

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

*In re:* : Chapter 11  
TRIBUNE COMPANY, *et al.*,<sup>1</sup> : Case Number 08-13141 (KJC)  
 : (Jointly Administered)  
Debtors. :  
 :

**REPORT OF KENNETH N. KLEE, AS EXAMINER**  
(VOLUME FOUR)  
(GLOSSARY OF DEFINED TERMS)

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Tribune Company (0355); 435 Production Company (8655); 5800 Sunset Productions Inc. (5510); Baltimore Newspaper Networks, Inc. (8258); California Community News Corporation (5306); Candle Holdings Corporation (5626); Channel 20, Inc. (7399); Channel 39, Inc. (5256); Channel 40, Inc. (3844); Chicago Avenue Construction Company (8634); Chicago National League Ball Club n/k/a Tribune CNLBC, LLC (0347); Chicago River Production Company (5434); Chicago Tribune Company (3437); Chicago Tribune Newspapers, Inc. (0439); Chicago Tribune Press Service, Inc. (3167); ChicagoLand Microwave Licensee, Inc. (1579); Chicagoland Publishing Company (3237); Chicagoland Television News, Inc. (1352); Courant Specialty Products, Inc. (9221); Direct Mail Associates, Inc. (6121); Distribution Systems of America, Inc. (3811); Eagle New Media Investments, LLC (6661); Eagle Publishing Investments, LLC (6327); forsalebyowner.com corp. (0219); ForSaleByOwner.com Referral Services, LLC (9205); Fortify Holdings Corporation (5628); Forum Publishing Group, Inc. (2940); Gold Coast Publications, Inc. (5505); GreenCo., Inc. (7416); Heart & Crown Advertising, Inc. (9808); Homeowners Realty, Inc. (1507); Homestead Publishing Co. (4903); Hoy, LLC (8033); Hoy Publications, LLC (2352); InsertCo, Inc. (2663); Internet Foreclosure Service, Inc. (6550); JuliusAir Company, LLC (9479); JuliusAir Company II, LLC; KIAH, Inc. (4014); KPLR, Inc. (7943); KSWB Inc. (7035); KTLA Inc. (3404); KWGN Inc. (5347); Los Angeles Times Communications LLC (1324); Los Angeles Times International, Ltd. (6079); Los Angeles Times Newspapers, Inc. (0416); Magic T Music Publishing Company (6522); NBBF, LLC (0893); Neocomm, Inc. (7208); New Mass. Media, Inc. (9553); New River Center Maintenance Association, Inc. (5621); Newscom Services, Inc. (4817); Newspaper Readers Agency, Inc. (7335); North Michigan Production Company (5466); North Orange Avenue Properties, Inc. (4056); Oak Brook Productions, Inc. (2598); Orlando Sentinel Communications Company (3775); Patuxnet Publishing Company (4223); Publishers Forest Brook Productions, Inc. (2598); Sentinel Communications News Ventures, Inc. (2027); Shepard's Inc. (7931); Signs of Distinction, Inc. (3603); Southern Connecticut Newspapers, Inc. (1455); Star Community Publishing Group, Inc. (5612); Stemweb, Inc. (4276); Sun-Sentinel Company (2684); The Baltimore Sun Company (6880); The Daily Press, Inc. (9368); The Hartford Courant Company (3490); The Morning Call, Inc. (7560); The Other Company LLC (5337); Times Mirror Land and Timber Company (7088); Times Mirror Payroll Processing Company, Inc. (4227); Times Mirror Services Company, Inc. (1326); TMLH 2, Inc. (0720); TMLS I, Inc. (0719); TMS Entertainment Guides, Inc. (6325); Tower Distribution Company (9066); Towering T Music Publishing Company (2470); Tribune Broadcast Holdings, Inc. (4438); Tribune Broadcasting Company (2569); Tribune Broadcasting Holdco, LLC (2534); Tribune Broadcasting News Network, Inc. (1088); Tribune California Properties, Inc. (1629); Tribune Direct Marketing, Inc. (1479); Tribune Entertainment Company (6232); Tribune Entertainment Production Company (5393); Tribune Finance, LLC (2537); Tribune Finance Service Center, Inc. (7844); Tribune License, Inc. (1035); Tribune Los Angeles, Inc. (4522); Tribune Manhattan Newspaper Holdings, Inc. (7279); Tribune Media Net, Inc. (7847); Tribune Media Services, Inc. (1080); Tribune Network Holdings Company (9936); Tribune New York Newspaper Holdings, LLC (7278); Tribune NM, Inc. (9939); Tribune Publishing Company (9720); Tribune Television Company (1634); Tribune Television Holdings, Inc. (1630); Tribune Television New Orleans, Inc. (4055); Tribune Television Northwest, Inc. (2975); ValuMail, Inc. (9512); Virginia Community Shoppers, LLC (4025); Virginia Gazette Companies, LLC (9587); WATL, LLC (7384); WCWN LLC (5982); WDCW Broadcasting, Inc. (8300); WGN Continental Broadcasting Company (9530); WLVI Inc. (8074); WPIX, Inc. (0191); and WTXX Inc. (1268). The Debtors' corporate headquarters and the mailing address for each Debtor is 435 North Michigan Avenue, Chicago, Illinois 60611.

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## **GLOSSARY OF DEFINED TERMS**

"1992 Indenture" means that certain Indenture, dated as of March 1, 1992, by and between Tribune and Citibank, N.A. (successor to Continental Bank, National Association, Bank of Montreal Trust Company, and Bank of New York), as trustee, as amended, restated, modified, or supplemented.

"1995 Indenture" means that certain Indenture, dated as of January 30, 1995, by and between Tribune (as successor to The Times Mirror Company f/k/a New TMC Inc.) and Citibank, N.A. (successor to Bank of New York, Wells Fargo Bank, N.A., and First Interstate Bank of California), as trustee, as amended, restated, modified, or supplemented.

"1996 Indenture" means that certain Indenture, dated as of March 19, 1996, by and between Tribune (as successor to The Times Mirror Company) and Citibank, N.A., as trustee, as amended, restated, modified, or supplemented.

"1997 Indenture" means that certain Indenture, dated as of January 1, 1997, by and between Tribune and Citibank, N.A. (successor to Bank of Montreal Trust Company and Bank of New York), as trustee, as amended, restated, modified, or supplemented.

"2006 Bank Debt" means the indebtedness under the 2006 Credit Agreement and the 2006 Bridge Credit Agreement.

"2006 Bridge Credit Agreement" means that certain Amended and Restated Bridge Credit Agreement, dated as of June 27, 2006, by and among Tribune, as borrower, the lenders party thereto, Citicorp, as administrative agent, MLPFS, as syndication agent, JPMCB, Bank of America, Morgan Stanley Bank, and The Bank of Tokyo-Mitsubishi UFJ, Ltd., Chicago Branch, as co-documentation agents, and CGMI, MLPFS, and JPMorgan as joint lead arrangers and joint book runners, as amended, restated, modified, or supplemented.

"2006 Leveraged Recapitalization" means (a) the 2006 Tender Offer, (b) the repurchase by Tribune of 10 million shares of Tribune Common Stock owned by the McCormick Foundation, and (c) the repurchase by Tribune of up to 12 million shares of Tribune Common

Stock in the open market after expiration of the 2006 Tender Offer, financed through a combination of bank and capital markets financing.

"2006 Credit Agreement" means that certain Amended and Restated Credit Agreement, dated as of June 27, 2006, by and among Tribune, as borrower, the lenders party thereto, Citicorp, as administrative agent, MLPFS, as syndication agent, JPMCB, as documentation agent, and CGMI, MLPFS, and JPMorgan as joint lead arrangers and joint book runners.

"2006 Tender Offer" means Tribune's modified "Dutch Auction" tender offer that expired on June 26, 2006 whereby Tribune repurchased 45,026,835 shares of Tribune Common Stock at a price of \$32.50 per share.

"2007 Management Equity Incentive Plan" means the Management Equity Incentive Plan of Tribune, adopted on and effective as of December 20, 2007.

"4.875% Senior Notes due 2010" means those certain 4.875% notes due August 15, 2010 issued under the 1997 Indenture.

"5.25% Senior Notes due 2015" means those certain 5.25% notes due August 15, 2015 issued under the 1997 Indenture.

"5.50% Series E Medium Term Notes due 2008" means those certain 5.50% notes due October 6, 2008 issued under the 1997 Indenture.

"5.67% Series E Medium-Term Notes due 2008" means those certain 5.67% notes due December 8, 2008 issued under the 1997 Indenture.

"6.25% Series D Medium-Term Notes due 2026" means those certain 6.25% notes due November 10, 2026 issued under the 1992 Indenture.

"6.35% Series E Medium-Term Notes due 2008" means those certain 6.35% notes due February 1, 2008 issued under the 1997 Indenture.

"6.61% Senior Debentures due 2027" means those certain 6.61% notes due September 15, 2027 issued under the 1996 Indenture.

"7.25% Senior Debentures due 2013" means those certain 7.25% notes due March 1, 2013 issued under the 1995 Indenture.

"7.25% Senior Debentures due 2096" means those certain 7.25% notes due November 15, 2096 issued under the 1996 Indenture.

"7.5% Senior Debentures due 2023" means those certain 7.5% notes due July 1, 2023 issued under the 1995 Indenture.

"Advisor Fees" means the fees paid to the Financial Advisors for advisory services in connection with the Leveraged ESOP Transactions.

"Advisory Research" means Advisory Research, Inc.

"AOL" means America Online, Inc.

"BofA" or "BofA Entities" means, collectively, Banc of America Bridge, Bank of America, and BAS, or any of them.

"Banc of America Bridge" means Banc of America Bridge LLC.

"Bank of America" means Bank of America, N.A.

"Bankruptcy Code" means title 11 of the United States Code, as amended from time to time and applicable to the Chapter 11 Cases.

"Bankruptcy Court" means the United States Bankruptcy Court for the District of Delaware.

"Barclays" means Barclays Bank PLC.

"BAS" means Banc of America Securities.

"Blackstone" means The Blackstone Group L.P.

"Bridge Credit Agreement" means that certain \$1.6 Billion Senior Unsecured Interim Loan Agreement, dated as of December 20, 2007, by and among, Tribune, as borrower, MLCC as administrative agent, JPMCB as syndication agent, Citicorp and Bank of America as co documentation agents, and the lenders named therein.

"Bridge Credit Agreement Agent" means WFB, successor to MLCC, as administrative agent under the Bridge Credit Agreement.

"Bridge Debt" means the indebtedness owing under the Bridge Credit Agreement.

"Bridge Facility" means the \$1.6 billion bridge facility under the Bridge Credit Agreement.

"Bridge Facility Lenders" means the lenders under the Bridge Credit Agreement.

"Bridge Subrogation Subordination Agreement" means that certain Indemnity, Contribution and Subrogation Agreement, dated as of December 20, 2007, by and among Tribune, the Guarantor Subsidiaries, and the Bridge Credit Agreement Agent.

"Broad/Yucaipa" means the Broad Investment Company and the Yucaipa Companies.

"Broad/Yucaipa Proposal" means the proposal by Broad/Yucaipa to sponsor a leveraged recapitalization of Tribune funded by new debt and a preferred equity investment by Broad/Yucaipa.

"Broadcasting Segment" means the operations of the Tribune Entities in the broadcasting and entertainment industries.

"Brown Book" means the package of financial information typically prepared by Tribune personnel for each monthly reporting period, containing consolidated performance metric comparisons of budgeted to actual results (e.g., revenue and profitability) and detailed analysis and commentary regarding discrete business unit performance.

"CAPM" means capital asset pricing model.

"Carlyle" means The Carlyle Group.

"Carlyle Proposal" means the proposal by Carlyle to purchase the Broadcasting Segment, including the Chicago Cubs, for cash in a taxable transaction.

"CFY" means current fiscal year expectations.

"CGMI" means Citigroup Global Markets Inc.

"Chandler Trusts" means, collectively, Chandler Trust No. 1 and Chandler Trust No. 2.

"Chandler Trusts Proposal" means the proposal by the Chandler Trusts to sponsor a tax-free spin-off of most of the Broadcasting Segment and acquisition of the remainder of Tribune funded by new debt and new investor equity.

"Chandler Trusts Registration Rights Agreement" means that certain Chandler Trusts Registration Rights Agreement, dated as of April 1, 2007, by and among Tribune and the Chandler Trusts.

"Change in Control" has the meaning ascribed thereto in the Credit Agreement.

"Chapter 11 Cases" means the voluntary chapter 11 cases filed by Tribune and its Subsidiaries in the Bankruptcy Court on the Petition Date.

"Citicorp" means Citicorp North America, Inc.

"Citigroup" or "Citigroup Entities" means, collectively, CGMI, Citibank, N.A., Citicorp USA, Inc., Citicorp, and their affiliates, or any of them.

"Commitment Letters" means, collectively, the Step One Commitment Letter and Step Two Commitment Letter.

"Company Material Adverse Effect" means any facts, circumstances, events, or changes that are materially adverse to the business, assets, financial condition, results of operations on an ongoing basis, or continuing operations of Tribune and its Subsidiaries, taken as a whole, or that have a material adverse effect on the ability of Tribune to perform its obligations under the Merger Agreement, or to consummate the Merger and the other transactions to be performed or consummated by Tribune; provided, however that the "Company Material Adverse Effect" shall not include facts, circumstances, events, or changes resulting from (a) changes in general economic or political conditions or the securities, credit, or financial markets in general, (b) general changes or developments in the industries in which Tribune and its Subsidiaries operate, including general changes in law or regulations across such industries, (c) the announcement of the Merger Agreement or the pendency or consummation of the Merger, (d) compliance with the terms of, or the taking of any action required by, the Merger Agreement or consented to by EGI-TRB and the ESOP, (e) any acts of terrorism or war (other than any of the foregoing that causes any damage or destruction to or renders unusable any facility or property of Tribune or any of its Subsidiaries), (f) the identity of EGI-TRB or the ESOP or any of their affiliates as participants in the transactions contemplated by the Merger Agreement or the

other agreements described in the recitals hereof, or (g) changes in GAAP or the interpretation thereof by the Financial Account Standards Board, the Accounting Principles Board, the American Institute of Certified Public Accountants, and other similar organizations generally considered authoritative with respect to the interpretation of GAAP, except, in the case of the foregoing clauses (a) and (b), to the extent such facts, circumstances, events, changes, or developments referred to therein have a disproportionate impact on Tribune and its Subsidiaries, taken as a whole, relative to other companies in the industry or in the geographic markets in which Tribune conducts its businesses after taking into account the size of Tribune relative to such other companies. For the avoidance of doubt, the parties to the Merger Agreement agree that any decline in the stock price of the Tribune Common Stock on the New York Stock Exchange or any failure to meet internal or published projections, forecasts, or revenue or earning predictions for any period shall not, in and of itself, constitute a Company Material Adverse Effect, but the underlying causes of such decline or failure shall be considered to the extent applicable (and subject to the proviso set forth in the immediately preceding sentence) in determining whether there is a Company Material Adverse Effect.

"Company Meeting" has the meaning ascribed thereto in the Merger Agreement.

"Company Shareholder Approval" has the meaning ascribed thereto in the Merger Agreement.

"Company" means Tribune.

"Compensation Committee" means the Compensation & Organization Committee of the Tribune Board.

"Complaint" means the "Complaint for Equitable Subordination and Disallowance of Claims, Damages, and Constructive Trust by Wilmington Trust Company" filed in the Chapter 11 Cases, commencing Adv. Proc. No. 10-50732 [Docket 1].

"Court" means the Supreme Court of the United States.

"CRA" means Charles River Associates, formerly known as CRA International, Inc.



"Credit Agreement" means that certain \$8.028 Billion Credit Agreement, dated as of May 17, 2007, by and among Tribune, as borrower, JPMCB, as administrative agent, MLCC, as syndication agent, Citicorp, Bank of America, and Barclays, as co documentation agents, and the lenders named therein, as the same has been amended, restated, modified, or supplemented.

"Credit Agreement Agent" means JPMCB, as administrative agent under the Credit Agreement.

"Credit Agreement Debt" means the indebtedness owing under the Credit Agreement.

"Credit Agreement Subrogation Subordination Agreement" means that certain Indemnity, Contribution and Subrogation Agreement, dated as of December 20, 2007, by and among Tribune, the Guarantor Subsidiaries, and the Credit Agreement Agent.

"Credit Agreement Subsidiary Guarantee" means that certain Guarantee Agreement, dated as of June 4, 2007, by and among Tribune, the Guarantor Subsidiaries, and the Credit Agreement Agent.

"DCF" means a discounted cash flow valuation methodology.

"DCF Valuation Analysis" means the DCF valuation analysis of the Tribune Entities as of the Step Two Financing Closing Date performed by the Examiner's financial advisor contained in Annex A to Volume Two of the Report.

"Debtor" and "Debtors" means the debtors and debtors in possession in Case No. 08-13141 (KJC) in the United States Bankruptcy Court for the District of Delaware, as set forth on Schedule A.

"Delayed Draw Facility" means the \$263 million Delayed Draw Senior Tranche B Term Loan Facility under the Credit Agreement.

"Depository Order" means that certain Order (I) Authorizing the Debtors to Establish a Document Depository and Directing the Committee to Deliver Certain Documents to the Document Depository Pursuant to Federal Rule of Bankruptcy Procedure 2004 and (II) Establishing Settlement Negotiation Protections Pursuant to 11 U.S.C. § 105 [Docket No. 2858].

"DGCL" means the Delaware General Corporation Law (Title 8, Chapter 1 of the Delaware Code).

"Disclosure Statement" means the "Disclosure Statement For Amended Joint Plan Of Reorganization For Tribune Company And Its Subsidiaries," appended as Exhibit 1 to the "Notice of Filing Approved Disclosure Statement For Amended Joint Plan of Reorganization For Tribune Company and Its Subsidiaries" filed in the Chapter 11 Cases [Docket No. 4744].

"Duff & Phelps" means Duff & Phelps, LLC.

"EBIT" means earnings before interest and taxes.

"EBITDA" means earnings before interest, taxes, depreciation, and amortization.

"Effective Time" has the meaning ascribed thereto in the Merger Agreement.

"EGI" means Equity Group Investments, L.L.C.

"EGI-TRB" means EGI-TRB, L.L.C.

"EGI-TRB Notes" means those certain Subordinated Promissory Notes, dated as of December 20, 2007, made by Tribune in favor of EGI-TRB and assignees of EGI-TRB, in the aggregate principal amount of \$225 million, that replaced the Initial EGI-TRB Note.

"EGI-TRB Note Subordination Agreement" means that certain Subordination Agreement, dated as of December 20, 2007, made by EGI-TRB in favor of the holders of Senior Obligations (as defined therein).

"EGI-TRB Purchase Agreement" means that certain Securities Purchase Agreement, dated as of April 1, 2007 by and among Tribune, EGI-TRB, and Mr. Zell.

"EGI-TRB Purchase Agreement First Closing" means, collectively, the purchase of the 1,470,588 newly issued shares of Tribune Common Stock and the Exchangeable EGI-TRB Note pursuant to the terms and conditions of the EGI-TRB Purchase Agreement.

"EGI-TRB Purchase Agreement Second Closing" means, collectively, the purchase of the Initial EGI-TRB Note and the Warrant pursuant to the terms and conditions of the EGI-TRB Purchase Agreement.

"EGI-TRB Transaction Documents" means, collectively, the EGI-TRB Purchase Agreement, the Investor Rights Agreement, the Registration Rights Agreement, and the Warrant Agreement.

"ESOP" means that certain Tribune Employee Stock Ownership Plan formed during the first quarter of 2007 with an effective date as of January 1, 2007.

"ESOP Loan" means the extension of credit under the ESOP Note and the ESOP Loan Agreement.

"ESOP Loan Agreement" means that certain ESOP Loan Agreement, dated as of April 1, 2007, by and between Tribune and the Trustee (on behalf of the ESOP Trust).

"ESOP Note" means that certain ESOP Note, dated as of April 1, 2007, made by GreatBanc (on behalf of the ESOP Trust) in favor of Tribune in the original principal amount of \$250 million, to be repaid by the ESOP Trust over the 30 year life of the loan through its use of annual contributions, either in cash or in the form of forgiveness, from Tribune to the ESOP Trust and/or distributions paid on the shares of Tribune Common Stock held by the ESOP Trust.

"ESOP Pledge Agreement" means that certain ESOP Pledge Agreement, dated as of April 1, 2007, by and between GreatBanc (on behalf of the ESOP Trust) and Tribune.

"ESOP Purchase Agreement" means that certain ESOP Purchase Agreement, dated as of April 1, 2007, by and between Tribune and GreatBanc (on behalf of the ESOP Trust).

"ESOP Trust" means that certain Tribune Employee Stock Ownership Trust, dated as of April 1, 2007, with an effective date as of February 7, 2007, by and between Tribune and GreatBanc.

"Examiner" means Kenneth N. Klee, as the examiner appointed by the United States trustee and approved by the Court in the Examiner Approval Order in the Chapter 11 Cases to conduct the Investigation and perform such other duties are set forth in the Examiner Order, as modified by the Supplemental Order.

"Examiner Approval Order" means the "Order Approving Appointment of Examiner" entered in the Chapter 11 Cases on May 11, 2010 at Docket No. 4320.

"Examiner Order" means the "Agreed Order Directing the Appointment of an Examiner" entered in the Chapter 11 Cases on April 20, 2010 at Docket No. 4120.

"Examiner Work Plan" means the "Work And Expense Plan Of Examiner-Designate Kenneth N. Klee, Esq." filed in the Chapter 11 Cases on May 7, 2010 at Docket No. 4261.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, as amended.

"Exchangeable EGI-TRB Note" means that certain Subordinated Exchangeable Promissory Note, dated as of April 23, 2007, made by Tribune in favor of EGI-TRB in the original principal amount of \$200 million, which was exchangeable at the option of Tribune, or automatically under certain circumstances, into 5,882,353 shares of Tribune Common Stock.

"FCC" means the Federal Communications Commission.

"FCC Order" means an order from the Federal Communications Commission granting the consents or approvals required under the Communications Act of 1934 necessary to complete the Merger.

"FCF" means free cash flow.

"FinanceCo" means Tribune Finance, LLC.

"FinanceCo/Holdco Transactions" means, collectively, the FinanceCo Transaction and the Holdco Transaction.

"FinanceCo Transaction" means (a) the formation of FinanceCo as a wholly-owned subsidiary of Tribune, (b) the contribution by Tribune of not less than \$3.0 billion to FinanceCo, (c) the issuance by certain Guarantor Subsidiaries of the subordinated intercompany promissory notes to FinanceCo, and (d) the direct or indirect dividend or other distribution by such Guarantor Subsidiaries of the aggregate amount of such loaned funds to Tribune.

"Financial Advisors" means MLPFS, CGMI, and Morgan Stanley.

"First Tranche Units" means the 5,434,652 shares of phantom stock designated as "First Tranche Units" under the 2007 Management Equity Incentive Plan.

"Foundation's Advisors" means, collectively, Advisory Research, Blackstone, Katten, and Q&B.

"Foundation's Advisory Committee" means the advisory committee of the McCormick Foundation.

"Foundation's Board" means the Board of Directors of the McCormick Foundation.

"GAAP" means United States generally accepted accounting principles.

"Garamella Litigation" means the case captioned Garamella v. FitzSimons, et. al., Case No. BC362110, Superior Court of the State of California, County of Los Angeles.

"Goldman Sachs" means Goldman, Sachs & Co.

"GreatBanc" means GreatBanc Trust Company in its capacity as trustee of the ESOP Trust.

"Guarantor Subsidiaries" means the subsidiaries of Tribune set forth on Schedule B.

"Holdco" means Tribune Broadcasting Holdco, LLC.

"Holdco Transaction" means the formation of Holdco as a wholly-owned subsidiary of Tribune and the contribution to Holdco of the stock of Tribune Broadcasting Company.

"Houlihan Lokey" means Houlihan, Lokey, Howard & Zukin.

"Hoy, New York" means the New York edition of Hoy, Tribune's Spanish-language daily newspaper.

"Increase Joinders" means those certain Increase Joinders, dated as of December 20, 2007, executed by each of MLCC, Lehman Brothers Commercial Bank, LaSalle Bank National Association, JPMCB, Citicorp, Bank of America, Barclays, and Sumitomo Mitsui Banking Corporation, pursuant to which such lenders made additional term loans to Tribune under the Incremental Credit Agreement Facility.

"Incremental Credit Agreement Facility" means an additional \$2.105 billion in new incremental term loans under the Tranche B Facility or as a new tranche of term loans under the Credit Agreement.

"Initial EGI-TRB Note" means that certain Subordinated Promissory Note, dated as of December 20, 2007, made by Tribune in favor of EGI TRB in the original principal amount of \$225 million.

"Initial Zell Investment" means the investment of EGI-TRB in Tribune with respect to the purchase of \$50 million of Tribune's common equity and the Exchangeable EGI-TRB Note.

"Intercompany Junior Subordinated Note" means that certain Promissory Demand Note, dated as of June 4, 2007, by and among FinanceCo, The Baltimore Sun Company, Chicago Tribune Company, The Daily Press, Inc., The Hartford Courant Company, Sun-Sentinel Company, Newsday, Inc. Orlando Sentinel Communications Company, and Los Angeles Times Communications LLC.

"Investigation" means the investigation conducted by the Examiner pursuant to the Examiner Order, as modified by the Supplemental Order.

"Investor Rights Agreement" means that certain Investor Rights Agreement, dated as of April 1, 2007, by and among Tribune, EGI-TRB, and GreatBanc (on behalf of the ESOP Trust).

"IRC" means the Internal Revenue Code of 1986, and the regulations thereunder, in each case as amended, reformed, or otherwise modified from time to time.

"ISDA" means the International Swap and Derivatives Association, Inc.

"JPM" or "JPM Entities" means JPMorgan, JPMCB, and their affiliates, or any of them.

"JPMCB" means JPMorgan Chase Bank, N.A.

"JPMorgan" means J.P. Morgan Securities Inc.

"Katten" means Katten Muchin Rosenman LLP.

"Large Stockholders" means the Chandler Trusts and the McCormick Foundation.

"LATI" means Los Angeles Times International, Ltd.

"LATI Notes" means the approximately \$3.98 billion in intercompany notes owed by certain Tribune subsidiaries to LATI just prior to the Step One Financing Closing Date.

"Law Debenture" means Law Debenture Trust Company.

"LBO Fees" means the fees, costs, and expenses paid to, or on behalf of, the JPM Entities, Merrill Entities, Citigroup Entities, BofA Entities, and "Initial Lenders" (as defined in the Credit Agreement and the Bridge Credit Agreement, respectively) in connection with the Leveraged ESOP Transactions, but excluding Advisor Fees.

"LBO Lender Debt" means the Credit Agreement Debt and the Bridge Debt.

"LBO Lenders" means the holders of the LBO Lender Debt.

"Lead Banks" means JPM, Merrill, Citigroup, and BofA as arrangers and lenders under the Credit Agreement and the Bridge Credit Agreement.

"LECG" means LECG, LLC.

"Leveraged ESOP Transactions" means, collectively, the Tender Offer, the Merger, the Step One Financing, the Step Two Financing, the transactions contemplated by the ESOP Purchase Agreement, and the transactions contemplated by the EGI TRB Purchase Agreement.

"LGD" means loss given default.

"LTM" means latest twelve months.

"Management Equity Incentive Plan Awards" means those management incentive awards approved by the Compensation Committee on April 1, 2007 in connection with the Leveraged ESOP Transactions.

"McCormick Foundation" means The Robert R. McCormick Tribune Foundation and its affiliated foundation, the Cantigny Foundation.

"Merger" means the merger of Tribune with and into the Merger Sub pursuant to the Merger Agreement with Tribune surviving the merger and becoming a wholly-owned subsidiary of the ESOP.

"Merger Agreement" means that certain Agreement and Plan of Merger, dated as of April 1, 2007, by and among Tribune, the Trustee, the Merger Sub, and EGI TRB.

"Merger Consideration" means \$34.00 per share in cash.

"Merger Sub" means Tesop Corporation, a Delaware corporation wholly owned by the ESOP.

"Merrill" or "Merrill Entities" means, collectively, MLCC, ML&Co., and MLPFS, or any of them.

"ML&Co." means Merrill Lynch & Co.

"MLCC" means Merrill Lynch Capital Corporation.

"MLPFS" means Merrill Lynch, Pierce, Fenner & Smith.

"Morgan Stanley" means Morgan Stanley & Co. Incorporated.

"NFY" means subsequent fiscal year expectations.

"Non-LBO Creditors" means the creditors holding claims against the Debtors as of the Petition Date, other than the LBO Lenders.

"Non-LBO Debt" means the indebtedness owing to the Non-LBO Creditors.

"NY UFCA" means the UFCA, as enacted in the State of New York, at N.Y. Debt & Cred. Law §§ 270-281 (Consol. 2010).

"Parties" means the parties identified as the "Parties" in the Examiner Order, as modified by the Supplemental Order:

"Petition Date" means December 8, 2008.

"PHONES Indenture" means that certain Indenture, dated as of April 1, 1999, by and between Tribune and Citibank, N.A. (successor to Bank of Montreal Trust Company and Bank of New York), as amended, restated, modified, or supplemented.

"PHONES Notes" means those certain Exchangeable Subordinated Debentures due May 15, 2029 issued pursuant to the PHONES Indenture.

"PHONES Subordination" means the subordination provisions set forth in Article XIV of the PHONES Indenture.

"Pledge Agreement" means that certain Pledge Agreement, dated as of June 4, 2007, by and between Tribune and the Credit Agreement Agent.

"Publishing Segment" means the operations of the Tribune Entities in the publishing industry.

"Q&B" means Quarles & Brady LLP.



"Qualifying Transaction" has the meaning ascribed thereto in the EGI-TRB Purchase Agreement.

"Questions" means the matters to be investigated and addressed by the Examiner, as set forth in the Examiner Order, as modified by the Supplemental Order.

"Recovery Scenarios" means the analysis contained in Annex B to Volume Two of the Report.

"Reference Share" means the share with which the principal value of the PHONES Notes is calculated, originally one share of common stock of AOL as a result of certain transactions involving AOL, namely a stock split, a merger, and a name change, the Reference Share for each PHONES Note is two shares of common stock of Time Warner Inc.

"Refinancing" means the repayment of the 2006 Bank Debt.

"Registration Rights Agreement" means that certain Registration Rights Agreement, dated as of April 1, 2007, by and among Tribune, EGI-TRB, and GreatBanc (on behalf of the ESOP Trust).

"Report" means the report filed by the Examiner pursuant to the Examiner Order, as modified by the Supplemental Order.

"Revolving Credit Facility" means the \$750 million Revolving Credit Facility under the Credit Agreement.

"Rule 2004" means Rule 2004 of the Federal Rules of Bankruptcy Procedure.

"SEC" means the United States Securities and Exchange Commission.

"Second Tranche Units" means the 3,261,000 shares of phantom stock designated as "Second Tranche Units" under the 2007 Management Equity Incentive Plan.

"Selling Stockholders" means the stockholders whose stock in Tribune was redeemed for cash pursuant to the Tender Offer and/or the Merger.

"Senior Notes" means the 4.875% Senior Notes due 2010, the 7.25% Senior Debentures due 2013, the 5.25% Senior Notes due 2015, the 7.5% Senior Debentures due 2023, the 6.25% Series D Medium-Term Notes due 2026, the 6.61% Senior Debentures due 2027, the

7.25% Senior Debentures due 2096, the 6.35% Series E Medium-Term Notes due 2008, the 5.50% Series E Medium Term Notes due 2008, and the 5.67% Series E Medium-Term Notes due 2008.

"Shortland Publications" means Shortland Publications, Inc.

"Skadden Arps" means Skadden, Arps, Slate, Meagher & Flom LLP.

"SOP" means a sum-of-the parts valuation methodology.

"Special Committee" means the Special Committee of the Tribune Board consisting of all of the members of the Tribune Board other than the Chief Executive Officer, the three directors nominated by the Chandler Trusts, and Mr. Zell.

"Special Incentive Awards" means those certain awards issued pursuant to the cash and phantom stock bonus pools approved by the Compensation Committee on April 1, 2007 in connection with the Leveraged ESOP Transactions.

"Statement of Facts" means the statement of facts set forth in section III of the Report.

"Step One" or "at Step One" means the Step One Transactions or in connection with the Step One Transactions.

"Step One Commitment Letter" means that certain Amended and Restated Commitment Letter, dated as of April 5, 2007, by and among Tribune, JPMorgan, JPMCB, MLCC, CGMI, Bank of America, and BAS.

"Step One Debt" means the Credit Agreement Debt other than the indebtedness owing under the Incremental Credit Agreement Facility.

"Step One Fee Letter" means that certain Amended and Restated First Step Fee Letter, dated as of April 5, 2007, by and among MLCC, CGMI, JPMorgan, JPMCB, Bank of America, BAS, Tribune, and EGI-TRB.

"Step One Financing" means the Tranche X Facility, the Tranche B Facility, the Delayed Draw Facility, and the Revolving Credit Facility under the Credit Agreement.

"Step One Financing Closing Date" means June 4, 2007.

"Step One Financing Documents" means the documents governing the Step One Financing.

"Step One Purchase Transaction" means the purchase by EGI TRB of (a) 1,470,588 newly issued shares of Tribune Common Stock for the purchase price of \$50 million and (b) the Exchangeable EGI TRB Note for a purchase price of \$200 million.

"Step One Transactions" means (a) the Tender Offer, (b) the Refinancing, (c) the Initial Zell Investment and issuance of the Exchangeable EGI-TRB Note, (d) the formation of the ESOP, (e) the execution and delivery of the Merger Agreement, (f) the Step One Purchase Transaction, (g) the execution, delivery, and performance of the Credit Agreement, (h) the ESOP Loan and the pledge of shares by ESOP to secure the ESOP Loan, (i) the FinanceCo/Holdco Transactions, (j) all other transactions necessary to effect or incidental to the foregoing, and (k) the payment of fees, costs and expenses related to the foregoing.

"Step Two" or "at Step Two" means the Step Two Transactions or in connection with the Step Two Transactions.

"Step Two Commitment Letter" means that certain Amended and Restated Commitment Letter, dated as of April 5, 2007, by and among Tribune, JPMorgan, JPMCB, MLCC, CGMI, Bank of America, Banc of America Bridge, and BAS.

"Step Two Closing" means the closing of the Step Two Transactions.

"Step Two Debt" means the indebtedness arising under the Step Two Financing.

"Step Two Fee Letter" means that certain Amended and Restated Second Step Fee Letter, dated as of April 5, 2007, by and among MLCC, CGMI, JPMorgan, JPMCB, Bank of America, Banc of America Bridge, BAS, Tribune, and EGI-TRB.

"Step Two Financing" means the Bridge Facility and the Incremental Credit Agreement Facility.

"Step Two Financing Closing Date" means December 20, 2007.

"Step Two Financing Documents" means the documents governing the Step Two Financing.

"Step Two Lenders" means the lenders who were obligated under the Step Two Commitment Letter to provide the Step Two Financing.

"Step Two Transactions" means (a) the Merger, (b) the execution, delivery, and performance of the Bridge Credit Agreement, (c) the making of advances under the Incremental Credit Agreement Facility, (d) all other transactions necessary to effect or incidental to the foregoing, and (e) the payment of fees, costs and expenses related to the foregoing.

"Stock Option Plans" means the Tribune Company 1992 Long-Term Incentive Plan, Tribune Company 1995 Non-employee Director Stock Plan, and Tribune Company Incentive Compensation Plan.

"Stock Pledge" means the pledge of the equity interests in FinanceCo and Holdco pursuant to the Pledge Agreement to secure the Credit Agreement Debt and the Senior Notes.

"Subordinated Bridge Subsidiary Guarantee" means that certain Guarantee Agreement, dated as of December 20, 2007, by and among Tribune, the Guarantor Subsidiaries, and the Bridge Credit Agreement Agent.

"Subsidiary" means, as to any person or entity, any corporation, partnership, association, trust or other form of legal entity of which (a) more than 50% of the outstanding voting securities are directly or indirectly owned by such person or entity or (b) such person or entity or any Subsidiary of such person or entity is a general partner (excluding partnerships in which such person or entity or any Subsidiary of such person or entity does not have a majority of the voting interests in such partnership).

"Subsidiary Boards" means, collectively, the Boards of Directors of the Guarantor Subsidiaries.

"Subsidiary Guarantees" means, collectively, the Credit Agreement Subsidiary Guarantee and the Subordinated Bridge Subsidiary Guarantee.

"Superstation" means a television broadcast station, other than a network station, licensed by the FCC that is secondarily transmitted by a satellite carrier.

"Superior Proposal" has the meaning ascribed thereto in the Merger Agreement.

"Supplemental Order" means the "Order Approving Work and Expense Plan and Modifying Examiner Order" entered in the Chapter 11 Cases on May 11, 2010 at Docket No. 4312.

"Swap Documents" means, collectively, those certain 1992 ISDA Master Agreement and schedule to the 1992 ISDA Master Agreement, dated as of July 2, 2007, and those certain interest rate swap confirmations, dated as of July 3, 2007, in each case by and between Tribune and Barclays, which Swap Documents provide for (a) a two-year hedge with respect to \$750 million in notional amount, (b) a three-year hedge with respect to \$1 billion in notional amount, and (c) a five-year hedge with respect to \$750 million in notional amount.

"Tender Offer" means that certain tender offer for 126 million shares of Tribune Common Stock (52% of shares then outstanding) at \$34 per share.

"Tender Offer Filing" means the Schedule TO filed with the SEC by Tribune on April 25, 2007 together with all amendments and supplements thereto.

"TEV" means total enterprise value.

"Time Warner" means Time Warner Inc.

"Times Mirror" means The Times Mirror Company.

"TMCT LLCs" means TMCT, LLC and TMCT II, LLC.

"Tranche B Facility" means the \$5.515 billion Senior Tranche B Term Loan Facility under the Credit Agreement.

"Tranche X Facility" means the \$1.5 billion Senior Tranche X Term Loan Facility under the Credit Agreement.

"Transitional Compensation Plan" means the Tribune Company Transitional Compensation Plan for Executive Employees effective as of July 19, 2006.

"Tribune" means Tribune Company.

"Tribune Board" means the Board of Directors of Tribune.

"Tribune Common Stock" means the common stock issued by Tribune.

"Tribune Entities" means Tribune and its Subsidiaries.

"Total Guaranteed Leverage Ratio" has the meaning ascribed thereto in the Credit Agreement.

"TV Food Network" means Television Food Network, G.P.

"UCC" means the Official Committee of Unsecured Creditors appointed in the Chapter 11 Cases.

"UFCA" means the Uniform Fraudulent Conveyance Act.

"UFTA" means the Uniform Fraudulent Transfer Act.

"Voting Agreement" means that certain Voting Agreement, dated as of April 1, 2007, by and among Tribune and the Chandler Trusts.

"VRC" means Valuation Research Corporation.

"WACC" means weighted average cost of capital.

"Wachtell" means Wachtell, Lipton, Rosen & Katz

"Warrant" means that certain Warrant to Purchase Shares of Common Stock, dated as of December 20, 2007, issued by Tribune to EGI-TRB.

"WFB" means Wells Fargo Bank, N.A.

"Wilmington Trust" or "WTC" means Wilmington Trust Company.

"Zell Group" means Samuel Zell, EGI-TRB, and EGI.

## SCHEDULE A

### DEBTORS

Tribune Company  
435 Production Company  
5800 Sunset Productions Inc.  
Baltimore Newspaper Networks, Inc.  
California Community News Corporation  
Candle Holdings Corporation  
Channel 20, Inc.  
Channel 39, Inc.  
Channel 40, Inc.  
Chicago Avenue Construction Company  
Chicago River Production Company  
Chicago Tribune Company  
Chicago Tribune Newspapers, Inc.  
Chicago Tribune Press Service, Inc.  
ChicagoLand Microwave Licensee, Inc.  
Chicagoland Publishing Company  
Chicagoland Television News, Inc.  
Courant Specialty Products, Inc.  
Direct Mail Associates, Inc.  
Distribution Systems of America, Inc.  
Eagle New Media Investments, LLC  
Eagle Publishing Investments, LLC  
forsalebyowner.com corp.  
ForSaleByOwner.com Referral Services, LLC  
Fortify Holdings Corporation  
Forum Publishing Group, Inc.  
Gold Coast Publications, Inc.  
GreenCo, Inc.  
Heart & Crown Advertising, Inc.  
Homeowners Realty, Inc.  
Homestead Publishing Co.  
Hoy, LLC  
Hoy Publications, LLC  
InsertCo, Inc.  
Internet Foreclosure Service, Inc.  
JuliusAir Company, LLC  
JuliusAir Company II, LLC;  
KIAH Inc.  
KPLR, Inc.  
KSWB Inc.  
KTLA Inc.  
KWGN Inc.  
Los Angeles Times Communications LLC

Los Angeles Times International, Ltd.  
Los Angeles Times Newspapers, Inc.  
Magic T Music Publishing Company  
NBBF, LLC  
Neocomm, Inc.  
New Mass. Media, Inc.  
Newscom Services, Inc.  
Newspaper Readers Agency, Inc.  
North Michigan Production Company  
North Orange Avenue Properties, Inc.  
Oak Brook Productions, Inc.  
Orlando Sentinel Communications Company  
Patuxent Publishing Company  
Publishers Forest Products Co. of Washington  
Sentinel Communications News Ventures, Inc.  
Shepard's Inc.  
Signs of Distinction, Inc.  
Southern Connecticut Newspapers, Inc.  
Star Community Publishing Group, LLC  
Stemweb, Inc.  
Sun-Sentinel Company  
The Baltimore Sun Company  
The Daily Press, Inc.  
The Hartford Courant Company  
The Morning Call, Inc.  
The Other Company LLC  
Times Mirror Land and Timber Company  
Times Mirror Payroll Processing Company, Inc.  
Times Mirror Services Company, Inc.  
TMLH 2, Inc.  
TMLS I, Inc.  
TMS Entertainment Guides, Inc.  
Tower Distribution Company  
Towering T Music Publishing Company  
Tribune Broadcast Holdings, Inc.  
Tribune Broadcasting Company  
Tribune Broadcasting Holdco, LLC  
Tribune Broadcasting News Network, Inc., n/k/a Tribune Washington Bureau Inc.  
Tribune California Properties, Inc.  
Tribune CNLBC, LLC  
Tribune Direct Marketing, Inc.  
Tribune Entertainment Company  
Tribune Entertainment Production Company  
Tribune Finance, LLC  
Tribune Finance Service Center, Inc.  
Tribune License, Inc.



Tribune Los Angeles, Inc.  
Tribune Manhattan Newspaper Holdings, Inc.  
Tribune Media Net, Inc.  
Tribune Media Services, Inc.  
Tribune Network Holdings Company  
Tribune New York Newspaper Holdings, LLC  
Tribune NM, Inc.  
Tribune Publishing Company  
Tribune Television Company  
Tribune Television Holdings, Inc.  
Tribune Television New Orleans, Inc.  
Tribune Television Northwest, Inc.  
ValuMail, Inc.  
Virginia Community Shoppers, LLC  
Virginia Gazette Companies, LLC  
WATL, LLC  
WCWN LLC  
WDCW Broadcasting, Inc.  
WGN Continental Broadcasting Company  
WLVI Inc.  
WPIX, Inc.  
WTXX Inc.

## **SCHEDULE B**

### **GUARANTOR SUBSIDIARIES**

The Baltimore Sun Company  
Chicago Tribune Company  
The Daily Press, Inc.  
The Hartford Courant Company  
Orlando Sentinel Communications Company  
The Morning Call, Inc.  
Sun-Sentinel Company  
Newsday, Inc.  
Tribune Interactive, Inc.  
Tribune Los Angeles, Inc.  
Tribune Media Services, Inc.  
Tribune Broadcasting Company  
KHCW Inc.  
KSWB Inc.  
KPLR, Inc.  
KTLA Inc.  
KWGN Inc.  
Tower Distribution Company  
Tribune Broadcast Holdings, Inc.  
Tribune Entertainment Company  
Tribune Television Company  
Channel 40, Inc.  
Channel 39, Inc.  
Tribune Television Holdings, Inc.  
Tribune Television New Orleans, Inc.  
Tribune Television Northwest, Inc.  
WDCW Broadcasting, Inc.  
WGN Continental Broadcasting Company  
WPIX, Inc.  
Tribune Finance, LLC  
Homestead Publishing Company  
Patuxent Publishing Company  
Chicagoland Publishing Company  
Tribune Direct Marketing, Inc.  
Virginia Gazette Companies, LLC  
E Z Buy & E Z Sell Recycler Corporation of Southern California  
Forum Publishing Group, Inc.  
Courant Specialty Products, Inc.  
New Mass Media, Inc.  
TMLH2, Inc.  
Southern Connecticut Newspapers, Inc.  
TMLS1, Inc.  
Gold Coast Publications, Inc.

TMD, Inc.<sup>2</sup>  
Distribution Systems of America, Inc.  
Los Angeles Times Communications LLC  
Tribune Manhattan Newspaper Holdings, Inc.  
Tribune New York Newspaper Holdings, LLC  
TMS Entertainment Guides, Inc.  
Tribune Media Net, Inc.  
Tribune National Marketing Company  
Tribune Broadcasting Holdco, LLC  
ChicagoLand Television News, Inc.  
5800 Sunset Productions Inc.  
Tribune (FN) Cable Ventures, Inc.  
WTXX Inc.  
Chicago National League Ball Club, Inc.  
Tribune California Properties, Inc.  
California Community News Corporation  
Hoy Publications, LLC  
Eagle New Media Investments, LLC<sup>3</sup>  
Stemweb, Inc.<sup>2</sup>  
ForSaleByOwner.com<sup>2</sup>  
Homeowners Realty, Inc.<sup>2</sup>  
Internet Foreclosure Service, Inc.<sup>2</sup>  
Newport Media, Inc.<sup>2</sup>  
Eagle Publishing Investments, LLC<sup>2</sup>  
Star Community Publishing Group, LLC<sup>2</sup>

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<sup>2</sup> Released from Credit Agreement Subsidiary Guarantee pursuant to that certain Notice of Release of Guarantor, dated as of December 20, 2007.

<sup>3</sup> Added to the Credit Agreement Subsidiary Guarantee pursuant to that certain Supplement No. 1, dated as of December 20, 2007.