutral manner. There shall be no presumption concerning whether to interpret this Agreement for or against any Party by reason of that Party having drafted this Agreement, or any portion thereof, or caused it or any portion thereof to be drafted.

(f) Headings. The headings of the paragraphs and subparagraphs of this Agreement are inserted for convenience only and shall not affect the interpretation hereof.

(g) Successors and Assigns. This Agreement is intended to bind and inure to the benefit of the Parties and their respective permitted successors and assigns provided, however, that nothing contained in this paragraph shall be deemed to permit sales, assignments, or transfers that would otherwise not be in accordance with this Agreement.

(h) Specific Performance. Each Party hereto recognizes and acknowledges that a breach by it of any covenants or agreements contained in this Agreement may cause the other Parties to sustain damages for which such other Parties would not have an adequate remedy at law for money damages, and therefore, each Party hereto agrees that in the event of any such breach, such other parties shall be entitled to seek the remedy of specific performance of such covenants and agreements and injunctive and other equitable relief in addition to any other remedy to which such parties may be entitled, at law or in equity.

(i) Several, Not Joint, Obligations. The agreements, representations, and obligations of the Parties under this Agreement are, in all respects, several and not joint.

(j) Remedies Cumulative. All rights, powers, and remedies provided under this Agreement or otherwise available in respect hereof at law or in equity shall be cumulative and not alternative, and the exercise of any right, power, or remedy thereof by any Party shall not preclude the simultaneous or later exercise of any other such right, power, or remedy by such Party.

(k) No Waiver. The failure of any Party hereto to exercise any right, power, or remedy provided under this Agreement or otherwise available in respect hereof at law or in

equity, or to insist upon compliance by any other Party hereto with its obligations hereunder, and any custom or practice of the parties at variance with the terms hereof, shall not constitute a waiver by such Party of its right to exercise any such or other right, power, or remedy or to demand such compliance.

(l) Reservation of Rights. Except as expressly provided in this Agreement, nothing herein is intended to, does or shall be deemed in any manner to waiver, limit, impair or restrict the ability of each of the Consenting Lenders to protect and preserve its rights, remedies and interests, including any such rights and remedies relating to defaults or other events that may have occurred prior to the execution of this Agreement, any and all of its claims and causes of action against any of the Debtors or any third parties, or its full participation in the Chapter 11 Cases. Without limiting the foregoing in any way, if the transactions contemplated by this Agreement are not consummated as provided herein or if this Agreement is otherwise terminated for any reason, the Parties each fully reserve any and all of their respective rights, remedies and interests under the Credit Agreement, applicable law and in equity.

(m) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement. Delivery of an executed signature page of this Agreement by facsimile or email shall be as effective as delivery of a manually executed signature page of this Agreement.

(n) Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction, and any such prohibited or unenforceable provision shall be deemed reformed and construed so that it will be valid, legal, and enforceable and not prohibited to the maximum extent permitted by applicable law.

(o) No Third-Party Beneficiaries. Unless expressly stated herein, this Agreement shall be solely for the benefit of the Parties, and no other person or entity shall be a third party beneficiary hereof.

(p) No Solicitation.

(1) This Agreement is not intended to be, and each signatory to this Agreement acknowledges that this Agreement is not, whether for the purposes of sections 1125 and 1126 of the Bankruptcy Code or otherwise, a solicitation for the acceptance or rejection of a plan of reorganization for any of the Debtors.

(2) This Agreement is not an offer with respect to any securities, and such offers or solicitation, if necessary to effectuate the Restructuring, will be made only in compliance with all applicable securities laws.

(q) Settlement Discussions. This Agreement and the Restructuring are part of a proposed settlement of a dispute among the Parties. Nothing herein shall be deemed an admission of any kind. Pursuant to Federal Rule of Evidence 408 and any applicable state rules of evidence, this Agreement and all negotiations relating thereto shall not be admissible into

evidence in any proceeding other than a proceeding involving enforcement of the terms of this Agreement.

(r) Consideration. It is hereby acknowledged by the Parties hereto that, other than the agreements, covenants, representations, and warranties set forth herein, no consideration shall be due or paid to any Consenting Lender for its entry into this Agreement.

(s) Receipt of Adequate Information; Representation by Counsel. Each Party acknowledges that it has received adequate information to enter into this Agreement and that it has been represented by counsel in connection with this Agreement and the transactions contemplated by this Agreement. Accordingly, any rule of law or any legal decision that would provide any party with a defense to the enforcement of the terms of this Agreement against such party shall have no application and is expressly waived. The provisions of the Agreement shall be interpreted in a reasonable manner to effect the intent of the Parties.

(t) Time of the Essence. Time is of the essence with respect to all provisions of this Agreement that specify a time for performance.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have duly executed and delivered this Agreement as of the date first above written.

By: REGENT COMMUNICATIONS, INC.

Name: Anthony A. Vasconcellos
Title: Executive Vice President and Chief Financial Officer

On behalf of the other Debtors listed on Schedule 1 hereto: Authorized Signatory

Schedule I

Regent Communications, Inc.
B & G Broadcasting, Inc.
Livingston County Broadcasters, Inc.
Regent Broadcasting, LLC
Regent Broadcasting Management, LLC
Regent Broadcasting of Albany, Inc.
Regent Broadcasting of Bloomington, Inc.
Regent Broadcasting of Buffalo, Inc.
Regent Broadcasting of Chico, Inc.
Regent Broadcasting of Duluth, Inc.
Regent Broadcasting of El Paso, Inc.
Regent Broadcasting of Erie, Inc.
Regent Broadcasting of Evansville/Owensboro, Inc.
Regent Broadcasting of Flagstaff, Inc.
Regent Broadcasting of Flint, Inc.
Regent Broadcasting of Ft. Collins, Inc.
Regent Broadcasting of Grand Rapids, Inc.
Regent Broadcasting of Kingman, Inc.
Regent Broadcasting of Lafayette, LLC
Regent Broadcasting of Lake Tahoe, Inc.
Regent Broadcasting of Lancaster, Inc.
Regent Broadcasting of Lexington, Inc.
Regent Broadcasting of Mansfield, Inc.
Regent Broadcasting of Midwest, LLC
Regent Broadcasting of Palmdale, Inc.
Regent Broadcasting of Peoria, Inc.
Regent Broadcasting of Redding, Inc.
Regent Broadcasting of San Diego, Inc.
Regent Broadcasting of South Carolina, Inc.
Regent Broadcasting of St. Cloud, Inc.
Regent Broadcasting of St. Cloud II, Inc.
Regent Broadcasting of Utica/Rome, Inc.
Regent Broadcasting of Watertown, Inc.
Regent Broadcasting West Coast, LLC
Regent Licensee of Chico, Inc.
Regent Licensee of Erie, Inc.
Regent Licensee of Flagstaff, Inc.
Regent Licensee of Kingman, Inc.
Regent Licensee of Lake Tahoe, Inc.
Regent Licensee of Lexington, Inc.
Regent Licensee of Mansfield, Inc.
Regent Licensee of Palmdale, Inc.
Regent Licensee of Redding, Inc.
Regent Licensee of San Diego, Inc.
Regent Licensee of South Carolina, Inc.
Regent Licensee of St. Cloud, Inc.
Regent Licensee of Utica/Rome, Inc.
Regent Licensee of Watertown, Inc.

Figueroa Street POF Ltd.
By: Oaktree Media Investments, L.P., director
By: Oaktree Media Holdings, Inc., general partner

By: _____
Name: Richard Ting
Title: Authorized Signatory

By: _____
Name: David Quick
Title: Authorized Signatory

First Street Holdings 1, L.P.
By: POF4 GP, LLC, general partner
By: Oaktree Capital Management, L.P., managing member

By: _____
Name: Richard Ting
Title: Managing Director
Associate General Counsel

By: _____
Name: David Quick
Title: Authorized Signatory

First Street Holdings 2, L.P.
By: POF4 GP, LLC, general partner
By: Oaktree Capital Management, L.P., managing member

By: _____
Name: Richard Ting
Title: Managing Director
Associate General Counsel

By: _____
Name: David Quick
Title: Authorized Signatory

First Street Holdings 3, L.P.
By: POF4 GP, LLC, general partner
By: Oaktree Capital Management, L.P., managing member

By: _____
Name: Richard Ting
Title: Managing Director
Associate General Counsel

By: _____
Name:
Title: David Quick
Authorized Signatory

First Street Holdings 4, L.P.
By: POF4 GP, LLC, general partner
By: Oaktree Capital Management, L.P., managing member

By: _____
Name: Richard Ting
Title: Managing Director
Associate General Counsel

By: _____
Name: David Quick
Title: Authorized Signatory

First Street Holdings 5, L.P.
By: POF4 GP, LLC, general partner
By: Oaktree Capital Management, L.P., managing member

By: _____
Name: Richard Ting
Title: Managing Director
Associate General Counsel

By: _____
Name:
Title: David Quick
Authorized Signatory

First Street Holdings 6, L.P.
By: POF4 GP, LLC, general partner
By: Oaktree Capital Management, L.P., managing member

By: _____
Name: Richard Ting
Title: Managing Director
Associate General Counsel

By: _____
Name: David Quick
Title: Authorized Signatory

First Street Holdings 7, L.P.
By: POF4 GP, LLC, general partner
By: Oaktree Capital Management, L.P., managing member

By: _____
Name: Richard Ting
Title: Managing Director
Associate General Counsel

By: _____
Name: David Quick
Title: Authorized Signatory

First Street Holdings 8, L.P.
By: POF4 GP, LLC, general partner
By: Oaktree Capital Management, L.P., managing member

By: _____
Name: Richard Ting
Title: Managing Director
Associate General Counsel

By: _____
Name: David Quick
Title: Authorized Signatory

First Street Holdings 9, L.P.
By: POF4 GP, LLC, general partner
By: Oaktree Capital Management, L.P.,
managing member

By: _____
Name: Richard Ting
Title: Managing Director
Associate General Counsel

By: _____
Name: David Quick
Title: Authorized Signatory

First Street Holdings 10, L.P.
By: POF4 GP, LLC, general partner
By: Oaktree Capital Management, L.P.,
managing member

By: _____
Name: Richard Ting
Title: Managing Director
Associate General Counsel

By: _____
Name: David Quick
Title: Authorized Signatory

First Street Holdings 11, L.P.
By: POF4 GP, LLC, general partner
By: Oaktree Capital Management, L.P.,
managing member

By: _____
Name: Richard Ting
Title: Managing Director
Associate General Counsel

By: _____
Name: David Quick
Title: Authorized Signatory

First Street Holdings 12, L.P.
By: POF4 GP, LLC, general partner
By: Oaktree Capital Management, L.P., managing member

By: _____
Name: Richard Ting
Title: Managing Director
Associate General Counsel

By: _____
Name:
Title: David Quick
Authorized Signatory

First Street Holdings 13, L.P.
By: POF4 GP, LLC, general partner
By: Oaktree Capital Management, L.P., managing member

By: _____
Name: Richard Ting
Title: Managing Director
Associate General Counsel

By: _____
Name:
Title: David Quick
Authorized Signatory

First Street Holdings 14, L.P.
By: POF4 GP, LLC, general partner
By: Oaktree Capital Management, L.P., managing member

By: _____
Name: Richard Ting
Title: Managing Director
Associate General Counsel

By: _____
Name:
Title: David Quick
Authorized Signatory

General Electric Capital Corporation

By: _____
Name: Charles Vandis
Title: Duly Authorized Signatory

Exhibit A

RESTRUCTURING PROPOSAL TERM SHEET

RESTRUCTURING TERM SHEET
FEBRUARY 28, 2010

THIS TERM SHEET (THE "TERM SHEET") DOES NOT CONSTITUTE (NOR SHALL IT BE CONSTRUED AS) AN OFFER WITH RESPECT TO ANY SECURITIES OR A SOLICITATION OF ACCEPTANCES OR REJECTIONS AS TO ANY PLAN OF REORGANIZATION, IT BEING UNDERSTOOD THAT SUCH A SOLICITATION, IF ANY, ONLY WILL BE MADE IN COMPLIANCE WITH APPLICABLE PROVISIONS OF SECURITIES, BANKRUPTCY AND/OR OTHER APPLICABLE LAWS. THIS TERM SHEET DOES NOT ADDRESS ALL MATERIAL TERMS AND CONDITIONS THAT WOULD BE REQUIRED IN CONNECTION WITH ANY POTENTIAL FINANCIAL RESTRUCTURING AND IS SUBJECT TO THE EXECUTION OF DEFINITIVE DOCUMENTATION IN FORM AND SUBSTANCE CONSISTENT WITH THIS TERM SHEET AND OTHERWISE ACCEPTABLE IN ALL RESPECTS TO THE REQUISITE CONSENTING LENDERS (AS DEFINED IN THE RESTRUCTURING SUPPORT AGREEMENT TO WHICH THIS TERM SHEET IS ATTACHED) AND THE DEBTORS (AS DEFINED IN THE RESTRUCTURING SUPPORT AGREEMENT TO WHICH THIS TERM SHEET IS ATTACHED).

This Term Sheet sets forth the principal terms of a proposed financial restructuring (the "Restructuring") for the existing debt and other obligations of the Companies through a prearranged plan of reorganization of the Companies (a "Plan") containing the terms and conditions described herein and other standard and customary provisions, including without limitation provisions concerning "pass-through" treatment for administrative and priority claims, trade payables and leases.

All capitalized terms used herein but not otherwise defined herein shall have the meanings ascribed to them in the Credit Agreement.

GENERAL RESTRUCTURING TERMS

CREDIT AGREEMENT:	The Credit Agreement dated November 21, 2006, among Parent, Borrower, Bank of America, N.A. ("BofA") as administrative agent ("Administrative Agent"), BofA as issuing lender ("Issuing Lender") and the other entities party thereto as lenders ("Lenders"), as heretofore amended.
SPECIFIED SWAP AGREEMENTS:	The swap agreements currently outstanding with Lender Counterparties representing approximately $12.1 million of liabilities owed by Borrower. All obligations under the Specified Swap Agreements are referred to herein as the "Specified Swap Obligations".
LENDER COUNTERPARTIES:	BofA, Suntrust, Bank of Montreal and their respective successors and permitted assigns.
PARENT:	Regent Communications, Inc.
BORROWER:	Regent Broadcasting, LLC
COMPANIES:	Parent, Borrower and all subsidiaries of Borrower.
REORGANIZED PARENT:	Parent as reorganized in connection with the Restructuring, a successor thereto or a newly formed company to be formed for the purpose of owning the Companies.
REORGANIZED BORROWER:	Borrower as reorganized in connection with the Restructuring or a successor thereto.
NEW EQUITY:	100% of all equity of Reorganized Parent as of the effective date of the Plan (the "Effective Date"). The New Equity will be structured in a manner reasonably acceptable to the Requisite Consenting Lenders (as defined in the Restructuring Support Agreement), including (without limitation) limitations on certain fundamental actions, and so as to ensure, by way of limited voting rights, that the holders thereof (other than Oaktree Capital Management, L.P. and its controlled affiliates (collectively, "Oaktree")) will hold a "nonattributable" interest in the Companies under applicable FCC rules and policies. In addition, to the extent any Consenting Lender's direct or indirect owners include entities or persons which would be included in the calculation of foreign ownership for purposes of Section 310(b) of the Communications Act of 1934, as amended, and the FCC's rules and policies promulgated thereunder, such Consenting Lender may, if requested by Oaktree, be required to receive a warrant for New Equity in lieu of New Equity in order to satisfy FCC foreign ownership limitations. Finally, the Reorganized Parent and the holders of the New Equity will be required to enter into definitive investment agreements providing for, subject to customary exceptions, tag-along rights on transfers by Oaktree, preemptive rights on equity issuances (subject to certain exceptions reasonably acceptable to the Requisite Consenting Lenders), demand and piggyback registration rights and transfer restrictions, as well as drag-along provisions in favor of Oaktree, in each case in form and substance reasonably acceptable to the Requisite Consenting Lenders.

RESTRUCTURING:	The Commitments under the Credit Agreement will be terminated. All Obligations (as defined in the Credit Agreement), including all Loans under the Credit Agreement and the Specified Swap Obligations, will be exchanged for the following, allocated among the applicable Secured Parties on a pro rata basis: • $95 million of Senior Secured Term Loans incurred by Reorganized Borrower on substantially the terms set forth below, • $25 million of PIK Loans incurred by Reorganized Borrower on substantially the terms set forth below, and • 100% of the New Equity issued by Reorganized Parent, which will be subject to dilution by the Management Equity Incentive Program described below and future post-Restructuring issuances.
UNSECURED CLAIMS:	The Lenders shall waive their deficiency claims against the Debtors. All other unsecured claims shall be paid in full in cash on or prior to the Effective Date.
EXISTING EQUITY:	The Plan shall provide that the Secured Parties will make a gift of, or allow the Companies to distribute from the Secured Parties' collateral, $5.5 million to the current shareholders of Parent on a pro rata basis. Upon distribution of such amount, the outstanding shares of Parent will be cancelled.
COMPENSATION PLANS:	The Plan shall provide that the Companies assume the (i) existing employment agreements of Anthony A. Vasconcellos and William L. Stakelin, as amended on February 28, 2010 (the "Employment Agreements"), (ii) 2004 Corporate Employee Retention and Severance Plan, (iii) 2010 Special Bonus Plan with bankruptcy incentives as adopted by the board in December 2009, and (iv) Regent Communications, Inc. Deferred Compensation Plan.
MANAGEMENT EQUITY INCENTIVE PROGRAM:	Options, equity or other equity-based grants equal to 8% of the total New Equity on a fully diluted basis will be reserved for a management equity incentive plan, the specific terms of which will be determined by the board of Reorganized Parent.
EXECUTORY CONTRACTS AND UNEXPIRED LEASES:	Executory contracts and unexpired leases shall be assumed or rejected pursuant to a schedule to be attached to the Plan Supplement, which shall be acceptable in all respects to the Requisite Consenting Lenders in their sole discretion, including any amendments prior to the Effective Date.
PRIVATE COMPANY:	The Reorganized Parent would not be listed on a national securities exchange or be an SEC-reporting company.
RELEASES:	To the extent allowable by law, the Plan will contain customary releases and other exculpatory provisions in favor of (i) the Company, its present directors, officers and professional advisors and (ii) the Consenting

Lenders, their respective directors, officers, partners, members, representatives, employees, professional advisors and other parties to be agreed upon by the Borrower and the Requisite Consenting Lenders.

EXPENSE REIMBURSEMENT: All reasonable and documented out-of-pocket expenses of the Requisite Consenting Lenders, their counsel (including but not limited to, Kirkland & Ellis LLP, Drinker Biddle & Reath LLP and Finn Dixon & Herling LLP) and their financial advisor shall be paid in full in cash.

TERMS OF SENIOR SECURED TERM LOANS

PRINCIPAL AMOUNT:	$95 million
AGENT:	To be determined.
MATURITY DATE:	4 years from the Effective Date.
RATE:	One-month LIBOR plus 4.0% and, upon an event of default, increased to one-month LIBOR plus 6.0%; provided that, in each case, there shall be a LIBOR floor of 1.25%.
GUARANTORS:	A newly formed holding company of Reorganized Borrower which is 100% owned by Reorganized Parent and all subsidiaries of Reorganized Borrower.
COLLATERAL:	Subject to the New Revolving Loans (as defined below), first priority perfected security interest on all personal and real property of Reorganized Borrower and Guarantors, subject to exceptions to be agreed and limitations and qualifications relating to FCC licenses to be agreed, in each case by the Reorganized Borrower and the Requisite Consenting Lenders.
VOLUNTARY PREPAYMENTS:	Voluntary prepayments shall be permitted without premium or penalty subject to customary thresholds and notice requirements.
MANDATORY REPAYMENTS:	• 1% amortization per annum of the Principal Amount with remainder payable in full on the Maturity Date • Semi-Annual payment of 50% of excess cash flow, with definition to be agreed upon by the Reorganized Borrower and the Requisite Consenting Lenders • Mandatory repayment from asset sale proceeds subject to exceptions and permitted reinvestment to be agreed upon by the Reorganized Borrower and the Requisite Consenting Lenders
FINANCIAL COVENANTS:	Beginning on December 31, 2010 (for the immediately preceding quarter), quarterly financial covenants to be agreed upon by the Reorganized Borrower and the Requisite Consenting Lenders.
REPRESENTATIONS & WARRANTIES, COVENANTS & EVENTS OF DEFAULT:	Representations and warranties, affirmative and negative covenants, and events of default to be customary for transactions of this type, subject to mutual agreement of the Reorganized Borrower and the Requisite Consenting Lenders.
EXPENSE REIMBURSEMENT & INDEMNIFICATION:	Expense reimbursement and indemnification in favor of Agent, lenders and their related parties on terms customary for transactions of this type, subject to mutual agreement of the Reorganized Borrower and the Requisite Consenting Lenders.

TERMS OF PIK LOANS

PRINCIPAL AMOUNT:	$25 million
NOTES AGENT:	To be determined by the Requisite Consenting Lenders.
MATURITY DATE:	4 years and 6 months from the Effective Date.
RATE:	12% payable in kind on a quarterly basis.
RANKING:	Unsecured debt, subordinated to the Senior Secured Term Loans.
REPRESENTATIONS & WARRANTIES, COVENANTS, EVENTS OF DEFAULT AND OTHER PROVISIONS:	Representations and warranties, affirmative and negative covenants, events of default and other terms to be customary for transactions of this type, subject to mutual agreement of the Reorganized Borrower and the Requisite Consenting Lenders.

New Revolving Loans

TERMS AND CONDITIONS:	A revolving loan facility in the aggregate principal amount of up to $5,000,000, provided (a) the Requisite Consenting Lenders have approved such loans, (b) such loans are secured by the same collateral as the Senior Secured Term Loan and with the same priority, and (c) such loans are paid in full prior to the repayment of the Senior Secured Term Loan.

Exhibit B

PROVISION FOR TRANSFER AGREEMENT

The undersigned ("Transferee") hereby acknowledges that it has read and understands the Restructuring Support Agreement, dated as of February 28, 2010 (as amended or otherwise modified from time to time in accordance with the terms thereof), by and among Regent Communications, Inc., a Delaware corporation, Regent Broadcasting, LLC, a Delaware limited liability company, [**insert name of Transferor Consenting Holder**], and the other parties thereto, inter alia, and agrees to be bound by the terms and conditions thereof to the extent Transferor was thereby bound.

By: _____
Transferee

Acknowledged by

Regent Communications, Inc.
on _____, 2010

By: _____

Its: _____

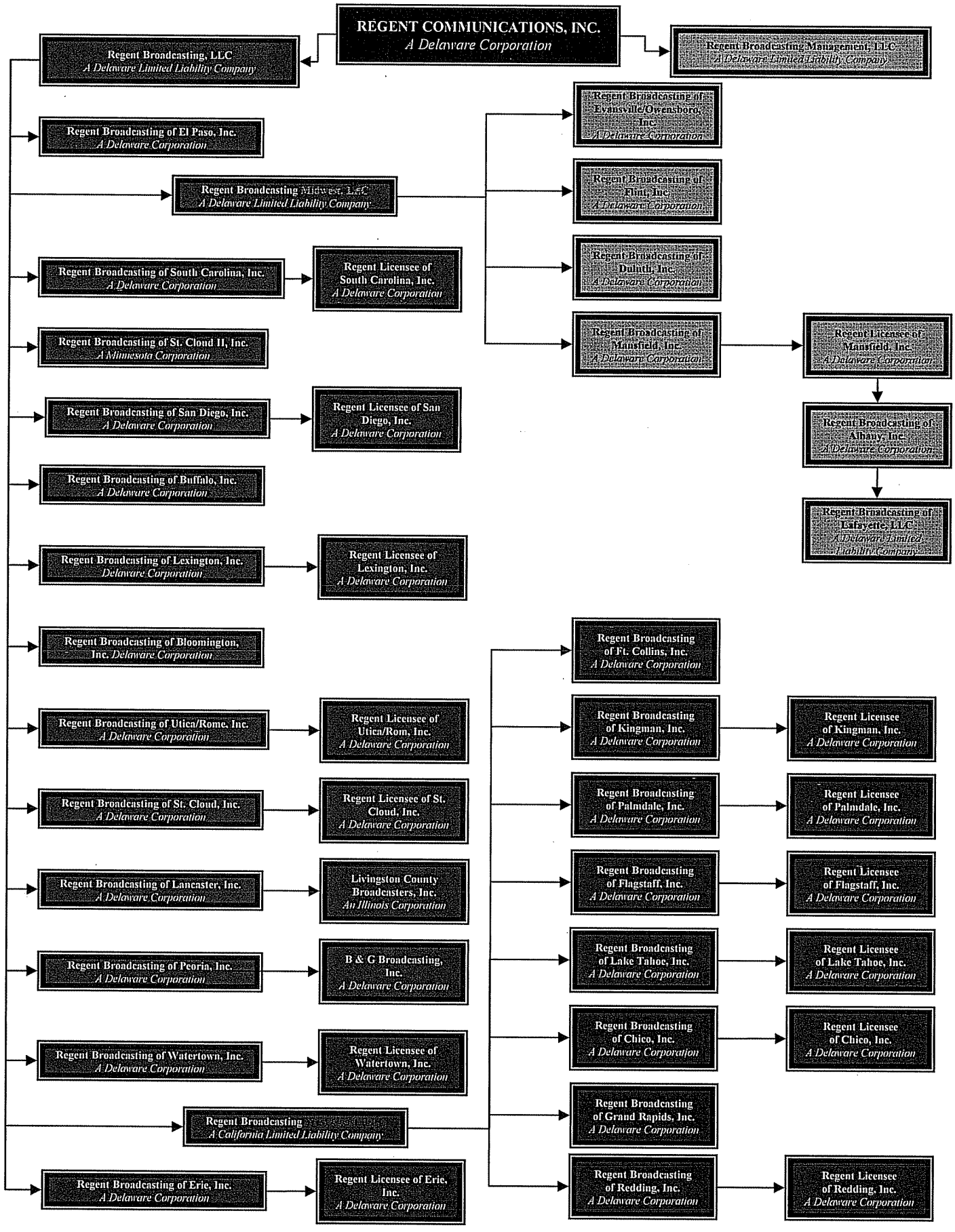
Regent Broadcasting, LLC
on _____, 2010

By: _____

Its: _____

EXHIBIT B

Corporate Organizational Chart


REGENT COMMUNICATIONS, INC.
A Delaware Corporation
Regent Broadcasting, LLC
A Delaware Limited Liability Company
Regent Broadcasting Management, LLC
A Delaware Limited Liability Company
Regent Broadcasting of El Paso, Inc.
A Delaware Corporation
Regent Broadcasting Midwest, LLC
A Delaware Limited Liability Company
Regent Broadcasting of Evansville/Owensboro, Inc.
A Delaware Corporation
Regent Broadcasting of Flint, Inc.
A Delaware Corporation
Regent Broadcasting of Duluth, Inc.
A Delaware Corporation
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A Delaware Corporation
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Regent Broadcasting of St. Cloud II, Inc.
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Regent Broadcasting of Buffalo, Inc.
A Delaware Corporation
Regent Broadcasting of Lexington, Inc.
Delaware Corporation
Regent Licensee of Lexington, Inc.
A Delaware Corporation
Regent Broadcasting of Bloomington, Inc. Delaware Corporation
Regent Broadcasting of Utica/Rome, Inc.
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Regent Licensee of St. Cloud, Inc.
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Regent Broadcasting of Lancaster, Inc.
A Delaware Corporation
Livingston County Broadcasters, Inc.
An Illinois Corporation
Regent Broadcasting of Peoria, Inc.
A Delaware Corporation
B & G Broadcasting, Inc.
A Delaware Corporation
Regent Broadcasting of Watertown, Inc.
A Delaware Corporation
Regent Licensee of Watertown, Inc.
A Delaware Corporation
Regent Broadcasting
A California Limited Liability Company
Regent Broadcasting of Erie, Inc.
A Delaware Corporation
Regent Licensee of Erie, Inc.
A Delaware Corporation
Regent Broadcasting of Ft. Collins, Inc.
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Regent Broadcasting of Kingman, Inc.
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Regent Licensee of Palmdale, Inc.
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Regent Licensee of Flagstaff, Inc.
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Regent Licensee of Lake Tahoe, Inc.
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Regent Broadcasting of Grand Rapids, Inc.
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Regent Broadcasting of Redding, Inc.
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Regent Licensee of Redding, Inc.
A Delaware Corporation