

Hearing Date: December 20, 2010 at 10:00 a.m. (EST)
 Objection Deadline: December 13, 2010 at 5:00 p.m. (EST)

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**UNITED STATES BANKRUPTCY COURT
 SOUTHERN DISTRICT OF NEW YORK**

In re:)	
)	Chapter 11
)	
AMERICAN MEDIA, INC., <i>et al.</i> , ¹)	Case No. 10-16140 (MG)
)	
Debtors.)	Jointly Administered
)	

**SUMMARY OF PLAN OF REORGANIZATION AND NOTICE OF HEARING
 TO CONSIDER (A) ADEQUACY OF THE DISCLOSURE STATEMENT AND SOLICITATION
 AND ELECTION PROCEDURES AND (B) CONFIRMATION OF PLAN OF
REORGANIZATION AND RELATED MATTERS**

NOTICE IS HEREBY GIVEN as follows:

On November 17, 2010 (the “*Petition Date*”), American Media, Inc. and certain of its affiliates, the debtors and debtors in possession in the above-captioned cases (collectively, the “*Debtors*”), filed with the United States Bankruptcy Court for the Southern District of New York (the “*Bankruptcy Court*”) the *Debtors’ Joint Prepackaged Plan of Reorganization Under Chapter 11 of the Bankruptcy Code*, dated October 30, 2010 (Docket No. 20) (as may be amended from time to time, the “*Plan*”) and the *Disclosure Statement Relating to the Debtors’ Joint Prepackaged Plan of Reorganization Under Chapter 11 of the Bankruptcy Code*, dated October 30, 2010 (Docket No. 19) (the “*Disclosure Statement*”) pursuant to §§ 1125 and 1126(b) of title 11 of the United States Code (the “*Bankruptcy Code*”). On October 30, 2010, the Debtors commenced solicitation (the “*Solicitation*”) of the holders of claims in classes 2, 5, 6 and 7 for approval of the Plan, and the Plan was approved by classes 2, 5 and 6.

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: American Media, Inc. (3383); American Media Operations, Inc. (4424); American Media Consumer Entertainment, Inc. (3852); American Media Consumer Magazine Group, Inc. (3863); American Media Distribution & Marketing Group, Inc. (3860); American Media Mini Mags, Inc. (3854); American Media Newspaper Group, Inc. (3864); American Media Property Group, Inc. (4153); Country Music Media Group, Inc. (2019); Distribution Services, Inc. (1185); Globe Communications Corp. (2593); Globe Editorial, Inc. (3859); Mira! Editorial, Inc. (3841); National Enquirer, Inc. (4097); National Examiner, Inc. (3855); Star Editorial, Inc. (9233); and Weider Publications, LLC (1848).



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The Debtors believe that the Plan meets the confirmation requirements set forth in Bankruptcy Code and intend to seek confirmation of the Plan pursuant to Bankruptcy Code section 1129(b).

Copies of the Plan and the Disclosure Statement may be obtained upon request of Debtor's counsel at the address specified below and are on file with the Clerk of the Bankruptcy Court, One Bowling Green, New York, NY 10004, where they are available for review between the hours of 9:00 a.m. – 4:30 p.m. The Plan and Disclosure Statement also are available for inspection on the Bankruptcy Court's internet site at www.nysb.uscourts.gov and at no cost from the website of the Debtors' noticing agent, Kurtzman Carson Consultants LLC, at www.kccllc.net/AMI.

Summary of Plan of Reorganization²

The Plan sets forth the Debtors' post-Effective Date capital structure and the distribution that each Class of the Debtors' creditors is to receive under the Plan. Specifically, upon the Effective Date, among other things, as more fully set forth in the Plan:

- (a) holders of Term Facility Claims will receive their *pro rata* share of the following in an aggregate amount equal to the Allowed amount of all Term Facility Claims: (i) cash, in an amount to be determined by the Debtors but in any event no less than 70% of the amount of all Allowed Term Facility Claims; and (ii) New Second Lien Notes; *provided however*, that the aggregate amount of New Second Lien Notes distributed to Term Facility Lenders shall not be greater than the Backstop Commitment; *provided further, however*, that notwithstanding the foregoing, and for the avoidance of doubt, the unpaid reasonable and documented out-of-pocket fees and expenses (including legal fees and expenses) of the Administrative Agent through and including the Effective Date shall be paid in full, in cash to the Administrative Agent. In addition, and pursuant to the Plan, each holder of a Term Facility Claim shall have the right to require the Backstop Parties to purchase from such holder, on the Effective Date, its *pro rata* share of the New Second Lien Notes which it receives pursuant to the Plan for the face amount of such holder's New Second Lien Notes, which face amount such holder shall receive in cash;
- (b) the holders of Allowed Revolver Claims shall receive payment in full, in cash;
- (c) the holders of Allowed Subordinated Notes Claims will receive 98% of the New Common Stock, subject to dilution for the Equity Incentive Plan (holders of Allowed Subordinated Notes Claims other than the Backstop Parties will also be diluted by Backstop Shares);
- (d) the holders of Allowed PIK Notes Claims will receive, at the Debtors' option, but with the Committee's consent, (i) New Second Lien Notes, (ii) New PIK Notes, if any, (iii) New Preferred Stock, if any, or (iv) a combination of the foregoing;

² Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Plan or the Disclosure Statement, as applicable. The statements contained herein are summaries of the provisions contained in the Plan and the Disclosure Statement and do not purport to be precise or complete statements of all the terms and provisions of the Plan or documents referenced therein. To the extent there is a discrepancy between the terms herein and the Plan or the Disclosure Statement, the Plan or the Disclosure Statement, as applicable, shall govern and control. For a more detailed description of the Plan, please refer to the Disclosure Statement.

- (e) the holders of Allowed 2011 Notes Claims will receive approximately 2% of the New Common Stock, subject to dilution for the Equity Incentive Plan (holders of Allowed 2011 Notes Claims other than the Backstop Parties will also be diluted by the Backstop Shares);
- (f) the holders of Allowed General Unsecured Claims will be unimpaired; and
- (g) Interests in AMI, including warrants, will be cancelled.

Votes on the Plan were solicited prior to the Petition Date. The following chart summarizes the treatment provided by the Plan to each class of claims and interests and indicates the acceptance or rejection of the Plan by each class entitled to vote.

Class	Designation	Impairment	Entitled to Vote	Estimated Recovery
1	Priority Non-Tax Claims	Unimpaired	Deemed to Accept	100%
2	Term Facility Claims	Impaired	Accepted	100%
3	Revolver Claims	Unimpaired	Deemed to Accept	100%
4	Other Secured Claims	Unimpaired	Deemed to Accept	100%
5	PIK Notes Claims	Impaired	Accepted	100%
6	Subordinated Notes Claims	Impaired	Accepted	53.5%
7	2011 Notes Claims	Impaired	Rejected	53.5%
8	General Unsecured Claims	Unimpaired	Deemed to Accept	100%
9	Intercompany Claims	Impaired	Deemed to Accept	N/A
10	Interests in American Media, Inc.	Impaired	Deemed to Reject	0%

Hearing on Adequacy of the Disclosure Statement, the Solicitation and Election Procedures and Confirmation of the Plan

The hearing to consider the adequacy of the Disclosure Statement, the solicitation and election procedures utilized in connection with the solicitation of votes to accept or reject the Plan and the election with respect to the purchase of New Second Lien Notes, and confirmation of the Plan shall be held before the Honorable Martin Glenn, United States Bankruptcy Judge, in Room 501 of the United States Bankruptcy Court, One Bowling Green, New York, NY 10004 on December 20, 2010 at 10:00 a.m. (Prevailing Eastern Time) (the “**Combined Hearing**”). The Combined Hearing may be adjourned from time to time without further notice other than an announcement of the adjourned date or dates in open court at the Combined Hearing. Notice of such adjourned date(s) will be available on the electronic case filing docket.

Any objections to the Plan or the Disclosure Statement must (i) be in writing, (ii) conform to the Bankruptcy Rules, the Local Rules and other case management rules and orders of the Court, (iii) set forth the name of the objector, the nature and amount of claims or interests held or asserted by the objector against the particular Debtor or Debtors, the basis for the objection and the specific grounds therefor, and (iv) be filed with the Clerk of the Court by 5:00 p.m. (Prevailing Eastern Time) on December 17, 2010 (the “**Objection Deadline**”) and served so as to be received no later than the Objection Deadline by the following parties: (i) counsel to the Debtors, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, New York 10036 (Attn: Ira Dizengoff, Esq., Arik Preis, Esq. and Meredith Lahaie, Esq.); the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York 10004 (Attn: Susan Golden, Esq. and Richard Morrissey, Esq.); (iii) counsel to the ad hoc committee of holders of certain of the Debtors’ prepetition unsecured note issuances, Paul, Weiss, Rifkin, Wharton & Garrison LLP, 1285 Avenue of the Americas,

New York, New York 10019 (Attn: Andrew N. Rosenberg, Esq. and Diane Meyers, Esq.); and (iv) counsel to JPMorgan Chase Bank, N.A., as Administrative Agent under the Debtors' prepetition credit agreement, Wachtell, Lipton, Rosen & Katz, 51 West 52nd Street, New York, New York 10019 (Attn: Richard G. Mason, Esq. and Jennifer S. Nam, Esq.).

UNLESS AN OBJECTION IS TIMELY SERVED AND FILED IN ACCORDANCE WITH THIS NOTICE, IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT.

YOU ARE ADVISED TO CAREFULLY REVIEW AND CONSIDER THE PLAN, INCLUDING THE INJUNCTION, RELEASE, AND EXCULPATION PROVISIONS, AS YOUR RIGHTS MAY BE AFFECTED.

Releases, Injunctions, and Exculpations

Please be advised that the Plan contains certain release, exculpation, and injunction provisions as follows:

A. Releases and Related Matters

(a) Releases by the Debtors

Pursuant to Bankruptcy Code section 1123(b) and to the extent permitted by applicable law, for good and valuable consideration, including the service of the Released Parties to facilitate the reorganization of the Debtors and the implementation of the restructuring contemplated by the Plan, on and after the Effective Date, the Released Parties are deemed released and discharged by the Debtors, the Reorganized Debtors and the Estates and their Affiliates from any and all Claims, obligations, rights, suits, damages, causes of action, remedies and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity or otherwise, that the Debtors, the Reorganized Debtors, the Estates or their Affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim or Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Chapter 11 Cases, the purchase, sale or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims and Interests before or during the Chapter 11 Cases, the negotiation, formulation or preparation of the Plan and the Disclosure Statement, or related agreements, instruments or other documents, upon any other act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date, provided, however, such releases shall not apply to (i) any act or omission that constitutes gross negligence, willful misconduct, criminal acts or fraud and (ii) Claims that arise in the ordinary course of the Debtors' businesses and contractual obligations that are not otherwise being satisfied or discharged under the Plan (the "***Release Carve-Out***"). For the avoidance of doubt, none of the foregoing releases shall include releases of any claims, demands, causes of action and the like, in each case, solely to the extent these arise from or relate to acts or omissions occurring after the Effective Date or which arise under the Plan.

(b) Releases by Holders of Claims and Interests

To the extent permitted by applicable law, as of the Effective Date, each Holder of a Claim or an Interest shall be deemed to have conclusively, absolutely, unconditionally, irrevocably and forever, released and discharged the Debtors, the Reorganized Debtors, the Estates and their Affiliates and the

Released Parties from any and all Claims, Interests, obligations, rights, suits, damages, causes of action, remedies and liabilities whatsoever, including any derivative Claims asserted on behalf of a Debtor, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the purchase, sale or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims and Interests before or during the Chapter 11 Cases, the negotiation, formulation or preparation of the Plan, the Disclosure Statement, the Plan Supplement, the Plan Financing Supplement or related agreements, instruments or other documents, upon any other act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date, provided, however, such releases shall be subject to the Release Carve-Out. For the avoidance of doubt, none of the foregoing releases shall include releases of any claims, demands, causes of action and the like, in each case, solely to the extent these arise from or relate to acts or omissions occurring after the Effective Date or which arise under the Plan.

B. Injunction

(a) Term of Injunction or Stays

Except as otherwise expressly provided in the Plan, all Persons who have held, hold or may hold Claims against or Interests in any Debtor are permanently enjoined, from and after the Effective Date, from (i) commencing or continuing in any manner any action or other proceeding of any kind on any such Claim or Interest against any Reorganized Debtor, (ii) the enforcement, attachment, collection or recovery by any manner or means of any judgment, award, decree or order against any Reorganized Debtor with respect to any such Claim or Interest, (iii) creating, perfecting or enforcing any encumbrance of any kind against any Reorganized Debtor, or against the property or interests in property of any Reorganized Debtor, as applicable with respect to any such Claim or Interest, (iv) asserting any right of setoff, subrogation or recoupment of any kind against any obligation due from any Reorganized Debtor, or against the property or interests in property of any Reorganized Debtor with respect to any such Claim or Interest, and (v) pursuing any Claim released pursuant to Section 10.7 of the Plan.

Unless otherwise provided, all injunctions or stays arising under or entered during the Chapter 11 Cases under Bankruptcy Code section 105 or 362, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the later of the Effective Date and the date indicated in the order providing for such injunction or stay.

(b) Injunction Against Interference with the Plan

Upon the entry of the Confirmation Order, all Holders of Claims and Interests and other parties in interest, along with their respective present or former employees, agents, officers, directors or principals, shall be enjoined from taking any actions to interfere with the implementation or Consummation of the Plan.

C. Exculpation

Notwithstanding anything provided in the Plan, as of the Effective Date, none of the Released Parties shall have or incur any liability for any claim, cause of action, or other assertion of liability for any act taken or omitted to be taken in connection with, or arising out of, the Chapter 11 Cases, the formulation, dissemination, confirmation, Consummation, or administration of the Plan, or property to be

distributed under the Plan, or any other act or omission in connection with the Chapter 11 Cases, the Plan, or any contract, instrument, indenture, or other agreement or document related thereto or delivered thereunder; *provided, however*, that the foregoing shall be subject to a limited carve-out solely for gross negligence, willful misconduct, criminal acts and fraud.

Dated: New York, New York
November 22, 2010

BY ORDER OF THE COURT

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