

CITADEL BROADCASTING CORP
Form SC 13D/A
April 23, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
Amendment No. 1

Under the Securities Exchange Act of 1934

Citadel Broadcasting Corporation

(Name of Issuer)

Common Stock, \$0.01 par value

(Title of Class of Securities)

17285T106

(CUSIP Number)

David Metzman, Esq.
c/o Aurelius Capital Management, LP
535 Madison Avenue, 22nd Floor
New York, New York 10022
(646) 445-6590

with a copy to:

Jason Kaplan, Esq.
Schulte Roth & Zabel LLP
919 Third Avenue
New York, NY 10022
(212) 756-2000

(Name, Address and Telephone Number of Person Authorized to Receive Notices and
Communications)

April 21, 2010

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box [].

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed

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to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(Continued on following pages)
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1	NAME OF REPORTING PERSON	
	Aurelius Capital Partners, LP	

2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) (b) X	

3	SEC USE ONLY	

4	SOURCE OF FUNDS	
	WC	

5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)	

6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	Delaware	

NUMBER OF	7	SOLE VOTING POWER
SHARES		0

BENEFICIALLY	8	SHARED VOTING POWER
OWNED		6,408,141

BY EACH	9	SOLE DISPOSITIVE POWER
REPORTING		0

PERSON	10	SHARED DISPOSITIVE POWER
		6,408,141

11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
	6,408,141	

12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES	

13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11	

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2.41%

 14 TYPE OF REPORTING PERSON
 PN

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 1 NAME OF REPORTING PERSON
 Aurelius Capital International, Ltd.

 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) (b)

 3 SEC USE ONLY

 4 SOURCE OF FUNDS
 WC

 5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
 TO ITEMS 2(d) or 2(e)

 6 CITIZENSHIP OR PLACE OF ORGANIZATION
 Cayman Islands

 NUMBER OF 7 SOLE VOTING POWER
 SHARES 0

BENEFICIALLY 8 SHARED VOTING POWER
 OWNED 8,439,218

BY EACH 9 SOLE DISPOSITIVE POWER
 REPORTING 0

PERSON 10 SHARED DISPOSITIVE POWER
 8,439,218

 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 8,439,218

 12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN
 SHARES

 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11
 3.18%

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 14 TYPE OF REPORTING PERSON
 CO

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 1 NAME OF REPORTING PERSON
 Aurelius Convergence Fund, Ltd.

 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) | | (b) |X|

 3 SEC USE ONLY

 4 SOURCE OF FUNDS
 WC

 5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
 TO ITEMS 2(d) or 2(e) | |

 6 CITIZENSHIP OR PLACE OF ORGANIZATION
 Cayman Islands

 NUMBER OF 7 SOLE VOTING POWER
 SHARES 0

BENEFICIALLY 8 SHARED VOTING POWER
 OWNED 2,412,641

BY EACH 9 SOLE DISPOSITIVE POWER
 REPORTING 0

PERSON 10 SHARED DISPOSITIVE POWER
 2,412,641

 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 2,412,641

 12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN
 SHARES | |

 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11
 0.91%

 14 TYPE OF REPORTING PERSON

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CO

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1	NAME OF REPORTING PERSON	
	Aurelius Capital Management, LP	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) (b) X	
3	SEC USE ONLY	
4	SOURCE OF FUNDS	
	AF	
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	Delaware	
NUMBER OF	7	SOLE VOTING POWER
SHARES		0
BENEFICIALLY	8	SHARED VOTING POWER
OWNED		10,851,859
BY EACH	9	SOLE DISPOSITIVE POWER
REPORTING		0
PERSON	10	SHARED DISPOSITIVE POWER
		10,851,859
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
		10,851,859
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11	
		4.08%
14	TYPE OF REPORTING PERSON	
	PN	

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1	NAME OF REPORTING PERSON	
	Aurelius Capital GP, LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) (b) X	
3	SEC USE ONLY	
4	SOURCE OF FUNDS	
	AF	
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	Delaware	
7	NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON	SOLE VOTING POWER
		0
8	NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON	SHARED VOTING POWER
		6,408,141
9	NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON	SOLE DISPOSITIVE POWER
		0
10	NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON	SHARED DISPOSITIVE POWER
		6,408,141
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
		6,408,141
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11	
		2.41%
14	TYPE OF REPORTING PERSON	
	OO	

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1	NAME OF REPORTING PERSON	
	Mark D. Brodsky	

2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) (b) X	

3	SEC USE ONLY	

4	SOURCE OF FUNDS	
	AF	

5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)	

6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	United States	

NUMBER OF	7	SOLE VOTING POWER
SHARES		0

BENEFICIALLY	8	SHARED VOTING POWER
OWNED		17,260,000

BY EACH	9	SOLE DISPOSITIVE POWER
REPORTING		0

PERSON	10	SHARED DISPOSITIVE POWER
		17,260,000

11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
	17,260,000	

12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES	

13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11	
	6.49%	

14	TYPE OF REPORTING PERSON	
	IN	

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ITEM 1. SECURITY AND ISSUER

This Amendment No. 1 (the "Amendment") amends the statement on Schedule 13D filed on April 15, 2010 (the "Original Schedule 13D") relating to the common stock, \$0.01 par value (the "Common Stock"), of Citadel Broadcasting Corporation, a Delaware corporation (the "Issuer"). The principal executive offices of the Issuer are located at: City Center West, Suite 400, 7201 West Lake Mead Blvd., Las Vegas, Nevada 89128. Capitalized terms used herein and not otherwise defined in this Amendment have the meanings set forth in the Original Schedule 13D. This Amendment amends Items 3, 4 and 5 as set forth below.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION

Item 3 of the Schedule 13D is hereby amended and restated in its entirety as follows:

The Common Stock purchased by the Aurelius Funds was acquired with working capital in open market transactions at an aggregate cost (excluding commissions, if any) of approximately \$1,348,879.13.

ITEM 4. PURPOSE OF TRANSACTION

Item 4 of the Schedule 13D is hereby amended and restated in its entirety as follows:

The Aurelius Funds, which for the purposes of this Item 4 shall include Aurelius Convergence Master, Ltd. and Aurelius Capital Master, Ltd., acquired shares of Common Stock for investment in the ordinary course of business because they believed that the shares, when purchased, were undervalued and represented an attractive investment opportunity.

On December 20, 2009, the Issuer and certain of its affiliates (collectively, the "Debtors") filed voluntary petitions in the United States Bankruptcy Court for the Southern District of New York seeking relief under chapter 11 of Title 11 of the United States Code (the "Bankruptcy Case").

The Aurelius Funds have filed in the Bankruptcy Case a preliminary opposition to confirmation of the Debtors' First Modified Joint Plan of Reorganization (the "Plan"). This opposition rests on various grounds, most fundamentally on the allegation that the Plan violates the absolute priority rule by overpaying senior creditors and providing no distribution to shareholders of the Debtors and that therefore the Plan is not confirmable under bankruptcy law. In particular, it is the Aurelius Funds' view that the Plan would convey value to the Debtors' prepetition lenders (the "Lenders") in excess of the face amount of their claims (including alleged deficiency claims) against the Debtors. The Plan provides that the Debtors' Lenders would receive over 90% of new common stock of the Issuer and management would receive options equivalent to up to 10% of new common stock under a management incentive program, which could enrich the Debtors' management by more than \$100 million. The objection alleges that the Plan rests on a valuation of the Issuer that is far below the reorganized Debtors' true value and is based on stale financial projections which do not reflect the Debtors' recent performance or the marked improvements in financial markets for broadcast companies. The Aurelius Funds believe that the value of the Debtors is significantly greater than the value as described in the Disclosure Statement of the Plan. The objection notes the

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anticipation of filing a further objection and reserves rights in relation to seeking a continuance of the Plan's confirmation hearing. The Aurelius funds have also requested discovery related to their objection.

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The Aurelius Funds intend to pursue and prosecute the objection, described above, and may file related pleadings, respond to pleadings filed by other parties, discuss the formulation of alternative plans with other parties, serve and prosecute discovery and respond to the same, appeal any adverse decisions and respond to any appeals, and more generally become actively involved in the Bankruptcy Case, with the goal of protecting and maximizing the value of the Aurelius Funds' respective investments.

To the extent permitted by applicable law, rules and regulations, the Reporting Persons may seek to influence the outcome of the Bankruptcy Case, including, among other things, through (i) direct and/or indirect communications with participants in the Bankruptcy Case and (ii) direct and/or indirect communications with other persons, including other stockholders or creditors of the Issuer.

Except as set forth herein or as would occur upon completion of any of the actions discussed herein, none of the Reporting Persons has any plans or proposals which relate to, or could result in, any of the matters referred to in paragraphs (a) through (j), inclusive, of the instructions to Item 4 of Schedule 13D. The Reporting Persons may, at any time and from time to time, review or reconsider their position and/or change their purpose and/or formulate plans or proposals with respect thereto and may (i) acquire additional shares or securities of the Issuer, (ii) dispose of any or all of their securities of the Issuer, (iii) enter into or withdraw from legal proceedings, if any, and/or (iv) enter into privately negotiated derivative transactions with institutional counterparties to hedge the market risk of some or all of their positions in the securities of the Issuer, depending upon the factors described below and/or other investment considerations. The Reporting Persons disclaim all duties or obligations, if any, to other stakeholders in the Issuer. For the avoidance of doubt, the Reporting Persons do not have any current intention to change or influence the control of the Issuer. The Debtors have alleged in the Bankruptcy Case that the Reporting Persons have violated an order limiting the rights to acquire the Issuer's stock and have sought to force the Reporting Persons to sell their shares; it is the Reporting Persons' belief that these allegations are without merit and they have filed a response to such allegations.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER

Item 5(c) of the Schedule 13D is hereby amended and restated in its entirety as follows:

The Aurelius Funds entered into transactions in the Common Stock since the filing of the Original Schedule 13D which are set forth on Schedule A. The Aurelius Funds are the only Reporting Persons to have effected transactions in the Common Stock since the filing of the Original Schedule 13D.

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Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: April 23, 2010

AURELIUS CAPITAL PARTNERS, LP

By: Aurelius Capital GP, LLC,
its General Partner

By: /s/ Mark D. Brodsky

Name: Mark D. Brodsky
Title: Chairman

AURELIUS CAPITAL INTERNATIONAL, LTD.

By: Aurelius Capital Management, LP,
solely as investment manager and not
in its individual capacity

By: Aurelius Capital Management GP, LLC,
its General Partner

By: /s/ Mark D. Brodsky

Name: Mark D. Brodsky
Title: Chairman

AURELIUS CONVERGENCE FUND, LTD.

By: Aurelius Capital Management, LP,
solely as investment manager and not
in its individual capacity

By: Aurelius Capital Management
GP, LLC, its General Partner

By: /s/ Mark D. Brodsky

Name: Mark D. Brodsky
Title: Chairman

AURELIUS CAPITAL MANAGEMENT, LP

By: Aurelius Capital Management GP, LLC,
its General Partner

By: /s/ Mark D. Brodsky

Name: Mark D. Brodsky
Title: Chairman

AURELIUS CAPITAL GP, LLC

By: /s/ Mark D. Brodsky

Name: Mark D. Brodsky
Title: Chairman

/s/ Mark D. Brodsky

MARK D. BRODSKY

SCHEDULE A

TRANSACTIONS IN THE COMMON STOCK BY AURELIUS CAPITAL PARTNERS
SINCE THE FILING OF THE ORIGINAL SCHEDULE 13D

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Unless otherwise indicated, all trades were effected in the open market through brokers.

Date of Transaction	Shares Purchased (Sold)	Price Per Share (\$) *	Price Range (\$) (1)
4/15/2010	411,014	0.2730	N/A
4/19/2010	(148,508)	0.3100	0.30 - 0.32
4/22/2010	(14,851)	0.3400	N/A

* Excluding commissions.

(1) The price reported in the column Price Per Share (\$) * is a weighted average price if a price range is indicated in the column Price Range (\$). These shares were purchased/sold in multiple transactions at prices between the price ranges below. The reporting persons will undertake to provide to the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price.

TRANSACTIONS IN THE COMMON STOCK BY AURELIUS CAPITAL INTERNATIONAL SINCE THE FILING OF THE ORIGINAL SCHEDULE 13D

Unless otherwise indicated, all trades were effected in the open market through brokers.

Date of Transaction	Shares Purchased (Sold)	Price Per Share (\$) *	Price Range (\$) (2)
4/15/2010	588,986	0.2730	N/A
4/19/2010	(195,579)	0.3100	0.30 - 0.32
4/22/2010	(19,558)	0.3400	N/A

* Excluding commissions.

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(2) The price reported in the column Price Per Share (\$) * is a weighted average price if a price range is indicated in the column Price Range (\$). These shares were purchased/sold in multiple transactions at prices between the price ranges below. The reporting persons will undertake to provide to the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price.

TRANSACTIONS IN THE COMMON STOCK BY AURELIUS CONVERGENCE FUND SINCE THE FILING OF THE ORIGINAL SCHEDULE 13D

Unless otherwise indicated, all trades were effected in the open market through brokers.

Date of Transaction	Shares Purchased (Sold)	Price Per Share (\$) *	Price Range (\$) (3)
4/19/2010	(55,913)	0.3100	0.30 - 0.32
4/22/2010	(5,591)	0.3400	N/A

* Excluding commissions.

(3) The price reported in the column Price Per Share (\$) * is a weighted average price if a price range is indicated in the column Price Range (\$). These shares were purchased/sold in multiple transactions at prices between the price ranges below. The reporting persons will undertake to provide to the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price.