

- k. parties to significant executory contracts and leases with the Debtor;
- l. the Debtor's adversaries in major litigations; and
- m. the lenders to SpectraSite Communications, Inc.

This research confirmed that Houlihan Lokey has no materially adverse interest to the Debtor's estate or the creditors in these cases. Houlihan Lokey's research of its relationships with the Interested Parties indicated that during the past three years Houlihan Lokey has provided or is providing services, or has a financial relationship to certain entities in matters unrelated to this Chapter 11 case, and Houlihan Lokey has so indicated these on the attached Schedule 1.

- 8. In addition, and by way of supplemental disclosure:
 - a. Houlihan Lokey provides services in connection with numerous cases, proceedings and transactions unrelated to this Chapter 11 case, including representing debtors and creditors' committees in Chapter 11 proceedings and in out-of-court restructurings. As further described in paragraph 2 of this Affidavit, Houlihan Lokey is involved in a number of restructuring engagements in the telecommunication industry. All of these matters involve numerous attorneys, professionals and creditors, some of whom are, or may be, attorneys, professionals and creditors of the Debtor in this Chapter 11 case;
 - b. Houlihan Lokey has thousands of clients, past and present, who are located throughout the United States, Asia, Europe and South America, in a variety of industries. While Houlihan Lokey has not advised any of these parties in connection with these Chapter 11 cases, it is possible that certain of these parties, their creditors and the related professionals may have some relationship to the Debtor or its creditors in this case;
 - c. Houlihan Lokey and its affiliates have over 470 employees, some of whom may have personal investments in the Debtor. Houlihan Lokey has

placed the Debtor on its "restricted list", which precludes any employee from trading in the securities of the Debtor; and

- d. Houlihan Lokey is affiliated with two investment funds, Sunrise Capital Partners, LP and Century Park Capital Partners, LP. While neither of these funds have any investments in the Debtor, it is possible that they may have made, or currently hold investments in certain of the creditors in this Chapter 11 case. To the extent that either of these funds undertakes any investments relating to the Debtor's case, Houlihan Lokey will obtain approval of the United States Trustee and the Court prior to such investment.

9. To the extent I discover any facts bearing on the matters described herein during the period of Houlihan Lokey's retention, I will supplement the information contained in this Affidavit.

10. Prior to the commencement of this Chapter 11 case, Houlihan Lokey had been retained as the financial advisor to the Ad Hoc Committee. Pursuant to this retention, Houlihan Lokey had been paid \$1,129,740 as compensation for its services and reimbursement of expenses for its services on behalf of the Ad Hoc Committee. Of this amount, Houlihan Lokey has already been paid the Monthly Fee for the months of December 2002 and January 2003. Accordingly, Houlihan Lokey is not a prepetition creditor of the Debtor.

11. Houlihan Lokey will apply to the Court for payment of compensation and reimbursement of expenses in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules of this Court and the Engagement Letter, and pursuant to any additional procedures that may be established by the Court in this case. Because Houlihan Lokey will be compensated on a flat monthly basis with a Transaction Fee, it should not be required to submit detailed time records in support of such applications.

Dated: December 12, 2002


Christopher DiMauro

Sworn to and subscribed to before me on this 12 day of December 2002.


Notary Public

My Commission Expires:



SCHEDULE 1

SpectraSite Holdings, Inc.

Parties-In-Interest To Whom Houlihan Lokey Has Provided Services

Lodestar Holdings (Solvency)
SCI Financial Group, Inc. (Fairness)
Lazard Freres Real Estate Investors (FMV Non-Transaction Based Opinion)
Nextel International, Inc. (Debtor Advisors)
Whitney & Company (Estate Planning)
Goldman, Sachs & Company (Tax)
Nipponcredit/Morgan Stanley (Portfolio Acquisition)
Apex Fence Company (ESOP Update)
Apex Therapeutic Care (Exclusive Sale)
Galaxy Enterprises, Inc. (Fairness)
Merrill Lynch & Company (Consulting)
GE Capital Corporation (FMV Non-Transaction Based Opinion)
Centurion Capital Management (FMV Transaction Based Opinion)
Centurion (Litigation)

CERTIFICATE OF SERVICE

It is hereby certified that the foregoing **AFFIDAVIT OF CHRISTOPHER DIMAURO IN SUPPORT OF OFFICIAL COMMITTEE OF UNSECURED CREDITORS' APPLICATION FOR ORDER AUTHORIZING THE EMPLOYMENT, NUNC PRO TUNC TO NOVEMBER 15, 2002, OF HOULIHAN LOKEY HOWARD & ZUKIN CAPITAL AS FINANCIAL ADVISOR PURSUANT TO §§ 328(a) and 1103(a) OF THE BANKRUPTCY CODE** was served this day by placing a copy thereof in a depository under the exclusive care and custody of the United States Postal Service in a postage prepaid envelope and properly addressed as follows:

Terri L. Gardner
Poyner & Spruill LLP
Attorneys for Debtor
3600 Glenwood Avenue
Raleigh, NC 27612

Marjorie K. Lynch
Bankruptcy Administrator
United States Bankruptcy Court
Eastern District of North Carolina
P.O. Box 3039
Raleigh, NC 27602-3093

Andrew N. Rosenberg
Paul Weiss Rifkind Wharton & Garrison
Attorneys for Debtor
1285 Avenue of the Americas
New York, NY 10019-6064

This 23rd day of December, 2002 

Mayi S. Alvarez
Legal Assistant

EXHIBIT C

Retention Order

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
RALEIGH DIVISION

FILED

JAN 15 2003

PEGGY B. DEANS, CLERK
U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF N.C.

In re:) Chapter 11
)
SPECTRASITE HOLDINGS, INC.,) Case No. 02-03631-5 (ATS)
)
)
)
Debtor.)

**ORDER PURSUANT TO SECTIONS 328 AND 1103 OF THE UNITED STATES
BANKRUPTCY CODE APPROVING APPLICATION OF THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS FOR AN ORDER AUTHORIZING THE
EMPLOYMENT OF HOULIHAN LOKEY HOWARD & ZUKIN CAPITAL AS
FINANCIAL ADVISORS AND INVESTMENT BANKERS**

This matter is before the Court upon consideration of the Application (the "Application") of Official Committee of Unsecured Creditors (the "Committee") of SpectraSite Holdings, Inc. (the "Debtor")¹ in the above-captioned chapter 11 case, pursuant to Sections 328 and 1103 of the United States Code (the "Bankruptcy Code") and Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), authorizing the Committee to retain and employ Houlihan Lokey Howard & Zukin Capital ("Houlihan Lokey"), pursuant to the terms of its engagement letter of July 25, 2002 (the "Engagement Letter") (attached as Exhibit B to the Application); and upon the affidavit of Chris DiMauro, which is annexed as Exhibit A to the Application.

The Court being satisfied that the employment of Houlihan Lokey is necessary and in the best interest of the Committee, that Houlihan Lokey does not and hereafter will not represent in connection with these cases, any other entity having an interest adverse to the Debtor; that Houlihan Lokey is "disinterested" as defined by Section 101(14) of the Bankruptcy Code; and

¹ Capitalized terms not defined in this Order shall have the meanings given to them in the Application.

that the terms and conditions of Houlihan Lokey's employment are reasonable and sufficient cause appearing therefore; it is

ORDERED, that the Application is GRANTED as modified herein; and it is further

ORDERED that pursuant to Sections 328(a) and 1103 of the Bankruptcy Code and Bankruptcy Rules 2014 and 2016, the Committee is authorized to employ, retain, compensate and reimburse Houlihan Lokey as its financial advisor pursuant to the Engagement Letter nunc pro tunc to November 15, 2002, on the terms and conditions set forth in the Engagement Letter and the Application and that such terms and conditions are "reasonable" as such term is used in section 328 (a) of the Bankruptcy Code; and it is further

ORDERED that the indemnification provisions of the Engagement Letter are approved, subject to the following modifications:

- (a) Houlihan Lokey shall not be entitled to indemnification, contribution or reimbursement pursuant to the Engagement Letter for services other than the financial advisory and investment banking services provided under the Engagement Letter, unless such other services and the indemnification, contribution or reimbursement therefore are approved by the Court;
- (b) The Debtor shall have no obligation to indemnify Houlihan Lokey, or provide contribution or reimbursement to Houlihan Lokey, for any claim or expense that is either: (i) judicially determined (the determination having become final) to have arisen solely from Houlihan Lokey's gross negligence, willful misconduct, breach of fiduciary duty, if any, bad faith or self-dealing; or (ii) settled prior to a judicial determination as to Houlihan Lokey's gross negligence, willful misconduct, breach of fiduciary duty, or bad faith or self-dealing but determined by this Court, after notice and a hearing to be a claim or expense for which Houlihan Lokey should not receive indemnity, contribution or reimbursement under the terms of the Engagement Letter as modified by this Order;

- (c) If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these cases (that order having become a final order no longer subject to appeal), and (ii) the entry of an order closing these chapter 11 cases, Houlihan Lokey believes that it is entitled to the payment of any amounts by the Debtor on account of the Debtor' indemnification, contribution and/or reimbursement obligations under the Engagement Letter (as modified by this Order), including without limitation the advancement of defense costs, Houlihan Lokey must file an application therefore in this Court, and the Debtor may not pay any such amounts to Houlihan Lokey before the entry of an order by this Court approving the payment. This subparagraph (c) is intended only to specify the period of time under which the Court shall have jurisdiction over any request for fees and expenses by Houlihan Lokey for indemnification, contribution or reimbursement, and not a provision limiting the duration of the Debtor' obligation to indemnify Houlihan Lokey. Notwithstanding this subparagraph, the United States Trustee shall retain the right to object to any demand by Houlihan Lokey for indemnification contribution or reimbursement; and
- (d) The limitation on any amounts to be contributed by all Indemnified Parties (as defined in the Engagement Letter) in the aggregate shall be eliminated; and it is further

ORDERED, that Houlihan Lokey shall be required to file interim and final fee applications, but shall not be required to submit time records in support of such applications; and it is further

ORDERED, that the Debtor is authorized and empowered to take such actions as may be necessary and appropriate to implement the terms of this Order.

Dated: JAN 15 2003


UNITED STATES BANKRUPTCY JUDGE

EXHIBIT D

Retainer Agreement



HOULIHAN LOKEY HOWARD & ZUKIN CAPITAL

INVESTMENT BANKERS

www.hlh.com

July 25, 2002

To: The Ad Hoc Committee (the "Ad Hoc Committee") of Holders of the Senior Notes, Senior Convertible Notes and Senior Discount Notes (collectively, the "Notes") of SpectraSite Holdings, Inc. ("Holdings"), in care of:

Ad Hoc Committee Counsel
Hennigan, Bennett & Dorman
601 South Figueroa Street
Los Angeles, CA 90017

Attn: Bruce Bennett, Esq.

SpectraSite Holdings, Inc.
100 Regency Forest Drive,
Suite 400
Cary, NC 27511

Attn: Stephen H. Clark

Gentlemen:

This letter confirms the terms of the agreement between Houlihan Lokey Howard & Zukin Capital, Inc. ("Houlihan Lokey" or the "Firm"), the Ad Hoc Committee and Holdings (collectively, with its affiliates and subsidiaries, "SpectraSite" or the "Company") concerning the Ad Hoc Committee's engagement of Houlihan Lokey to provide financial advisory and related services to the Ad Hoc Committee in connection with the restructuring of the Company.

1. **Scope of Engagement.** Houlihan Lokey's representation of the Ad Hoc Committee in connection with this Agreement will include:

- (a) Evaluating the assets and liabilities of the Company;
- (b) Analyzing and reviewing the financial and operating statements of the Company;
- (c) Analyzing the business plans and forecasts of the Company;
- (d) Evaluating all aspects of the Company's near term liquidity, including all available financing alternatives;
- (e) Providing such specific valuation or other financial analyses as the Ad Hoc Committee may require in connection with the case;

- (f) Assessing the financial issues and options concerning any proposed Transaction; and
- (g) Preparing analyzing and explaining any Transaction to various constituencies.

As used herein, the term "Transaction" shall include the Company's efforts to enter into any agreement or series of agreements, or transaction or series of transactions (which agreement or series of agreements or transaction or series of transactions subsequently closes within a reasonable time period thereafter), which in each case may include, but is not limited to, the following:

- (i) Any merger, consolidation, reorganization, recapitalization, business combination or other transaction pursuant to which the Company is acquired by, or combined with, any person, group of persons, partnership, corporation or other entity (including, without limitation, existing creditors, employees, affiliates, and/or shareholders) (collectively, a "Purchaser");
- (ii) The acquisition, directly or indirectly, by a Purchaser (or by one or more persons acting together with a Purchaser pursuant to a written agreement or otherwise) outside the ordinary course of the Company's business, in a single transaction or a series of transactions, of (x) any of the assets or operations of the Company; or (y) any outstanding or newly-issued shares of the Company's capital stock (or any securities convertible into, or options, warrants or other rights to acquire such capital stock);
- (iii) The closing of any other sale, transfer or assumption of all or substantially all of the assets, liabilities or stock of the Company (including without limitation any consolidation or merger involving the Company);
- (iv) Obtaining the requisite consents or acceptances from the Holders of the Notes to a restructuring/recapitalization either out-of-court or pursuant to a "pre-packaged" or "pre-arranged" Chapter 11 plan of reorganization, through a tender offer, exchange offer, consent solicitation or other process;

- (v) The confirmation of any other Chapter 11 plan of reorganization or liquidation, the terms of which have been substantially agreed to by the Ad Hoc Committee; or
- (vi) The reinstatement or material credit enhancement of the Notes in conjunction with any other transaction involving the Company, the terms of which have been approved by the Ad Hoc Committee (collectively, a "Transaction").

2. **Exclusive Representation.** Neither the Ad Hoc Committee, their constituents, nor any of their advisors or professionals (including, but not limited to, Committee Counsel), shall be liable for the fees, expenses or other amounts payable to Houlihan Lokey hereunder. Notwithstanding such arrangement, Houlihan Lokey's duties hereunder run solely to the Ad Hoc Committee. All financial advice, written or oral, provided by Houlihan Lokey to the Ad Hoc Committee pursuant to this Agreement is intended solely for the use and benefit of the Ad Hoc Committee, which agrees that such advice may not be disclosed publicly or made available to third-parties without the prior consent of Houlihan Lokey, which consent shall not be unreasonably withheld. At the direction of Ad Hoc Committee Counsel, certain communication and correspondence between Houlihan Lokey and the Ad Hoc Committee, and work product and analyses prepared by Houlihan Lokey for the Ad Hoc Committee in connection with this matter, will be considered in preparation for litigation over the restructuring of the Company, and accordingly, will be subject to the attorney-client privilege and work-product privilege between Houlihan Lokey and the Ad Hoc Committee.

3. **Advisor.** Houlihan Lokey's services are limited to those specifically provided in this Agreement or subsequently agreed-upon by the parties hereto, and Houlihan Lokey shall have no obligation or responsibility for any other services. Houlihan Lokey is providing its services hereunder as an independent contractor, and the parties agree that this Agreement does not create an agency or fiduciary relationship between Houlihan Lokey and the parties to this Agreement.

4. **Consideration.** As consideration for the services being provided by Houlihan Lokey to assist the Ad Hoc Committee in analyzing various restructuring options for the Company, the Company shall pay Houlihan Lokey a fee of \$175,000 per month (the "Monthly Fee"). The first payment of \$175,000 is due upon execution of this Agreement. Thereafter, the Company shall pay the Monthly Fee by the 1st day of each month, in advance. Notwithstanding any termination of this Agreement, the Company agrees to pay Houlihan Lokey the Monthly Fee for a minimum of three (3) months. Payment shall be made to Houlihan Lokey at the address above, Attention: Chris Di Mauro. In addition, the Company agrees to promptly reimburse Houlihan Lokey, upon request from time to time, for all out-of-pocket expenses reasonably incurred by Houlihan Lokey before termination (or related to Houlihan Lokey's pre-termination services) in connection with the matters contemplated by this Agreement. Out-of-pocket expenses shall include, but not be limited to, all reasonable travel expenses, duplicating charges, on-line service charges,

messenger services, delivery services, meeting services, long distance telephone and facsimile charges incurred by Houlihan Lokey.

In addition, if a Transaction is consummated, upon the consummation of the Transaction Houlihan Lokey shall be paid, in cash, an additional fee (a "Transaction Fee") in the amount of \$2,000,000. The Transaction Fee shall be paid upon the consummation of a Transaction either (i) during the term of this Agreement or (ii) within twelve months of the effective date of termination of this Agreement (such twelve-month period being referred to herein as the "Tail Period.>").

The parties acknowledge that a substantial professional commitment of time and effort will be required by Houlihan Lokey and its professionals hereunder, and that such commitment may foreclose other opportunities for the Firm. Moreover, the actual time and commitment required for the engagement may vary substantially from week to week or month to month, creating "peak load" issues for the Firm. Given the numerous issues which may arise in these cases, the Firm's commitment to the variable level of time and effort necessary to address such issues, the expertise and capabilities of Houlihan Lokey that will be required in this engagement, and the market rate for Houlihan Lokey's services of this nature whether in, or out of court, the parties agree that the fee arrangement hereunder is reasonable, fairly compensates Houlihan Lokey and provides certainty to the Company and the Ad Hoc Committee.

5. **Bankruptcy Court:** In the event the Company seeks protection under Title 11 of the United States Code (the "Bankruptcy Code"), the Company shall use all reasonable efforts to (a) assume this Agreement pursuant to Section 365 of the Bankruptcy Code pursuant to a confirmed plan of reorganization, or (b) otherwise fulfill its obligations under this Agreement in a manner mutually agreeable to the Ad Hoc Committee, the Company and Houlihan Lokey, provided, however, that the form of documentation to satisfy the foregoing obligation shall be acceptable to Houlihan Lokey in its sole discretion. Upon the filing a bankruptcy case, Houlihan Lokey's efforts on behalf of the Ad Hoc Committee shall cease until such time as Houlihan Lokey is authorized by the Bankruptcy Court having jurisdiction over the case to provide services under Sections 328 and 1103 of the Bankruptcy Code.

6. **Termination.** This Agreement is terminable upon thirty (30) days written notice by the Ad Hoc Committee or Houlihan Lokey, provided, however, that if the Agreement is terminated, the Company shall pay Houlihan Lokey all previously unpaid Monthly Fees and the pro-rata portion of the Monthly Fee for the month in which the Agreement is terminated. The termination of this Agreement will not affect (a) the Company's indemnification, reimbursement, contribution and other obligations set forth in this Agreement and (b) Houlihan Lokey's right to receive, and the Company's obligation to pay (i) any and all fees and expenses accrued as of the effective date of termination of this Agreement, and (ii) those fees earned for a Transaction that is consummated during the Tail Period as described in this Agreement.

7. **Information.** The Ad Hoc Committee acknowledges and agrees that, in rendering its services hereunder, Houlihan Lokey will be using and relying on information made available to it by the Company and their advisors (the "Information") (and information available from public sources and other sources deemed reliable by Houlihan Lokey) without independent verification thereof by Houlihan Lokey or independent appraisal by Houlihan Lokey. Houlihan Lokey does not assume responsibility for the accuracy or completeness of the Information or any other information regarding the Company.

8. **CHOICE OF LAW; JURISDICTION.** THIS AGREEMENT HAS BEEN NEGOTIATED, EXECUTED AND DELIVERED AT AND SHALL BE DEEMED TO HAVE BEEN MADE IN LOS ANGELES, CALIFORNIA. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA. REGARDLESS OF ANY PRESENT OR FUTURE DOMICILE OR PRINCIPAL PLACE OF BUSINESS OF THE PARTIES HERETO, EACH PARTY HEREBY IRREVOCABLY CONSENTS AND AGREES THAT ANY CLAIMS OR DISPUTES BETWEEN OR AMONG THE PARTIES HERETO PERTAINING TO THIS AGREEMENT OR TO ANY MATTER ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE STATE OF CALIFORNIA, PROVIDED THAT SUCH CONSENT AND AGREEMENT SHALL NOT BE DEEMED TO REQUIRE ANY BANKRUPTCY CASE INVOLVING THE COMPANY TO BE FILED IN SUCH COURTS. BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH PARTY SUBMITS AND CONSENTS IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR SUIT COMMENCED IN ANY SUCH COURT. EACH PARTY HEREBY WAIVES ANY OBJECTION WHICH IT MAY HAVE BASED UPON LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS AND HEREBY CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY SUCH COURT. THE CONSENT TO SERVICE OF PROCESS IN ACCORDANCE WITH CALIFORNIA LAW. THE PARTIES HERETO WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) RELATED TO OR ARISING OUT OF THE ENGAGEMENT OF HOULIHAN LOKEY PURSUANT TO, OR THE PERFORMANCE BY HOULIHAN LOKEY OF THE SERVICES CONTEMPLATED BY, THIS AGREEMENT.

9. **Authority.** The Company has all requisite corporate power and authority to enter into this Agreement and the transactions contemplated hereby (including, without limitation, any Transaction). The Company and Houlihan Lokey have fully reviewed this Agreement, have obtained counsel on its terms, and have participated in the drafting of this Agreement such that it shall not be construed against any one party. This Agreement has been duly and validly authorized by all necessary corporate action on the part of the Company and has been duly

executed and delivered by the Company and constitutes a legal, valid and binding agreement of the Company, enforceable in accordance with its terms.

10. **Counterparts.** For the convenience of the parties, any number of counterparts of this Agreement may be executed by the parties hereto. Each such counterpart shall be, and shall be deemed to be, an original instrument, but all such counterparts taken together shall constitute one and the same Agreement.

11. **Severability.** If it is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) that any term or provision hereof is invalid or unenforceable, (i) the remaining terms and provisions hereof shall be unimpaired and shall remain in full force and effect and (ii) the invalid or unenforceable provision or term shall be replaced by a term or provision that is valid and enforceable and that comes closest to expressing the intention of such invalid or unenforceable term or provision.

12. **Entire Agreement.** This Agreement embodies the entire agreement and understanding of the parties hereto and supersedes any and all prior agreements, arrangements and understanding relating to the matters provided for herein. No alteration, waiver, amendment, change or supplement hereto shall be binding or effective unless the same is set forth in writing signed by a duly authorized representative of each party.

13. **Indemnification.** As a material part of the consideration for Houlihan Lokey to furnish its services under this Agreement, the Company shall indemnify Houlihan Lokey shall hold harmless Houlihan Lokey and its affiliates, and their respective past, present and future directors, officers, shareholders, employees, agents and controlling persons within the meaning of either Section 15 of the Securities Act of 1933, as amended, or Section 20 of the Securities Exchange Act of 1934, as amended (collectively, the "Indemnified Parties"), to the fullest extent lawful, from and against any and all losses, claims, damages or liabilities (or actions in respect thereof), joint or several, arising out of or related to the Agreement, any actions taken or omitted to be taken by an Indemnified Party in connection with Houlihan Lokey's provision of services to the Ad Hoc Committee, or any Transaction (as defined herein) or proposed Transaction contemplated thereby. In addition, the Company shall reimburse the Indemnified Parties for any legal or other expenses reasonably incurred by them in respect thereof at the time such expenses are incurred; provided, however, there shall be no liability under the foregoing indemnity and reimbursement agreement for any loss, claim, damage or liability which is finally judicially determined to have resulted primarily from the willful misconduct, gross negligence, bad faith or self-dealing of any Indemnified Party.

If for any reason the foregoing indemnification is unavailable to any Indemnified Party or insufficient to hold it harmless, the Company shall contribute to the amount paid or payable by the Indemnified Party as a result of such losses, claims, damages, liabilities or expenses in such proportion as is appropriate to reflect the relative benefits received (or anticipated to be received) by the Ad Hoc Committee and the Company, on the one hand, and Houlihan Lokey, on the other

hand, in connection with the Proposed Transaction and/or the services rendered by Houlihan Lokey. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or otherwise, then the Company shall contribute to such amount paid or payable by any Indemnified Party in such proportion as is appropriate to reflect not only such relative benefits, but also the relative fault of the Ad Hoc Committee and the Company, on the one hand, and Houlihan Lokey, on the other hand, in connection therewith, as well as any other relevant equitable considerations. Notwithstanding the foregoing, the aggregate contribution of all Indemnified Parties to any such losses, claims, damages, liabilities and expenses shall not exceed the amount of fees actually received by Houlihan Lokey pursuant to the Agreement.

The Ad Hoc Committee and the Company shall not affect any settlement or release from liability in connection with any matter for which an Indemnified Party would be entitled to indemnification from the Company unless, such settlement or release contains a release of the Indemnified Parties reasonably satisfactory in form and substance to Houlihan Lokey. The Ad Hoc Committee and/or the Company shall not be required to indemnify any Indemnified Party for any amount paid or payable by such party in the settlement or compromise of any claim or action without the prior written consent of the Ad Hoc Committee and the Company.

Prior to entering into any agreement or arrangement with respect to, or effecting, any (i) merger, statutory exchange or other business combination or proposed sale, exchange, dividend or other distribution or liquidation of all or a significant proportion of its assets, or (ii) significant recapitalization or reclassification of its outstanding securities that does not directly or indirectly provide for the assumption of the obligations of the Company set forth in this Agreement, the Company will notify Houlihan Lokey in writing thereof (if not previously so notified) and, if requested by Houlihan Lokey, shall arrange in connection therewith alternative means of providing for the obligations of the Company set forth herein, including the assumption of such obligations by another party, insurance, surety bonds or the creation of an escrow, in each case in an amount and upon terms and conditions reasonably satisfactory to Houlihan Lokey.

The Ad Hoc Committee and the Company further agree that neither Houlihan Lokey nor any other Indemnified Party shall have any liability, regardless of the legal theory advanced, to the Ad Hoc Committee, the Company or any other person or entity (including the Company' equity holders and creditors) related to or arising out of Houlihan Lokey's engagement, except for any liability for losses, claims, damages, liabilities or expenses incurred by the Ad Hoc Committee and/or the Company which are finally judicially determined to have resulted primarily from the willful misconduct, gross negligence, bad faith or self-dealing of any Indemnified Party. The indemnity, reimbursement, contribution and other obligations and agreements of the Ad Hoc Committee and the Company set forth herein shall apply to any modifications of this Agreement, shall be in addition to any liability which these parties may otherwise have, and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of these parties and each Indemnified Party. The foregoing indemnification provisions shall survive the consummation of any Transaction and/or any termination of the relationship established by this Agreement.

The obligations of Houlihan Lokey are solely corporate obligations, and no officer, director, employee, agent, shareholder or controlling person of Houlihan Lokey shall be subjected to any personal liability whatsoever to any person, nor will any such claim be asserted by or on behalf of any other party to this Agreement or any person relying on the services provided hereunder. The Company's obligations with respect to any and all payments owing to Houlihan Lokey and the indemnification, reimbursement, contribution and other similar obligations of the Company under this Agreement shall survive any termination of this Agreement.

SPECTRASITE HOLDINGS, INC.

on its own behalf and on behalf of its affiliates and subsidiaries

By: Stephen H. Clark
President and Chief Executive Officer

AD HOC COMMITTEE COUNSEL

HENNIGAN, BENNETT & DORMAN

By: Bruce Bennett, Esq.

HOULIHAN LOKEY HOWARD & ZUKIN CAPITAL, INC.

By: Irwin N. Gold
Senior Managing Director

EXHIBIT E

Biographies of Professionals

IRWIN N. GOLD

Mr. Gold is a Senior Managing Director and member of the Board of Directors of Houlihan Lokey, and is National Co-Director of the Firm's Financial Restructuring Group, which he co-founded in 1988. Mr. Gold has led many of the Group's largest and most complex financial restructuring engagements, both in bankruptcy and out-of-court. Many of these transactions involved significant sales or purchases of distressed assets or going concern businesses.

Mr. Gold is a member of a variety of organizations, including the Financial Lawyers Conference, the Bankruptcy Study Group and the American Bankruptcy Institute. He has testified on numerous occasions as an expert witness on restructuring matters, has spoken publicly on a variety of financial restructuring topics and is the author of *Valuation of the Restructured Enterprise and Its Effect on Negotiating Leverage*. In addition, Mr. Gold is a director of Cole National Corporation (NYSE:CNJ).

Prior to joining Houlihan Lokey, Mr. Gold was associated with the Corporate Department of Gibson Dunn & Crutcher from 1982 through 1985. Mr. Gold was also vice president and director of corporate finance of Wood Bros. Homes, Inc., a Denver-based real estate and mortgage banking company, from 1985 to 1986, where he helped negotiate a workout and sale of the company. In addition, Mr. Gold was a principal of The Seneca Group, an investment banking and financial advisory firm, from 1986 to 1988.

Mr. Gold holds a J.D. from the University of Virginia School of Law and a B.A. in economics, *summa cum laude* and Phi Beta Kappa, from Duke University.

CHRISTOPHER R. DI MAURO

Mr. Di Mauro is a Director in the Financial Restructuring Group in the Los Angeles office of Houlihan Lokey. Mr. Di Mauro has led a number of financial restructuring and M&A engagements at Houlihan Lokey, across a variety of industries. Notable transactions that Mr. Di Mauro has led while at Houlihan Lokey include the restructurings of Southern California Edison, Carmike Cinemas, Huntsman Chemicals, Williams Communications, Asia Global Crossing, and Adelphia Business Solutions. Mr. Di Mauro is a frequent speaker and author on restructurings and distressed investing, including *Investing in Distressed Securities: An Overview of an Expanding Asset Class* (Strategic Research Institute, West Coast Distressed Conference, September 2001), *Buying & Selling the Troubled Company* (2001 Seminar Series), and *Financial Restructuring Issues* (2001 and 2002 Seminar Series). Prior to re-joining Houlihan Lokey, Mr. Di Mauro was a senior high yield analyst with the High Yield Group of SunAmerica Investments, where he maintained primary responsibility for a \$900 million portfolio of high yield, mezzanine and equity investments. Mr. Di Mauro was also an associate with the Financial Restructuring Group of Houlihan Lokey from 1997 to 1998. In addition, Mr. Di Mauro was an attorney in the corporate department of O'Melveny & Myers LLP, where he participated in numerous mergers and acquisitions and advised both companies and underwriters in several issuances of debt and equity. Mr. Di Mauro began his career as a loan officer with the Large Corporate Group of First National Bank of Boston. Mr. Di Mauro holds a J.D. from the University of Southern California, where he was a member of the Order of the Coif, a staff member of the *Southern California Law Review*, and a Legion Lex Scholarship recipient, and a B.A. from Dartmouth College.

ERIC M. WINTHROP

Mr. Winthrop is a Vice President in the Financial Restructuring Group in the Los Angeles office of Houlihan Lokey. Prior to joining the Firm, Mr. Winthrop was a member of the Corporate Finance, Restructuring and Disputes Group of Price Waterhouse LLP, specializing in operational consulting for financially distressed companies. Mr. Winthrop holds a B.A. in business economics, with honors, from the University of California at Santa Barbara.

MATTHEW D. GATES

Mr. Gates is an Associate in the Financial Restructuring Group in the Los Angeles office of Houlihan Lokey. Prior to joining the Firm, Mr. Gates was an investment banker with the Technology Corporate Finance Group of Thomas Weisel Partners in San Francisco. Also, he was with Montgomery Securities and Bear Stearns, specializing in mergers and acquisitions and corporate finance for companies in the healthcare, consumer and financial services sectors. Mr. Gates holds an M.B.A. in financial management, strategy and accounting from the University of Chicago Graduate School of Business and a B.A. in economics, with departmental and college honors, from the University of Chicago.

SAMANTHA B. SUGAR

Ms. Sugar is a Financial Analyst in the Financial Restructuring Group in the Los Angeles office of Houlihan Lokey. Prior to joining the Los Angeles office, Ms. Sugar was a financial analyst with the Firm's New York office. Ms. Sugar holds a B.B.A. in finance and accounting, with honors, from the Roberto C. Goizueta Business School at Emory University.

HELEN CHEN

Ms. Chen is a Financial Analyst in the Financial Restructuring Group in the Los Angeles office of Houlihan Lokey. Ms. Chen holds a B.A. in business economics with a minor in accounting, *magna cum laude*, from UCLA. She is fluent in Mandarin and French.

EXHIBIT F

Fees and Expenses Detail

SpectraSite Holdings, Inc.

Fee Detail

Transaction Fee	\$2,000,000.00
Monthly Advisory Fees for the Period of November 15, 2002 - November 30, 2002	93,333.33
Monthly Advisory Fees for the Period of December 1, 2002 - December 31, 2002	175,000.00
Monthly Advisory Fees for the Period of January 1, 2003 - January 31, 2003	175,000.00
Monthly Advisory Fees for the Period of February 1, 2003 - February 10, 2003	62,500.00

Total Fees	\$2,505,833.33
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Expense Detail

November 15, 2002 through February 10, 2003

<u>Source</u>	<u>Position</u>	<u>Transportation</u>		<u>Lodging</u>	<u>Client Meals</u>	<u>Overtime Meals</u>	<u>TOTAL</u>
		<u>Airfare</u>	<u>Other</u>				
Irwin Gold	Senior Managing Director	\$0.00	\$0.00	\$531.40	\$90.98	\$0.00	\$622.38
Chris Di Mauro	Director	0.00	0.00	0.00	25.37	32.05	57.42
Eric Winthrop	Vice President	1,454.00	15.00	225.35	0.00	316.22	2,010.57
Matthew Gates	Associate	0.00	0.00	0.00	200.00	86.80	286.80
Samantha Sugar	Financial Analyst	0.00	0.00	0.00	265.13	402.29	667.42
Helen Chen	Financial Analyst	0.00	0.00	0.00	0.00	637.72	637.72
Telephone, Telecopy & Other Expenses							3,301.76
Library, Office Supplies & Copying Expenses							1,117.13
Research and Information Service Expenses							296.21
Delivery and Messenger Expenses							32.44
Total Period Expenses							\$9,029.85

Total Fees and Expenses	\$2,514,863.18
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EXHIBIT G

Order Approving First and Final Fee Application

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
RALEIGH DIVISION**

In re:) Chapter 11
)
SPECTRASITE HOLDINGS, INC.,) Case No. 02-03631-5 (ATS)
)
)
Debtor.)

**ORDER APPROVING FIRST AND FINAL FEE APPLICATION
OF HOULIHAN LOKEY HOWARD & ZUKIN CAPITAL FOR
COMPENSATION AND FOR REIMBURSEMENT OF EXPENSES**

This matter coming before the Court on the First and Final Fee Application of Houlihan Lokey Howard & Zukin Capital for Compensation and for Reimbursement of Expenses (the "Application"), filed by Houlihan Lokey Howard & Zukin Capital ("Houlihan Lokey"); the Court having reviewed the Application, the record in this case, and the Declaration Of Irwin N. Gold in Support of First and Final Fee Application of Houlihan Lokey Howard & Zukin Capital for Compensation and for Reimbursement of Expenses; the Court finding that all of the requirements of sections 327, 328, 330, 331, and 503(b) of title 11 of the United States Code, as well as Rule 2016 of the Federal Rules of Bankruptcy Procedure and the Procedures for Preparing and Submitting Applications for Compensation by Professionals by the Office of the United States Bankruptcy Administrator for the Eastern District of North Carolina have been met; that the expenses incurred were reasonable and necessary; that notice of the Application was appropriate; and good cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Application is hereby APPROVED.
2. Houlihan Lokey is granted a final allowance of compensation in the amount of \$2,505,833.33 for the period from November 15, 2002, through and including February 10, 2003.

3. Houlihan Lokey is allowed on a final basis, the reimbursement of reasonable and necessary expenses in the amount of \$9,029.85, for the period from November 15, 2002, through and including February 10, 2003.

4. SpectraSite Holdings, Inc., the debtor and debtor in possession is hereby authorized and directed to pay and compensate Houlihan Lokey for all such allowed amounts for which Houlihan Lokey previously has not received payment.

DATED: March 7, 2003

HONORABLE A. THOMAS SMALL
UNITED STATES BANKRUPTCY JUDGE

CERTIFICATE OF SERVICE

It is hereby certified that the foregoing **FIRST AND FINAL FEE APPLICATION OF HOULIHAN LOKEY HOWARD & ZUKIN CAPITAL FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES** was served this day by placing a copy thereof in a depository under the exclusive care and custody of the United States Postal Service in a postage prepaid envelope and properly addressed as follows:

Terri L. Gardner
Poyner & Spruill LLP
Attorneys for Debtor
3600 Glenwood Avenue
Raleigh, NC 27612

Marjorie K. Lynch
Bankruptcy Administrator
United States Bankruptcy Court
Eastern District of North Carolina
P.O. Box 3039
Raleigh, NC 27602-3093

Andrew N. Rosenberg
James H. Millar
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Attorneys for Debtor
1285 Avenue of the Americas
New York, NY 10019-6064

This 11th day of March, 2003



Mayi S. Alvarez
Legal Assistant

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
RALEIGH DIVISION**

In re:) Chapter 11
)
SPECTRASITE HOLDINGS, INC.,) Case No. 02-03631-5 (ATS)
)
)
Debtor.)

**NOTICE OF FIRST AND FINAL FEE APPLICATION OF
HOULIHAN LOKEY HOWARD & ZUKIN CAPITAL
FOR COMPENSATION AND FOR REIMBURSEMENT OF EXPENSES**


NOTICE IS HEREBY GIVEN of the First and Final Fee Application of Houlihan Lokey Howard & Zukin Capital for Compensation and for Reimbursement of Expenses, for the period of November 15, 2002, through February 10, 2003, for fees in the amount of \$2,505,833.33 and reimbursement of expenses in the amount of \$9,029.85.

FURTHER NOTICE IS HEREBY GIVEN that the Application may be allowed, providing no objection or requests for a hearing are made by parties in interest within twenty (20) days of the date of this Notice. Objections or requests for a hearing must be filed in writing with the Clerk, United States Bankruptcy Court, Eastern District of North Carolina, P.O. Drawer 4114, Raleigh, North Carolina 27602, with a copy to Irwin N. Gold, Houlihan Lokey Howard & Zukin Capital, 1930 Century Park West, Los Angeles, California 90067.

FURTHER NOTICE IS HEREBY GIVEN that if objections are filed by a party in interest and a hearing is requested, the hearing will be held on a date to be set by the Court, and the objecting parties will be notified accordingly. Any party filing an objection or requesting a hearing will be expected to appear, or they may be taxed with the costs of scheduling a hearing. If no request for a hearing is made within the same time indicated above, the Application may be approved by the Court, without any further notice.

Dated: March 7, 2003

Houlihan Lokey Howard & Zukin Capital



Irwin N. Gold

1930 Century Park West

Los Angeles, California 90067

Telephone: (310) 788-5337

Facsimile: (310) 553-4024

*Financial Advisor and Investment Banker
for the Official Committee of Unsecured Creditors*

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF NORTH CAROLINA
RALEIGH DIVISION**

In re:)	CHAPTER 11
)	
SPECTRASITE HOLDINGS, INC.,)	Case No.: 02-03631-5 (ATS)
)	
)	
Debtor.)	

CERTIFICATE OF MAILING

I, Mayi S. Alvarez, of Nicholls & Crampton, P.A., Post Office Box 18237, Raleigh, North Carolina 27619, certify:

That on March 11th, 2003, I mailed copies of the foregoing NOTICE OF FIRST AND FINAL FEE APPLICATION OF HOULIHAN LOKEY HOWARD & ZUKIN CAPITAL to each party as reflected on the attached Exhibit A, by placing said copy in the United States Mail, postage prepaid.

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

This the 11th day of March 2003.



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