

PRINCIPAL FINANCIAL GROUP INC
 Form 4
 February 26, 2014

FORM 4

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

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Eucher Ralph Craig

2. Issuer Name and Ticker or Trading Symbol
 PRINCIPAL FINANCIAL GROUP INC [PFG]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
 711 HIGH STREET
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 02/24/2014

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 EVP

DES MOINES, IA 50392

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	02/24/2014		A	9,862 A \$ 0 (1)	46,700	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 44.88	02/24/2014		A	22,325	(2) 02/24/2024		Common Stock	22,325

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Eucher Ralph Craig 711 HIGH STREET DES MOINES, IA 50392			EVP	

Signatures

Patrick A. Kirchner, by Power of Attorney
Date: 02/26/2014

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Settlement of performance-based restricted stock units granted February 28, 2011.

(2) The option vests in three equal annual installments beginning February 24, 2015.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. IZE="2"> *

Jeffrey A. Marcus(12)

Arthur J. Reimers(13)

26,954 * *

Joseph P. Hannan(14)

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340,042 * *

John G. Pinch(15)

821,173 * *

Richard S. Denning(16)

367,569 * *

All directors and executive officers as a group
(11 persons)(17)

22,069,561 13.4% 995,092 6.5% 644,871 100% 16.7%

* Indicates less than one percent.

- (1) Except upon the occurrence of certain events, holders of Class B common stock are not entitled to vote on matters to be voted upon by shareholders generally, whereas each share of Class A common stock entitles its holder to one vote and each share of Class C common stock entitles its holder to ten votes. Holders of Class B common stock and Class C common stock are each entitled to a separate class vote on any amendment of any specific rights of the holders of Class B common stock or Class C common stock, respectively, that does not similarly affect the rights of the holders of Class A common stock. Each holder of Class B common stock is entitled to convert at any time all or any part of such holder's shares of Class B common stock into an equal number of shares of Class A common stock without cost to such holder (except any transfer taxes that may be payable). However, to the extent that such conversion would result in the holder holding more than 4.99% of the Class A common stock following such conversion, the holder shall first deliver to the Company an ownership certification for the purpose of enabling the Company (i) to determine that such holder does not have an attributable interest in another entity that would cause the Company to violate applicable FCC rules and regulations and (ii) to obtain any necessary approvals from the FCC or the United States Department of Justice. The Company, however, is not required to convert any share of Class B common stock if the Company reasonably and in good faith determines that such conversion would result in a violation of the Communications Act, the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, or the rules and regulations promulgated under either such Act.

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- (2) Each share of Class C common stock entitles its holder to ten votes on each matter to be voted upon by stockholders. Each holder of Class C common stock is entitled to convert at any time all or any part of such holder's shares of Class C common stock into an equal number of shares of Class A common stock without cost to such holder (except any transfer taxes that may be payable). However, to the extent that such conversion would result in the holder holding more than 4.99% of the Class A common stock following such conversion, the holder shall first deliver to the Company an ownership certification for the purpose of enabling the Company to (i) determine that such holder does not have an attributable interest in another entity that would cause the Company to violate applicable FCC rules and regulations and (ii) obtain any necessary approvals from the FCC or the United States Department of Justice. The Company, however, is not required to convert any share of Class C common stock if the Company reasonably and in good faith determines that such conversion would result in a violation of the Communications Act, the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, or the rules and regulations promulgated under either such Act. In the event of the death of Mr. L. Dickey, Jr. or in the event he becomes disabled and, as a result, terminates his employment with us, each share of Class C common stock held by him, or any party related to or affiliated with him, will automatically be converted into one share of Class A common stock.
- (3) This information is based in part on a Schedule 13D/A filed on December 14, 2012. Includes presently exercisable warrants to purchase 7,776,498 shares of Class A common stock. Shares are held by Crestview Radio Investors, LLC, a special purpose investment vehicle, various Crestview investment funds which are members of Crestview Radio Investors, and certain other Crestview affiliates that are general partners of, or provide investment advisory and management services to, such funds. The address of each of these entities is 667 Madison Avenue, New York, New York 10065.
- (4) This information is based in part on a Schedule 13D/A filed on February 14, 2013. Includes: (i) 11,782 shares of Class A common stock underlying options held by BA Capital Company, L.P. ("BA Capital") that are presently exercisable; and (ii) 37,454 restricted shares of Class A common stock and 40,493 shares of Class A common stock underlying presently exercisable options, each held by Mr. Sheridan for the benefit of BA Capital. BA Capital has sole voting and dispositive power with respect to 902,389 of the shares of Class A common stock and 849,275 shares of Class B common stock. Banc of America Capital Investors SBIC, L.P. ("BACI") has sole voting and dispositive power over the remaining shares. The address of BA Capital and BACI is 150 North College Street, Suite 2500, Charlotte, North Carolina 28202.
- (5) This information is based on a Schedule 13G/A filed on February 14, 2013. Includes presently exercisable warrants to purchase 371,221 shares of Class A common stock. The address of Canyon Capital Advisors LLC is 2000 Avenue of the Stars, 11th Floor, Los Angeles, California 90067.
- (6) Represents: (i) indirect beneficial ownership of the following securities owned by Dickey Holdings Limited Partnership, LLLP ("Dickey Holdings Limited Partnership"), a majority of the general partnership interests of which are held by Mr. L. Dickey, Sr. and his wife: (a) 8,766,753 shares of Class A common stock; (b) 1,964,747 shares of Class A common stock underlying warrants that are presently exercisable; and (c) 995,092 shares of Class B common stock; and (ii) in accordance with Regulation 13D of the Exchange Act, indirect beneficial ownership of 2,900,685 shares of Class A common stock, 3,653,686 shares of Class A common stock underlying options that are presently exercisable and 644,871 shares of Class C common stock beneficially owned by his son Lewis W. Dickey, Jr. (see footnote 7). Mr. L. Dickey, Sr. disclaims beneficial ownership of all of the shares owned or controlled by Mr. L. Dickey, Jr. The address of Lewis W. Dickey, Sr., and the Dickey Holdings Limited Partnership is 11304 Old Harbor Road, North Palm Beach, Florida 33408.
- (7) Includes: (i) indirect beneficial ownership of 10,000 shares of Class A common stock registered in the name of DBBC, LLC, by virtue of his controlling interest in that entity; (ii) 120,000 restricted shares of Class A common stock as to which he has voting, but not dispositive, power; (iii) 3,653,686 shares of Class A common stock underlying options that are presently exercisable; and (iv) in accordance with Regulation 13D of the Exchange Act, indirect beneficial ownership of: (a) 8,766,753 shares of Class A common stock; (b) 1,964,747 shares of Class A common stock underlying warrants that are presently exercisable; and

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- (c) 995,092 shares of Class B common stock, each of which are directly owned by Dickey Holdings Limited Partnership (see footnote 6), and in which Mr. L. Dickey, Jr. holds partnership interests. Mr. L. Dickey, Jr. disclaims beneficial ownership of all of the shares held by DBBC, LLC and Dickey Holdings Limited Partnership, except to the extent of his pecuniary interest therein.
- (8) Includes: (i) 57,500 restricted shares of Class A common stock as to which he has voting, but not dispositive, power; and (ii) 1,013,539 shares of Class A common stock underlying options that are presently exercisable. Excludes all securities owned by Dickey Holdings Limited Partnership and DBBC, LLC, entities in which Mr. J. Dickey holds certain partnership and membership interests, respectively (see footnote 6).
- (9) Includes: (i) 10,375 restricted shares of Class A common stock as to which he has voting, but not dispositive, power; and (ii) 45,450 shares of Class A common stock underlying options that are presently exercisable.
- (10) Includes: (i) 10,375 restricted shares of Class A common stock as to which he has voting, but not dispositive, power; and (ii) 40,493 shares of Class A common stock underlying options that are presently exercisable, each of which he holds for the benefit of BA Capital. Does not reflect any securities owned by BACI or BA Capital. Mr. Sheridan is a partner in Ridgemont Equity Partners, affiliates of which are deemed to have voting and dispositive power with respect to, and have an economic interest in, any shares owned by BACI or BA Capital. As the BofA Stockholders designee to our Board of Directors, Mr. Sheridan disclaims beneficial ownership of all securities held by him, which he holds for the benefit of BA Capital, except to the extent of his pecuniary interest therein.
- (11) Includes 5,000 restricted shares of Class A common stock as to which he has voting, but not dispositive, power.
- (12) Does not reflect any securities owned by Crestview Radio Investors. Mr. Marcus is one of Crestview's designees to our Board of Directors and a managing director of Crestview, L.L.C., affiliates of which are deemed to have voting and dispositive power with respect to, and have an economic interest in, any securities owned by Crestview Radio Investors.
- (13) Mr. Reimers is one of Crestview's designees to our Board of Directors. Does not reflect any shares owned by Crestview Radio Investors.
- (14) Includes: (i) 10,000 restricted shares of Class A common stock as to which he has voting, but not dispositive, power; and (ii) 270,000 shares of Class A common stock underlying options that are presently exercisable.
- (15) Includes: (i) 35,000 restricted shares of Class A common stock as to which he has voting, but not dispositive, power; and (ii) 580,424 shares of Class A common stock underlying options that are presently exercisable.
- (16) Includes: (i) 12,500 restricted shares of Class A common stock as to which he has voting, but not dispositive, power; and (ii) 283,650 shares of Class A common stock underlying options that are presently exercisable.
- (17) See footnotes 7 - 16.

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EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

This compensation discussion and analysis provides an overview of our compensation philosophy, objectives, policies and programs, the elements of compensation that we provide, and the material factors that we considered in making the decisions to pay such compensation. Following this analysis, we have provided a series of tables containing specific information about the compensation earned, or paid, in 2012 to the following individuals, whom we refer to as our named executive officers:

Lewis W. Dickey, Jr., our Chairman, President and Chief Executive Officer;

Joseph P. Hannan, our Senior Vice President, Treasurer and Chief Financial Officer;

Jonathan (John) G. Pinch, our Executive Vice President and Co-Chief Operating Officer;

John W. Dickey, our Executive Vice President and Co-Chief Operating Officer; and

Richard S. Denning, our Senior Vice President, Secretary and General Counsel.

The discussion below is intended to help you understand the information provided in those tables and put that information in context within our overall compensation program.

Role of the Compensation Committee

The Compensation Committee is responsible for overseeing all aspects of our executive compensation, including designing, implementing and evaluating the operation of the Company's Compensation programs in accordance with its philosophy. The Compensation Committee reviews and approves, or recommends to the Board of Directors for approval, all compensation for our executive officers, including grants of equity awards, and any changes in compensation program design and implementation. Additional information about the Compensation Committee, including its composition, responsibilities and operations, can be found in Information About the Board of Directors Committees of the Board of Directors The Compensation Committee.

Executive Compensation Philosophy

We seek to design and implement an overall compensation program with the following three primary related objectives:

providing a total compensation package that allows us to compete effectively in attracting, rewarding and retaining executive leadership talent;

rewarding executives for meaningful performance that contributes to enhanced long-term stockholder value and our general long-term financial health; and

aligning the interests of our executives with those of our stockholders.

In accordance with these goals, we generally seek to provide a material portion of each executive officer's compensation in the form of at-risk incentive awards, including awards that measure individual performance and our success as a Company in achieving our business strategy and

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objectives. With respect to Company performance, we typically focus primarily on the performance and results of our broadcasting operations and the cash flow generated by our business, as these metrics have traditionally been indicators of financial success and value creators for our Company and in our industry.

To implement the foregoing, the Compensation Committee has certain flexibility to determine the types and amounts of fixed and incentive-based cash compensation, as well as equity-based compensation opportunities each year, based on an analysis of relevant factors including historical and expected individual responsibilities and contributions, Company performance and internal and external pay equity considerations.

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Compensation Program Elements and Their Purpose

As described above, the compensation program for our executive officers consists primarily of the following integrated components: base salary, annual incentive awards and long-term incentive opportunities. The program also contains elements relating to retirement, severance and other employee benefits.

Base Salary. Base salary is the fixed portion of an executive officer's annual compensation and is intended to recognize fundamental market value for the skills and experience of the individual relative to the responsibilities of his position with us. Changes to base salary are generally intended to reflect, among other things, the officer's performance as measured through functional progress, career and skill development and mastery of position competency requirements. Base salary is the fundamental element of the total compensation package to which most other elements relate.

The Compensation Committee seeks to set base salaries at levels that it considers fair, after considering a variety of factors, including the scope and complexity of the officer's position; the officer's expertise; the officer's experience relative to his position and responsibilities; the officer's contributions and importance to us; the officer's historical compensation; the salary ranges for persons in comparable positions at comparable companies (to the extent available); the competitiveness of the market for the officer's services; and the recommendations of our Chief Executive Officer (except in the case of his own performance). Subject to limitations in applicable employment agreements, determinations as to appropriate base salaries of our named executive officers are generally not made by applying a particular formula or using designated benchmarks.

Annual Incentive Compensation. Unlike base salary, which is fixed, annual incentive compensation is intended to vary as a direct reflection of Company and individual performance, usually over a twelve-month period. The incentive opportunity is typically expressed as a percentage of base salary and paid in the form of a cash bonus, although the Compensation Committee has discretion to grant or pay incentive awards, in whole or in part, in the form of equity awards and has done so in the past. In addition to annual incentive compensation awards, the Compensation Committee has the authority to make discretionary bonus awards, including awards based on Company or individual performance, at any time.

Long-Term Incentives. Long-term incentive awards, which have historically been made in the form of grants of either options that are exercisable for shares of our common stock or awards of restricted shares of our common stock that are subject to time or performance-based vesting requirements, are granted with the intent to reward performance over a multi-year period with links to continued service, long-term stockholder value and performance criteria. This long-term incentive opportunity is generally designed and implemented to maintain a desired balance between short- and long-term compensation, as further discussed below. The realized compensation from these incentives will vary as a reflection of stock price or other financial performance over time.

Employee Retirement/Health and Welfare Benefit Plans. These benefits are intended to provide competitive levels of medical, retirement and income protection, such as life and disability insurance coverage, for the executives and their families. Our executive officers generally are eligible to participate in the same programs pertaining to medical coverage (active employee and retiree), life insurance, disability and retirement offered to all of our eligible employees. In addition, our executive officers are eligible to participate in an executive life insurance program. We believe that our benefits and retirement programs are comparable to those offered by other similar companies in the broadcasting industry and, as a result, are appropriate to ensure that our compensation package for our executive officers remains competitive.

Severance and Other Termination Payments. Each executive officer currently employed by us is party to an employment agreement entered into in November 2011, under which he may receive severance benefits upon his termination of employment in various circumstances, including in connection with a change in control. The severance-related arrangements are described in more detail under Potential Payments upon Termination or

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Change in Control. We believe that our severance arrangements, including the amount of the severance benefit, are comparable to those offered by similar companies in the broadcasting industry and, as a result, are appropriate to ensure that compensation for our executive officers remains competitive.

Executive Perquisites. We do not believe it is appropriate to provide our executive officers with substantial perquisites beyond their stated compensation, but we do offer certain perquisites we believe are reasonable and necessary to compete for executive talent. We do not provide perquisites such as country club memberships or financial planning costs, but have historically provided a car allowance to certain of our executive officers.

Compensation Levels Among Executive Officers. There are no policy differences with respect to the compensation of individual executive officers even though the level of compensation may differ based on scope of responsibilities and performance. Any compensation disparity between our Chief Executive Officer and our other executive officers is primarily due to the Chief Executive Officer having significantly greater responsibilities for strategic leadership, management and oversight of a large enterprise and the corresponding market factors reflecting this difference. From an operations oversight perspective, we have divided responsibility for our radio markets in half, and Mr. J. Dickey and Mr. Pinch, who each serve as Executive Vice President and Co-Chief Operating Officer, are each responsible for one-half of our operating markets. Mr. J. Dickey also has responsibility for overseeing our radio networks and programming, market promotion and engineering across all markets. Consequently, Mr. J. Dickey's base salary and incentive awards reflect the multiple categories of responsibilities that he holds. Mr. Hannan was named Senior Vice President, Treasurer and Chief Financial Officer in March 2010, after having served as Interim Chief Financial Officer since July 2009, and his compensation has increased as he has taken on increased responsibilities in that role. In 2011, Mr. Denning was designated as an executive officer in light of his increased responsibilities and his promotion to Senior Vice President, Secretary and General Counsel.

Compensation Framework

The Role of Executive Officers in Determining Executive Compensation

The Compensation Committee generally consults with members of management in connection with addressing executive compensation matters. Our Chief Executive Officer evaluates the performance of the other executive officers and develops recommendations regarding their compensation, including proposed compensation levels for individual executive officers within the constructs of their respective employment agreements, using internal and external resources. These resources may include compensation surveys, external data and reports from third parties or publicly available information. Recommendations from our Chief Executive Officer generally take into account the various elements of our compensation program including design, compliance and competitive strategy as well as consideration of the individual executive officer's performance and compensation level. The Compensation Committee reviews and discusses these recommendations and determines whether to accept, reject or revise the proposals.

Our Chief Executive Officer, and other management personnel, from time to time assist the Compensation Committee in understanding, and provide recommendations regarding, key business factors that are relevant to our compensation philosophy. This may include defining related measures and explaining the mutual influence on or by various business elements and the accounting and tax treatment relating to certain awards. Our Chief Executive Officer also provides updates to the Compensation Committee regarding current and anticipated performance outcomes and their anticipated impact on executive compensation.

Our internal and external legal counsel assist in ensuring that appropriate plan documentation and approvals are received in order to keep executive pay programs in compliance with applicable laws and stock exchange listing requirements. Our legal counsel also advises the Compensation Committee and our Board of Directors on compliance with appropriate corporate governance standards and requirements.

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When Long-term Grants are Made

The Compensation Committee typically evaluates and, if appropriate, grants long-term incentive awards annually, usually in the first quarter of the fiscal year. The meeting date is scheduled in advance and without regard to potential stock price movement. In addition, the Compensation Committee retains the discretion to make additional grants, or amendments to previous grants, of incentive awards from time to time throughout each year in light of business or other applicable developments.

Discretion to Modify Awards

As previously noted, annual incentive awards are typically based on our performance and that of each individual named executive officer over the most recently completed fiscal year. The Compensation Committee reserves the right to adjust Company or individual goals during the course of the year in order to reflect changes in our business.

Under our equity incentive plans, the Compensation Committee has certain discretion to adjust or modify the terms of an award, including awards that might otherwise be forfeited. The Compensation Committee generally does not have the authority to unilaterally rescind an award. Each award defines the terms under which it would be forfeited according to the terms of the applicable equity incentive plan.

Allocating Between Long-Term and Annual Compensation

We seek to execute on an executive compensation program that is balanced in terms of each element of pay relative to competitive practices, with an appropriate incentive emphasis placed on long-term results. The overall program is intended to balance business objectives for executive pay for performance, retention, competitive market practices and stockholder interests. Each year, in light of a number of considerations including recent and expected business developments, individual and Company performance, historical compensation and other relevant metrics, we seek to ensure an appropriate percentage of the annual total direct compensation target opportunity is subject to performance risk for our executive officers. The Compensation Committee allocates total compensation between short- and long-term incentives based upon, among other things, input of compensation consultants and other advisors from time to time, and various analyses of general compensation practices at similar companies, as well as, its view of how best to maintain key personnel.

Stockholder Input on Executive Compensation Matters

In accordance with applicable law and as described in more detail in Proposal 2 below, we are providing at our annual meeting an opportunity for our stockholders to have an advisory vote on executive compensation (the say-on-pay vote). Although this vote will not be binding on the Compensation Committee, the Board of Directors or the Company, we expect to consider and evaluate the results of this vote when designing and implementing our compensation policies and programs in the future.

In addition to such consideration as will be given to the results of the say-on-pay vote, at various times throughout the year the Compensation Committee considers any input it may receive from stockholders and other stakeholders, and more general developments in executive compensation principles, in the development and implementation of the Company's executive compensation philosophy, policies and programs. For additional information on the say-on-pay vote with respect to the compensation paid to our executive officers in 2012, see Proposal No. 2: Advisory Vote on Executive Compensation below.

Compensation Consultants

The Compensation Committee has the authority to retain compensation consultants from time to time as it deems appropriate. In 2011, and in connection with the significant transformation of the Company in terms of

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size, scope of operations, and capital structure, and the related increase in executive responsibilities in connection with its acquisition of Citadel Broadcasting Corporation (Citadel), the Company engaged Meridian Compensation Partners, LLC (Meridian) to advise the Company on various executive compensation matters, including the need to develop an appropriate compensation program for Cumulus after completion of the strategic transactions in 2011. Matters on which Meridian assisted the Compensation Committee included the development of a new equity incentive plan, the design and sizing of equity awards that were made under that new plan in September 2011, certain elements of the executive officer employment agreements entered into in November 2011, and a new non-employee director compensation program that was implemented as of January 1, 2012. The program design and implementation approved and adopted by the Compensation Committee in 2011 also underlined a number of compensation related decisions made in 2012 for our executive officers.

As a part of its engagement, Meridian reviewed data from the following group of peer companies:

Belo Corp.	Nexstar Broadcasting Group, Inc.
Beasley Broadcast Group	Radio One, Inc.
Citadel Broadcasting Corporation	Saga Communications, Inc.
Emmis Communications Corporation	Salem Communications Corporation
Entercom Communications Corp.	Sinclair Broadcast Group, Inc.
Entravision Communications Corporation	Spanish Broadcasting System, Inc.
Gray Television, Inc.	Westwood One, Inc.
Lin TV Corp.	

The Compensation Committee used data provided by Meridian on various of these companies in its own evaluation and analysis of compensation types, levels and amounts to be paid to the Company s executive officers and to nonemployee directors.

Meridian does not have a relationship with, nor did it provide any services to, the Company or the Compensation Committee other than in connection with the engagement as described above.

Compensation Decisions for 2012

Base Salary. As described above, we entered into new employment agreements with each of our named executive officers in November 2011, which superseded the terms of the prior employment agreements in their entirety. Pursuant to these new employment agreements, the terms of which were developed by the Compensation Committee, with assistance from Meridian, the named executive officers were entitled to receive the following base salaries, effective September 16, 2011 (which was the date that we completed the Citadel acquisition and a series of related financing transactions): Mr. L. Dickey (\$1,450,000), Mr. Hannan (\$550,000), Mr. J. Dickey (\$875,000), Mr. Pinch (\$775,000), and Mr. Denning (\$500,000). These salaries, which are subject to annual increases at the discretion of the Board of Directors, were established in light of the significant increase in each of the named executive officer s responsibilities, particularly for Mr. Hannan as he took on much greater functional responsibilities as Chief Financial Officer, and as appropriate compensation for executive officers of a larger company.

In light of the base salary adjustments that took effect in September 2011, the Compensation Committee did not make any additional increases to base salary for the named executive officers for 2012.

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Annual Incentive Compensation Award Opportunity. Each named executive officer's employment agreement provides that he will be eligible for an annual cash bonus based upon achievement of annual performance goals for the Company and/or the individual as determined by the Compensation Committee each year. These agreements also provide that the annual cash award opportunity will be calculated as a percentage of each executive's base salary as follows:

Name	Target (as a % of base salary) Award Opportunity	Maximum Award Opportunity
Lewis W. Dickey, Jr.	100%	150%
Joseph P. Hannan	50%	75%
John G. Pinch	75%	100%
John W. Dickey	75%	100%
Richard S. Denning	40%	60%

The employment agreements also provide that, beginning in 2012, the Compensation Committee may adjust the target and maximum award opportunities for an executive officer in any year.

In February 2012, the Compensation Committee established certain objectives and criteria applicable to the annual incentive compensation award opportunities for the named executive officers. The Compensation Committee selected such criteria for each named executive officer based on each individual's functional areas of responsibility within the Company, and the Compensation Committee's perceived importance of the objectives to the overall success of the Company. The Compensation Committee also determined at that time that the payment of annual incentive compensation in 2012 above the target award opportunity level would be at the discretion of the Compensation Committee based on its assessment of factors relevant to each individual's performance. The Compensation Committee determined that each named executive officer would be entitled to receive the applicable target bonus opportunity if Cumulus achieved budgeted revenue and EBITDA goals, and satisfied other objectives related to managing costs, achieving success in obtaining synergies and in successfully integrating the acquired businesses. In addition, the Compensation Committee determined that the named executive officers would be entitled to additional amounts, up to the maximum bonus opportunity, based upon the Compensation Committee's determination, in its discretion, of the individual's contributions to the Company's strategic, business and operating performance during the year.

Based upon the foregoing, and after evaluating Company and individual performance in 2012 in light of all applicable factors, including the specific contributions that each individual made to the Company's operations, integration of the acquired businesses, financial position, performance and strategic development in an economic and industry environment that continued to face challenges in 2012, and after taking into account the discretion afforded to the Compensation Committee in the payment of annual cash incentive compensation, the Compensation Committee approved the following payments to the named executive officers as annual incentive awards for 2012 performance:

Name	Actual Bonus Amount	Actual Bonus as a Percentage of Target Award Opportunity	Actual Bonus as a Percentage of Maximum Award Opportunity
Lewis W. Dickey, Jr.	\$ 725,000	50%	33%
Joseph P. Hannan	\$ 137,500	50%	33%
John G. Pinch	\$ 290,625	50%	38%
John W. Dickey	\$ 328,125	50%	38%
Richard S. Denning	\$ 100,000	50%	33%

Long-Term Incentive Awards. As described above, the Compensation Committee considers the grant of equity incentive awards on an annual basis, or more frequently if circumstances warrant, as an important component of our overall compensation philosophy to reward performance over a multi-year period with links to continued service and long-term stockholder value creation.

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As with determinations of base salary and annual short-term incentives, determinations as to appropriate long-term incentives of our named executive officers historically have not depended upon the application of a particular formula or the use of designated benchmarks.

As previously disclosed, in connection with the significant corporate transactions undertaken by the Company in 2011, including the Citadel acquisition and related financing transactions, and in light of the significant additional responsibility of the named executive officers as a result thereof, the Compensation Committee believed it was appropriate to grant to the named executive officers an additional equity incentive award in September 2011. This award was made in connection with the closing of those transactions in the form of stock options with exercise prices in excess of then-current market value, requiring the named executive offices to create significant value in the form of stock price appreciation in order to achieve value from this award.

In light of the level and timing of the various equity incentive awards made in 2011, the Compensation Committee did not make grants of equity incentive awards to the named executive officers in or for 2012.

Impact of Restated Earnings on Previously Paid or Awarded Compensation

We have not had to restate earnings in a manner that would impact incentive award payments. If restatements are necessary in the future, the Compensation Committee and the Board of Directors will consider the facts and circumstances relating to the cause and impact of the restatement, as well as the requirements under Section 304 of the Sarbanes-Oxley Act of 2002, in determining whether any payments based upon the financial results were made unjustly and the materiality and probability of recovering such payments.

Accounting and Tax Impact on Direct Compensation

For executive officers, all compensation is subject to federal, state and local taxes as ordinary income or capital gains as various tax jurisdictions provide. Section 162(m) of the U.S. tax code places a limit of \$1,000,000 on the amount of compensation that we may deduct in any one year with respect to any of our executive officers. However, the U.S. tax code also provides that qualifying performance-based compensation is not subject to the deduction limit if certain requirements are met. To maintain flexibility in compensating our executive officers, however, the Compensation Committee reserves the right to use its judgment to authorize compensation payments that may be subject to the limit when the Compensation Committee believes that such payments are appropriate. Accordingly, certain components of the compensation program for our executive officers are designed to be qualifying performance-based compensation under Section 162(m) of the tax code, while others are not.

We do not expect accounting treatment of various forms of equity awards under GAAP to vary significantly and, therefore, accounting treatment is not expected to have a material effect on the selection of forms of compensation.

Summary of Compensation and Benefit Plan Risk

Our compensation and benefits policies and practices include a number of features designed to address potential risks while rewarding employees for achieving long-term financial and strategic objectives through prudent business judgment and appropriate risk taking. These include a balanced mix of compensation components and prudent performance goals discussed above. The Compensation Committee considers potential risks when reviewing and approving compensation programs. After assessing compensation related risks for our employees, the Compensation Committee determined that the Company's compensation and benefit policies and practices are not likely to have a material adverse effect on the Company and that the plans currently in place or contemplated are appropriately balanced between retention and incentive to enable the Company to retain its

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management team and provide the executive officers with appropriate incentives focused on meeting the objectives, developed by management and the Board of Directors, designed to create long-term stockholder value.

Compensation Committee Report

The Compensation Committee of the Company has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management and, based on this review and these discussions, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement.

The Compensation Committee of the Board of

Directors:

Jeffrey A. Marcus (Chairman)

David M. Tolley

Alexis Glick

Table of Contents**Summary Compensation Table**

The following table summarizes the total compensation paid to or earned by each of the named executive officers for the fiscal years ended December 31, 2012, December 31, 2011 and December 31, 2010, or for such shorter period during which such individual constituted a named executive officer.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)(1)	Stock Awards (\$)(2)	Option Awards (\$)(2)	Non-Equity		Total (\$)
						Incentive Plan Compensation	All Other Compensation (\$)	
Lewis W. Dickey, Jr.	2012	1,450,000	725,000				15,876(3)	2,190,876
Chairman, President and Chief Executive Officer	2011	1,122,042	2,000,000	1,558,400	15,193,479		15,876	19,889,797
	2010	940,000	939,960	1,008,000			17,904	2,905,864
Joseph P. Hannan	2012	550,000	137,500					687,500
Senior Vice President, Treasurer and Chief Financial Officer	2011	355,208	275,000	73,050	1,189,055			1,892,313
	2010	250,000	100,000	31,500				381,500
John G. Pinch	2012	775,000	290,625				12,276(4)	1,077,901
Executive Vice President and Co-Chief Operating Officer	2011	616,734	581,250	243,500	2,279,022		12,276	3,732,782
	2010	525,300	240,000	126,000			17,982	909,282
John W. Dickey	2012	875,000	328,125				15,876(5)	1,219,001
Executive Vice President and Co-Chief Operating Officer	2011	699,525	626,250	389,600	3,646,435		15,876	5,407,686
	2010	597,400	290,000	220,500			17,904	1,125,804
Richard S. Denning	2012	500,000	100,000				2,286(6)	602,286
Senior Vice President, Secretary and General Counsel	2011	429,167	200,000	121,750	1,140,171		2,286	1,893,374

- (1) We consider a bonus paid in a given fiscal year and based on the Company's performance in the prior year as being earned in that prior year. The amounts reported in this column reflect the bonus earned in the year indicated. For 2011, includes the grant date fair value of awards of stock granted in February 2012 in lieu of cash bonuses as follows: Mr. L. Dickey, Jr. \$469,980, Mr. Hannan \$50,000, Mr. Pinch \$120,000 and Mr. J. Dickey \$445,000.
- (2) Reflects the grant date fair value of awards calculated in accordance with FASB ASC Topic 718. See note 13 of the consolidated financial statements in the Company's annual report on Form 10-K for the year ended December 31, 2012 for certain assumptions underlying the fair value of awards.
- (3) Reflects an automobile allowance of \$12,000, employer-paid life insurance premiums of \$1,590 and employer-paid disability insurance premiums of \$2,286.
- (4) Reflects an automobile allowance of \$8,400, employer-paid life insurance premiums of \$1,590 and employer-paid disability insurance premiums of \$2,286.
- (5) Reflects an automobile allowance of \$12,000, employer-paid life insurance premiums of \$1,590 and employer-paid disability insurance premiums of \$2,286.

(6) Reflects employer-paid disability insurance premiums.

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Table of Contents**2012 Grants of Plan-Based Awards**

The table below summarizes the grants of plan-based awards to each of the named executive officers for the fiscal year ended December 31, 2012. As described in more detail above under Compensation Discussion and Analysis, no equity incentive plan award grants were made to any of the named executive officers in 2012.

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1)			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards (\$/Sh)	Grant Date Fair Value of Stock and Option Awards(2)
		Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)				
Lewis W. Dickey, Jr.			1,450,000								
Joseph P. Hannan			275,000								
John G. Pinch			581,250								
John W. Dickey			656,250								
Richard S. Denning			200,000								

(1) Actual amount of non-equity incentive plan award paid, if any, is set out in the Summary Compensation Table under the heading Non-Equity Incentive Plan Compensation.

(2) Reflects the grant date fair value of awards granted in the year ended December 31, 2012 in accordance with FASB ASC Topic 718.

Table of Contents**Outstanding Equity Awards at 2012 Fiscal Year-End**

The following table sets forth the number and value of shares of restricted stock and stock options held by each named executive officer that were outstanding as of December 31, 2012. All awards relate to shares of Class A common stock. The value of restricted stock awards was calculated based on a price of \$2.67 per share, the closing price of the Company's Class A common stock on December 31, 2012.

Name	Option Awards					Stock Awards		Equity Incentive Plan Awards: Number of Unearned Shares, Units or Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Rights That Have Not Vested (\$)
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)		
Lewis W. Dickey, Jr.	3,450,000	8,050,000(2)		4.34	09/16/2021			280,000(1)	748,440
	67,895			2.79	12/30/2018				
	67,895			2.92	12/30/2018				
	67,895			3.30	12/30/2018				
Joseph P. Hannan	270,000(2)	630,000(2)		4.34	09/16/2021			20,000(3)	53,460
John G. Pinch	517,500	1,207,500(2)		4.34	09/16/2021			80,000(4)	213,840
	20,975			2.54	12/30/2018				
	20,975			2.92	12/30/2018				
	20,974			3.30	12/30/2018				
John W. Dickey	828,000	1,932,000(2)		4.34	09/16/2021			132,500(5)	354,173
	61,847			2.79	12/30/2018				
	61,846			2.92	12/30/2018				
	61,846			3.30	12/30/2018				
Richard S. Denning	258,900	604,100(2)		4.34	09/16/2021			28,750(6)	76,849
	8,250			2.54	12/30/2018				
	8,250			2.92	12/30/2018				
	8,250			3.30	12/30/2018				

- (1) 160,000 of such restricted shares vested by their terms subsequent to December 31, 2012 and prior to the date hereof. The remaining restricted shares vest in equal increments on February 24, 2014, March 26, 2014 and February 24, 2015.
- (2) 30% of the award has vested, with the remainder to vest as follows: 30% on September 16, 2013 and 20% on each of September 16, 2014 and September 16, 2015, respectively.
- (3) 10,000 of such restricted shares vested by their terms subsequent to December 31, 2012 and prior to the date hereof. The remaining restricted shares vest as follows: 37.5% on February 24, 2014, 25% on March 26, 2014 and 37.5% on February 24, 2015.

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- (4) 45,000 of such restricted shares vested by their terms subsequent to December 31, 2012 and prior to the date hereof. The remaining restricted shares vest as follows: 12,500 shares on February 24, 2014, 10,000 shares on March 26, 2014 and 12,500 shares on February 24, 2015.

- (5) 75,000 of such restricted shares vested by their terms subsequent to December 31, 2012 and prior to the date hereof. The remaining restricted shares vest as follows: 20,000 shares on February 24, 2014, 17,500 shares on March 26, 2014 and 20,000 shares on February 24, 2015.

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- (6) 16,250 of such restricted shares vested by their terms subsequent to December 31, 2012 and prior to the date hereof. The remaining restricted shares vest in equal increments on February 24, 2014 and February 24, 2015.

2012 Option Exercises and Stock Vested

The following table provides the number of shares of Class A common stock acquired upon vesting of stock awards in 2012 and the value realized for each named executive officer. No stock options were exercised during 2012.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$)	Number of Shares Acquired on Vesting (#)(1)	Value Realized on Vesting (\$)(1)(2)
Lewis W. Dickey, Jr.			977,311	3,594,662
Joseph P. Hannan			5,000	18,200
John G. Pinch			40,109	135,681
John W. Dickey			82,247	269,992
Richard S. Denning			9,424	28,851

- (1) Reflects the gross number of shares acquired, without reduction for any shares surrendered to satisfy tax withholding requirements.

- (2) Calculated by multiplying the gross number of shares acquired by the market value of the shares as of the relevant vesting dates.

Potential Payments upon Termination or Change in Control

The following analyses reflect the amount of compensation that would be payable to each of the named executive officers in the event of termination of their employment under the following scenarios: resignation for good reason, termination without cause, termination for cause, resignation without good reason (voluntary resignation), termination in connection with a change in control, and termination due to death or disability. The analyses assume that the date of termination was December 31, 2012, and the dollar value of any equity is calculated using a per share price of \$2.67, which was the reported closing price of our Class A common stock on December 31, 2012. In addition, the analyses assume the sale, on that date, of all restricted shares and shares of Class A common stock issuable upon exercise of unvested options whose vesting is accelerated as a result of termination.

All potential payments to the executive officers upon termination of their employment or upon a change in control are governed by the terms of their respective employment agreements as described below, or the equity incentive plan pursuant to which various equity incentive awards were issued. For additional information regarding the employment agreements, see Employment Agreements.

Each agreement provides that in the event the Company terminates the relevant named executive officer's employment without cause (including the Company notifying the executive of the Company's intent to not renew such agreement) or if the executive terminates his employment for good reason during the term of the agreement, the executive will be entitled to the following:

an amount equal to a multiple (the severance multiplier) of the sum of the executive's respective annual base salary and target bonus award opportunity then in effect. The severance multiplier is 2.0 for Mr. L. Dickey, Jr. and 1.0 for the other named executives;

a lump-sum payment equal to the pro rata amount of the annual bonus the executive would have received if he had remained employed by the Company through the last day of the calendar year, based on actual performance through the applicable performance period;

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immediate vesting of 50% of any unvested equity awards, with the remaining 50% of such awards being forfeited, provided, however, that if such termination occurs during the six-month period immediately preceding a change in control (as defined in the agreements), then 100% of any unvested equity awards will become fully vested on the consummation of the change in control; and

continued participation by the executive and his dependents in the Company's medical, dental, vision and hospitalization plans for 18 months for the other named executives.

In the event that the Company terminates the executive's employment without cause or the executive terminates his employment for good reason within a specified period following a change in control, the executive will be entitled to the same payments and benefits as described above, except the severance multiplier will be 3.0 for Mr. L. Dickey, Jr. and 2.0 for the other named executives, and 100% of the executive's equity awards will vest immediately. The specified period is 18 months in the case of Mr. L. Dickey, Jr. and nine months in the case of the other named executives.

Each agreement further provides that if the executive is terminated with cause, the executive terminates his employment without good reason or the executive's employment is terminated due to death or disability, then the Company is only obligated to pay the executive any base salary, bonus payments for any completed fiscal year and unreimbursed expenses that were accrued, but unpaid, through the date of termination.

In the event of a termination by the Company without cause or a termination by the relevant executive for good reason, the Company will not be obligated to pay to the executive any amounts other than those in the immediately preceding paragraph unless such executive executes in favor of the Company a general release of any claims against the Company.

In addition, payments and benefits under each of the employment agreements in event of a termination by the Company without cause or a termination by the relevant executive for good reason (other than terminations within one year following a change in control) are subject to compliance by the terminated executive with the 18-month non-competition and non-solicitation covenants in each of the agreements. Payments and benefits under each of the employment agreements are also subject to compliance by the terminated executive with the confidentiality covenants in each of the agreements.

According to each executive's employment agreement:

good reason means, in each case without the executive's consent, (i) a material diminution in his authority, duties or responsibilities or an adverse change in his reporting responsibilities; (ii) a material reduction in his base salary; (iii) the relocation of his principal place of employment to a location more than thirty (30) miles from the city of Atlanta, Georgia; or (iv) a material breach of the employment agreement by the Company;

cause means (i) the conviction of the executive of a felony under the laws of the United States or any state thereof, whether or not appeal is taken; (ii) the conviction of the executive for a violation of criminal law involving the Company and its business; (iii) the willful misconduct of the executive, or the willful or continued failure by the executive (except as a result of disability or illness) to substantially perform his duties under the agreement, in either case which has a material adverse effect on the Company; or (iv) the willful fraud or material dishonesty of the executive in connection with his performance of duties to the Company; and

change in control means the date that: (i) any one person, or more than one person acting as a group, acquires ownership of stock of the Company that, together with stock of the Company held by such person or group, constitutes more than fifty percent (50%) of the total fair market value or total voting power of the stock of the Company; provided, if any one person, or more than one person acting as a group, is considered to own more than fifty percent (50%) of the total fair market value or total voting power of the stock of the Company, the acquisition of additional stock by the same person or persons is

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not considered to cause a change in control ; (ii) any one person, or more than one person acting as a group, acquires (or has acquired during the twelve-month period ending on the date of the most recent acquisition by such person or persons) ownership of the Company's stock possessing thirty percent (30%) or more of the total voting power of the stock of the Company; (iii) a majority of members of the Board of Directors is replaced during any twelve-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board of Directors before the date of the appointment or election; or (iv) any one person, or more than one person acting as a group, acquires (or has acquired during the twelve-month period ending on the date of the most recent acquisition by such person or persons) assets from the Company that have a total gross fair market value equal to or more than forty percent (40%) of the total gross fair market value of all of the assets of the Company immediately before such acquisition or acquisitions.

In addition to payments made pursuant to the employment agreements, in the case of termination as a result of death or disability, the named executive officers are entitled to accelerated vesting of unvested stock option awards granted to the executive officers in 2012 under their stock option award agreements.

Lewis W. Dickey, Jr. The following analysis describes the potential payments upon termination of employment for Mr. L. Dickey, Jr. Unless otherwise specified, all cash payments are lump-sum payments.

Assuming a termination had occurred on December 31, 2012, Mr. L. Dickey, Jr. would have been entitled to receive:

for resignation for good reason or termination without cause (other than during the eighteen-month period following a change in control), a total of \$6,905,510, which consists of: \$5,800,000 (representing a severance payment of two times the sum of his base salary and target bonus as in effect immediately prior to the date of termination), plus \$725,000 (representing a lump sum cash payment for his annual bonus), plus in the case of termination without cause other than during the six-month period preceding a change in control only, \$373,800 (representing the proceeds from the sale at \$2.67 per share of 50% of his unvested equity awards as of the date of termination, excluding any underwater stock options), plus \$7,110 (the value of 18 months' continued coverage under our employee benefit plans);

for resignation for good reason or termination without cause during the six-month period preceding a change in control, a total of \$7,279,710, which consists of: \$5,800,000 (representing a severance payment of two times the sum of his base salary and target bonus as in effect immediately prior to the date of termination), plus \$725,000 (representing a lump sum cash payment for his annual bonus), plus \$747,600 (representing the proceeds from the sale at \$2.67 per share of 100% of his unvested equity awards as of the date of termination, excluding any underwater stock options), plus \$7,110 (the value of 18 months' continued coverage under our employee benefit plans); and

for resignation for good reason or termination without cause during the eighteen-month period following a change in control, a total of \$10,179,710, which consists of: \$8,700,000 (representing a severance payment of three times the sum of his base salary and target bonus as in effect immediately prior to the date of termination), plus \$725,000 (representing a lump sum cash payment for his annual bonus), plus \$747,600 (representing the proceeds from the sale at \$2.67 per share of 100% of his unvested equity awards as of the date of termination, excluding any underwater stock options), plus \$7,110 (the value of eighteen months' continued coverage under our employee benefit plans).

Joseph P. Hannan, John G. Pinch, John W. Dickey and Richard S. Denning. The following analysis describes the potential payments upon termination of employment for Messrs. Hannan, Pinch, J. Dickey and Denning. Unless otherwise specified, all cash payments are lump-sum payments.

Assuming a termination had occurred on December 31, 2012, Messrs. Hannan, Pinch, J. Dickey and Denning would be entitled to receive:

for resignation for good reason or termination without cause (other than during the nine-month period following a change in control), a total of \$1,002,556, \$1,762,639, \$2,049,619 and \$851,737, respectively,

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which consists of: \$825,000, \$1,356,250, \$1,531,250 and \$700,000, respectively (representing a severance payment of the sum of each executive's base salary and target bonus as in effect immediately prior to the date of termination), plus \$137,500, \$290,625, \$328,125 and \$100,000, respectively (representing a lump sum cash payment for each executive's annual bonus), plus in the case of termination without cause other than during the six-month period preceding a change in control only, \$26,700, \$106,800, \$176,888 and \$38,381, respectively (representing the proceeds from the sale at \$2.67 per share of 50% of each executive's unvested equity awards as of the date of termination, excluding any underwater stock options), plus \$13,356, \$8,964, \$13,356 and \$13,356, respectively (the value of 12 months' continued coverage under our employee benefit plans);

for resignation for good reason or termination without cause during the six-month period preceding a change in control, a total of \$1,029,256, \$1,869,439, \$2,226,506 and \$890,119, respectively, which consists of: \$825,000, \$1,356,250, \$1,531,250 and \$700,000, respectively (representing a severance payment of the sum of each executive's base salary and target bonus as in effect immediately prior to the date of termination), plus \$137,500, \$290,625, \$328,125 and \$100,000, respectively (representing a lump sum cash payment for each executive's annual bonus), plus \$53,400, \$213,600, \$353,775 and \$76,763, respectively (representing the proceeds from the sale at \$2.67 per share of 100% of each executive's unvested equity awards as of the date of termination, excluding any underwater stock options), plus \$13,356, \$8,964, \$13,356 and \$13,356, respectively (the value of 12 months' continued coverage under our employee benefit plans); and

for resignation for good reason or termination without cause during the nine-month period following a change in control, a total of \$1,854,256, \$3,225,689, \$3,757,756 and \$1,590,119, respectively, which consists of: \$1,650,000, \$2,712,500, \$3,062,500 and \$1,400,000, respectively (representing a severance payment of two times the sum of each executive's base salary and target bonus as in effect immediately prior to the date of termination), plus \$137,500, \$290,625, \$328,125 and \$100,000, respectively (representing a lump sum cash payment for each executive's annual bonus), plus \$53,400, \$213,600, \$353,775 and \$76,763, respectively (representing the proceeds from the sale at \$2.67 per share of 100% of each executive's unvested equity awards as of the date of termination, excluding any underwater stock options), plus \$13,356, \$8,964, \$13,356 and \$13,356, respectively (the value of 12 months' continued coverage under our employee benefit plans).

Director Compensation

We use a combination of cash and stock-based incentive compensation to attract and retain qualified candidates to serve on our Board of Directors. In setting director compensation, we consider the significant amount of time that directors expend in fulfilling their duties as directors as well as the expertise and knowledge required. In 2011, the Compensation Committee, together with its compensation consultant, developed a new non-employee director compensation program that took effect January 1, 2012.

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Effective January 1, 2012, non-employee directors receive a fee of \$75,000 annually. Further, each non-employee director receives an additional fee of \$25,000 annually for service on each committee of which he or she is a member. Also, the Chairman of the Audit Committee receives an additional fee of \$25,000 annually, the Chairman of the Compensation Committee receives an additional fee of \$15,000 annually, and the lead director receives an additional fee of \$30,000 annually. Each non-employee director is also reimbursed for expenses actually incurred in attending in-person meetings of the Board of Directors and any committees. In addition, each non-employee director receives \$100,000 in restricted stock awards per year, which vest on the first anniversary of the grant date.

Name(1)	2012 Director Compensation						Total (\$)
	Fees Earned or Paid in Cash (\$)	Stock Awards (\$)(2)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings	All Other Compensation (\$)	
Ralph B. Everett	129,079	100,000					229,079
Alexis Glick(3)							
Jeffrey A. Marcus(4)	146,500	100,000					246,500
Arthur J. Reimers(4)	96,569	100,000					205,358
Eric P. Robison(5)	131,812	100,000					231,812
Robert H. Sheridan, III	130,912	100,000					230,912
David M. Tolley	141,638	100,000					241,638

- (1) Mr. L. Dickey, Jr. is not included in this table as he is an employee and thus receives no additional compensation for his services as a director. The compensation Mr. L. Dickey, Jr. received as an employee is shown in the Summary Compensation Table elsewhere in this proxy statement.
- (2) At December 31, 2012, the aggregate number of outstanding stock options held by Messrs. Everett and Sheridan were 45,450 and 40,493, respectively. At December 31, 2012, Messrs. Everett, Robison, Sheridan, Tolley, Reimers and Marcus held 37,329, 37,329, 37,454, 31,954, 26,954 and 26,954 shares of restricted stock, respectively.
- (3) Ms. Glick was appointed to the Board of Directors on February 12, 2013 and therefore did not receive any compensation for services as a director in 2012.
- (4) Mr. Robison retired from the Board of Directors, effective February 12, 2013.

Employment Agreements

On November 29, 2011, we entered into new employment agreements with each of our named executive officers. Each of the agreements has an initial term through November 29, 2014 and contains a provision for automatic extensions of one-year periods thereafter, unless terminated in advance by either party in accordance with the terms of the agreement. Pursuant to the agreements, each executive was entitled to receive the following annual base salary, subject to increase from time to time by the Board of Directors: Mr. L. Dickey, Jr. (\$1,450,000), Mr. Hannan (\$550,000), Mr. Pinch (\$775,000), Mr. J. Dickey (\$875,000) and Mr. Denning (\$500,000).

The agreements also provide that each executive will be eligible for an annual cash bonus based upon achievement of annual performance goals for the Company and/or the individual determined by the Compensation Committee each year. The annual cash bonus will be calculated as a percentage of the executive's base salary, with the target and maximum award opportunities available to the executive: Mr. L. Dickey, Jr. (Target 100%, Maximum 150%), Mr. Hannan (Target 50%, Maximum 75%), Mr. Pinch (Target 75%, Maximum 100%), Mr. J. Dickey (Target 75%, Maximum 100%) and Mr. Denning (Target 40%, Maximum 60%).

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Notwithstanding these target and maximum award opportunities, beginning in 2012 the Compensation Committee may adjust the target and maximum award opportunities for any executive for each year.

These agreements cancel and supersede the previous employment agreements with Messrs. L. Dickey, Jr., Pinch, J. Dickey and Denning.

The employment agreements also provide for payments to the executive officers upon termination of their employment. For more information about the terms of these payments see Potential Payments upon Termination or Change in Control.

Compensation Committee Interlocks and Insider Participation

During 2012, Messrs. Marcus, Robison and Tolley, none of whom is one of our officers or employees, were members of the Compensation Committee of our Board of Directors, which determines, or makes recommendations with respect to, compensation matters for our executive officers. In connection with Mr. Robison's retirement from the Board of Directors in February 2013, Alexis Glick, who is neither an officer nor an employee of the Company, was appointed as a member of the Compensation Committee. None of these Compensation Committee members serves as members of the board of directors or compensation committee of any entity that has one or more executive officers serving as a member of our Board of Directors or Compensation Committee.

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AUDIT COMMITTEE REPORT

The Audit Committee of the Board of Directors offers this report regarding the Company's financial statements, and regarding certain matters with respect to PricewaterhouseCoopers LLP, the Company's independent registered public accounting firm for the fiscal year ended December 31, 2012. This report shall not be deemed to be incorporated by reference by any general statement incorporating by reference this proxy statement into any filing with the SEC by the Company, except to the extent that the Company specifically incorporates this information by reference, and shall not otherwise be deemed to be filed with the SEC.

The Audit Committee currently consists of Messrs. Tolley (Chairman), Everett, Reimers and Sheridan.

The Audit Committee reviewed and discussed with the Company's management and with PricewaterhouseCoopers LLP, its independent registered public accounting firm for the fiscal year ended December 31, 2012, the Company's audited financial statements contained in its Annual Report on Form 10-K for the fiscal year ended December 31, 2012. The Audit Committee also discussed with PricewaterhouseCoopers LLP the matters required to be discussed by the statement on Auditing Standards No. 61, as amended (AICPA, *Professional Standards*, Vol 1. AU section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T.

The Audit Committee received the written disclosures and the letter from PricewaterhouseCoopers LLP required by applicable requirements of the Public Company Accounting Oversight Board regarding PricewaterhouseCoopers LLP's communications with the Audit Committee concerning independence, and has discussed with PricewaterhouseCoopers LLP its independence. The Audit Committee also considered whether the provision of certain non-audit services to the Company by PricewaterhouseCoopers LLP is compatible with maintaining its independence.

Based on the review and discussions referred to above, the Audit Committee recommended to the Board of Directors of the Company that the audited financial statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2012, filed with the SEC.

The Audit Committee of the Board of Directors:

David M. Tolley (Chairman)

Ralph B. Everett

Arthur J. Reimers

Robert H. Sheridan, III

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CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Our Board of Directors recognizes that related person transactions present a heightened risk of conflicts of interest. The Audit Committee has been delegated the authority to review and approve all related party transactions involving directors or executive officers of the Company. Generally, a related person transaction is a transaction in which we are a participant and the amount involved exceeds \$120,000, and in which any related person had or will have a direct or indirect material interest. Related persons include our executive officers, directors and holders of more than 5% of our common stock, and any person of their immediate family members.

Under our related transaction policy, when management becomes aware of a related person transaction, management reports the transaction to the Audit Committee and requests approval or ratification of the transaction. Generally, the Audit Committee will approve only related party transactions that are on terms comparable to those that could be obtained in arm's length dealings with an unrelated third party. The Audit Committee will report to the full Board of Directors all related person transactions presented to it.

DM Luxury, LLC

From time to time we have entered into certain transactions or arrangements with DM Luxury, LLC (DM Luxury), an entity 50% owned by Dickey Publishing, Inc. and Dickey Media Investments, LLC, each of which is partially owned by Mr. L. Dickey, Jr. and other members of his family. Pursuant to a management agreement entered into in 2010, we provide certain back office shared services, including finance, accounting, use of corporate headquarters, legal, human resources and other services to DM Luxury in exchange for an annual management fee equal to the greater of \$0.5 million and 5.0% of DM Luxury's adjusted EBITDA on an annual basis, which fee is payable upon the expiration of the agreement or upon the earlier occurrence of other specified events. Pursuant to the terms of this agreement, the Company is entitled to a payment of \$0.5 million for 2012. The initial term of this agreement expires on September 15, 2013, subject to extension or renewal by the parties. In 2012, DM Luxury also provided to us certain custom advertising related print materials for which we paid it \$0.3 million. We also entered into certain trade arrangements with DM Luxury pursuant to which we exchanged on-air advertising time for an equivalent value in advertising space in certain of DM Luxury's written publications, valued at \$0.3 million. Also in 2012, DM Luxury sublet certain space from us for which it paid us an aggregate of \$33,000, and it reimbursed us for various medical, postage and other miscellaneous expenses we incurred on its behalf in the aggregate of \$62,000.

Dickey Broadcasting Inc.

From time to time we have entered into certain transactions or arrangements with Dickey Broadcasting Company, Inc. (DBC), which is partially owned by Messrs. L. Dickey, Jr. and J. Dickey. In 2011 and as previously disclosed, we completed the sale of a translator to DBC. No amounts were paid to us in connection with this sale in 2012, and the outstanding balance of approximately \$0.3 million is due on May 18, 2013. In 2012, we rented or sublet certain tower and office space to DBC for which it paid us \$0.1 million. In connection with a build-out of the space for sublease, we incurred \$0.1 million in costs, for which we have recorded an equivalent receivable from DBC at December 31, 2012.

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PROPOSAL NO. 2: ADVISORY VOTE ON EXECUTIVE COMPENSATION

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the Dodd-Frank Act) provides stockholders with the right to vote to approve, on an advisory, nonbinding, basis, the compensation of our named executive officers as disclosed pursuant to the compensation disclosure rules of the SEC. This advisory vote is commonly referred to as the say-on-pay vote.

As described in Executive Compensation Compensation Discussion and Analysis, our philosophy with respect to executive compensation is to implement certain core compensation principles, namely, alignment of management s interests with our stockholders interests and encouraging and rewarding meaningful performance that contributes to enhanced long-term stockholder value and our general long-term financial health. Our compensation programs are designed in a consistent manner, and seek to ensure we can effectively attract and retain executive leadership, reward meaningful performance that enhances stockholders value and our financial strength, and align the interests of executives with other stockholders. In the course of implementing our compensation programs for 2012, the Compensation Committee, with input from management, determined what it considered appropriate levels and types of performance-based incentives to motivate our named executive officers to achieve short-term and long-term business goals, after reviewing historical compensation levels, data and analyses regarding the compensation at our peer companies and the Company s business expectations for 2012. We believe that our executive compensation philosophy and programs are appropriate to ensure management s interests are aligned with our stockholders interests to support long-term value creation. Please read Executive Compensation Compensation Discussion and Analysis, including the accompanying compensation tables and related narrative, of this proxy statement for additional details about our executive compensation philosophy and programs, including information about the fiscal year 2012 compensation of our named executive officers.

The say-on-pay vote gives you as a stockholder the opportunity to express your views on the compensation of our named executive officers. This vote is not intended to address any specific item of compensation, but rather the overall compensation of our named executive officers and the compensation philosophy, objectives, policies and practices described in this proxy statement. In accordance with the Dodd-Frank Act and applicable SEC rules and regulations, this is the first year that Cumulus stockholders have the opportunity to cast a say-on-pay vote. The Compensation Committee, which administers our executive compensation program, values the opinions expressed by stockholders and will consider the outcome of these votes in making its decisions on executive compensation in the future. Accordingly, the Board of Directors recommends that stockholders approve the following advisory resolution:

RESOLVED, that the stockholders of Cumulus approve, on an advisory basis, the compensation of the Company s named executive officers, as disclosed pursuant to the compensation disclosure rules of the SEC, including the Compensation Discussion and Analysis, compensation tables and accompanying footnotes and narratives disclosed in this proxy statement.

Because this vote is advisory, it will not be binding on the Compensation Committee, the Board or the Company. However, it will provide information to our management and Compensation Committee regarding investor sentiment about our executive compensation philosophy, objectives, policies and practices, which management and the Compensation Committee will be able to consider when determining executive compensation for the remainder of fiscal 2013 and beyond.

Recommendation of the Board of Directors

Your Board of Directors unanimously recommends a vote FOR the advisory approval of the compensation of the Company s named executive officers as disclosed in this proxy statement.

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PROPOSAL NO. 3: ADVISORY VOTE ON THE FREQUENCY OF THE ADVISORY VOTE ON EXECUTIVE COMPENSATION

The Dodd-Frank Act also provides stockholders with the right to vote at the 2013 annual meeting, on an advisory, nonbinding, basis, on the frequency with which the Company should include an advisory vote on executive compensation, similar to that in Proposal 2, at future annual meetings of stockholders. This advisory vote is commonly referred to as the say-when-on-pay vote. Stockholders may vote for a say-on-pay vote to occur every year, every two years or every three years, or may abstain from voting on the frequency of the say-on-pay vote.

Section 14A of the Exchange Act requires that we conduct a stockholder advisory vote of this nature at least once every six years. This proposal provides our stockholders with the opportunity to cast an advisory vote indicating their preference on how often the Company should include a say-on-pay proposal in its proxy materials for future stockholder meetings.

We believe that by providing for a say-on-pay vote every year, stockholders will have the opportunity annually to express their views on the compensation of our named executive officers. An annual vote provides stockholders with the ability to evaluate our executive compensation program each year. An annual vote also complements our goal of creating and implementing a compensation philosophy, objectives, programs and practices that enhance stockholder value, and can maximize accountability and communication.

You may cast your vote on a preferred frequency on which the Company is to hold an advisory stockholder vote to approve the compensation of the Company's named executive officers as disclosed pursuant to the compensation disclosure rules of the SEC by selecting your preference of every year, every two years or every three years, or by abstaining from voting.

Although the say-when-on-pay vote is nonbinding, the Board of Directors and the Compensation Committee will consider the results of the say-when-on-pay vote, among other factors, in determining the frequency of future say-on-pay votes. The Board may decide that it is in the best interests of our stockholders and the Company to hold an advisory vote on executive compensation more or less frequently than the non-binding option recommended by our stockholders.

Recommendation of the Board of Directors

Your Board of Directors unanimously recommends a vote for ONE YEAR as the preferred frequency for an advisory vote on executive compensation, as disclosed in this proxy statement.

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PROPOSAL NO. 4: RATIFICATION OF THE APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP AS INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee of the Board of Directors is responsible for the appointment, compensation and retention of our independent registered public accounting firm.

The Audit Committee has appointed PricewaterhouseCoopers LLP to serve as our independent registered public accounting firm for the fiscal year ending December 31, 2013, and urges you to vote **FOR** ratification of the appointment. PricewaterhouseCoopers LLP has served as our independent registered public accounting firm since June 17, 2008. While stockholder ratification of the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm is not required by our By-laws or otherwise, our Board of Directors is submitting the selection of PricewaterhouseCoopers LLP to our stockholders for ratification as a matter of good corporate governance. If our stockholders fail to ratify the selection, the Audit Committee may, but is not required to, reconsider whether to retain that firm. Even if the selection is ratified, the Audit Committee, in its discretion, may direct the appointment of a different independent registered public accounting firm at any time during the year if it determines that such a change would be in the best interests of us and our stockholders.

Representatives of PricewaterhouseCoopers LLP are expected to be present at the annual meeting and, if present, will have the opportunity to make a statement on behalf of the firm if they desire to do so, and to respond to appropriate questions from stockholders.

Auditor Fees and Services

Audit Fees

PricewaterhouseCoopers LLP billed us \$1,761,975, in the aggregate, for professional services rendered to audit our annual financial statements for the fiscal year ended December 31, 2012, to evaluate the effectiveness of our internal control over financial reporting as of December 31, 2012, to review the interim financial statements included in our quarterly reports on Form 10-Q filed in 2012 and for 2012 services related to consents and review of certain registration statements filed with the SEC. PricewaterhouseCoopers LLP billed us \$2,550,500, in the aggregate, for such audit services rendered in 2011.

Audit Related Fees

PricewaterhouseCoopers LLP billed us \$335,554, in the aggregate, for audit related services in 2011 for professional services primarily rendered in conjunction with an offering memorandum related to a financing transaction. There were no audit related services provided, or fees incurred, in 2012.

Tax Fees

PricewaterhouseCoopers LLP billed us \$10,000, in the aggregate, for tax consulting services during 2012. PricewaterhouseCoopers LLP billed us \$105,000, in the aggregate, for tax consulting services during 2011.

All Other Fees

PricewaterhouseCoopers LLP billed us \$1,800 for access to its on-line research library during 2011. There were no similar services provided, or fees incurred, in 2012.

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Policy on Pre-Approval of Services Performed by Independent Registered Public Accounting Firm

The policy of the Audit Committee is to require pre-approval of all audit and permissible non-audit services to be performed by the independent registered public accounting firm during the fiscal year. The Audit Committee regularly considers all non-audit fees when reviewing the independence of our independent registered public accounting firm.

Recommendation of the Board of Directors

Your Board of Directors unanimously recommends a vote FOR the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2013.

CODE OF ETHICS

We have adopted a Code of Business Conduct and Ethics, referred to as our Code of Ethics, that applies to all of our employees, executive officers and directors and meets the requirements of the rules of the SEC and the NASDAQ Marketplace Rules. The Code of Ethics is available on our website, www.cumulus.com, and can be obtained without charge by written request to Richard S. Denning, Corporate Secretary, at our principal executive offices, 3280 Peachtree Road, N.W., Suite 2300, Atlanta, Georgia 30305. If we make any substantive amendments to this Code of Ethics, or if our Board of Directors grants any waiver, including any implicit waiver, from a provision thereof to our executive officers or directors, we will disclose the nature of such amendment or waiver, the name of the person to whom the waiver was granted and the date of the waiver in a current report on Form 8-K.

SUBMISSION OF STOCKHOLDER PROPOSALS FOR THE 2014 ANNUAL MEETING

In accordance with the rules of the SEC, if you wish to submit a proposal to be brought before the 2014 annual meeting of stockholders, we must receive your proposal by not later than December 13, 2013, in order for it to be included in our proxy materials relating to that meeting. Stockholder proposals must be accompanied by certain information concerning the proposal and the stockholder submitting it as more fully described in the Company's By-laws. Proposals should be directed to Richard S. Denning, Corporate Secretary, at our principal executive offices, 3280 Peachtree Road, N.W., Suite 2300, Atlanta, Georgia 30305. To avoid disputes as to the date of receipt, it is suggested that any stockholder proposal be submitted by certified mail, return receipt requested.

In addition, in accordance with our By-laws, for any proposal to be submitted by a stockholder for a vote at the 2014 annual meeting of stockholders, whether or not submitted for inclusion in our proxy statement, we must receive advance notice of such proposal not later than February 9, 2014. The proxy to be solicited on behalf of our Board of Directors for the 2014 annual meeting of stockholders may confer discretionary authority to vote on any such proposal received after that date.

ANNUAL REPORT

A copy of the Annual Report on Form 10-K for the fiscal year ended December 31, 2012 as required to be filed with the SEC has been provided concurrently with this proxy statement to all stockholders entitled to notice of, and to vote at, the annual meeting. Stockholders may also obtain a copy of the Annual Report on Form 10-K for the fiscal year ended December 31, 2012 without charge upon written request to: Corporate Secretary, Cumulus Media, Inc., 3280 Peachtree Road, N.W., Suite 2300, Atlanta, Georgia 30305. The proxy statement and the Annual Report on Form 10-K for the fiscal year ended December 31, 2012 are available www.cumulus.com/cmls/.

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MR A SAMPLE Electronic Voting Instructions

DESIGNATION (IF ANY) Available 24 hours a day, 7 days a week!

ADD 1

ADD 2 Instead of mailing your proxy, you may choose one of the voting ADD 3 methods outlined below to vote your proxy.

ADD 4 VALIDATION DETAILS ARE LOCATED BELOW IN THE TITLE BAR.

MMMMMMMMM ADD 5 Proxies submitted by the Internet or telephone must be received by ADD 6 1:00 a.m., Central Time, on May 10, 2013

Vote by Internet

Go to www.envisionreports.com/CMLS

Or scan the QR code with your smartphone

Follow the steps outlined on the secure website

Vote by telephone

Call toll free 1-800-652-VOTE (8683) within the USA, US territories & Canada on a touch tone telephone

Follow the instructions provided by the recorded message Using a black ink pen, mark your votes with an X as shown in X this example. Please do not write outside the designated areas.

CUMULUS MEDIA INC. 2013 ANNUAL MEETING PROXY CARD 1234 5678 9012 345

qIF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. q

A Proposals The Board of Directors recommends a vote FOR each of the director nominees, FOR Proposal 2, for ONE YEAR on Proposal 3 and FOR Proposal 4.

1. Election of Directors: For Withhold For Withhold For Withhold +

01 Lewis W. Dickey, Jr. 02 Ralph B. Everett 03 Alexis Glick

04 Jeffrey A. Marcus 05 Arthur J. Reimers 06 Robert H. Sheridan, III

07 David M. Tolley

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One Year Two Years Three Years Abstain For Against Abstain

3. Proposal to approve, on an advisory basis, the

2. Proposal to approve, on an advisory basis, the frequency on which the Company will hold compensation paid to the Company's named advisory votes on the compensation paid to the executive officers.

Company's named executive officers.

4. Proposal to ratify the appointment of

5. In their discretion, the proxies are authorized to vote upon PricewaterhouseCoopers LLP as the Company's such other business as may properly come before the meeting independent registered public accounting firm for 2013, or any adjournments or postponements of the meeting.

B Non-Voting Items

Change of Address Please print new address below.

C Authorized Signatures This section must be completed for your vote to be counted. Date and Sign Below

Please sign exactly as name appears hereon. When shares are held by joint tenants, both should sign. When signing in a fiduciary or representative capacity, give full title as such.

Date (mm/dd/yyyy) Please print date below. Signature 1 Please keep signature within the box. Signature 2 Please keep signature within the box.

C 1234567890 J N T MR A SAMPLE (THIS AREA IS SET UP TO ACCOMMODATE 140 CHARACTERS) MR A SAMPLE AND MR A SAMPLE AND

MR A SAMPLE AND MR A SAMPLE AND MR A SAMPLE AND

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Proxy CUMULUS MEDIA INC.

CUMULUS MEDIA INC. 2013 ANNUAL MEETING OF STOCKHOLDERS

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned appoints Lewis W. Dickey, Jr., Joseph P. Hannan and Richard S. Denning (the Proxies), and each of them, with the power of substitution to represent and vote, as set forth below, all of the shares of stock of Cumulus Media Inc. (the Company) held of record by the undersigned at the close of business on April 5, 2013, at the Annual Meeting of Stockholders of the Company to be held on May 10, 2013, and at any and all adjournments or postponements thereof, with all powers the undersigned would possess, as if the undersigned were present personally at such annual meeting or any adjournments or postponements thereof. The Board of Directors of the Company recommends a vote FOR each of the director nominees, FOR Proposal 2, for ONE YEAR on Proposal 3 and FOR Proposal 4.

This proxy, when properly executed, will be voted in the manner directed herein by the undersigned stockholder. If no direction is made, this proxy will be voted FOR each of the director nominees, FOR Proposal 2, for ONE YEAR on Proposal 3 and FOR Proposal 4. The Proxies are hereby authorized to vote in accordance with their best judgment on any other matter that may properly come before the annual meeting and all adjournments or postponements thereof.

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IMPORTANT ANNUAL MEETING INFORMATION

MMMMMMMM

Using a black ink pen, mark your votes with an X as shown in X this example. Please do not write outside the designated areas.

CUMULUS MEDIA INC. 2013 ANNUAL MEETING PROXY CARD

q PLEASE FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. q

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04 Jeffrey A. Marcus 05 Arthur J. Reimers 06 Robert H. Sheridan, III

07 David M. Tolley

One Year Two Years Three Years Abstain For Against Abstain

3. Proposal to approve, on an advisory basis, the

2. Proposal to approve, on an advisory basis, the frequency on which the Company will hold compensation paid to the Company s named advisory votes on the compensation paid to the executive officers.

Company s named executive officers.

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5. In their discretion, the proxies are authorized to vote upon PricewaterhouseCoopers LLP as the Company s such other business as may properly come before the meeting independent registered public accounting firm for 2013. or any adjournments or postponements of the meeting.

B Authorized Signatures This section must be completed for your vote to be counted. Date and Sign Below

Please sign exactly as name appears hereon. When shares are held by joint tenants, both should sign. When signing in a fiduciary or representative capacity, give full title as such.

Date (mm/dd/yyyy) Please print date below. Signature 1 Please keep signature within the box. Signature 2 Please keep signature within the box.

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q PLEASE FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. q

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