

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:

FREEDOM COMMUNICATIONS  
HOLDINGS, INC., *et al.*

Debtors.

Chapter 11

Case No. 09-13046 (BLS)

Jointly Administered

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[SECOND PROPOSED]  
JOINT PLAN OF REORGANIZATION  
UNDER CHAPTER 11, TITLE 11, UNITED STATES CODE  
OF FREEDOM COMMUNICATIONS HOLDINGS, INC., ET AL., DEBTORS

Dated: December 14, 2009

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**THE DISCLOSURE STATEMENT WITH RESPECT TO THIS JOINT PLAN OF REORGANIZATION HAS NOT BEEN APPROVED BY THE BANKRUPTCY COURT. THE DEBTORS WILL SEPARATELY NOTICE A HEARING TO CONSIDER APPROVAL OF THE DISCLOSURE STATEMENT. THE DEBTORS RESERVE THE RIGHT TO MODIFY OR SUPPLEMENT THIS JOINT PLAN OF REORGANIZATION AND THE DISCLOSURE STATEMENT PRIOR TO AND UP TO THE DATE OF SUCH APPROVAL HEARING.**

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## **EXHIBITS**

Exhibit A	Material Terms of Term A Facility
Exhibit B	Material Terms of Term B Facility
Exhibit C	Material Terms of New Common Stock
Exhibit D	Material Terms of New Warrants

**JOINT PLAN OF REORGANIZATION  
UNDER CHAPTER 11, TITLE 11, UNITED STATES CODE  
OF FREEDOM COMMUNICATIONS HOLDINGS, INC., ET AL., DEBTORS**

**INTRODUCTION**

Freedom Communications Holdings, Inc. and certain of its subsidiaries and affiliates, including Freedom Communications, Inc., Freedom Broadcasting, Inc., Freedom Broadcasting of Florida, Inc., Freedom Broadcasting of Florida Licensee, L.L.C., Freedom Broadcasting of Michigan, Inc., Freedom Broadcasting of Michigan Licensee, L.L.C., Freedom Broadcasting of New York, Inc., Freedom Broadcasting of New York Licensee, L.L.C., Freedom Broadcasting of Oregon, Inc., Freedom Broadcasting of Oregon Licensee, L.L.C., Freedom Broadcasting of Southern New England, Inc., Freedom Broadcasting of Southern New England Licensee, L.L.C., Freedom Broadcasting of Texas, Inc., Freedom Broadcasting of Texas Licensee, L.L.C., Freedom Broadcasting of Tennessee, Inc., Freedom Broadcasting of Tennessee Licensee, L.L.C., Freedom Magazines, Inc., Freedom Metro Information, Inc., Freedom Newspapers, Inc., Orange Country Register Communications, Inc., OCR Community Publications, Inc., OCR Information Marketing, Inc., Appeal-Democrat, Inc., Florida Freedom Newspapers, Inc., Freedom Arizona Information, Inc., Freedom Colorado Information, Inc., Freedom Eastern North Carolina Communications, Inc., Freedom Newspapers of Illinois, Inc., Freedom Newspapers of Southwestern Arizona, Inc., Freedom Shelby Star, Inc., Illinois Freedom Newspapers, Inc., Missouri Freedom Newspapers, Inc., Odessa American, The Times-News Publishing Company, Victor Valley Publishing Company, Daily Press, Freedom Newspaper Acquisitions, Inc., The Clovis News-Journal, Freedom Newspapers of New Mexico L.L.C., Gaston Gazette LLP, Lima News, Porterville Recorder Company, Seymour Tribune Company, Victorville Publishing Company, Freedom Newspapers, The Creative Spot, L.L.C., Freedom Interactive Newspapers, Inc., Freedom Interactive Newspapers of Texas, Inc., and Freedom Services, Inc., hereby propose this joint plan of reorganization for the resolution of their outstanding Claims (as defined herein) and Interests (as defined herein).

Reference is made to the Disclosure Statement (as defined herein) distributed contemporaneously herewith for a discussion of the history, businesses, properties, results of operations, projections for future operations, and risk factors of the Debtors (as defined herein), a summary and analysis of the Plan (as defined herein), and certain related matters, including the New Securities (as defined herein) to be issued under the Plan. The Debtors are the proponents of the Plan within the meaning of Section 1129 of the Bankruptcy Code (as defined herein).

All holders of Claims who are entitled to vote on the Plan are encouraged to read the Plan and the Disclosure Statement in their entirety before voting to accept or reject the Plan. Subject to certain restrictions and requirements set forth in Section 1127 of the Bankruptcy Code, Rule 3019 of the Bankruptcy Rules (as defined herein), and Article XI of the Plan, the Debtors reserve the right to alter, amend, modify, revoke, or withdraw the Plan prior to its substantial consummation. Each of the Debtors reserves the right, with the agreement of the Steering Committee Members, to withdraw from or revoke its participation in the Plan, without prejudice to the Plan continuing as to all other Debtors.

For purposes of the Plan, except as expressly provided or unless the context otherwise requires, all capitalized terms not otherwise defined in the Plan shall have the meanings ascribed to them in Article I of the Plan. Any capitalized term used in the Plan that is

not defined herein, but is defined in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning ascribed to that term in the Bankruptcy Code or the Bankruptcy Rules. Whenever the context requires, such terms shall include the plural as well as the singular number, the masculine gender shall include the feminine, and the feminine gender shall include the masculine.

All documents within the Plan Supplement (as defined herein) and all Exhibits to the Plan are incorporated into the Plan by reference and are a part of the Plan as if set forth in full herein.

## ARTICLE I

### TERMINOLOGY AND DEFINITIONS

For purposes of the Plan, (a) any reference in the Plan to a contract, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions, (b) any reference in the Plan to an existing document or exhibit means such document or exhibit as it may be amended, modified, or supplemented from time to time, (c) unless otherwise specified, all references in the Plan to Sections, Articles, and Exhibits are references to Sections, Articles, and Exhibits of or to the Plan, (d) the words “herein,” “hereof,” and “hereto” refer to the Plan in its entirety rather than to a particular portion of the Plan, (e) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan, and (f) the rules of construction set forth in Section 102 of the Bankruptcy Code and in the Bankruptcy Rules shall apply.

1.1 **“Adequate Protection Obligations”** has the meaning assigned thereto in the Cash Collateral Order. The term includes the Existing Lender Fee Claims.

1.2 **“Administrative Claim”** means a Claim for payment of an administrative expense of a kind specified in Section 503(b) or 1114(e)(2) of the Bankruptcy Code and entitled to priority pursuant to Section 507(a)(1) of the Bankruptcy Code, including, but not limited to, (a) the actual, necessary costs and expenses incurred after the Petition Date of preserving the Estates and operating the businesses of the Debtors, including wages, salaries, bonuses, or commissions for services rendered after the commencement of the Chapter 11 Cases, (b) Professional Fee Claims, (c) Substantial Contribution Claims, (d) all fees and charges assessed against the Estates under Section 1930 of Title 28 of the United States Code, (e) all Allowed Claims for the value of goods received under Section 503(b)(9) of the Bankruptcy Code, (f) all Allowed Claims for reclamation under Section 546(c)(2)(A) of the Bankruptcy Code, (g) Cure payments, and (h) to the extent applicable, the portion of the Adequate Protection Obligations that constitute Claims under Section 507(b) of the Bankruptcy Code.

1.3 **“Allowed”** means, (a) when used with respect to an Administrative Claim, all or any portion of an Administrative Claim that has been allowed, or adjudicated in favor of the holder by estimation or liquidation, by a Final Order, that was incurred by the Debtors in the ordinary course of business during the Chapter 11 Cases and as to which there is no dispute as to the Debtors’ liability, or that has become allowed by failure to object pursuant to Section 8.1 of the



Plan; (b) when used with respect to a Claim other than an Administrative Claim, such Claim or any portion thereof (i) that has been allowed, or adjudicated in favor of the holder by estimation or liquidation, by a Final Order, or (ii) as to which (x) no Proof of Claim has been filed with the Bankruptcy Court and (y) the liquidated and noncontingent amount of which is included in the Schedules, other than a Claim that is included in the Schedules at zero, in an unknown amount, or as Disputed, or (iii) for which a Proof of Claim in a liquidated amount has been timely filed with the Bankruptcy Court pursuant to the Bankruptcy Code, any Final Order of the Bankruptcy Court, or other applicable bankruptcy law, and as to which either (x) at the time of the applicable initial Distribution Date, the Debtors have not identified such Claim as being objectionable in whole or part and no objection to the allowance thereof has been filed by the applicable Claims Objection Deadline, or (y) any objection to its allowance has been settled or withdrawn, or has been denied by a Final Order, or (iv) that is expressly allowed in a liquidated amount in the Plan; or (c) when used with respect to an Interest, an Interest held in the name, kind, and amount set forth on the records retained by the applicable Debtor.

1.4 **“Ballot”** means the form of ballot approved by the Bankruptcy Court for use by holders of Claims and Interests for purposes of voting to accept or reject the Plan.

1.5 **“Bankruptcy Code”** means Section 101 *et seq.*, of Title 11 of the United States Code, as now in effect or hereafter amended and applicable to the Chapter 11 Cases.

1.6 **“Bankruptcy Court”** means the United States Bankruptcy Court for the District of Delaware or such other court as may have jurisdiction over the Chapter 11 Cases or any aspect thereof.

1.7 **“Bankruptcy Court Approval”** means, as to each of, as applicable, (a) the provisions for treatment of General Unsecured Claims in Section 3.2(d)(i) of the Plan, (b) the provisions for treatment of Old Freedom Stock Interests in Section 3.2(g)(i) of the Plan, and (c) the provisions related to Trade Unsecured Claims in subsections (a) through (c) of Section 5.10 of the Plan, the Bankruptcy Court has determined to approve such provisions and to confirm the Plan containing such provisions.

1.8 **“Bankruptcy Rules”** means the Federal Rules of Bankruptcy Procedure.

1.9 **“Bar Date(s)”** means the date(s) designated by the Bankruptcy Court as the last date(s) for filing Proofs of Claim against the Debtors.

1.10 **“Broadcast Licensee Companies”** means Freedom Broadcasting of Florida Licensee, L.L.C., Freedom Broadcasting of Michigan Licensee, L.L.C., Freedom Broadcasting of New York Licensee, L.L.C., Freedom Broadcasting of Oregon Licensee, L.L.C., Freedom Broadcasting of Texas Licensee, L.L.C., and Freedom Broadcasting of Tennessee Licensee, L.L.C., each a Debtor herein.

1.11 **“Broadcast Operating Companies”** means Freedom Broadcasting of Florida, Inc., Freedom Broadcasting of Michigan, Inc., Freedom Broadcasting of New York, Inc., Freedom Broadcasting of Oregon, Inc., Freedom Broadcasting of Texas, Inc., and Freedom Broadcasting of Tennessee, Inc., each a Debtor herein.

1.12 **“Broadcast Stations”** means the television stations the FCC licenses of which are held by the Broadcast Licensee Companies or the Reorganized Broadcast Licensee Companies.

1.13 **“Broadcast Trust Agreement”** means the Trust Agreement to be entered into by the Broadcast Operating Companies and the Broadcast Trustee, which shall be substantially in the form included in the Plan Supplement and shall have terms and conditions reasonably acceptable to the Steering Committee Members.

1.14 **“Broadcast Trustee”** means the trustee under the Broadcast Trust Agreement.

1.15 **“Business Day”** means any day, excluding Saturdays, Sundays, or “legal holidays” (as defined in Rule 9006(a) of the Bankruptcy Rules), on which commercial banks are open for business in New York, New York.

1.16 **“Cash”** means legal tender of the United States or equivalents thereof.

1.17 **“Cash Collateral Order”** means the Final Order (I) Authorizing Use of Prepetition Lenders’ Cash Collateral under 11 U.S.C. § 363 and (II) Granting Adequate Protection Under 11 U.S.C. §§ 361, 362 and 363, which was entered by the Bankruptcy Court on October 15, 2009, as it may be amended through the Effective Date.

1.18 **“Chapter 11 Cases”** means the jointly administered Chapter 11 cases of the Debtors.

1.19 **“Claim”** means (a) the right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured, or (b) the right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured.

1.20 **“Claims Objection Deadline”** means the last day for filing objections to Claims, including Administrative Claims, shall be the latest of (a) one hundred and twenty (120) days after the Effective Date, (b) sixty (60) days after the applicable Proof of Claim or Request for Payment of an Administrative Claim is filed, and (c) such other date ordered by the Bankruptcy Court upon motion of the Reorganized Debtors without notice to any party.

1.21 **“Class”** means a category of holders of Claims or Interests, as described in Article II of the Plan.

1.22 **“Class A2 Acceptance”** means that a sufficient number of votes are received from holders of Existing Lender Claims in Class A2 to constitute acceptance of the Plan by Class A2 under Section 1126(c) of the Bankruptcy Code.

1.23 **“Confirmation”** means approval of the Plan by the Bankruptcy Court pursuant to Section 1129 of the Bankruptcy Code.

1.24 **“Confirmation Date”** means the date of entry by the clerk of the Bankruptcy Court of the Confirmation Order.

1.25 “**Confirmation Hearing**” means the hearing to consider Confirmation of the Plan under Section 1128 of the Bankruptcy Code.

1.26 “**Confirmation Order**” means the order entered by the Bankruptcy Court confirming the Plan.

1.27 “**Contract/Lease Schedules**” means the schedules, in form and substance reasonably acceptable to the Steering Committee Members, as they may be amended prior to the Confirmation Date, which identify the executory contracts and unexpired leases to be assumed under the Plan and set forth any Cure obligation associated with the assumption of such contracts and leases.

1.28 “**Creditor**” means any Person who holds a Claim against any of the Debtors.

1.29 “**Creditors Committee**” means the Official Committee of Unsecured Creditors appointed pursuant to Section 1102(a) of the Bankruptcy Code in the Chapter 11 Cases, as reconstituted from time to time.

1.30 “**Cure**” means (a) with respect to the assumption of an executory contract or unexpired lease pursuant to Section 365(b) of the Bankruptcy Code, (i) the distribution of Cash, or the distribution of such other property as may be agreed upon by the parties or ordered by the Bankruptcy Court, in an amount equal to all unpaid monetary obligations, without interest, or such other amount as may be agreed upon by the parties under an executory contract or unexpired lease, to the extent such obligations are enforceable under the Bankruptcy Code and applicable bankruptcy law, or (ii) the taking of such other actions as may be agreed upon by the parties or ordered by the Bankruptcy Court; and (b) to the extent not covered by the foregoing, with respect to any license granted by the FCC, the payment of any fees or other amounts owed to the FCC.

1.31 “**Debtor(s)**” means, individually, Freedom Holdings or one of the Subsidiary Debtors, and collectively, Freedom Holdings and the Subsidiary Debtors, including in their capacity as debtors in possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

1.32 “**Disbursing Agent**” means Reorganized Freedom Holdings or any Person designated by Reorganized Freedom Holdings, in its sole discretion, to serve as disbursing agent under the Plan.

1.33 “**Disclosure Statement**” means the written disclosure statement that relates to the Plan, as amended, supplemented, or modified from time to time, and that is prepared and approved in form and substance satisfactory to the Debtors and the Steering Committee Members, and distributed, in accordance with Section 1125 of the Bankruptcy Code and Rule 3018 of the Bankruptcy Rules or any summary thereof approved by the Bankruptcy Court for distribution to certain Classes or categories of Claims.

1.34 “**Disputed**” means (a) with respect to any Claim, other than a Claim that has been Allowed pursuant to the Plan or a Final Order of the Bankruptcy Court, a Claim (i) as to which no Request for Payment or Proof of Claim has been filed or deemed to have been filed by the applicable Bar Date, that has been or hereafter is listed on the Schedules as unliquidated, contingent, or disputed; (ii) as to which a Request for Payment or Proof of Claim has been filed

or deemed to have been filed by the applicable Bar Date, but as to which a Debtor has filed by the applicable Claims Objection Deadline an objection or request for estimation in accordance with the Plan, the Bankruptcy Code, the Bankruptcy Rules, and any orders of the Bankruptcy Court, or which is otherwise disputed by a Debtor in accordance with applicable law, which objection, request for estimation, or dispute has not been withdrawn or determined by a Final Order; (iii) as to which a Request for Payment or Proof of Claim was required to be filed by the Bankruptcy Code, the Bankruptcy Rules, or an order of the Bankruptcy Court, but as to which a Request for Payment or Proof of Claim was not timely or properly filed; (iv) for damages based upon the rejection by the Debtors of an executory contract or unexpired lease under Section 365 of the Bankruptcy Code and as to which the applicable Bar Date has not passed as of the applicable initial Distribution Date; (v) that is disputed in accordance with the provisions of the Plan; or (vi) if not otherwise Allowed, identified by the Debtors at the time of the applicable initial Distribution Date as being objectionable in whole or part and as to which an objection to the allowance thereof has been filed by the applicable Claims Objection Deadline; and (b) with respect to any Interest, an Interest held in a name, kind, or amount different from the name, kind, and amount set forth on the records retained by the applicable Debtor.

1.35 **“Distribution Date”** means for any Claim or Interest (a) that is an Allowed Claim or Interest on the Effective Date, the first Business Day that is thirty (30) days after the Effective Date or as soon as practicable thereafter, or (b) that is not an Allowed Claim or Interest on the Effective Date, thirty (30) calendar days after the last day of the month during which the Claim or Interest becomes an Allowed Claim or Interest. As to an Allowed General Unsecured Claim in Class A4 entitled to a subsequent distribution, if any, under Section 8.3 of the Plan, such term means the additional date provided in such Section 8.3.

1.36 **“Distribution Record Date”** means the record date for determining entitlement to receive distributions under the Plan on account of Allowed Claims and Allowed Interests, which date shall be (a) in respect of the Existing Lender Secured Claims, the date to be agreed by the Debtors and the Existing Lender Agent, and (b) in respect of all other Claims and Interests, the Business Day immediately preceding the Effective Date, at 5:00 p.m. prevailing Eastern time on such Business Day.

1.37 **“Effective Date”** means the Business Day upon which all conditions to the consummation of the Plan as set forth in Section 9.2 of the Plan have been satisfied or waived as provided in Section 9.3 of the Plan, and is the date on which the Plan becomes effective.

1.38 **“Encumbered Debtor(s)”** means, individually or collectively, each Debtor who is not an Unencumbered Debtor or all Debtors who are not Unencumbered Debtors.

1.39 **“Estate(s)”** means, individually, the estate of each Debtor in the Chapter 11 Cases and, collectively, the estates of all Debtors in the Chapter 11 Cases, created pursuant to Section 541 of the Bankruptcy Code.

1.40 **“Excess Cash”** means the amount of Cash held by the Reorganized Debtors as of the Effective Date that exceeds \$15 million, to be distributed to the holders of Allowed Existing Lender Secured Claims on the Effective Date as provided for in Section 3.2(b) of the Plan. For purposes hereof, the amount of Excess Cash to be distributed to holders of Allowed Existing Lender Secured Claims under Section 3.2(b) of the Plan shall be calculated after deducting from the aggregate amount of Cash held by the Reorganized Debtors on the Effective Date (a) the

aggregate amount of Unsecured Compensation to be distributed to the accepting sub-Classes of Class A4 under Section 3.2(d) of the Plan, (b) the aggregate amount of the Trade Unsecured Claim Escrow to be established under Section 5.10 of the Plan, (c) the aggregate amount of the Allowed Claims against the Unencumbered Debtors to be Reinstated under the Plan, (d) the aggregate amount of known and incurred Administrative Claims (whether or not approved by the Bankruptcy Court), Priority Tax Claims, Other Priority Claims, and Other Secured Claims to be paid under the Plan, and (e) such other amounts as may be agreed to by the Debtors and the Steering Committee Members.

1.41 **“Existing Credit Agreement Documents”** means (a) that certain Credit Agreement, dated as of May 18, 2004, as amended, among Freedom Holdings, Freedom Communications as borrower, the Existing Lenders and the Existing Lender Agent, (b) that certain Guarantee and Collateral agreement, dated as of May 18, 2004, as amended, among Freedom Holdings, Freedom Communications, certain of the Subsidiary Debtors as subsidiary loan parties, and JPMorgan Chase Bank, N.A. as collateral agent, and (c) the other "Loan Documents" as defined in the Credit Agreement.

1.42 **“Existing Lender Agent”** means JPMorgan Chase Bank, N.A. as administrative agent for the Existing Lenders under the Existing Credit Agreement Documents or any duly appointed successor administrative agent.

1.43 **“Existing Lender Fee Claim”** means any Claim for interest, fees, expenses, costs and other charges of the Existing Lender Agent or any Existing Lender (including of their respective counsel and advisors) that is authorized to be paid under the Cash Collateral Order but which are incurred and unpaid as of the Effective Date.

1.44 **“Existing Lenders”** means the several lenders from time to time party to the Existing Credit Agreement Documents.

1.45 **“Existing Lender Claim”** means a Claim arising under the Existing Credit Agreement Documents, including both the component that is an Existing Lender Secured Claim and the component that is an Existing Lender Deficiency Claim.

1.46 **“Existing Lender Deficiency Claim”** means any Claim arising under the Existing Credit Agreement Documents that is not a Secured Claim.

1.47 **“Existing Lender Secured Claim”** means any Secured Claim arising under the Existing Credit Agreement Documents.

1.48 **“Existing Lender Shares”** means ninety-eight percent (98%) of the New Common Stock, or one hundred percent (100%) of the New Common Stock if the Old Equity Share Allocation is forfeited, subject to dilution as a result of the Exit Financing Share Allocation, the New Equity Incentive Plan, and the exercise of the New Warrants, either in the form of Class A Common Stock or Class B Common Stock, at the election of each holder, to be distributed to the holders of the Existing Secured Lender Claims on the Effective Date as provided for in Section 3.2(b) of the Plan.

1.49 **“Exit Facility”** means a revolving loan facility in an amount of at least \$25 million, to be provided under that certain credit agreement (and any related documents, agreements, and

instruments) to be entered into by the Reorganized Debtors as of the Effective Date, and having terms and conditions satisfactory in all respects to the Debtors and the Steering Committee Members, and substantially in accordance with the term sheet included in the Plan Supplement.

1.50 **“Exit Financing Share Allocation”** means up to twenty percent (20%) of the New Common Stock that may be issued to the lender under the Exit Facility pursuant to Section 5.4 of the Plan.

1.51 **“FCC”** means the Federal Communications Commission or any other federal agency succeeding to its jurisdiction.

1.52 **“Final Order”** means an order or judgment of the Bankruptcy Court, or other court of competent jurisdiction, as entered on the docket in the Chapter 11 Cases or the docket of any such court, the operation or effect of which has not been stayed, reversed, or amended and as to which order or judgment (or any revision, modification, or amendment thereof) the time to appeal or seek review or rehearing or leave to appeal has expired and as to which no appeal or petition for review or rehearing was filed or, if filed, remains pending.

1.53 **“First Day Employee Order”** means the Order (i) Authorizing Payment of Prepetition Employee Obligations, Including Compensation, Benefits, Expense Reimbursements, and Related Obligations, (ii) Confirming Right to Continue Employee Programs on Postpetition Basis, (iii) Confirming Right to Pay Withholding and Payroll-Related Taxes, (iv) Authorizing Payment of Prepetition Claims Owing To Administrators of, or Third Party Providers under, Employee Programs, (v) Authorizing Payment of Independent Contractor Obligations, (vi) Directing Banks to Honor Prepetition Checks and Fund Transfers for Payment of Prepetition Employee Obligations and Prepetition Independent Contractor Obligations dated September 2, 2009, as modified and supplemented by the Order Supplementing First Day Employee Order (Docket No. 37) to Approve Certain Bonus and Severance Payments dated December 1, 2009.

1.54 **“Freedom Communications”** means Freedom Communications, Inc., a Delaware corporation.

1.55 **“Freedom Holdings”** means Freedom Communications Holdings, Inc., a Delaware corporation.

1.56 **“General Unsecured Claims”** means a Claim against any of the Debtors that is not an Administrative Claim, an Existing Lender Fee Claim, a Priority Tax Claim, an Other Priority Claim, an Existing Lender Secured Claim, an Other Secured Claim, an Existing Lender Deficiency Claim, a Trade Unsecured Claim, or an Intercompany Claim. For the avoidance of doubt, the unsecured Claim of a provider of goods or services shall be considered a General Unsecured Claim until and unless such provider satisfies the requirements for becoming the holder of a Trade Unsecured Claim.

1.57 **“Impaired”** means, with respect to any Claim or Interest, that such Claim or Interest is impaired within the meaning of Section 1124 of the Bankruptcy Code.

1.58 **“Indemnification Obligation”** means any obligation of any of the Debtors to indemnify, reimburse, or provide contribution to a Person arising pursuant to by-laws, articles or certificate of incorporation, contract, or otherwise.

1.59 **“Intercompany Claim”** means any Claim arising prior to the Petition Date against any of the Debtors by another Debtor or by a non-Debtor subsidiary or affiliate of a Debtor.

1.60 **“Intercreditor Agreement”** means an agreement among the lenders (or the administrative or collateral agents on behalf of such lenders) under the Exit Facility, the Term A Facility, and the Term B Facility, governing, among other things, their specific lien rights in the collateral securing each of such facilities, and which shall be substantially in the form to be included in the Plan Supplement, which shall be on terms and conditions reasonably satisfactory to the Debtors and the Steering Committee Members.

1.61 **“Interests”** means the legal, equitable, contractual, or other rights of any Person (a) with respect to Old Freedom Stock Interests, Old Freedom Stock Rights, or Subsidiary Interests, and (b) to acquire or receive any of the foregoing.

1.62 **“Litigation Rights”** means the claims, rights of action, suits, or proceedings whether in law or in equity, whether known or unknown, that the Debtors or their Estates may hold against any Person, which are to be retained by the Reorganized Debtors pursuant to Section 5.11 of the Plan, including without limitation, claims or causes of action arising under or pursuant to Chapter 5 of the Bankruptcy Code.

1.63 **“New Board”** means the board of directors of Reorganized Freedom Holdings.

1.64 **“New Common Stock”** means the common shares of Reorganized Freedom Holdings to be issued under Section 5.5 of the Plan as of the Effective Date, consisting of Class A Common Stock and Class B Common Stock, having terms substantially as set forth on Exhibit C to the Plan. The Existing Lender Shares and the Old Equity Share Allocation are comprised of New Common Stock.

1.65 **“New Freedom By-Laws”** means the by-laws of Reorganized Freedom Holdings substantially in the form included in the Plan Supplement, which shall have terms and conditions reasonably satisfactory to the Steering Committee Members and the Debtors.

1.66 **“New Freedom Charter”** means the certificate of incorporation of Reorganized Freedom Holdings substantially in the form included in the Plan Supplement, which shall have terms and conditions reasonably satisfactory to the Steering Committee Members and the Debtors.

1.67 **“New Equity Incentive Plan”** means the management equity incentive plan(s) to be adopted by Reorganized Freedom Holdings pursuant to Section 5.9 of the Plan, substantially in the form of such document(s) to be included in the Plan Supplement, which shall have terms and conditions reasonably acceptable to the Debtors and the Existing Lender Agent (in consultation with the Steering Committee Members).

1.68 **“New Freedom Governing Documents”** means the New Freedom Charter and the New Freedom By-Laws.

1.69 **“New Stockholders Agreement”** means the agreement governing, and to be deemed to have been executed by, the holders of New Common Stock, having the terms described on Exhibit C to the Plan and to be substantially in the form included in the Plan Supplement, which shall have terms and conditions reasonably acceptable to the Steering Committee Members.

1.70 **“New Subsidiary Governing Documents”** means the certificates of incorporation, by-laws, articles of organization, operating agreements, partnership agreements, or any other governing document with respect to the Reorganized Subsidiaries, as amended pursuant to the Plan or any document within the Plan Supplement, which shall have terms and conditions reasonably satisfactory to the Steering Committee Members and the Debtors.

1.71 **“New Warrant Agreement”** means the agreement governing the New Warrants, to be substantially in the form included in the Plan Supplement, and on terms and conditions reasonably satisfactory to the Steering Committee Members and the Debtors.

1.72 **“New Warrants”** means warrants to purchase shares of New Common Stock, to be allocated among the holders of the Old Freedom Stock Interests as and to the extent provided for in Section 3.2(g) of the Plan, with terms substantially as described on Exhibit D to the Plan.

1.73 **“New Securities”** means collectively, the New Common Stock and the New Warrants.

1.74 **“Objecting Holder”** means, with respect to holders of Old Freedom Stock Interests, any such holder who (a) takes any action in opposition to the Plan or the transactions contemplated thereby, (b) fails to take any action necessary to implement the Plan; provided that the Debtors reserve the right to reimburse the holders of Old Freedom Stock Interests for any reasonable expenses incurred in taking any action necessary to implement the Plan, or (c) does not consent to the Third Party Release provided for in Section 11.9(b) of the Plan by either voting to reject the Plan, filing an objection to the Third Party Release with the Bankruptcy Court, or arguing against the Third Party Release at the Confirmation Hearing.

1.75 **“Old Equity Share Allocation”** means two percent (2%) of the New Common Stock (subject to dilution as a result of any equity awards under the Exit Financing Share Allocation and New Equity Incentive Plan), in the form of Class A Common Stock, to be allocated among the holders of the Old Freedom Stock Interests as and to the extent provided for in Section 3.2(g) of the Plan.

1.76 **“Old Freedom Stock Interests”** means, collectively, all preferred and common stock equity interests in Freedom Holdings issued and outstanding prior to the Effective Date. The term does not include any stock options or other rights to purchase the stock of Freedom Holdings, together with any warrants, conversion rights, rights of first refusal, subscriptions, commitments, agreements, or other rights, contractual or otherwise, to acquire or receive any stock or other equity ownership interests in Freedom Holdings prior to the Effective Date.

1.77 **“Old Freedom Stock Rights”** means, collectively, any stock options or other rights to purchase the stock of Freedom Holdings, together with any warrants, conversion rights, rights of first refusal, subscriptions, commitments, agreements, or other rights, contractual or otherwise, to acquire or receive any stock or other equity ownership interests in Freedom Holdings, and any phantom stock appreciation rights, restricted stock units or any other rights based on the value (or increase in value) of any stock or other equity ownership interests in Freedom Holdings. The term includes, without limitation, any award or rights under the Freedom Holdings 2004 Long-Term Incentive Plan (as amended and restated) and the Freedom Holdings 2008 Restricted Stock Unit Award Plan or any award agreement pursuant thereto. The term does not include any preferred and common stock equity interests in Freedom Holdings issued and outstanding prior to the Effective Date.



1.78 **“Other Priority Claim”** means a Claim against the Debtors entitled to priority pursuant to Section 507(a) of the Bankruptcy Code, other than a Priority Tax Claim or an Administrative Claim.

1.79 **“Other Secured Claim”** means a Secured Claim arising prior to the Petition Date against any of the Debtors, other than an Existing Lender Secured Claim.

1.80 **“Person”** means any individual, firm, partnership, corporation, trust, association, company, limited liability company, joint stock company, joint venture, governmental unit, or other entity or enterprise.

1.81 **“Petition Date”** means September 1, 2009, the date on which the Debtors filed their petitions for relief commencing the Chapter 11 Cases.

1.82 **“Plan”** means this joint plan of reorganization under Chapter 11 of the Bankruptcy Code and all exhibits annexed hereto or referenced herein, as the same may be amended, modified, or supplemented from time to time.

1.83 **“Plan Supplement”** means the supplement to the Plan (a) containing the forms of the Term A Facility, the Term B Facility, the Intercreditor Agreement, the New Freedom Charter, the New Freedom By-Laws, the Exit Facility (or term sheet therefor), the New Equity Incentive Plan, the New Stockholders Agreement, the Registration Rights Agreement, the New Warrants, the New Warrant Agreement, the Post-Emergence Trade Agreement, the Broadcast Trust Agreement, and the Local Marketing Agreement, (b) specifying the number of shares of New Common Stock to be authorized and such number of shares to be issued as of the Effective Date, (c) including the terms and conditions for an executive incentive plan, severance plan, and other employment arrangements if then agreed to by the Debtors and the Steering Committee Members, and (d) specifying the amount of funds to be placed in the Trade Unsecured Claim Escrow.

1.84 **“Post-Emergence Trade Agreement”** means an agreement, substantially in the form to be included in the Plan Supplement, to be entered into pursuant to the procedures set forth in Section 5.10 of the Plan, between the Reorganized Debtors and a provider of goods or services who holds a Claim based upon or arising from the Encumbered Debtors’ receipt of goods or services in the ordinary course of business prior to the Petition Date and who has continued to supply such goods or services to the Encumbered Debtors during the Chapter 11 Cases, under which agreement such provider agrees (a) to continue supplying such goods or services to the Reorganized Debtors after the Effective Date, on substantially the same trade terms that, or better trade terms than, such provider offered to the Encumbered Debtors immediately prior to the Petition Date or, if more favorable, within the ninety (90)-day period prior to the Petition Date and (b) to release, waive, and discharge all claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action, and liabilities whatsoever, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity, or otherwise, that are based in whole or part on any act, omission, transaction, event, or other occurrence taking place on or prior to the Effective Date in any way relating to the Debtors, the Reorganized Debtors, the Chapter 11 Cases, the Estates, the conduct of the Debtors’ business, or the Plan, against (i) the Existing Lenders and any of their respective affiliates, (ii) the Existing Lender Agent and any of its affiliates, and (iii) any of the respective present or former directors, officers, employees,

advisors, or professionals of any of the foregoing (but solely in their respective capacities as such).

**1.85 “Priority Tax Claim”** means a Claim of a governmental unit that is entitled to priority pursuant to Section 507(a)(8) of the Bankruptcy Code.

**1.86 “Professional”** means any professional employed in the Chapter 11 Cases by order of the Bankruptcy Code pursuant to Sections 327 or 1103 of the Bankruptcy Code and any professional seeking compensation or reimbursement of expenses in connection with the Chapter 11 Cases pursuant to Section 503(b) of the Bankruptcy Code. The term does not include the Debtors’ ordinary course professionals.

**1.87 “Professional Fee Claim”** means a Claim of a Professional for compensation or reimbursement of costs and expenses relating to services rendered after the Petition Date and prior to and including the Confirmation Date.

**1.88 “Proof of Claim”** means a proof of claim filed with the Bankruptcy Court in connection with the Chapter 11 Cases.

**1.89 “Pro Rata”** means, at any time, (a) the proportion that the amount of an Allowed Existing Lender Claim in Class A2 bears to the aggregate amount of all Allowed Existing Lender Claims in Class A2, (b) the proportion that an Allowed General Unsecured Claim in an accepting sub-Class of Class A4 bears to the aggregate amount of all Allowed and Disputed General Unsecured Claims in all accepting sub-Classes in Class A4, or (c) the proportion that the number of shares of Old Freedom Stock Interests (aggregate of preferred and common) held by a particular holder bears to the aggregate number of all shares of Old Freedom Stock Interests (aggregate of preferred and common).

**1.90 “Registration Rights Agreement”** means an agreement to be entered into among Reorganized Freedom Holdings and the Existing Lenders having the terms described on Exhibit C to the Plan and to be substantially in the form included in the Plan Supplement, which shall have terms and conditions reasonably acceptable to the Steering Committee Members and the Debtors.

**1.91 “Reinstated”** means (a) leaving unaltered the legal, equitable, and contractual rights to which the holder of a Claim or Interest is entitled so as to leave such Claim unimpaired in accordance with Section 1124 of the Bankruptcy Code; or (b) notwithstanding any contractual provision or applicable law that entitles the holder of such Claim or Interest to demand or receive accelerated payment of such Claim or Interest after the occurrence of a default, (i) curing any such default that occurred before or after the Petition Date, other than a default of a kind specified in Section 365(b)(2) of the Bankruptcy Code, or of a kind that Section 365(b)(2) does not require to be cured, (ii) reinstating the maturity of such Claim or Interest as such maturity existed before such default, (iii) compensating the holder of such Claim or Interest for any damages incurred as a result of any reasonable reliance by such holder on such contractual provision or such applicable law, (iv) if such Claim or Interest arises from any failure to perform a nonmonetary obligation, other than a default arising from failure to operate a nonresidential real property lease subject to Section 365(b)(1)(A) of the Bankruptcy Code, compensating the holder of such Claim or Interest (other than the Debtor or an insider) for any actual pecuniary

loss incurred by such holder as a result of such failure, and (v) not otherwise altering the legal, equitable, or contractual rights to which the holder of such Claim or Interest is entitled.

1.92 **“Reorganized Broadcast Licensee Companies”** means the Broadcast Licensee Companies on or after the Effective Date.

1.93 **“Reorganized Broadcast Operating Companies”** means the Broadcast Operating Companies on or after the Effective Date.

1.94 **“Reorganized Debtor(s)”** means, individually, any reorganized Debtor or its successor and, collectively, all reorganized Debtors or their successors, on or after the Effective Date.

1.95 **“Reorganized Freedom Communications”** means reorganized Freedom Communications or its successor, on and after the Effective Date.

1.96 **“Reorganized Freedom Holdings”** means reorganized Freedom Holdings or its successor, on and after the Effective Date.

1.97 **“Reorganized Subsidiary Debtor(s)”** means, individually, a reorganized Subsidiary Debtor or its successor and, collectively, all reorganized Subsidiary Debtors or their successors, on or after the Effective Date.

1.98 **“Request for Payment”** means a request for payment of an Administrative Claim filed with the Bankruptcy Court in connection with the Chapter 11 Cases.

1.99 **“Schedules”** means the statements of financial affairs and the schedules of assets, liabilities, and contracts filed in the Bankruptcy Court by the Debtors, as amended or supplemented from time to time in accordance with Rule 1009 of the Bankruptcy Rules or orders of the Bankruptcy Court.

1.100 **“Secured Claim”** means a Claim that is secured by a Lien that is not subject to avoidance under the Bankruptcy Code or otherwise invalid under the Bankruptcy Code or applicable state law, on property in which an Estate has an interest, or a Claim that is subject to setoff under Section 553 of the Bankruptcy Code; to the extent of the value of the Claim holder’s interest in the Estate’s interest in such property or to the extent of the amount subject to setoff, as applicable; as determined by a Final Order pursuant to Section 506(a) of the Bankruptcy Code, or in the case of setoff, pursuant to Section 553 of the Bankruptcy Code, or in either case as otherwise agreed upon in writing by the Debtors or the Reorganized Debtors and the holder of such Claim.

1.101 **“Steering Committee Members”** means the members of the steering committee representing the Existing Lenders, including JPMorgan Chase Bank, N.A., General Electric Capital Corporation, Royal Bank of Scotland PLC, Wachovia Bank, National Association, and any other Existing Lender that may from time to time be a member.

1.102 **“Subsidiary Debtors”** means, collectively, Freedom Communications, Freedom Broadcasting, Inc., Freedom Broadcasting of Florida, Inc., Freedom Broadcasting of Florida Licensee, L.L.C., Freedom Broadcasting of Michigan, Inc., Freedom Broadcasting of Michigan Licensee, L.L.C., Freedom Broadcasting of New York, Inc., Freedom Broadcasting of New York Licensee, L.L.C., Freedom Broadcasting of Oregon, Inc., Freedom Broadcasting of Oregon

Licensee, L.L.C., Freedom Broadcasting of Southern New England, Inc., Freedom Broadcasting of Southern New England Licensee, L.L.C., Freedom Broadcasting of Texas, Inc., Freedom Broadcasting of Texas, Licensee, L.L.C., Freedom Broadcasting of Tennessee, Inc., Freedom Broadcasting of Tennessee Licensee, L.L.C., Freedom Magazines, Inc., Freedom Metro Information, Inc., Freedom Newspapers, Inc., Orange Country Register Communications, Inc., OCR Community Publications, Inc., OCR Information Marketing, Inc., Appeal-Democrat, Inc., Florida Freedom Newspapers, Inc., Freedom Arizona Information, Inc., Freedom Colorado Information, Inc., Freedom Eastern North Carolina Communications, Inc., Freedom Newspapers of Illinois, Inc., Freedom Newspapers of Southwestern Arizona, Inc., Freedom Shelby Star, Inc., Illinois Freedom Newspapers, Inc., Missouri Freedom Newspapers, Inc., Odessa American, The Times-News Publishing Company, Victor Valley Publishing Company, Daily Press, Freedom Newspaper Acquisitions, Inc., The Clovis News-Journal, Freedom Newspapers of New Mexico L.L.C., Gaston Gazette LLP, Lima News, Porterville Recorder Company, Seymour Tribune Company, Victorville Publishing Company, Freedom Newspapers, The Creative Spot, L.L.C., Freedom Interactive Newspapers, Inc., Freedom Interactive Newspapers of Texas, Inc., and Freedom Services, Inc., each of which is a Debtor.

**1.103 “Subsidiary Interests”** means, collectively, the issued and outstanding shares of stock, membership units, or partnership interests in the Subsidiary Debtors, as of the Petition Date; as well as any stock options or other rights to purchase the stock, membership units, or partnership interests of any of the Subsidiary Debtors, together with any warrants, conversion rights, rights of first refusal, subscriptions, commitments, agreements, or other rights, contractual or otherwise, to acquire or receive any stock, membership units, partnership interests, or other equity ownership interests in any of the Subsidiary Debtors, and any other rights based on the value (or increase in value) of any stock, membership units, partnership interests, or other equity ownership interests in any of the Subsidiary Debtors.

**1.104 “Substantial Contribution Claim”** means a claim for compensation or reimbursement of costs and expenses relating to services rendered in making a substantial contribution in the Chapter 11 Cases pursuant to Section 503(b)(3), (4), or (5) of the Bankruptcy Code.

**1.105 “Term A Facility”** means a new secured term loan facility in the aggregate principal amount of \$225 million, to be entered into by the Reorganized Debtors on the Effective Date, having terms and conditions substantially described on Exhibit A to the Plan, and to be substantially in the form included in the Plan Supplement.

**1.106 “Term A Loan Obligations”** means the obligations of the Reorganized Debtors under the Term A Facility, to be distributed among the holders of Allowed Existing Lender Secured Claims on the Effective Date, as provided for in Section 3.2(b) of the Plan.

**1.107 “Term B Facility”** means a new secured term loan facility in the aggregate principal amount of \$100 million, to be entered into by the Reorganized Debtors on the Effective Date, having terms and conditions substantially described on Exhibit B to the Plan, and to be substantially in the form included in the Plan Supplement.

**1.108 “Term B Loan Obligations”** means the obligations of the Reorganized Debtors under the Term B Facility, to be distributed among the holders of Allowed Existing Lender Secured Claims on the Effective Date, as provided for in Section 3.2(b) of the Plan.

1.109 **“Third Party Release”** means the release of (a) the Debtors’ current and former directors, officers, employees, advisors, or professionals, (b) the Existing Lenders and any of their respective affiliates, (c) the Existing Lender Agent and any of its affiliates, and (d) any of the respective present or former directors, officers, employees, advisors, or professionals of any of the foregoing (but solely in their respective capacities as such) granted by electing holders of Claims and Interest as provided for in Section 11.9(b) of the Plan.

1.110 **“Trade Unsecured Claim”** means a Claim based upon or arising from the Encumbered Debtors’ receipt of goods or services in the ordinary course of business prior to the Petition Date from, and held by, a provider of goods or services that (a) has continued to supply such goods or services to the Encumbered Debtors during the Chapter 11 Cases and (b) becomes a party to a fully executed Post-Emergence Trade Agreement. The term shall not include any Claims arising from (i) any employee or individual independent contractor relationship between any Debtor and any Person, (ii) the rejection of an executory contract or unexpired lease, (iii) the litigation captioned Gonzalez v. Freedom Communications, Inc., Case No. 03CC08756, Superior Court of California, County of Orange, (iv) any other litigation brought, or that could have been brought, prior to the Petition Date, and (v) any non-qualified pension or retirement plan or agreement provided by any Debtor, or any termination of any such plan or agreement. For the avoidance of doubt, the term shall not include any Claim against the Unencumbered Debtors, which Claims are being Reinstated under the Plan.

1.111 **“Trade Unsecured Claim Escrow”** means the escrow to be established on the Effective Date to fund payments to holders of Allowed Trade Unsecured Claims.

1.112 **“Unencumbered Debtor(s)”** means, individually or collectively, each or all of Freedom Newspapers, Gaston Gazette LLP, Daily Press, Porterville Recorder Company, Seymour Tribune Company, Victorville Publishing Company, and The Creative Spot, L.L.C.

1.113 **“Unimpaired”** means, with respect to any Claim, that such Claim is not impaired within the meaning of Section 1124 of the Bankruptcy Code.

1.114 **“Unsecured Compensation”** means the amount of \$5 million to be allocated among the sub-Classes of Class A4, consisting of holders of Allowed General Unsecured Claims against the Encumbered Debtors, as provided for in Section 3.2(d) of the Plan.

1.115 **“Voting Deadline”** means the deadline established by the Bankruptcy Court by which the holders of Claims and Interests in Classes that are entitled to vote on the Plan must submit the Ballot indicating such Claim or Interest holder’s vote on the Plan, in accordance with the procedures set forth in the Disclosure Statement and the instructions provided with the Ballot.

## ARTICLE II

### CLASSIFICATION OF CLAIMS AND INTERESTS

#### 2.1 Introduction

In accordance with Section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims have not been classified, and the respective treatment of such unclassified claims is set forth in Section 3.1 of the Plan.

A Claim or Interest is placed in a particular Class only to the extent that the Claim or Interest falls within the description of that Class and such Claim or Interest has not been paid, released, or otherwise settled prior to the Effective Date. A Claim or Interest may be bifurcated and classified in other Classes to the extent that any portion of the Claim or Interest falls within the description of such other Classes.

## **2.2 Classes of Claims Against and Interests in Encumbered Debtors**

### *Class A1: Other Priority Claims*

Class A1 consists of all Other Priority Claims against the Encumbered Debtors. Class A1 shall be deemed to consist of forty-three (43) separate sub-Classes for each of the Encumbered Debtors.

### *Class A2: Existing Lender Claims*

Class A2 consists of all Existing Lender Claims. Class A2 shall be deemed to consist of forty-three (43) separate sub-Classes for each of the Encumbered Debtors.

### *Class A3: Other Secured Claims*

Class A3 consists of separate sub-Classes for each Other Secured Claim against any of the Encumbered Debtors. Each sub-Class is deemed to be a separate Class with respect to the applicable Encumbered Debtor for all purposes under the Bankruptcy Code, including for voting purposes.

### *Class A4: General Unsecured Claims*

Class A4 consists of forty-three (43) separate sub-Classes for each of the Encumbered Debtors, with the sub-Class for each Encumbered Debtor consisting of the General Unsecured Claims against such Encumbered Debtor. For example, the sub-Class for Freedom Communications will include all General Unsecured Claims against Freedom Communications, and the sub-Class for Freedom Broadcasting, Inc. will include all General Unsecured Claims against Freedom Broadcasting, Inc. Each sub-Class is deemed to be a separate Class for all purposes under the Bankruptcy Code, including for voting purposes.

### *Class A5: Intercompany Claims*

Class A5 consists of all Intercompany Claims against the Encumbered Debtors. Class A5 shall be deemed to consist of forty-three (43) separate sub-Classes for each of the Encumbered Debtors.

### *Class A6: Subsidiary Interests*

Class A6 consists of all Subsidiary Interests in the Subsidiary Debtors who are Encumbered Debtors. Class A6 shall be deemed to consist of forty-two (42) separate sub-Classes for each of the Encumbered Debtors that are Subsidiary Debtors.

*Class A7: Old Freedom Stock Interests*

Class A7 consists of all Old Freedom Stock Interests.

*Class A8: Old Freedom Stock Rights*

Class A8 consists of all Old Freedom Stock Rights.

**2.3 Classes of Claims Against and Interests in Unencumbered Debtors**

*Class B1: Other Priority Claims*

Class B1 consists of all Other Priority Claims against the Unencumbered Debtors. Class B1 shall be deemed to consist of seven (7) separate sub-Classes for each of the Unencumbered Debtors.

*Class B2: Other Secured Claims*

Class B2 consists of separate sub-Classes for each Other Secured Claim against any of the Unencumbered Debtors. Each sub-Class is deemed to be a separate Class with respect to the applicable Unencumbered Debtor for all purposes under the Bankruptcy Code.

*Class B3: General Unsecured Claims*

General Unsecured Claims against the Unencumbered Debtors are classified in Class B3. Class B3 includes seven (7) separate sub-Classes consisting of the General Unsecured Claims against each of the Unencumbered Debtors. Each sub-Class is deemed to be a separate Class for all purposes under the Bankruptcy Code.

*Class B4: Intercompany Claims*

Class B4 consists of all Intercompany Claims against the Unencumbered Debtors. Class B4 shall be deemed to consist of seven (7) separate sub-Classes for each of the Unencumbered Debtors.

*Class B5: Subsidiary Interests*

Class B5 consists of all Subsidiary Interests in the Unencumbered Debtors. Class B5 shall be deemed to consist of seven (7) separate sub-Classes for each of the Unencumbered Debtors.

## ARTICLE III

### TREATMENT OF CLAIMS AND INTERESTS

#### 3.1 Unclassified Claims

##### (a) Administrative Claims

With respect to each Allowed Administrative Claim, except as otherwise provided for herein, and subject to the requirements of Sections 11.1 through 11.2 of the Plan, on, or as soon as reasonably practicable after, the latest of (i) the Effective Date, (ii) the date such Administrative Claim becomes an Allowed Administrative Claim, or (iii) the date such Administrative Claim becomes payable pursuant to any agreement between a Debtor and the holder of such Administrative Claim, the holder of each such Allowed Administrative Claim shall receive in full satisfaction, settlement, release, and discharge of and in exchange for such Allowed Administrative Claim, (A) Cash equal to the unpaid portion of such Allowed Administrative Claim or (B) such different, less favorable treatment as to which the applicable Debtor and such holder shall have agreed upon in writing; *provided, however*, that Allowed Administrative Claims with respect to liabilities incurred by a Debtor in the ordinary course of business during the Chapter 11 Cases shall be paid in the ordinary course of business in accordance with the terms and conditions of any agreements relating thereto.

The Existing Lender Agent and the Existing Lenders shall be entitled to retain all payments made by the Debtors during the Chapter 11 Cases in full satisfaction of all Adequate Protection Obligations arising under the Cash Collateral Order, including any portion of the Adequate Protection Obligations that constitute an Administrative Claim under Section 507(b) of the Bankruptcy Code; *provided, however*, that subject to a finding in the Confirmation Order that the Existing Lender Claims are undersecured, such payments shall be applied in accordance with the Existing Credit Agreement Documents to reduce the principal amount of the Existing Lender Secured Claims. Any Existing Lender Fee Claim that has been incurred and is unpaid as of the Effective Date shall be paid in Cash on or as soon as practicable after the Effective Date, in full satisfaction, settlement, release and discharge of such Claim; *provided, however*, that subject to a finding in the Confirmation Order that the Existing Lender Claims are undersecured, any such payments shall be deemed to be applied to reduce the principal amount of the Existing Lender Secured Claims in accordance with the Existing Credit Agreement Documents and the Cash Collateral Order. Any replacement or other Liens created under the Cash Collateral Order shall terminate and shall have no further force and effect as of the Effective Date.

##### (b) Priority Tax Claims

Each holder of an Allowed Priority Tax Claim shall receive, in full satisfaction, settlement, release, and discharge of and in exchange for such Allowed Priority Tax Claim, either, with the agreement of the Steering Committee Members, (i) on, or as soon as reasonably practicable after, the later of the Effective Date or the date on which such Claim becomes an Allowed Claim, Cash equal to the unpaid portion of such Allowed Priority Tax Claim, (ii) such different, less favorable treatment as to which the applicable Debtor and such holder shall have agreed upon in writing, or (iii) at the Reorganized Debtors' sole discretion, regular installment payments in Cash having a total value, as of the Effective Date (reflecting an interest rate determined as of the Effective Date under 26 U.S.C. § 6622), equal to such Allowed Priority Tax Claim, over a period ending not later than five (5) years after the Petition Date.



### 3.2 **Classes of Claims Against and Interests in Encumbered Debtors**

#### (a) **Class A1: Other Priority Claims Against Encumbered Debtors**

Class A1 is not Impaired.

Class A1 shall be deemed to consist of forty-three (43) separate sub-Classes for each of the Encumbered Debtors.

On, or as soon as reasonably practicable after, the latest of (i) the Effective Date, (ii) the date on which such Other Priority Claim becomes an Allowed Other Priority Claim, or (iii) the date on which such Other Priority Claim becomes payable pursuant to any agreement between an Encumbered Debtor and the holder of such Other Priority Claim, each holder of an Allowed Other Priority Claim shall receive, in full satisfaction, settlement, release, and discharge of and in exchange for such Allowed Other Priority Claim, either (A) Cash equal to the unpaid portion of such Allowed Other Priority Claim or (B) such different, less favorable treatment as to which the applicable Encumbered Debtor and such holder shall have agreed upon in writing.

#### (b) **Class A2: Existing Lender Claims**

Class A2 is Impaired.

The Existing Lender Claims shall be allowed in full in the Chapter 11 Cases, without setoff, subordination, avoidance, reduction, defense, setoff, recharacterization, or counterclaim, in the aggregate principal amount of not less than \$770,552,344.03 as of the Petition Date plus \$1,933,100.00 in respect of letters of credit issued and outstanding under the Existing Credit Agreement Documents as of the Petition Date.

Each of the Encumbered Debtors are jointly and severally obligated on the Existing Lender Claims. Accordingly, Class A2 shall be deemed to consist of forty-three (43) separate sub-Classes for each of the Encumbered Debtors. The vote of each holder of an Existing Lender Claim shall be deemed to apply to each of the separate sub-Classes.

Subject to a finding in the Confirmation Order that the Existing Lender Claims are undersecured, the aggregate amount of all payments made by the Debtors on account of Adequate Protection Obligations shall be deemed applied to reduce the principal amount of the Existing Lender Secured Claims in accordance with the Existing Credit Agreement Documents and the Cash Collateral Order. In addition, the holders of Existing Lender Secured Claims, in full satisfaction, settlement, release, and discharge of and in exchange for the remaining amount of the Existing Lender Secured Claims, shall receive on the Effective Date their Pro Rata share, in the aggregate, of (i) the Term A Loan Obligations, (ii) the Term B Loan Obligations, (iii) the Excess Cash, (iv) the Existing Lender Shares, and (v) the amount of the Trade Unsecured Claim Escrow, which shall be deposited by or on behalf of Existing Lenders into the Trade Unsecured Claim Escrow, and any remaining funds in the Trade Unsecured Claim Escrow after all required payments to holders of Allowed Trade Unsecured Claims have been made in accordance with Section 5.10(c) of the Plan. Changes to the form or the allocation of the consideration to be distributed to holders of Existing Lender Secured Claims may be required to comply with federal communications laws and obtain approvals and waivers from the FCC.

The Existing Lenders shall accept the distributions on account of the Existing Lender Secured Claims in full satisfaction, settlement, release, and discharge of and in exchange for all Claims arising under the Existing Credit Agreement Documents. The holders of Existing Lender Deficiency Claims shall not receive or retain any property under the Plan on account of any Existing Lender Deficiency Claims and all Existing Lender Deficiency Claims shall be deemed waived by the Existing Lenders and discharged as of the Effective Date.

The Existing Lenders shall be deemed to have received the Subsidiary Interests in the Encumbered Debtors and contributed such Subsidiary Interests back to their respective holders.

(c) **Class A3: Other Secured Claims Against Encumbered Debtors**

Class A3 is Impaired.

Class A3 consists of separate sub-Classes for each Other Secured Claim against any of the Encumbered Debtors. Each sub-Class is deemed to be a separate Class with respect to the applicable Encumbered Debtor for all purposes under the Bankruptcy Code, including for voting purposes.

At the option of the Reorganized Debtors, with the agreement of the Steering Committee Members, either (i) the legal, equitable, and contractual rights of the holder of an Allowed Other Secured Claim against an Encumbered Debtor shall be Reinstated as of the Effective Date in accordance with the provisions of Section 1124(2) of the Bankruptcy Code; (ii) the holder of an Allowed Other Secured Claim against an Encumbered Debtor shall (A) retain the Liens securing such Allowed Other Secured Claim and (B) receive regular installment payments in Cash having a total value, as of the Effective Date (reflecting an interest rate determined as of the Effective Date under 26 U.S.C. § 6622), equal to such Allowed Other Secured Claim, over a period ending not later than five (5) years after the Petition Date; (iii) the collateral securing such Allowed Other Secured Claim against an Encumbered Debtor shall be surrendered to the holder of such Allowed Other Secured Claim on the Distribution Date; or (iv) the holder of the Allowed Other Secured Claim against an Encumbered Debtor shall be paid in full on the Distribution Date. The treatment applicable to each holder of an Other Secured Claim shall be announced in a filing made with the Bankruptcy Court no later than ten (10) days prior to the Confirmation Hearing.

The Debtors' failure to object to any Other Secured Claim against an Encumbered Debtor in the Chapter 11 Cases shall be without prejudice to the Debtors' or the Reorganized Debtors' right to contest or otherwise defend against such Claim in the appropriate forum when and if such Claim is sought to be enforced by the Other Secured Claim holder. Notwithstanding Section 1141(c) or any other provision of the Bankruptcy Code, all prepetition Liens on property of any Encumbered Debtor held with respect to an Other Secured Claim shall survive the Effective Date and continue in accordance with the contractual terms of the underlying agreement governing such Claim until such Allowed Claim is paid in full. Nothing in this Section 3.2(c) or elsewhere in the Plan shall preclude the Debtors or the Reorganized Debtors from challenging the validity of any alleged Lien on any asset of an Encumbered Debtor or the value of the property that secures any alleged Lien.

(d) **Class A4: General Unsecured Claims Against Encumbered Debtors**

Class A4 is Impaired.

Class A4 consists of separate sub-Classes for each of the Encumbered Debtors, with the sub-Class for each Encumbered Debtor consisting of the General Unsecured Claims against such Encumbered Debtor. Each sub-Class is deemed to be a separate Class for all purposes under the Bankruptcy Code, including for voting purposes.

(i) With Class A2 Acceptance and Bankruptcy Court Approval:

(A) If a sufficient number of votes are received in any sub-Class of Class A4 to constitute an acceptance of the Plan by such sub-Class under Section 1126(c) of the Bankruptcy Code, then each holder of an Allowed General Unsecured Claim in such accepting sub-Class shall be entitled to share in the Unsecured Compensation as provided in (C) below.

(B) If an insufficient number of votes are received in any sub-Class of Class A4 to constitute an acceptance of the Plan by such sub-Class under Section 1126(c) of the Bankruptcy Code, then no holder of a General Unsecured Claim in such rejecting sub-Class shall be entitled to share in the Unsecured Compensation or to receive any other distribution from the Debtors or the Estates.

(C) The Unsecured Compensation shall be allocated among all holders of Allowed General Unsecured Claims in all sub-Classes of Class A4, but the portion thereof attributable to rejecting sub-Classes shall be forfeited and shall not be available for distribution to accepting sub-Classes. To determine the portion of the Unsecured Compensation attributable to rejecting sub-Classes of Class A4, all Disputed Claims therein as of the Effective Date shall be deemed to be in the amount of \$0.00, and only the amounts of Allowed Claims therein as of the Effective Date shall be counted. To determine the portion of the Unsecured Compensation attributable to accepting sub-Classes of Class A4, both Disputed Claims and Allowed Claims in such sub-Classes shall be counted, with Disputed Claims being counted in amounts determined pursuant to Section 8.3 of the Plan. As thus determined, the portion of the Unsecured Compensation attributable to accepting sub-Classes of Class A4 shall be distributed on the Distribution Date to all holders of Allowed General Unsecured Claims in the accepting sub-Classes on a Pro Rata basis.

(ii) Without Class A2 Acceptance and Bankruptcy Court Approval:

No holder of an Allowed General Unsecured Claim against an Encumbered Debtor shall receive any distribution under the Plan or otherwise.

(e) **Class A5: Intercompany Claims Against Encumbered Debtors**

Class A5 is Impaired.

Class A5 shall be deemed to consist of forty-three (43) separate sub-Classes for each of the Encumbered Debtors.

With respect to each Intercompany Claim against any of the Encumbered Debtors, at the election of the Reorganized Debtors, with the consent of the Existing Lender Agent, the

Intercompany Claim shall be adjusted, continued, capitalized, either directly or indirectly or in whole or in part as of the Effective Date, or shall be Reinstated on the Effective Date, and no such disposition shall require the consent of the holders of New Common Stock or the consent of any holder of Subsidiary Interests.

(f) **Class A6: Subsidiary Interests in Encumbered Debtors**

Class A6 is Impaired.

Class A6 shall be deemed to consist of forty-two (42) separate sub-Classes for each of the Encumbered Debtors that are Subsidiary Debtors.

On the Effective Date, the Subsidiary Interests in the Encumbered Debtors shall be deemed to have been distributed to the Existing Lenders on account of their Existing Lender Claims and then contributed back by the Existing Lender to the respective holders of the Subsidiary Interests. The Subsidiary Interests shall thereafter be retained for the benefit of the holders of the New Securities, subject to any applicable restrictions arising under the Exit Facility, the Term A Facility, and the Term B Facility.

Notwithstanding the foregoing, if the Subsidiary Interests in the Reorganized Broadcast Licensee Companies are transferred to the Broadcast Trustee pursuant to the provisions of Section 5.15 of the Plan, such Subsidiary Interests shall be subject to the terms of the Broadcast Trust Agreement until transferred back to the Reorganized Broadcast Operating Companies. When transferred back, such Subsidiary Interests shall be subject to the provisions in the paragraph above.

(g) **Class A7: Old Freedom Stock Interests**

Class A7 is Impaired.

All Old Freedom Stock Interests shall be cancelled as of the Effective Date.

(i) With Class A2 Acceptance and Bankruptcy Court Approval:

(A) If a sufficient number of votes are received in each of the Class A4 sub-Classes applicable to Freedom Holdings and Freedom Communications to constitute an acceptance of the Plan by each such sub-Class under Section 1126(c) of the Bankruptcy Code, and if a sufficient number of votes are received in Class A7 to constitute an acceptance of the Plan by Class A7 under Section 1126(d) of the Bankruptcy Code, each holder of an Allowed Old Freedom Stock Interest who is not an Objecting Holder shall receive on the Effective Date a Pro Rata share of (x) the Old Equity Share Allocation and (y) the New Warrants. Holders of Allowed Old Freedom Stock Interests who are Objecting Holders shall, to the maximum extent permitted by law, forfeit their respective Pro Rata shares of the Old Equity Share Allocation and the New Warrants and shall receive no distribution under the Plan or otherwise. Any such forfeited allocation shall not be issued.

(B) But if an insufficient number of votes are received either in each of the Class A4 sub-Classes applicable to Freedom Holdings and Freedom Communications or in Class A7 to constitute an acceptance of the Plan by each such sub-Class or by Class A7, the Old Equity Share Allocation and the New Warrants shall be forfeited and not issued, and no holder of

an Allowed Old Freedom Stock Interest shall receive any distribution under the Plan or otherwise.

(ii) Without Class A2 Acceptance and Bankruptcy Court Approval:

No holder of an Allowed Old Freedom Stock Interest shall receive any distribution under the Plan or otherwise.

(h) **Class A8: Old Freedom Stock Rights**

Class A8 is Impaired.

All Old Freedom Stock Rights shall be cancelled as of the Effective Date. The holders of such Old Freedom Stock Rights shall not receive or retain any property under the Plan or otherwise on account thereof.

**3.3 Classes of Claims Against and Interests in Unencumbered Debtors**

(a) **Class B1: Other Priority Claims Against Unencumbered Debtors**

Class B1 is not Impaired.

Class B1 shall be deemed to consist of seven (7) separate sub-Classes for each of the Unencumbered Debtors.

On, or as soon as reasonably practicable after, the latest of (i) the Effective Date, (ii) the date on which such Other Priority Claim becomes an Allowed Other Priority Claim, or (iii) the date on which such Other Priority Claim becomes payable pursuant to any agreement between an Unencumbered Debtor and the holder of such Other Priority Claim, each holder of an Allowed Other Priority Claim shall receive, in full satisfaction, settlement, release, and discharge of and in exchange for such Allowed Other Priority Claim, either (A) Cash equal to the unpaid portion of such Allowed Other Priority Claim or (B) such different, less favorable treatment as to which the applicable Unencumbered Debtor and such holder shall have agreed upon in writing.

(b) **Class B2: Other Secured Claims Against Unencumbered Debtors**

Class B2 is not Impaired.

Class B2 consists of separate sub-Classes for each Other Secured Claim against any of the Unencumbered Debtors. Each sub-Class is deemed to be a separate Class with respect to the applicable Unencumbered Debtor for all purposes under the Bankruptcy Code.

The legal, equitable, and contractual rights of each holder of an Allowed Other Secured Claim against an Unencumbered Debtor shall be Reinstated as of the Effective Date in accordance with the provisions of Section 1124(2) of the Bankruptcy Code.

The Debtors' failure to object to any Other Secured Claim in the Chapter 11 Cases shall be without prejudice to the Debtors' or the Reorganized Debtors' right to contest or otherwise defend against such Claim in the appropriate forum when and if such Claim is sought to be enforced by the Other Secured Claim holder. Notwithstanding Section 1141(c) or any other provision of the Bankruptcy Code, all prepetition Liens on property of any Debtor held

with respect to an Other Secured Claim shall survive the Effective Date and continue in accordance with the contractual terms of the underlying agreement governing such Claim until such Allowed Claim is paid in full. Nothing in this Section 3.3(b) or elsewhere in the Plan shall preclude the Debtors or the Reorganized Debtors from challenging the validity of any alleged Lien on any asset of a Debtor or the value of the property that secures any alleged Lien.

(c) **Class B3: General Unsecured Claims Against Unencumbered Debtors**

Class B3 is not Impaired.

Class B3 consists of separate sub-Classes consisting of the General Unsecured Claims against each of the Unencumbered Debtors. Each sub-Class is deemed to be a separate Class for all purposes under the Bankruptcy Code.

The legal, equitable, and contractual rights of each holder of an Allowed General Unsecured Claim against an Unencumbered Debtor shall be Reinstated as of the Effective Date in accordance with the provisions of Section 1124(2) of the Bankruptcy Code. On, or as soon as reasonably practicable after, the latest of (i) the Effective Date, (ii) the date on which such General Unsecured Claim becomes an Allowed General Unsecured Claim, and (iii) the date on which such General Unsecured Claim becomes payable pursuant to any agreement between a Debtor and the holder of such Claim, each holder of an Allowed General Unsecured Claim in Class B3 shall receive, in full satisfaction of and in exchange for, such Allowed General Unsecured Claim, such payment on such terms as would otherwise apply to such Claim had the Chapter 11 Cases not been filed.

(d) **Class B4: Intercompany Claims Against Unencumbered Debtors**

Class B4 is not Impaired.

Class B4 shall be deemed to consist of seven (7) separate sub-Classes for each of the Unencumbered Debtors.

With respect to each Intercompany Claim against any of the Unencumbered Debtors, the legal, equitable, and contractual rights of the holder of the Intercompany Claim shall be Reinstated on the Effective Date or, with the consent of the holder, may be adjusted, continued, or capitalized, either directly or indirectly or in whole or in part as of the Effective Date.

(e) **Class B5: Subsidiary Interests in Unencumbered Debtors**

Class B5 is not Impaired.

Class B5 shall be deemed to consist of seven (7) separate sub-Classes for each of the Unencumbered Debtors.

The legal, equitable, and contractual rights of each holder of a Subsidiary Interest in any of the Unencumbered Debtors shall be Reinstated on the Effective Date in accordance with the provisions of Section 1124(2) of the Bankruptcy Code.

### **3.4 Reservation of Rights Regarding Claims**

Except as otherwise explicitly provided in the Plan, nothing shall affect the Debtors' or the Reorganized Debtors' rights, defenses, and counterclaims, both legal and equitable, with respect to any Claims, including, but not limited to, all rights with respect to legal and equitable defenses to alleged rights of setoff or recoupment.

## **ARTICLE IV**

### **ACCEPTANCE OR REJECTION OF THE PLAN**

#### **4.1 Impaired Classes of Claims and Interests Entitled to Vote**

Holders of Claims and Interests in each Impaired Class of Claims or Interests are entitled to vote as a Class to accept or reject the Plan, other than Classes that are deemed to reject the Plan. With respect to Claims against and Interests in the Encumbered Debtors, the votes of holders of Claims and Interests in Classes A2, A3 (and each sub-Class thereof), A4 (and each sub-Class thereof), A5, and A7 shall be solicited with respect to the Plan.

#### **4.2 Acceptance by an Impaired Class Entitled to Vote**

In accordance with Section 1126(c) of the Bankruptcy Code, and except as provided in Section 1126(e) of the Bankruptcy Code, an Impaired Class or sub-Class of Claims shall have accepted the Plan if the Plan is accepted by the holders of at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the Allowed Claims of such Class or sub-Class that have timely and properly voted to accept or reject the Plan. In accordance with Section 1126(d) of the Bankruptcy Code, and except as provided in Section 1126(e) of the Bankruptcy Code, an Impaired Class of Interests shall have accepted the Plan if the Plan is accepted by the holders of at two-thirds in amount of the Allowed Interests of such Class that have timely and properly voted to accept or reject the Plan.

#### **4.3 Presumed Acceptances by Unimpaired Classes**

With respect to Classes of Claims against and Interests in the Encumbered Debtors, Class A1 is Unimpaired under the Plan. With respect to Classes of Claims against and Interests in the Unencumbered Debtors, Classes B1, B2 (and each sub-Class thereof), B3 (and each sub-Class thereof), B4, and B5 are Unimpaired under the Plan. Under Section 1126(f) of the Bankruptcy Code, holders of such Unimpaired Claims and Unimpaired Interests are conclusively presumed to have accepted the Plan, and the votes of such Unimpaired Claim holders and Unimpaired Interest holders shall not be solicited.

#### **4.4 Classes Deemed to Reject Plan**

Holders of Interests in Classes A6 and A8 are not entitled to receive or retain any property under the Plan. Under Section 1126(g) of the Bankruptcy Code, such holders are deemed to have rejected the Plan, and the votes of such holders shall not be solicited.

#### **4.5 Confirmation Pursuant to Section 1129(b) of the Bankruptcy Code**

To the extent that any Impaired Class rejects the Plan or is deemed to have rejected the Plan, the Debtors shall request Confirmation of the Plan, as it may be modified from time to

time, under Section 1129(b) of the Bankruptcy Code. The Debtors reserve the right to alter, amend, or modify the Plan, the Plan Supplement, or any Exhibit to satisfy the requirements of Section 1129(b) of the Bankruptcy Code, if necessary.

## **ARTICLE V**

### **MEANS FOR IMPLEMENTATION OF THE PLAN**

#### **5.1 Continued Corporate Existence**

The Reorganized Debtors shall continue to exist after the Effective Date as separate corporate, limited liability, or partnership entities, in accordance with the applicable laws in the respective jurisdictions in which they are organized and pursuant to the New Freedom Governing Documents in the case of Reorganized Freedom Holdings and the New Subsidiary Governing Documents in the case of the respective Reorganized Subsidiaries.

#### **5.2 New Governing Documents**

The New Freedom Governing Documents and the New Subsidiary Governing Documents shall be amended as necessary to satisfy the provisions of the Plan and the Bankruptcy Code. The New Freedom Charter and New Freedom By-Laws shall be in substantially the forms of such documents included in the Plan Supplement.

#### **5.3 Revesting of Assets; Releases of Liens**

Except as otherwise provided herein, the property of each Debtor's Estate, including all claims, rights, and causes of action, shall revert in the applicable Debtor on the Effective Date. On and after the Effective Date, each Reorganized Debtor may operate its business and may use, acquire, and dispose of such property free of any restrictions of the Bankruptcy Code, the Bankruptcy Rules, and the Bankruptcy Court. As of the Effective Date, all such property of each Reorganized Debtor shall be free and clear of all Claims and Interests, and all Liens with respect thereto, except as specifically provided in the Plan or the Confirmation Order.

#### **5.4 Exit Funding**

(a) In addition to funds remaining as of the Effective Date, the funds necessary to make payments required to be made on the Effective Date and to provide working capital and satisfy other general corporate purposes after the Effective shall be obtained from the Exit Facility.

(b) With the agreement of the Steering Committee Members, the obligations under the Exit Facility shall be secured by valid, binding, perfected first priority liens on inventory, accounts, and other assets of the Reorganized Debtors, if necessary to obtain a commitment for such Exit Facility. In the event that the Exit Facility is provided by the Existing Lender Agent or any Existing Lender, then the Exit Financing Share Allocation shall be set aside as compensation for such exit lender, as an administrative expense, to the extent necessary to obtain such Exit Facility; provided that if any existing Steering Committee Member offers to provide such Exit Facility to the Reorganized Debtors, all other Steering Committee Members shall have the opportunity to participate in such Exit Facility and the Exit Financing Share Allocation on a pro rata basis. Letters of credit under the Existing Credit Agreement Documents outstanding on the



Effective Date shall be rolled into, and become letters of credit under, the Exit Facility without any further action by any party.

(c) The Reorganized Debtors shall be authorized to (a) enter into the Exit Facility, (b) grant any liens and security interests and incur or guaranty the indebtedness as required under the Exit Facility, and (c) issue, execute and deliver all documents, instruments and agreements necessary or appropriate to implement and effectuate all obligations under the Exit Facility and to take all other actions necessary to implement and effectuate borrowings under the Exit Facility. On the Effective Date, the Exit Facility, together with new promissory notes and guarantees, if any, evidencing obligations of the Reorganized Debtors thereunder, and all other documents, instruments, and agreements to be entered into, delivered, or confirmed thereunder on the Effective Date, shall become effective. The new promissory notes issued pursuant to the Exit Facility and all obligations under the Exit Facility and related documents shall be paid as set forth in the Exit Facility and related documents.

## **5.5 Authorization and Issuance of New Securities**

(a) Reorganized Freedom Holdings shall (i) authorize on the Effective Date such number of shares of New Common Stock as shall be specified by the Debtors with the consent of the Existing Lender Agent in the Plan Supplement; (ii) issue on the Effective Date such number of shares of New Common Stock as shall be specified by the Debtors with the consent of the Existing Lender Agent in the Plan Supplement, representing 100% of the outstanding shares of New Common Stock as of such date; *provided* that the shares of New Common Stock to be distributed under the Plan to holders of Existing Lender Secured Claims pursuant to Section 3.2(b) of the Plan shall be contributed by Reorganized Freedom Holdings to Reorganized Freedom Communications for distribution by Reorganized Freedom Communications to such holders; (iii) reserve for issuance in accordance with the terms of the Plan a number of shares of New Common Stock necessary (excluding shares that may be issuable as a result of the antidilution provisions thereof) to satisfy the required distributions of (x) the New Warrants, and (y) the options and other awards granted under the New Equity Incentive Plan (excluding shares that may be issuable as a result of the antidilution provisions thereof).

(b) On the Effective Date, Reorganized Freedom Holdings shall authorize the issuance of the New Warrants.

(c) The New Securities to be issued and distributed pursuant to distributions under the Plan to Classes A2 and A7, and pursuant to Section 5.4(b) of the Plan, shall be issued in exchange for or principally in exchange for Allowed Claims and Allowed Interests in such Classes, and for an administrative expense, and shall be exempt from registration under applicable securities laws pursuant to Section 1145 of the Bankruptcy Code.

(d) Upon receipt of its Pro Rata share of any New Common Stock, whether as part of the Exit Financing Share Allocation, the Existing Lender Shares, or the Old Equity Share Allocation, or any New Warrants, as the case may be, each Existing Lender and each holder of Allowed Old Freedom Stock Interests shall be deemed to have executed, without any further action by such party, the New Stockholders Agreement, the New Warrant Agreement and the Registration Rights Agreement, as applicable.

## **5.6 Directors of Reorganized Debtors**

(a) The New Board shall be comprised of up to seven (7) directors, initially consisting of (i) six (6) independent and disinterested directors designated by the Steering Committee Members and (ii) Freedom Holdings' Chief Executive Officer. The designation of directors pursuant to the foregoing clause (i) shall be made at least five (5) days prior to the Voting Deadline and shall be announced in a filing made with the Bankruptcy Court no later than five (5) days prior to the Voting Deadline. The members of the New Board shall continue to serve as such until replaced or removed in accordance with the New Freedom Governing Documents, or until any of such individual's voluntary resignation. Each Steering Committee Member holding in excess of a threshold percentage (to be agreed among the Steering Committee Members) of the Existing Lender Secured Claims shall be entitled to appoint a representative to attend and observe all meetings of the New Board.

(b) The existing directors of the Subsidiary Debtors shall continue to serve in their same respective capacities after the Effective Date for the Reorganized Subsidiary Debtors, until replaced or removed in accordance with the New Subsidiary Governing Documents of the respective entity or applicable company policy, or until any of such individual's voluntary resignation; *provided, however*, that any such director who is not as of the Effective Date a member of the New Board or a full-time employee of any of the Reorganized Debtors shall be deemed to have resigned as of the Effective Date.

## **5.7 Officers of Reorganized Debtors**

(a) The existing senior officers of Freedom Holding shall serve initially in the same capacities after the Effective Date for Reorganized Freedom Holdings until replaced or removed in accordance with the New Freedom Governing Documents or company policy, or until any of such individual's voluntary resignation.

(b) The existing senior officers of the Subsidiary Debtors shall continue to serve in their same respective capacities after the Effective Date for the Reorganized Subsidiary Debtors, until replaced or removed in accordance with the New Subsidiary Governing Documents of the respective entity or applicable company policy, or until any of them may voluntarily resign.

## **5.8 Indemnification of Reorganized Debtors' Directors, Officers, and Employees**

Upon the Effective Date, the New Freedom Governing Documents and the New Subsidiary Governing Documents shall contain customary indemnification provisions for directors, officers, and other key employees (as identified by the Chief Executive Officer of the Reorganized Debtors) on terms and conditions reasonably acceptable to the Steering Committee Members and the Debtors.

## **5.9 Management Incentive and Other Agreements**

(a) On the Effective Date, Reorganized Freedom shall be authorized and directed to establish and implement the New Equity Incentive Plan, substantially in the form included in the Plan Supplement. The New Equity Incentive Plan shall reserve for issuance pursuant to awards of a number of shares of New Common Stock (Class A Common Stock) up to ten percent (10%) of the number of shares of New Common Stock outstanding as of the Effective Date. Members of management, employees, and directors of Reorganized Freedom and the other Reorganized Debtors shall receive such stock options or other awards under the New Equity Incentive Plan as

are determined from time to time by the New Board (or an authorized committee thereof). The awards made to such recipients shall be in accordance with the terms of such determinations, subject to such terms as are more specifically described in the New Equity Incentive Plan. The New Equity Incentive Plan may be amended or modified from time to time by the New Board in accordance with its terms and any such amendment or modification shall not require an amendment of the Plan.

(b) On or after the Effective Date, the Reorganized Debtors may implement an executive incentive plan, severance plan, or other employment agreements for their senior management team and other key employees either (i) having terms and conditions agreed to by the Debtors and the Steering Committee Members and set forth in the Plan Supplement if agreed to prior to the filing thereof or presented at the Confirmation Hearing if agreed to prior to the commencement thereof or (ii) having terms and conditions determined by the New Board or the Chief Executive Officer.

#### **5.10 Post-Emergence Trade Agreement Procedure**

(a) With Class A2 Acceptance and Bankruptcy Court Approval, any provider of goods or services who holds a Claim based upon or arising from the Encumbered Debtors' receipt of goods or services in the ordinary course of business prior to the Petition Date may be afforded the opportunity to enter into a Post-Emergence Trade Agreement, in accordance with the following procedure:

(i) The Encumbered Debtors shall make available to all providers of goods or services, at [www.loganandco.com](http://www.loganandco.com) and as an attachment to the Disclosure Statement, a Notice of Desire to Enter into Post-Emergence Trade Agreement, in which each provider shall certify that (A) it holds a Claim based upon or arising from the Encumbered Debtors' receipt of goods or services in the ordinary course of business prior to the Petition Date, (B) it has continued to supply such goods or services to the Encumbered Debtors during the Chapter 11 Cases, and (C) it is willing to enter into and comply with the terms of the Post-Emergence Trade Agreement. A form Post-Emergence Trade Agreement shall be available at [www.loganandco.com](http://www.loganandco.com), shall be attached to the Disclosure Statement, and shall be included in the Plan Supplement.

(ii) The deadline for returning a completed Notice of Desire to Enter into Post-Emergence Trade Agreement shall be ten (10) days before the date of the Confirmation Hearing.

(iii) The Encumbered Debtors shall provide copies of the returned Notices of Desire to Enter into Post-Emergence Trade Agreement to the Existing Lender Agent, and the Encumbered Debtors shall determine, in their business judgment, if the Reorganized Debtors will have a continuing need for the goods or services of the provider after the Effective Date, and shall so advise the Existing Lender Agent.

(iv) If, as determined by the Encumbered Debtors in their business judgment, the Reorganized Debtors will have a continuing need for the goods or services of the provider after the Effective Date, then the Encumbered Debtors shall deliver to the provider a form Post-Emergence Trade Agreement, with a deadline for executing and returning the agreement.

(v) As to each provider who timely returns an executed Post-Emergence Trade Agreement, and who has continued to supply such goods or services to the Encumbered Debtors up to the Effective Date, the Encumbered Debtors shall execute the Post-Emergence

Trade Agreement and return a copy to the provider of goods or services as soon as practicable after the Effective Date, but in no event later than the Distribution Date.

(b) With Class A2 Acceptance and Bankruptcy Court Approval, on the Effective Date, the Trade Unsecured Claim Escrow shall be established, into which the Encumbered Debtors shall deposit funds in an amount to be agreed between the Encumbered Debtors and the Steering Committee Members and included in the Plan Supplement. The funds in the Trade Unsecured Claim Escrow shall be funds that otherwise would have been distributed to the Existing Lenders as Excess Cash under the Plan, and that, as of the Effective Date and subject to the terms of this section, shall constitute property of the Existing Lenders. The Existing Lenders shall be deemed to have authorized the Reorganized Debtors to access funds in the Trade Unsecured Claim Escrow to make payments to holders of Allowed Trade Unsecured Claims pursuant to the terms of each such holder's Post-Emergence Trade Agreement.

(c) With Class A2 Acceptance and Bankruptcy Court Approval, under the terms of the Post-Emergence Trade Agreement, as soon as reasonably practicable after the latest of (i) the Effective Date, (ii) the date on which such Trade Unsecured Claim becomes an Allowed Trade Unsecured Claim, and (iii) the date on which such Trade Unsecured Claim becomes payable pursuant to any agreement between an Encumbered Debtor and the holder of such Trade Unsecured Claim, each holder of an Allowed Trade Unsecured Claim shall receive, in full satisfaction, settlement, release, and discharge of and in exchange for such Allowed Trade Unsecured Claim, Cash from the Trade Unsecured Claim Escrow equal to all or such portion of the Allowed Trade Unsecured Claim as the parties may agree. By executing a Post-Emergence Trade Agreement, the Reorganized Debtors shall not become obligated to pay any Trade Unsecured Claim or portion thereof that is not an Allowed Claim. Any funds remaining in the Trade Unsecured Claim Escrow after satisfaction of Allowed Trade Unsecured Claims shall be disbursed to the Existing Lenders on a Pro Rata basis.

(d) Without Class A2 Acceptance and Bankruptcy Court Approval, subsections (a) through (c) of this Section 5.10 shall be deemed deleted from the Plan.

#### **5.11 Preservation of Rights of Action**

Except as otherwise provided in the Plan or the Confirmation Order, or in any contract, instrument, release, indenture, or other agreement entered into in connection with the Plan, in accordance with Section 1123(b) of the Bankruptcy Code, on the Effective Date, each Debtor or Reorganized Debtor shall retain all of their respective Litigation Rights that such Debtor or Reorganized Debtor may hold against any Person. Each Debtor or Reorganized Debtor shall retain and may enforce, sue on, settle, or compromise (or decline to do any of the foregoing) all such Litigation Rights. Each Debtor or Reorganized Debtor or their respective successor(s) may pursue such retained Litigation Rights as appropriate, in accordance with the best interests of the Reorganized Debtors or their successor(s) who hold such rights in accordance with applicable law and consistent with the terms of the Plan.

#### **5.12 Effectuating Documents; Further Transactions**

The chief executive officer, the president, the chief financial officer, the general counsel or any other appropriate officer of Freedom Holdings, or any applicable Debtor, or any of the Reorganized Debtors, as the case may be, shall be authorized to execute, deliver, file, or record such contracts, instruments, releases, indentures, and other agreements or documents, and take

such actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The secretary or assistant secretary of Freedom Holdings, or any applicable Debtor, or any of the Reorganized Debtors, as the case may be, shall be authorized to certify or attest to any of the foregoing actions.

#### **5.13 Exemption From Certain Transfer Taxes**

Pursuant to Section 1146(c) of the Bankruptcy Code, any transfers from a Debtor to a Reorganized Debtor or any other Person pursuant to the Plan in the United States, including any Liens granted by the Debtors to secure the Exit Facility, the Term A Facility, and the Term B Facility, shall not be taxed under any law imposing a stamp tax or other similar tax. Such exemption specifically applies, without limitation, to all documents necessary to evidence and implement distributions under the Plan, including the documents contained in the Plan Supplement.

#### **5.14 Corporate Action**

On the Effective Date, the adoption and filing of the New Freedom Governing Documents, the appointment of the New Board, the adoption of the New Equity Incentive Plan, and all actions contemplated or necessary to implement the transactions described in the Plan shall be authorized and approved in all respects pursuant to the Plan. All matters provided for herein involving the corporate structure of the Debtors or Reorganized Debtors, and any corporate action required by the Debtors or Reorganized Debtors in connection with the Plan, shall be deemed to have occurred and shall be in effect, without any requirement of further action by the stockholders or directors of the Debtors or Reorganized Debtors. On the Effective Date, the appropriate officers of the Reorganized Debtors and members of the board of directors of the Reorganized Debtors are authorized and directed to issue execute and deliver the agreements, documents, securities, and instruments contemplated by the Plan in the name of and on behalf of the Reorganized Debtors without the need for any required approvals, authorizations or consents except for express consents required under the Plan. Without limiting the foregoing, the New Equity Incentive Plan shall be deemed to have been unanimously approved by the stockholders of Reorganized Freedom Holdings pursuant to Section 303 of the Delaware General Corporation Law.

#### **5.15 Interim Trust Control of Subsidiary Interests in Broadcast Licensee Companies**

(a) The Debtors, with the agreement of the Steering Committee Members, shall designate the Person to serve as the Broadcast Trustee under the Plan, and shall file a written notice of such designation at least ten (10) days before the Confirmation Hearing.

(b) Prior to the Effective Date, each of the Broadcast Operating Companies shall enter into the Broadcast Trust Agreement with the Broadcast Trustee. The Broadcast Trust Agreement shall provide that, *inter alia*, (i) on the Effective Date, all of the Subsidiary Interests in each of the Reorganized Broadcast Licensee Companies shall be issued to the Broadcast Trustee to be held in trust pursuant to the terms of the Broadcast Trust Agreement and subject to the continued supervision of the Bankruptcy Court; (ii) the beneficiaries of the trust shall be the Reorganized Broadcast Operating Companies, which shall continue to own all of the assets of the Broadcast Stations other than the Subsidiary Interests in the Reorganized Broadcast Licensee Companies, which own the FCC licenses; and (iii) following the Effective Date, and subject to the consent of the FCC, each of the Reorganized Broadcast Operating Companies shall have the

right to acquire from the Broadcast Trustee all of the Subsidiary Interests in its respective Reorganized Broadcast Licensee Company.

(c) Contemporaneously with the execution and delivery of the Broadcast Trust Agreement, each of the Broadcast Operating Companies shall enter into a Local Marketing Agreement with its respective Broadcast Licensee Company (each an “LMA”), which LMAs shall become effective with respect to the Reorganized Broadcast Operating Companies and the Reorganized Licensee Companies as of the Effective Date and shall provide for the brokerage by the Reorganized Broadcast Operating Companies of all or substantially all of the programming and advertising time on the Broadcast Stations. The effectiveness of the Broadcast Trust Agreement shall be conditioned upon the execution and delivery of the LMAs, and the effectiveness of the LMAs shall be conditioned upon the execution and delivery of the Broadcast Trust Agreement. As consideration for the right to broker time on the Broadcast Stations, the Reorganized Broadcast Operating Companies shall reimburse the Reorganized Broadcast Licensee Companies for the costs and expenses incurred in connection with the operation of the Broadcast Stations, and shall pay the Reorganized Broadcast Licensee Companies an LMA fee to be agreed upon by the parties to the Broadcast Trust Agreement, which LMA fee may be distributed to the Broadcast Trustee in payment for its services as trustee.

(d) Following execution and delivery of the Broadcast Trust Agreement and the LMAs, Freedom Holdings, each of the Broadcast Licensee Companies, and the Broadcast Trustee shall file the appropriate applications with the FCC to request the FCC’s consent to the transfer of control of the Broadcast Licensee Companies from the Broadcast Operating Companies to the Broadcast Trustee using “short form” procedures. The grant of such applications by the FCC without conditions that would prevent implementation of the structure contemplated herein shall be a condition to such implementation.

(e) Assuming such grant by the FCC, on and as of the Effective Date, all of the Subsidiary Interests of the Reorganized Broadcast Licensee Companies shall be issued to the Broadcast Trustee, and the Reorganized Broadcast Operating Companies shall commence to broker all or substantially all of the programming time on each of the Broadcast Stations pursuant to the LMAs.

(f) Following the Effective Date, the parties shall seek “long-form” FCC consent to transfer control of the Reorganized Broadcast Licensee Companies from the Broadcast Trustee back to the Reorganized Broadcast Operating Companies.

## ARTICLE VI

### TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

#### 6.1 Assumption of Contracts and Leases; Continuing Obligations

(a) On the Effective Date, in addition to all executory contracts and unexpired leases that have been previously assumed by the Debtors by order of the Bankruptcy Court, all executory contracts and unexpired leases of the Debtors listed on the Contract/Lease Schedules are hereby deemed assumed in accordance with the provisions and requirements of Sections 365 and 1123 of the Bankruptcy Code. On or before the day that is ten (10) days before the Voting

Deadline, the Debtors (after consultation with the Steering Committee Members) shall file the Contract/Lease Schedules; *provided, however*, that the Debtors reserve the right to amend the Contract/Lease Schedules at any time prior to the Effective Date. The Debtors shall provide notice of any amendments to the Contract/Lease Schedules to the parties to the executory contracts and unexpired leases affected thereby and to the Creditors Committee.

(b) To the extent applicable, all executory contracts or unexpired leases of Reorganized Debtors assumed pursuant to the Plan shall be deemed modified such that the transactions contemplated by the Plan shall not be a “change of control,” however such term may be defined in the relevant executory contract or unexpired lease, and any required consent under any such contract or lease shall be deemed satisfied by the Confirmation of the Plan.

(c) Each executory contract and unexpired lease assumed pursuant to Article VI of the Plan (or pursuant to other Bankruptcy Court order) shall remain in full force and effect and be fully enforceable by the applicable Reorganized Debtor(s) in accordance with its terms, except as modified by the provisions of the Plan, or any order of the Bankruptcy Court authorizing and providing for its assumption or applicable law.

(d) In the event that any license granted to the Debtors by a governmental unit, and in effect immediately prior to the Effective Date, is considered to be an executory contract and is not otherwise terminated or rejected by the Debtors, such license shall be deemed to be assumed pursuant to Section 365 of the Bankruptcy Code under the Plan; *provided, however*, that the assumption of the licenses issued by the FCC shall be subject to compliance with the rules and regulations of the FCC.

(e) Continuing obligations of third parties to the Debtors under insurance policies, contracts, or leases that have otherwise ceased to be executory or have otherwise expired on or prior to the Effective Date, including, without limitation, continuing obligations to pay insured claims, to defend against and process claims, to refund premiums or overpayments, to provide indemnification, contribution or reimbursement, to grant rights of first refusal, to maintain confidentiality, or to honor releases, shall continue and shall be binding on such third parties notwithstanding any provision to the contrary in the Plan, unless otherwise specifically terminated by the Debtors or by order of Bankruptcy Court. The deemed rejection provided by Section 6.3 of the Plan shall not apply to any such continuing obligations.

(f) To the extent any insurance policy under which the insurer has a continuing obligation to pay the Debtors or a third party on behalf of the Debtors is held by the Bankruptcy Court to be an executory contract and is not otherwise assumed upon motion by a Final Order, such insurance policy shall be treated as though it is an executory contract that is assumed pursuant to Section 365 of the Bankruptcy Code under the Plan. Any and all Claims (including Cure) arising under or related to any insurance policies or related insurance agreements that are assumed by the Debtors prior to or as of the Effective Date: (i) shall not be discharged; (ii) shall be Allowed Administrative Claims; and (iii) shall be paid in full in the ordinary course of business of the Reorganized Debtors as set forth in Section 3.1(a) of the Plan.

## **6.2 Cure Rights for Executory Contracts or Unexpired Leases Assumed under Plan**

Any monetary Cure amounts by which each executory contract and unexpired lease to be assumed pursuant to the Plan is in default shall be satisfied, pursuant to Section 365(b)(1) of the Bankruptcy Code, by payment of the Cure amount in Cash on the later of (a) the Effective Date

(or as soon as practicable thereafter), (b) as due in the ordinary course of business or (c) on such other terms as the parties to such executory contracts or unexpired leases may otherwise agree. In the event of a dispute regarding: (i) the amount of any Cure payments, (ii) the ability of the Reorganized Debtors or any assignee to provide “adequate assurance of future performance” (within the meaning of Section 365 of the Bankruptcy Code) under the contract or lease to be assumed or assigned, or (iii) any other matter pertaining to assumption, the Cure payments required by Section 365(b)(1) of the Bankruptcy Code shall be made following the entry of a Final Order resolving the dispute and approving the assumption. The Debtors shall list Cure amounts for executory contracts and unexpired leases on the Contract/Lease Schedules. **The failure of any non-Debtor party to an executory contract or unexpired lease to file and serve an objection to the Cure amount listed on the Contract/Lease Schedules for such party’s contract or lease by the deadline set forth on the Contract/Lease Schedules shall be deemed consent to such Cure amount; provided, however,** that prior to entry of a Final Order approving the assumption of an executory contract or unexpired lease, the Debtors shall be authorized to reject any executory contract or unexpired lease to the extent the Debtors, in the exercise of their sound business judgment, conclude that the amount of the Cure obligation as determined by the Bankruptcy Court renders assumption of such executory contract or unexpired lease unfavorable to the Debtors’ estates.

### **6.3 Rejection of Contracts and Leases**

Except as otherwise provided in the Plan, or in any contract, instrument, release, indenture, or other agreement or document entered into in connection with the Plan, as of the Effective Date, each Debtor shall be deemed to have rejected each prepetition executory contract and unexpired lease to which it is a party unless such contract or lease (i) is listed on the Contract/Lease Schedules as of the Confirmation Date, (ii) was previously assumed or rejected upon motion by a Final Order, (iii) previously expired or terminated pursuant to its own terms, or (iv) is the subject of any pending motion, including to assume, to assume on modified terms, to reject or to make any other disposition filed by a Debtor on or before the Confirmation Date. The Confirmation Order shall constitute an order of the Bankruptcy Court under Section 365(a) of the Bankruptcy Code approving the rejection of the prepetition executory contracts and unexpired leases described above, as of the Effective Date.

### **6.4 Rejection Damage Claim Bar Date for Rejections Pursuant to Plan**

If the rejection of an executory contract or unexpired lease pursuant to the Plan results in a Claim, then such Claim shall be forever barred and shall not be enforceable against any Debtor or Reorganized Debtor or the properties of any of them unless a Proof of Claim is filed with the claims agent and served upon counsel to the Reorganized Debtors within thirty (30) days after entry of the Confirmation Order. The foregoing applies only to Claims arising from the rejection of an executory contract or unexpired lease; any other Claims held by a party to a rejected contract or lease shall have been evidenced by a Proof of Claim filed by earlier applicable bar dates, or shall be otherwise Allowed, and if not shall be barred and unenforceable unless otherwise ordered by the Bankruptcy Court.

### **6.5 Employee Compensation and Benefit Programs**

(a) Except to the extent (i) otherwise provided for in the Plan (including, without limitation, otherwise provided in subparagraphs (d) and (f) below), (ii) previously assumed or rejected by an order of the Bankruptcy Court entered on or before the Confirmation Date, (iii)



(b) Subject to the rights of the Debtors and the Reorganized Debtors to terminate or amend as provided for in Section 6.5(a) of the Plan, the Debtors shall continue after the Effective Date the Retirement Plan of Freedom Communications, Inc. (the "Retirement Plan"), the qualified defined benefit pension plan covered by Title IV of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), 29 U.S.C. §§ 1301-1461, maintained by the Debtors. As part of the continuation of the Retirement Plan, subject to any such termination or amendment, the Reorganized Debtors shall meet the minimum funding standards under ERISA and the Internal Revenue Code, pay all insurance premiums owed to the Pension Benefit Guaranty Corporation (the "PBGC"), and administer and operate the Retirement Plan in accordance with its terms and ERISA. Nothing in this Plan is intended to release or discharge any statutory liability or obligation of the Debtors or the Reorganized Debtors with respect to the PBGC or the Retirement Plan. Neither the PBGC nor the Retirement Plan shall be enjoined or precluded from enforcing such liability as a result of the Plan.

(c) In accordance with the authority provided by the First Day Employee Order, the Debtors shall, in the ordinary course of business, pay all valid prepetition claims, assessments and premiums arising under their workers' compensation program.

(d) Benefit accruals under the Freedom Communications, Inc. Non-Qualified Defined Contribution Plan, a non-qualified defined contribution retirement plan maintained by the Debtors (the "Nonqualified DC Plan"), have been suspended, and no further benefits shall be payable under the Nonqualified DC Plan, the Freedom Communications, Inc. Excess Benefit Plan, a non-qualified defined benefit retirement plan maintained by the Debtors (the "Excess Benefit Plan"), or any other nonqualified retirement plan or agreement, or related trust or individual agreements maintained by the Debtors, from and after the Petition Date. To the extent any rights or obligations exist under the Nonqualified DC Plan, the Excess Benefit Plan, or any other non-qualified retirement plans or agreements maintained by the Debtors, or related trust or individual agreements, such rights or obligations shall be extinguished and terminated in full as of the Effective Date. To the extent such plans or agreements, or related trust or individual agreements (and any separate agreements that may incorporate such plans and agreements) are considered to be executory contracts, such plans or agreements, and related trust and individual agreements (and any separate agreements that may incorporate such plans and agreements) shall

be deemed to be rejected pursuant to Section 365 of the Bankruptcy Code under the Plan. The Claims of all vested participants in the non-qualified retirement plans and agreements shall be calculated as of the Petition Date without postpetition interest or other accruals, and without regard to service completed after the Petition Date, and shall be treated under the Plan as General Unsecured Claims in Class A4.

(e) The Debtors' prepetition collective bargaining agreements shall be deemed to be, and shall be treated as though they are, executory contracts that are assumed pursuant to Section 365 of the Bankruptcy Code under the Plan.

(f) As of the Effective Date, any and all stock based incentive plans or stock ownership plans of the Debtors entered into before the Effective Date (including, without limitation, the Freedom Holdings 2004 Long-Term Incentive Plan (as amended and restated) and the Freedom Holdings 2008 Restricted Stock Unit Award Plan), or other agreements or documents giving rise to Old Freedom Stock Rights, shall be terminated. To the extent such plans, agreements, or documents are considered to be executory contracts, such plans, agreements, or documents shall be deemed to be, and shall be treated as though they are, executory contracts that are rejected pursuant to Section 365 of the Bankruptcy Code under the Plan.

#### **6.6 Indemnification Obligations**

Unless assumed by Final Order upon motion of the Debtors or pursuant to the Confirmation Order as part of the Contract/Lease Schedules, in either case with the agreement of the Steering Committee Members, all Indemnification Obligations owed to any person who was a director, officer, or employee of the Debtor shall be deemed to be, and shall be treated as though they are, executory contracts that are rejected pursuant to Section 365 of the Bankruptcy Code under the Plan pursuant to the Confirmation Order (unless earlier rejected by Final Order).

#### **6.7 Insurance Rights**

Notwithstanding anything to the contrary in the Plan or the Plan Supplement, nothing in the Plan or the Plan Supplement (including any other provision that purports to be preemptory or supervening) shall in any way operate to, or have the effect of, impairing the legal, equitable or contractual rights of the Debtors' insurers, if any, in any respect. The rights of the Debtors' insurers shall be determined under their respective insurance policies and any related agreements with the Debtors, as applicable, subject, however, to the rights of the Debtors to assume or reject any such policy or agreement and the consequences of such assumption or rejection under Section 365 of the Bankruptcy Code.

#### **6.8 Limited Extension of Time to Assume or Reject**

(a) Notwithstanding anything set forth in Article VI of the Plan, and except with respect to a real property lease subject to Section 365(d)(4) of the Bankruptcy Code (unless otherwise agreed by the lessor), in the event of a dispute as to whether a contract is executory or a lease is unexpired, Debtors' right to move to assume or reject such contract or lease shall be extended until the date that is thirty (30) days after entry of a Final Order by the Bankruptcy Court determining that the contract is executory or the lease is unexpired. The deemed rejection provided for in Section 6.3 of the Plan shall not apply to any such contract or lease, and any such contract or lease shall be assumed or rejected only upon motion of the Debtors following the Bankruptcy Court's determination that the contract is executory or the lease is unexpired.

(b) Except with respect to a real property lease subject to Section 365(d)(4) of the Bankruptcy Code (unless otherwise agreed by the lessor), in the event the Debtors or the Reorganized Debtors become aware after the Confirmation Date of the existence of an executory contract or unexpired lease that was not included in the Contract/Lease Schedules, the right of the Reorganized Debtors to move to assume or reject such contract or lease shall be extended until the date that is thirty (30) days after the date on which the Debtors or the Reorganized Debtors become aware of the existence of such contract or lease. The deemed rejection provided for in Section 6.3 of the Plan shall not apply to any such contract or lease unless a motion to assume or reject is not filed within such (30) day period.

#### **6.9 Postpetition Contracts and Leases**

The Debtors shall not be required to assume or reject any contract or lease entered into by the Debtors after the Petition Date. Any such contract or lease shall continue in effect in accordance with its terms after the Effective Date, unless the Debtor has obtained a Final Order of the Bankruptcy Court approving rejection of such contract and lease.

#### **6.10 Claims Arising from Assumption or Rejection**

All Allowed Claims arising from the assumption of any executory contract or unexpired lease shall be treated as Administrative Claims pursuant to Section 3.1(a) of the Plan; all Allowed Claims arising from the rejection of an executory contract or unexpired lease shall be treated as General Unsecured Claims pursuant to Section 3.2(d) or Section 3.3(c) of the Plan, depending on the Debtor against which each such Claim is held; and all other Allowed Claims relating to an executory contract or unexpired lease shall have such status as they may be entitled to under the Bankruptcy Code as determined by Final Order of the Bankruptcy Court.

### **ARTICLE VII**

#### **PROVISIONS GOVERNING DISTRIBUTIONS**

##### **7.1 Distributions for Claims Allowed as of Effective Date**

Except as otherwise provided herein or as ordered by the Bankruptcy Court, all distributions to holders of Allowed Claims as of the applicable Distribution Date shall be made on or as soon as practicable after the applicable Distribution Date. Distributions on account of Claims that first become Allowed Claims after the applicable Distribution Date shall be made pursuant to Section 8.3 of the Plan. The Debtors shall have the right, in their discretion, to accelerate any Distribution Date occurring after the Effective Date if the facts and circumstances so warrant.

##### **7.2 Interest on Claims and Interest**

Unless otherwise specifically provided for in the Plan or the Confirmation Order, or required by applicable bankruptcy law, postpetition interest shall not accrue or be paid on Claims or Interests, and no holder of a Claim or Interest shall be entitled to interest accruing on or after the Petition Date on any Claim or Interest. Interest shall not accrue or be paid upon any Disputed Claim or Disputed Interest in respect of the period from the Petition Date to the date a final distribution is made thereon if and after such Disputed Claim or Disputed Interest becomes an Allowed Claim or Disputed Interest.

### **7.3 Designation of and Distributions by Disbursing Agent**

(a) The Debtors shall, in their sole discretion, designate the Person to serve as the Disbursing Agent under the Plan, and shall file a written notice of such designation at least ten (10) days before the Confirmation Hearing.

(b) Unless otherwise provided herein, the Disbursing Agent shall make all distributions required to be made on the respective Distribution Date under the Plan, except that payments made to holders of Trade Unsecured Claims under the terms of each such holder's Post-Emergence Trade Agreement shall be made by the Reorganized Debtors from the Trade Unsecured Claim Escrow.

(c) If the Disbursing Agent is an independent third party designated by the Debtors to serve in such capacity, such Disbursing Agent shall receive from the Debtors or the Reorganized Debtors, without further Bankruptcy Court approval, reasonable compensation for distribution services rendered pursuant to the Plan and reimbursement of reasonable out-of-pocket expenses incurred in connection with such services, on any agreed terms. No Disbursing Agent shall be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court.

### **7.4 Means of Cash Payment**

Cash payments made pursuant to the Plan shall be in U.S. funds, by check or wire transfer or by such other commercially reasonable means as may be agreed to by the payor and the payee.

### **7.5 Calculation of Distribution Amounts of New Securities**

No fractional shares of New Common Stock or New Warrants shall be issued or distributed under the Plan. Each Person entitled to receive New Common Stock or New Warrants shall receive the total number of whole shares of New Common Stock and/or New Warrants to which such Person is entitled. Whenever any distribution to a particular Person would otherwise call for distribution of a fraction of shares of New Common Stock or New Warrants, the actual distribution of shares of such stock or warrants shall be rounded to the next higher or lower whole number as follows: (a) fractions one-half ( $\frac{1}{2}$ ) or greater shall be rounded to the next higher whole number and (b) fractions of less than one-half ( $\frac{1}{2}$ ) shall be rounded to the next lower whole number. Notwithstanding the foregoing, whenever rounding to the next lower whole number would result in such Person receiving no New Common Stock or no New Warrants, such Person shall receive one (1) share of New Common Stock or one (1) New Warrant, as the case may be. If two or more Persons are entitled to equal fractional entitlements and the aggregate amount of New Common Stock or New Warrants that would otherwise be issued to such Persons with respect to such fractional entitlements as a result of such rounding exceeds the number of whole shares which remain to be allocated, the Disbursing Agent shall allocate the remaining whole shares to such holders by random lot or such other impartial method as the Disbursing Agent deems fair. Upon the allocation of all of the whole shares authorized under the Plan, all remaining fractional portions of the entitlements shall be cancelled and shall be of no further force and effect. The Disbursing Agent shall have the right to carry forward to subsequent distributions any applicable credits or debits arising from the rounding described in this paragraph.

## **7.6 Delivery of Distributions**

(a) Distributions to holders of Allowed Claims shall be made by the Disbursing Agent (a) at the addresses set forth on the Proofs of Claim filed by such holders (or at the last known addresses of such holders if no Proof of Claim is filed or if the Debtors have been notified of a change of address), (b) at the addresses set forth in any written notices of address changes delivered to the Debtors, the claims agent, or the Disbursing Agent after the date of any related Proof of Claim, (c) at the addresses reflected in the Schedules if no Proof of Claim has been filed and a written notice of a change of address has not been received by the Debtors, the claims agent, or the Disbursing Agent, or (d) in the case of an Existing Lender Claims, at the addresses provided by the Existing Lenders. To the extent that addresses are required to effect distributions to Existing Lenders, no distributions shall be made to any Existing Lender who fails to provide the Existing Lender Agent and the Debtors with written instructions as to the address at which such Existing Lender desires to receive distributions under the Plan, until such written instructions are provided.

(b) If any holder's distribution is returned as undeliverable, no further distributions to such holder shall be made unless and until the Disbursing Agent is notified by the Debtors, the claims agent, or such holder of such holder's then current address, at which time all missed distributions shall be made to such holder without interest. If any distribution is made by check and such check is not returned but remains uncashed for six (6) months after the date of such check, the Disbursing Agent may cancel and void such check, and the distribution with respect thereto shall be deemed undeliverable. If any holder is requested to provide a taxpayer identification number or to otherwise satisfy any tax withholding requirements with respect to a distribution and such holder fails to do within six (6) months of the date of such request, such holder's distribution shall be deemed undeliverable.

(c) Unless otherwise agreed between the Reorganized Debtors and the Disbursing Agent, amounts in respect of returned or otherwise undeliverable or unclaimed distributions made by the Disbursing Agent shall be returned to the Reorganized Debtors until such distributions are claimed. All claims for returned or otherwise undeliverable or unclaimed distributions must be made (a) on or before the first (1st) anniversary of the Effective Date or (b) with respect to any distribution made later than such date, on or before six (6) months after the date of such later distribution; after which date all undeliverable property (other than the undeliverable distributions of the Unsecured Compensation, which shall be handled as provided in Section 8.3 of the Plan), shall revert to the Reorganized Debtors free of any restrictions thereon and the claims of any holder or successor to such holder with respect to such property shall be discharged and forever barred, notwithstanding any federal or state escheat laws to the contrary. In the event of a timely claim for any returned or otherwise undeliverable or unclaimed distribution, the Reorganized Debtors shall deliver the applicable distribution amount or property to the Disbursing Agent for distribution pursuant to the Plan. Nothing contained in the Plan shall require any Debtor, any Reorganized Debtor, or any Disbursing Agent to attempt to locate any holder of an Allowed Claim.

## **7.7 Application of Distribution Record Date**

### **(a) Existing Lender Claims**

At the close of business on the Distribution Record Date, the register maintained by the Existing Lender Agent shall be closed and there shall be no further changes in the listed

holders of the Existing Lender Claims for purposes of distributions under the Plan. The Reorganized Debtors, the Disbursing Agent, the Existing Lender Agent, and each of their respective agents, successors, and assigns shall have no obligation to recognize any transfer of Existing Lender Claims occurring after the Distribution Record Date and shall be entitled instead to recognize and deal for all purposes hereunder with only those record holders stated on the register as of the close of business on the Distribution Record Date.

(b) **Other Claims**

At the close of business on the Distribution Record Date, the claims register maintained by the claims agent shall be closed and there shall be no further changes in the listed holders of the Claims. The Reorganized Debtors, the Disbursing Agent, the claims agent, and each of their respective agents, successors, and assigns shall have no obligation to recognize any transfer of Claims occurring after the Distribution Record Date and shall be entitled instead to recognize and deal for all purposes hereunder with only those record holders stated on the claims register as of the close of business on the Distribution Record Date irrespective of the number of distributions to be made under the Plan to such Persons or the date of such distributions.

(c) **Old Freedom Stock Interests**

At the close of business on the Distribution Record Date, the stock register maintained by the Debtors shall be closed and there shall be no further changes in the listed holders of the Old Freedom Stock Interests. The Reorganized Debtors, the Disbursing Agent, and each of their respective agents, successors, and assigns shall have no obligation to recognize any transfer of Old Freedom Stock Interests occurring after the Distribution Record Date and shall be entitled instead to recognize and deal for all purposes hereunder with only those record holders stated on the claims register as of the close of business on the Distribution Record Date.

## **7.8 Withholding and Reporting Requirements**

In connection with the Plan and all distributions hereunder, the Disbursing Agent shall, to the extent applicable, comply with all tax withholding, payment, and reporting requirements imposed by any federal, state, provincial, local, or foreign taxing authority, and all distributions hereunder shall be subject to any such withholding, payment, and reporting requirements. The Disbursing Agent shall be authorized to take any and all actions that may be necessary or appropriate to comply with such withholding, payment, and reporting requirements. Notwithstanding any other provision of the Plan, (a) each holder of an Allowed Claim that is to receive a distribution pursuant to the Plan shall have sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any governmental unit, including income, withholding, and other tax obligations, on account of such distribution, and (b) no distribution shall be made to or on behalf of such holder pursuant to the Plan unless and until such holder has made arrangements satisfactory to the Disbursing Agent for the payment and satisfaction of such withholding tax obligations in connection with such distribution. Any cash or other property to be distributed pursuant to the Plan shall, pending the implementation of such arrangements, be treated as an undeliverable distribution pursuant to Section 7.6 of the Plan.

## **7.9 Setoffs**

The Reorganized Debtors may, but shall not be required to, set off against any Claim, and the payments or other distributions to be made pursuant to the Plan in respect of such Claim, claims of any nature whatsoever that the Debtors or the Reorganized Debtors may have against the holder of such Claim; *provided, however*, that neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Reorganized Debtors of any such claim that the Debtors or the Reorganized Debtors may have against such holder; *provided further, however*, that all of the Debtors' rights to setoff are waived as to any Existing Lender.

## **7.10 Prepayment**

Except as otherwise provided in the Plan, any ancillary documents entered into in connection herewith, or the Confirmation Order, the Debtors shall have the right to prepay, without penalty, all or any portion of an Allowed Claim at any time; *provided, however*, that any such prepayment shall not be violative of, or otherwise prejudice, the relative priorities and parities among the Classes of Claims.

## **7.11 De Minimis Distributions**

Neither the Reorganized Debtors nor the Disbursing Agent shall have any obligation to make a Cash distribution with respect to any Claim (other than a Claim held by an Existing Lender) if the amount of the distribution is less than \$20.00. The Claim of any holder (other than an Existing Lender) whose distribution is in an amount less than \$20.00 shall be discharged, and such holder shall be forever barred from asserting such Claim against the Reorganized Debtors or their respective property; *provided, however*, that if the Claim is a General Unsecured Claim, (a) it shall be included, regardless of amount, in all allocations made to determine distribution entitlements and (b) it shall not be discharged until all subsequent distributions under Sections 1.30 and 8.3 of the Plan have been made, although any such subsequent distribution shall be subject to the first sentence of this Section 7.11. Any Cash not distributed as a result of this provision shall be the property of the Reorganized Debtors, free of any restrictions, and any such Cash held by the Disbursing Agent shall be returned to the Reorganized Debtors following the Distribution Date that would have applied to any such distribution.

## **7.12 No Distribution in Excess of Allowed Amount of Claim**

Notwithstanding anything to the contrary herein, no holder of an Allowed Claim shall receive in respect of such Claim any distribution of a value as of the Effective Date in excess of the Allowed amount of such Claim (excluding payments on account of interest due and payable from and after the Effective Date pursuant to the Plan).

## **7.13 Allocation of Distributions**

All distributions received under the Plan by holders of Claims shall be deemed to be allocated first to the principal amount of such Claim as determined for United States federal income tax purposes and then to accrued interest, if any, with respect to such Claim.

## ARTICLE VIII

### PROCEDURES FOR RESOLVING DISPUTED, CONTINGENT, AND UNLIQUIDATED CLAIMS AND DISTRIBUTIONS WITH RESPECT THERETO

#### 8.1 Prosecution of Objections to Claims

##### (a) Objections to Claims

All objections to Claims must be filed and served on the holders of such Claims by the Claims Objection Deadline. If an objection has not been filed to a Proof of Claim or Request for Payment by the Claims Objection Deadline, the Claim to which the Proof of Claim or scheduled Claim, or Request for Payment, relates shall be treated as an Allowed Claim if such Claim has not been allowed earlier. The Debtors may, at any time, request that the Bankruptcy Court estimate any contingent or unliquidated Claim pursuant to Section 502(c) of the Bankruptcy Code, regardless of whether such Debtor has previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including during the pendency of any appeal relating to any such objection. In the event the Bankruptcy Court so estimates any contingent or unliquidated Claim, that estimated amount shall constitute either the Allowed amount of such Claim or a maximum limitation on such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on such Claim, the Debtors may elect to pursue any supplemental proceedings to object to any ultimate payment on such Claim. All of the aforementioned Claims objection, estimation, and resolution procedures are cumulative and are not necessarily exclusive of one another. Claims may be estimated and thereafter resolved by any permitted mechanisms.

##### (b) Authority to Prosecute Objections

After the Effective Date, only the Reorganized Debtors shall have the authority to file objections to Claims and to settle, compromise, withdraw, or litigate to judgment objections to Claims. The Reorganized Debtors may settle or compromise any Disputed Claim without approval of the Bankruptcy Court. Nothing herein shall limit the contractual rights and obligations of any party to an assumed agreement, including any insurer under an assumed insurance policy, with respect to any Claim.

#### 8.2 Treatment of Disputed Claims Pending Allowance

Notwithstanding any other provisions of the Plan, no payments or distributions shall be made on account of a Disputed Claim or, if less than the entire Claim is a Disputed Claim, the portion of a Claim that is Disputed, until such Claim becomes an Allowed Claim; *provided, however*, that the Debtors may elect to withhold distributions on the portion of a Claim that is not Disputed until the portion of the Claim that is Disputed is resolved by Final Order.

#### 8.3 Allocations for Disputed General Unsecured Claims in Accepting Sub-Classes

With respect to accepting sub-Classes within Class A4 of the Plan, as soon as practicable prior to the initial Distribution Date applicable to General Unsecured Claims in Class A4, the Disbursing Agent shall make an initial Pro Rata allocation of the portion of the Unsecured Compensation attributable to such accepting sub-Classes among all holders of (a) Allowed



General Unsecured Claims based upon their Allowed Claim amounts and (b) Disputed General Unsecured Claims based upon their Proof of Claims amounts or such other allocation amounts as may be agreed by such holders or ordered by the Bankruptcy Court. The amount of the Unsecured Compensation allocated to the holder of a Disputed General Unsecured Claim shall be available for distribution to such holder, but only in an amount reflecting the Pro Rata share attributable to the actual amount of such holder's Allowed Claim, on the Distribution Date following entry of a Final Order resolving such Claim. As such time as all Disputed General Unsecured Claims have been resolved by Final Order, if any portion of the Unsecured Compensation attributable to accepting sub-Classes remains, then such remaining portion shall be either (a) if large enough to provide a final distribution of at least \$20.00 to each holder of an Allowed General Unsecured Claim in such accepting sub-Classes, distributed Pro Rata among all holders of Allowed General Unsecured Claims in such accepting sub-Classes (b) if not, returned to the Debtors.

#### **8.4 Distributions on Account of Disputed Claims Once Allowed**

The Disbursing Agent shall, on the applicable Distribution Dates, make distributions on account of any Disputed Claim that has become an Allowed Claim. Such distributions shall be made pursuant to the provisions of the Plan governing the applicable Class. Such distributions shall be based upon the cumulative distributions that would have been made to the holder of such Claim under the Plan if the Disputed Claim had been an Allowed Claim on the Effective Date in the amount ultimately Allowed.

### **ARTICLE IX**

#### **CONDITIONS TO CONFIRMATION AND CONSUMMATION OF THE PLAN**

##### **9.1 Conditions to Confirmation**

The following are conditions precedent to Confirmation, each of which must be satisfied or waived in accordance with Section 9.3 of the Plan:

(a) the Disclosure Statement shall have been in form and substance satisfactory to the Debtors and the Steering Committee Members and an order finding that the Disclosure Statement contains adequate information pursuant to Section 1125 of the Bankruptcy Code shall have been entered by the Bankruptcy Court;

(b) the Debtors shall have obtained a written commitment for the Exit Facility on terms and conditions that (i) are reasonably acceptable to the Steering Committee Members and the Debtors; and (ii) support the Debtors' demonstration that (x) the Plan is feasible; and (y) the Reorganized Debtors will have the ability to satisfy their obligations to pay current interest and principal under the Term A Facility and the Term B Facility; and

(c) the proposed Confirmation Order shall be in form and substance reasonably satisfactory to the Debtors and the Steering Committee Members, and shall, among other things:

(i) provide that the Debtors and the Reorganized Debtors are authorized and directed to take all actions necessary or appropriate to enter into, implement, and consummate the contracts, instruments, releases, leases, indentures, and other agreements or documents created in connection with the Plan;

- (ii) approve the Exit Facility; and
- (iii) authorize the issuance of the New Securities.

## 9.2 Conditions to Effective Date

The following conditions precedent must be satisfied or waived on or prior to the Effective Date in accordance with Section 9.3 of the Plan:

- (a) the Confirmation Order shall have been entered;
- (b) the Confirmation Order shall not then be stayed, vacated, or reversed, or shall not have been amended without the agreement of the Steering Committee Members and the Debtors;
- (c) the Confirmation Order shall not then be subject to a pending appeal, and the time to appeal or seek review or rehearing or leave to appeal has expired and as to which no appeal or petition for review or rehearing was filed or, if filed, remains pending;
- (d) the New Freedom Charter, the New Freedom By-Laws, the Exit Facility, the New Equity Incentive Plan, the Term A Facility, the Term B Facility, the Intercreditor Agreement, the New Stockholders Agreement, the Registration Rights Agreement, and the New Warrant Agreement shall be in form and substance reasonably acceptable to the Debtors and the Steering Committee Members, and, to the extent any of such documents contemplates execution by one or more persons, any such document shall have been executed and delivered by the respective parties thereto, and all conditions precedent to the effectiveness of each such document shall have been satisfied or waived in accordance with their respective terms;
- (e) there shall not have been any material adverse change (as measured against the information provided to the Existing Lender Agent and/or its advisors prior to the Petition Date) in the status of any claims against the Debtors on account of (i) pension funding liability, (ii) tax liability, and (iii) environmental liability; provided that, with respect to (i) and (ii), there shall not be a material adverse change if the Steering Committee Members and the Debtors are able to negotiate a mutually satisfactory response to such change, subject to any requirements of the Bankruptcy Code, within 15 business days of its discovery;
- (f) the Debtors shall have Cash on hand as of the Effective Date of at least \$15 million;
- (g) the Exit Facility (i) shall be on terms and conditions reasonably acceptable to the Steering Committee Members and the Debtors; (ii) shall be in full force and effect upon closing, and (iii) shall provide for the extension of credit thereunder to be available upon closing;
- (h) all conditions precedent to the closing of the Exit Facility, the Term A Facility, and the Term B Facility as set on Exhibit A hereto shall have been satisfied or waived, as applicable;
- (i) all material governmental, regulatory, and third party approvals, waivers, or consents in connection with the Plan (including any required approvals or waivers by the FCC), if any, shall have been obtained and shall remain in full force and effect, and there shall exist no third party claim, action, suit, investigation, litigation, request for reconsideration, or

proceeding pending in any court or before any arbitrator or governmental instrumentality, which would if successfully pursued prohibit the transactions contemplated by the Plan; and

(j) all material actions, documents, and agreements necessary to implement the Plan shall have been effected or executed.

### **9.3 Waiver of Conditions**

With the exception of the conditions contained in Section 9.1(a), 9.2(a), and 9.2(b), each of the conditions set forth in Section 9.1 and Section 9.2 may be waived in whole or in part by the Debtors without any notice to parties in interest or the Bankruptcy Court and without a hearing, *provided, however*, that any such waiver shall not be effective without the consent of the Steering Committee Members.

## **ARTICLE X**

### **RETENTION OF JURISDICTION**

#### **10.1 Scope of Retention of Jurisdiction**

Under Sections 105(a) and 1142 of the Bankruptcy Code, and notwithstanding entry of the Confirmation Order and occurrence of the Effective Date, and except as otherwise ordered by the Bankruptcy Court, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, and related to, the Chapter 11 Cases and the Plan to the fullest extent permitted by law, including, among other things, jurisdiction to:

(a) allow, disallow, determine, liquidate, classify, estimate, or establish the priority or secured or unsecured status of any Claim or Interest not otherwise Allowed under the Plan (other than personal injury or wrongful death Claims, unless agreed by the holder), including the resolution of any Request for Payment of any Administrative Claim and the resolution of any objections to the allowance or priority of Claims or Interests;

(b) hear and determine all applications for compensation and reimbursement of expenses of Professionals under the Plan or under Sections 327, 328, 330, 331, 503(b), 1103, and 1129(a)(4) of the Bankruptcy Code; *provided, however*, that from and after the Effective Date, the payment of the fees and expenses of the retained Professionals of the Reorganized Debtors shall be made in the ordinary course of business and shall not be subject to the approval of the Bankruptcy Court;

(c) hear and determine all matters with respect to the assumption or rejection of any executory contract or unexpired lease to which a Debtor is a party or with respect to which a Debtor may be liable, including, if necessary, the nature or amount of any required Cure or the liquidation or allowance of any Claims arising therefrom;

(d) effectuate performance of and payments under the provisions of the Plan;

(e) hear and determine any and all adversary proceedings, motions, applications, and contested or litigated matters arising out of, under, or related to, the Chapter 11 Cases or the Litigation Rights;

(f) enter such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, and other agreements or documents created in connection with the Plan, the Disclosure Statement, or the Confirmation Order;

(g) hear and determine any matters arising in connection with or relating to the Plan, the Disclosure Statement, the Confirmation Order, or any contract, instrument, release, or other agreement or document created in connection with the Plan, the Disclosure Statement, or the Confirmation Order;

(h) hear and determine disputes arising in connection with the interpretation, implementation, consummation, or enforcement of the Plan, including disputes arising under agreements, documents, or instruments executed in connection with the Plan, *provided, however*, that any dispute arising under or in connection with the Exit Facility, Term A Facility, the Term B Facility, and the New Securities shall be determined in accordance with the governing law designated by the applicable document;

(i) consider any modifications of the Plan, cure any defect or omission, or reconcile any inconsistency in any order of the Bankruptcy Court, including, without limitation, the Confirmation Order;

(j) issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any entity with the implementation, consummation, or enforcement of the Plan or the Confirmation Order;

(k) enter and implement such orders as may be necessary or appropriate if the Confirmation Order is for any reason reversed, stayed, revoked, modified, or vacated;

(l) enforce all orders, judgments, injunctions, releases, exculpations, indemnifications, and rulings entered in connection with the Chapter 11 Cases;

(m) except as otherwise limited herein, recover all assets of the Debtors and property of the Estates, wherever located;

(n) hear and determine matters concerning state, local, and federal taxes in accordance with Sections 346, 505, and 1146 of the Bankruptcy Code;

(o) hear and determine all disputes involving the existence, nature, or scope of the Debtors' discharge;

(p) hear and determine such other matters as may be provided in the Confirmation Order or as may be authorized under, or not inconsistent with, provisions of the Bankruptcy Code; and

(q) enter one or more final decrees closing some or all of the Chapter 11 Cases.

## 10.2 Failure of the Bankruptcy Court to Exercise Jurisdiction

If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising in, arising under, or related to the Chapter 11 Cases, including the matters set forth in Section 10.1 of the Plan, the provisions of

this Article X shall have no effect upon and shall not control, prohibit, or limit the exercise of jurisdiction by any other court having jurisdiction with respect to such matter.

## ARTICLE XI

### MISCELLANEOUS PROVISIONS

#### 11.1 Professional Fee Claims; Expense Reimbursements

(a) All final applications seeking allowance and payment of Professional Fee Claims pursuant to Sections 327, 328, 330, 331, 503(b), or 1103 of the Bankruptcy Code and Substantial Contribution Claims under Section 503(b)(3), (4), or (5) of the Bankruptcy Code must be filed and served on the Reorganized Debtors, their counsel, and other necessary parties in interest no later than sixty (60) days after the Effective Date, unless otherwise ordered by the Bankruptcy Court. Objections to such applications must be filed and served on the Reorganized Debtors, their counsel, and the requesting Professional or other entity no later than twenty (20) days (or such longer period as may be allowed by order of the Bankruptcy Court) after the date on which the applicable application was served.

(b) Each Reorganized Debtor may, without application to or approval by the Bankruptcy Court, pay reasonable professional fees and expenses in connection with services rendered to it after the Effective Date.

#### 11.2 Administrative Claims Bar Date

All Requests for Payment of an Administrative Claim (other than as set forth in Sections 3.1(a) and 11.1 and this Section 11.2 of the Plan) must be filed with the Bankruptcy Court and served on counsel for the Debtors no later than forty-five (45) days after the Effective Date. Unless the Debtors object to an Administrative Claim by the applicable Claims Objection Deadline, such Administrative Claim shall be deemed Allowed in the amount requested. In the event that the Debtors object to an Administrative Claim, the Bankruptcy Court shall determine the Allowed amount of such Administrative Claim. Notwithstanding the foregoing, (a) no Request for Payment need be filed with respect to an undisputed postpetition obligation which was paid or is payable by any of the Debtor in the ordinary course of business; *provided, however*, that in no event shall a postpetition obligation that is contingent or disputed and subject to liquidation through pending or prospective litigation, including, but not limited to, alleged obligations arising from personal injury, property damage, products liability, consumer complaints, employment law (excluding claims arising under workers' compensation law), secondary payor liability, or any other disputed legal or equitable claim based on tort, statute, contract, equity, or common law, be considered to be an obligation which is payable in the ordinary course of business; (b) no Request for Payment need be filed with respect to Cure owing under an executory contract or unexpired lease if (i) the amount of Cure is fixed or proposed to be fixed by the Confirmation Order or other order of the Bankruptcy Court either pursuant to the Plan or pursuant to a motion to assume and fix the amount of Cure filed by the Debtors and (ii) a timely objection asserting an increased amount of Cure has been filed by the non-Debtor party to the subject contract or lease; and (c) no Request for Payment need be filed with respect to fees payable pursuant to Section 1930 of Title 28 of the United States Code.

### **11.3 Payment of Statutory Fees**

All fees payable pursuant to Section 1930 of Title 28 of the United States Code, as determined by the Bankruptcy Court at the Confirmation Hearing, shall be paid on or before the Effective Date. All such fees that arise after the Effective Date shall be paid by the Reorganized Debtors. The obligation of the Reorganized Debtors to pay such fees as to any one of their cases shall continue only until such case is closed, dismissed, or converted.

### **11.4 Modifications and Amendments**

The Debtors may alter, amend, or modify the Plan under Section 1127(a) of the Bankruptcy Code at any time prior to the Confirmation Date, *provided, however*, that any such alteration, amendment or modification shall not be effective without the consent of the Steering Committee Members. After the Confirmation Date and prior to substantial consummation of the Plan, as defined in Section 1101(2) of the Bankruptcy Code, the Debtors may, with the agreement of the Steering Committee Members, under Section 1127(b) of the Bankruptcy Code, institute proceedings in the Bankruptcy Court to remedy any defect or omission or reconcile any inconsistencies in the Plan or the Confirmation Order, *provided, however*, that prior notice of such proceedings shall be served to the extent required by the Bankruptcy Rules or order of the Bankruptcy Court.

### **11.5 Severability of Plan Provisions**

If, prior to Confirmation, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court, at the request of any Debtor, with the agreement of the Steering Committee Members, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan shall remain in full force and effect and shall in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms. Each of the Debtors reserves the right to sever itself from the Plan, in which event the Plan shall continue as to all other non-severing Debtors.

### **11.6 Successors and Assigns and Binding Effect**

The rights, benefits, and obligations of any Person named or referred to in the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, personal representative, successor, or assign of such entity, including, but not limited to, the Reorganized Debtors and all other parties in interest in the Chapter 11 Cases.

### **11.7 Compromises and Settlements**

From and after the Effective Date, the Reorganized Debtors may compromise and settle various Claims against them and/or Litigation Rights and other claims that they may have against other Persons without any further approval by the Bankruptcy Court. Until the Effective Date, the Debtors expressly reserve the right to compromise and settle (subject to the approval of the

Bankruptcy Court) Claims against them and Litigation Rights or other claims that they may have against other Persons.

#### **11.8 Releases and Satisfaction of Subordination Rights**

All Claims against the Debtors and all rights and claims between or among the holders of Claims relating in any manner whatsoever to any alleged subordination rights shall be deemed satisfied by the distributions under, described in, contemplated by, and/or implemented in Sections 3.1, 3.2, 3.3, and 3.4 of the Plan. Distributions under, described in, contemplated by, and/or implemented by the Plan to the various Classes of Claims hereunder shall not be subject to levy, garnishment, attachment, or like legal process by any holder of a Claim by reason of any alleged subordination rights or otherwise, so that each holder of a Claim shall have and receive the benefit of the distributions in the manner set forth in the Plan.

#### **11.9 Releases and Related Matters**

##### **(a) Debtor Releases**

As of the Effective Date, for good and valuable consideration, the adequacy of which is hereby confirmed, the Debtors, the Reorganized Debtors, and any Person seeking to exercise the rights of the Estates, including any successor to the Debtors or any estate representative appointed or selected pursuant to Section 1123(b)(3) of the Bankruptcy Code, whether pursuing a derivative cause of action or otherwise, shall be deemed to forever release, waive, and discharge all claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action (including claims or causes of action arising under Chapter 5 of the Bankruptcy Code), and liabilities whatsoever in connection with or related to the Debtors, the Chapter 11 Cases, or the Plan (other than the rights of the Debtors and the Reorganized Debtors to enforce the Plan and the contracts, instruments, releases, indentures, and other agreements or documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity, or otherwise, that are based in whole or part on any act, omission, transaction, event, or other occurrence taking place on or prior to the Effective Date in any way relating to the Debtors, the Reorganized Debtors, the Chapter 11 Cases, the Estates, the conduct of the Debtors' business, or the Plan, and that may be asserted by or on behalf of the Debtors, the Estates, or the Reorganized Debtors against (i) any of the other Debtors and any of the Debtors' non-Debtor affiliates, (ii) the Debtors' current and former directors, officers, employees, advisors, or professionals, (iii) the Existing Lenders and any of their respective affiliates, (iv) the Existing Lender Agent and any of its affiliates, and (v) any of the respective present or former directors, officers, employees, advisors, or professionals of any of the foregoing (but solely in their respective capacities as such); *provided, however*, that nothing in this Section 11.9(a) shall be deemed to prohibit the Debtors or the Reorganized Debtors from asserting and enforcing any claims, obligations, suits, judgments, demands, debts, rights, causes of action or liabilities they may have against any of their employees that is based upon an alleged breach of a confidentiality, noncompete, or any other contractual or fiduciary obligation owed to the Debtors or the Reorganized Debtors; and *provided further, however*, that nothing in this Section 11.9(a) shall operate as a release of intercompany obligations between any of the Debtors or between any of the Debtors and their non-Debtor subsidiaries unless otherwise provided for in the Plan.

(b) **Third Party Releases**

As of the Effective Date, for good and valuable consideration, the adequacy of which is hereby confirmed, each holder of a Claim or Interest that votes to accept the Plan (each a “Releasing Party”) shall be deemed to forever release, waive, and discharge all claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action, and liabilities whatsoever against (i) the Debtors’ current and former directors, officers, employees, advisors, or professionals, (ii) the Existing Lenders and any of their respective affiliates, (iii) the Existing Lender Agent and any of its affiliates, and (iv) any of the respective present or former directors, officers, employees, advisors, or professionals of any of the foregoing (but solely in their respective capacities as such) (the Persons identified in clauses (i) through (iv) collectively, the “Third Party Releasees”), in connection with or related to the Debtors, the Reorganized Debtors, the Chapter 11 Cases, the Estates, the conduct of the Debtors’ business, or the Plan (other than the rights under the Plan and the contracts, instruments, releases, indentures, and other agreements or documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereunder arising, in law, equity, or otherwise, that are based in whole or part on any act, omission, transaction, event, or other occurrence taking place on or prior to the Effective Date in any way relating to the Debtors or the Reorganized Debtors, the Chapter 11 Cases, or the Plan.

Each of the Third Party Releasees shall be deemed to forever release, waive, and discharge any claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action, and liabilities whatsoever taking place on or prior to the Effective Date in any way relating to the Debtors, the Reorganized Debtors, the Chapter 11 Cases, the Estates, the conduct of the Debtors’ business, or the Plan, against each Releasing Party, in connection with or related to the Debtors, the Reorganized Debtors, the Chapter 11 Cases, the Estates, the conduct of the Debtors’ business, or the Plan (other than the rights under the Plan and the contracts, instruments, releases, indentures, and other agreements or documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereunder arising, in law, equity, or otherwise, that are based in whole or part on any act, omission, transaction, event, or other occurrence taking place on or prior to the Effective Date in any way relating to the Debtors or the Reorganized Debtors, the Chapter 11 Cases, or the Plan.

Entry of the Confirmation Order shall constitute the Bankruptcy Court’s approval of the Third Party Release, which includes by reference each of the related provisions and definitions contained herein, and further, shall constitute the Bankruptcy Court’s finding that the Third Party Release is (i) in exchange for the good and valuable consideration provided by the Third Party Releasees, representing good faith settlement and compromise of the claims released herein; (ii) in the best interests of the Debtors and all holders of Claims and Interests; (iii) fair, equitable, and reasonable; (iv) approved after due notice and opportunity for hearing; and (v) a bar to any of the Releasing Parties asserting any claim released by the Releasing Parties against any of the Third Party Releasees or their respective properties.



#### 11.10 Discharge of the Debtors

(a) Except as otherwise provided herein or in the Confirmation Order, all consideration distributed under the Plan shall be in exchange for, and in complete satisfaction, settlement, discharge, and release of, all Claims and Interests of any nature whatsoever against the Debtors or any of their assets or properties and, regardless of whether any property shall have been abandoned by order of the Bankruptcy Court, retained, or distributed pursuant to the Plan on account of such Claims; and upon the Effective Date, except as otherwise provided herein or in the Confirmation Order, (i) the Debtors, and each of them, shall be deemed discharged and released under Section 1141(d)(1)(A) of the Bankruptcy Code from any and all Claims, including, but not limited to, demands and liabilities that arose before the Confirmation Date, and all debts of the kind specified in Section 502 of the Bankruptcy Code, whether or not (A) a Proof of Claim based upon such debt is filed or deemed filed under Section 501 of the Bankruptcy Code, (B) a Claim based upon such debt is Allowed under Section 502 of the Bankruptcy Code, or (C) the holder of a Claim based upon such debt accepted the Plan, and (ii) all Interests shall be terminated.

(b) As of the Effective Date, except as provided in the Plan or in the Confirmation Order, all Persons shall be precluded from asserting against the Debtors or the Reorganized Debtors, any other or further Claims, debts, rights, causes of action, liabilities, or Interests relating to the Debtors based upon any act, omission, transaction, or other activity of any nature that occurred prior to the Confirmation Date. In accordance with the foregoing, except as provided in the Plan or the Confirmation Order, the Confirmation Order shall be a judicial determination of discharge of all such Claims and other debts and liabilities against the Debtors and termination of all Interests, pursuant to Sections 524 and 1141 of the Bankruptcy Code, and such discharge shall void any judgment obtained against the Debtors at any time, to the extent that such judgment relates to a discharged Claim or terminated Interest.

(c) The discharge of the Debtors pursuant to the Plan is not intended to limit in any way the Debtors' insurance coverage or to deprive any third party of any rights to such coverage that may otherwise exist.

#### 11.11 Injunction

(a) Except as provided in the Plan or in the Confirmation Order, as of the Effective Date, all Persons that have held, currently hold, may hold, or allege that they hold, a Claim or other debt or liability that is discharged or an Interest or other right of an equity security holder that is terminated pursuant to the terms of the Plan are permanently enjoined from taking any of the following actions against the Debtors, the Reorganized Debtors, and their respective subsidiaries or their property on account of any such discharged Claims, debts, or liabilities or terminated Interests or rights: (i) commencing or continuing, in any manner or in any place, any action or other proceeding; (ii) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or order; (iii) creating, perfecting, or enforcing any Lien or encumbrance; (iv) asserting a setoff against any debt, liability, or obligation due to the Debtors or the Reorganized Debtors; or (v) commencing or continuing any action, in each such case in any manner, in any place, or against any Person that does not comply with or is inconsistent with the provisions of the Plan.

(b) As of the Effective Date, all Persons that have held, currently hold, or may hold, a claim, obligation, suit, judgment, damage, demand, debt, right, cause of action, or liability that is released pursuant to Section 11.9 of the Plan or is subject to exculpation pursuant to Section 11.12 of the Plan are permanently enjoined from taking any of the following actions on account of such released claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action, or liabilities or terminated Interests or rights: (i) commencing or continuing, in any manner or in any place, any action or other proceeding; (ii) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or order; (iii) creating, perfecting, or enforcing any Lien or encumbrance; (iv) asserting a setoff against any debt, liability, or obligation due to any released Person; or (v) commencing or continuing any action, in any manner, in any place, or against any Person that does not comply with or is inconsistent with the release.

(c) Without limiting the effect of the foregoing upon any person, by accepting distributions pursuant to the Plan, each holder of an Allowed Claim receiving distributions pursuant to the Plan shall be deemed to have specifically consented to the injunctions set forth in this Section 11.11.

#### **11.12 Exculpation and Limitation of Liability**

(a) None of (i) the Debtors, (ii) the Reorganized Debtors, (iii) the Existing Lenders and any of their respective affiliates, (iv) the Existing Lender Agent and any of its affiliates, (v) the Creditors Committee, or (vi) any of the respective present or former members, directors, officers, employees, advisors, or professionals of the foregoing (but solely in their respective capacities as such), shall have or incur any liability to any holder of a Claim or an Interest, or any other party in interest, or any of their respective agents, employees, representatives, advisors, attorneys, or affiliates, or any of their successors or assigns, for any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, the formulation, negotiation, or implementation of the Plan, the solicitation of acceptances of the Plan, the pursuit of Confirmation of the Plan, the Confirmation of the Plan, the consummation of the Plan, or the administration of the Plan or the property to be distributed under the Plan, except for acts or omissions which are the result of fraud, gross negligence, or willful misconduct, or willful violation of federal or state securities laws or the Internal Revenue Code, and in all respects shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities under the Plan.

(b) Notwithstanding any other provision of the Plan, no holder of a Claim or an Interest, no other party in interest, none of their respective agents, employees, representatives, advisors, attorneys, or affiliates, and none of their respective successors or assigns shall have any right of action against (i) any Debtor, (ii) any Reorganized Debtor, (iii) any of the Existing Lenders and any of their respective affiliates, (iv) the Existing Lender Agent and any of its affiliates, (v) the Creditors Committee, or (vi) any of the respective present or former members, directors, officers, employees, advisors, professionals and agents of the foregoing (but solely in their respective capacities as such), for any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, the formulation, negotiation, or implementation of the Plan, solicitation of acceptances of the Plan, the pursuit of Confirmation of the Plan, the Confirmation of the Plan, the consummation of the Plan, or the administration of the Plan or the property to be

**distributed under the Plan, except for acts or omissions which are the result of fraud, or willful misconduct or willful violation of federal or state securities laws or the Internal Revenue Code.**

#### **11.13 Term of Injunctions or Stays**

Unless otherwise provided herein or in the Confirmation Order, all injunctions or stays provided for in the Chapter 11 Cases under Sections 105 or 362 of the Bankruptcy Code or otherwise, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order), shall remain in full force and effect until the Effective Date.

#### **11.14 Revocation, Withdrawal, or Non-Consummation**

The Debtors reserve the right, with the agreement of the Steering Committee Members, to revoke or withdraw the Plan as to all Debtors or any one or more Debtors at any time prior to the Confirmation Date and to file subsequent plans of reorganization for all Debtors or any of the Debtors as to which the Plan is withdrawn or revoked. If the Debtors revoke or withdraw the Plan in its entirety, or if Confirmation or the Effective Date does not occur, then (a) the Plan shall be null and void in all respects, (b) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain any Claim or Class of Claims), assumption or rejection of executory contracts or unexpired leases effected by the Plan, and any document or agreement executed pursuant to the Plan shall be deemed null and void, and (c) nothing contained in the Plan, and no acts taken in preparation for consummation of the Plan, shall (i) constitute or be deemed to constitute a waiver or release of any Claims by or against, or any Interests in, any Debtor or any other Person, (ii) prejudice in any manner the rights of any Debtor or any Person in any further proceedings involving a Debtor, or (iii) constitute an admission of any sort by any Debtor or any other Person. A revocation or withdrawal of the Plan as to any but not all of the Debtors shall not affect the Plan as it relates to the other non-revoking or non-withdrawing Debtors.

#### **11.15 Plan Supplement**

The Plan Supplement shall be filed with the Clerk of the Bankruptcy Court at least five (5) days prior to the Voting Deadline. Upon such filing, all documents included in the Plan Supplement may be inspected in the office of the Clerk of the Bankruptcy Court during normal business hours or may be accessed online at [www.deb.uscourts.gov](http://www.deb.uscourts.gov) (cm/ecf) or [www.loganandco.com](http://www.loganandco.com). Holders of Claims or Interests may obtain a copy of any document included in the Plan Supplement upon written request to the Debtors in accordance with Section 11.16 of the Plan.

#### **11.16 Notices**

Any notice, request, or demand required or permitted to be made or provided to or upon a Debtor or a Reorganized Debtor under the Plan shall be (a) in writing, (b) served by (i) certified mail, return receipt requested, (ii) hand delivery, (iii) overnight delivery service, (iv) first class mail, or (v) facsimile transmission, and (c) deemed to have been duly given or made when actually delivered or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed as follows:

Rachel Sagan  
Vice President and General Counsel  
FREEDOM COMMUNICATIONS HOLDINGS, INC.  
17666 Fitch  
Irvine, California 92614  
Telephone: 949-798-3535  
Facsimile: 949-789-3524

with copies to:

Robert A. Klyman  
LATHAM & WATKINS LLP  
355 South Grand Avenue  
Los Angeles, California 90071-1560  
Telephone: 213-485-1234  
Facsimile: 213-891-8763

Rosalie Walker Gray  
Michael J. Riela  
LATHAM & WATKINS LLP  
885 Third Avenue  
New York, New York 10022-4834  
Telephone: 212-906-1200  
Facsimile: 212-751-4864

Michael R. Nestor  
Kara Hammond Coyle  
YOUNG CONAWAY STARGATT & TAYLOR, LLP  
The Brandywine Building  
1000 West Street, 17th Floor  
Wilmington, Delaware 19801  
Telephone: 302-571-6600  
Facsimile: 302-571-1253

#### **11.17 Dissolution of Creditors Committee**

On the Effective Date, the Creditors Committee shall dissolve and its members shall be released and discharged from all duties and obligations arising from or related to the Chapter 11 Cases. The Professionals retained by the Creditors Committee and the members thereof shall not be entitled to compensation or reimbursement of expenses for any services rendered after the Effective Date, except as may be necessary to file applications pursuant to Section 11.1(a) of the Plan.

#### **11.18 Computation of Time**

In computing any period of time prescribed or allowed by the Plan, the provisions of Bankruptcy Rule 9006(a) shall apply.

### **11.19 Governing Law**

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules), the laws of (a) the State of Delaware shall govern the construction and implementation of the Plan and (except as may be provided otherwise in any such agreements, documents, or instruments) any agreements, documents, and instruments executed in connection with the Plan and (b) the laws of the state of incorporation of each Debtor shall govern corporate governance matters with respect to such Debtor; in each case without giving effect to the principles of conflicts of law thereof.

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Dated: December 14, 2009

Freedom Communications Holdings, Inc.  
(for itself and on behalf of the Subsidiary Debtors)

By: Mark A. McEachen

Mark A. McEachen  
Senior Vice President and Chief Financial Officer

Michael R. Nestor (No. 3526)  
Kara Hammond Coyle (No. 4410)  
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michael.riela@lw.com

Co-Counsel for Debtors and Debtors in Possession

**EXHIBIT A**

**TO**

**JOINT PLAN OF REORGANIZATION**  
**UNDER CHAPTER 11, TITLE 11, UNITED STATES CODE**  
**OF FREEDOM COMMUNICATIONS HOLDINGS, INC., ET AL., DEBTORS**

**Material Terms of Term A Facility**

<b>Principal Amount and Type:</b>	A term loan facility (the " <u>Term A Facility</u> ") in an aggregate principal amount of \$225 million representing a conversion of a portion of the Existing Lender Secured Claims into the Term A Loans as of the Closing Date.
<b>Borrower:</b>	Reorganized Freedom Communications (the " <u>Borrower</u> ")
<b>Guarantors:</b>	Reorganized Freedom Holdings and each of the Borrower's direct and indirect existing and future subsidiaries (collectively, the " <u>Guarantors</u> "; the Borrower and the Guarantors, collectively, the " <u>Loan Parties</u> ").
<b>Administrative Agent</b>	JPMorgan Chase Bank, N.A. (in such capacity, the " <u>Term A Administrative Agent</u> ").
<b>Collateral Agent:</b>	JPMorgan Chase Bank, N.A.
<b>Lenders:</b>	Holders of Secured Lender Claims as of the Closing Date (collectively, the " <u>Term A Lenders</u> ").
<b>Interest Rates and Fees:</b>	<p><b><u>Interest Rate:</u></b></p> <p>The Borrower may elect that the Term A Loans bear interest at a rate per annum equal to: (i) the Alternate Base Rate plus the Applicable Margin; or (ii) the Adjusted LIBO Rate plus the Applicable Margin.</p> <p>As used herein:</p> <p>"<b><i>ABR Loans</i></b>" means Term A Loans bearing interest based upon the Alternate Base Rate.</p> <p>"<b><i>Adjusted LIBO Rate</i></b>" means, for any Eurodollar Loan for an interest period selected by the Borrower equal to one, two, three or six months, a rate per annum determined by the Term A Administrative Agent to be equal to the quotient of the LIBO Rate for such loan for such interest period divided by 1 minus the statutory reserve rate for such loan for such interest period; provided that, for purposes of the Term A Facility, the Adjusted LIBO Rate for any interest period shall in no event be less than 3.50% per annum.</p> <p>"<b><i>Alternate Base Rate</i></b>" means, with respect to any ABR Loan, for any</p>

day, the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus ½ of 1% and (c) the Adjusted LIBO Rate for a one month interest period on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1%; provided that, for the avoidance of doubt, the Adjusted LIBO Rate for any day shall be based on the rate appearing on the Reuters Screen LIBOR01 Page (or on any successor or substitute page of such page) at approximately 11:00 a.m. London time on such day; and provided further that the Alternate Base Rate shall in no event at any time be less than 4.50% per annum. Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted LIBO Rate, respectively.

**“Applicable Margin”** means (a) with respect to ABR Loans, 5.00% per annum and (b) with respect to Eurodollar Loans, 6.00% per annum.

**“Eurodollar Loans”** means Term A Loans bearing interest based upon the LIBO Rate.

**“Federal Funds Effective Rate”** means, for any day, the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding business day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a business day, the average of the quotations for such day for such transactions received by the Term A Administrative Agent from three Federal funds brokers of recognized standing selected by it.

**“LIBO Rate”** means, with respect to any Eurodollar Loan for any interest period therefor, the rate appearing on the Reuters Screen LIBOR01 Page (or on any successor or substitute page of such page) at approximately 11:00 a.m. London time, two London business days prior to the commencement of such interest period, as the rate for dollar deposits with a maturity comparable to such interest period.

**“Prime Rate”** means the rate of interest per annum publicly announced from time to time by the Term A Administrative Agent (or other designated bank) as its prime rate in effect at its principal office in New York City; each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective.

**Interest Payment Date:**

On the last day of each relevant interest period and, in the case of any



	<p>interest period longer than three months, on each successive date three months after the first day of such interest period.</p> <p><b><u>Default Rate:</u></b></p> <p>At any time upon the occurrence and during the continuation of any event of default under the Term A Facility, all outstanding Term A Loans shall bear interest at 2% above the Term A Interest Rate. Without limiting the foregoing, overdue interest, fees and other amounts under the Term A Loan shall bear interest at 2% above the Term A Interest Rate.</p> <p><b><u>Rate Basis:</u></b></p> <p>All per annum rates shall be calculated on the basis of a year of 360 days, except that interest based on the Prime Rate shall be calculated on the basis of a year of 365/366 days, as applicable.</p> <p><b><u>Agency Fee:</u></b></p> <p>An administrative agency fee payable to the Term A Administrative Agent in such amount and at such times as shall be agreed in writing between the Borrower and the Term A Administrative Agent.</p>
<b>Maturity:</b>	Four years after the Effective Date
<b>Optional Prepayments:</b>	Term A Loans may be prepaid by the Borrower without premium or penalty (but subject to payment of break funding costs, if any, as described below) in minimum amounts to be agreed in the Term A Loan Documents (as defined below).
<b>Mandatory Prepayments:</b>	<p>The following amounts shall be applied to prepay the Term A Loans:</p> <p>(a) 100% of the net proceeds of any sale or other disposition of assets (including as a result of casualty or condemnation) by Holdings, the Borrower or any of its subsidiaries (subject to certain customary exceptions (including reinvestment rights) and minimum thresholds to be agreed);</p> <p>(b) 100% of the net proceeds of any debt incurrence by the Borrower or any of its subsidiaries after the Closing Date (subject to certain customary exceptions to be agreed);</p> <p>(c) 50% of Free Cash Flow (to be defined in a manner to be agreed upon by the Debtors and the Steering Committee Members) for any fiscal year of the Borrower (commencing with the fiscal year ending on or nearest to December 31, 2010, and which will be defined to include tax refunds and other extraordinary receipts received during such fiscal year); and</p>

	<p>(d) other amounts subject to customary mandatory prepayment provisions, including, but not limited to, net proceeds of equity issuances, tax refunds and extraordinary receipts.</p> <p>Each such mandatory prepayment of principal of the Term A Loans shall be applied to reduce scheduled payments of principal due after the date of such prepayment in the inverse order of maturity. Amounts prepaid in respect of Term A Loans may not be reborrowed.</p>
<p><b>Collateral:</b></p>	<p>The obligations of the Loan Parties in respect of the Term A Facility shall be secured by (i) a first priority, perfected security interest in all assets of the Loan Parties, whether consisting of real property, personal, tangible or intangible property, including all of the capital stock of the Borrower’s subsidiaries (other than the Exit Facility Collateral), except for those assets as to which the Term A Administrative Agent shall determine in its sole discretion that the costs of obtaining such a security interest are excessive in relation to the value of the security to be afforded thereby and other customary exclusions acceptable to the Term A Administrative Agent (the “<u>Term A Collateral</u>”) and (ii) a second priority, perfected security interest in all of the Exit Facility Collateral, if applicable.</p> <p>The liens securing the Term A Loans will be subject to and governed by an intercreditor agreement between the Term A Lenders and the Term B Lenders (the “<u>Intercreditor Agreement</u>”), on terms acceptable to the Steering Committee Members.</p>
<p><b>Amortization:</b></p>	<p>The Borrower shall make quarterly amortization payments of \$3.75 million per quarter, paid in arrears, totaling \$15 million annually beginning the first quarter following the first anniversary of the Effective Date and continuing quarterly thereafter.</p>
<p><b>Closing Date Conditions Precedent:</b></p>	<p>The occurrence of the Closing Date with respect to the Term A Facility, the Term B Facility, and the Exit Facility (the “<u>Facilities</u>”) is subject to the satisfaction or written waiver of conditions by the Steering Committee Members that are customary, necessary or appropriate for the loans of this type, including, without limitation, the following:</p> <p>(a) The Loan Parties shall have executed and delivered reasonably satisfactory definitive financing documentation with respect to the Facilities, including credit agreements, security documents, intercreditor agreements and other legal documentation mutually satisfactory to the Steering Committee Members, which shall reflect the terms and conditions set forth in Exhibit A and Exhibit B.</p> <p>(b) All governmental and third party approvals necessary in connection with the financing contemplated hereby and the continuing operations of the Borrower and its subsidiaries (including shareholder</p>

approvals, if any) shall have been obtained and shall be in full force and effect.

(c) The respective New Agent under each Facility shall have received such closing documents thereunder as are customary for transactions of this type or as it may reasonably request, including but not limited to resolutions, good standing certificates, incumbency certificates, insurance certificates, loss payable and additional insured endorsements, opinions of counsel, organizational documents, title insurance policies, collateral releases (which releases may be effected by the Confirmation Order), consents, landlord/mortgagee/bailee waivers, financing statements and consignment or similar filings, all in form and substance reasonably acceptable to the Steering Committee Members.

(d) The Debtors shall have cash on hand of at least \$15 million.

(e) The corporate and capital structure (including the terms of debt other than the Facilities) of the Borrower and its subsidiaries shall be acceptable to the Steering Committee Members, which condition shall be deemed satisfied if the corporate and capital structure of the Borrower and its subsidiaries is consistent with the Term Sheet.

(f) There shall not have been any material adverse change (as measured against the information provided to the Agent and/or its advisors prior to the Petition Date) in the status of any claims against the Debtors on account of (i) pension funding liability, (ii) tax liability and (iii) environmental liability; provided that, with respect to (i) and (ii), there shall not be a material adverse change if the Steering Committee Members and the Debtors are able to negotiate a mutually satisfactory response to such change, subject to any requirements of the Bankruptcy Code, within 15 business days of its discovery.

(g) With respect to each of the Facilities, the execution, delivery, and performance by the Borrower of such facility, the borrowing of the loans thereunder and the use of proceeds thereof shall be in compliance with applicable law, including but not limited to compliance with all applicable requirements of Regulations U, T and X of the Board of Governors of the Federal Reserve System.

(h) Liens creating security interests in the Collateral of the requisite priority shall have been perfected.

(i) All fees required to be paid, and all expenses for which invoices have been presented, shall have been paid on or before the Closing Date.

(j) The Borrower shall have issued New Common Stock to the Secured Lenders as contemplated in the Plan.

(k) Satisfaction of all conditions precedent to the Effective Date as set

	forth in the Plan.
<b>Documentation:</b>	The credit documentation for the Term A Facility (the “ <u>Term A Loan Documents</u> ”) shall contain representations and warranties, covenants and events of default relating to Holdings, the Borrower and its subsidiaries customary for financings of this type and other terms deemed appropriate by the Term A Lenders as set forth below.
<b>Representations:</b>	The credit documentation for the Term A Facility (the “ <u>Term A Loan Documents</u> ”) shall contain representations and warranties relating to Holdings, the Borrower and its subsidiaries customary for financings of this type and acceptable to the Steering Committee Members, including without limitation the following: financial statements; absence of undisclosed liabilities; no material adverse change; existence and standing, authorization and validity; compliance with law; corporate power and authority; enforceability of Term A Loan Documents; no conflict with law or contractual obligations; no material litigation; no default; ownership of property; liens; intellectual property; no burdensome restrictions; taxes; insurance; Federal Reserve regulations; ERISA; Investment Company Act; subsidiaries; environmental matters; labor matters; accuracy of disclosure; perfection and priority of security interests under the Term A Loan Documents; and enforceability of guarantees by the Guarantors under the Term A Loan Documents.
<b>Affirmative Covenants:</b>	The Term A Loan Documents shall contain affirmative covenants relating to Holdings, the Borrower and its subsidiaries customary for financings of this type and acceptable to the Steering Committee Members, including without limitation the following: delivery of monthly, quarterly and annual financial statements (in each case, within a time period to be agreed); quarterly compliance certificates and annual projections; payment of obligations; continuation of business and maintenance of existence and material rights and privileges; compliance with laws; maintenance of property and insurance; maintenance of books and records; right of the Term A Lenders and the Term A Administrative Agent to inspect property and books and records; notices of defaults, litigation and other material events; compliance with environmental laws; casualty and condemnation; use of proceeds; and further assurances (including with respect to security interests in after-acquired property).
<b>Financial Covenants:</b>	The Term A Loan Documents shall contain financial covenants relating to Holdings, the Borrower and its subsidiaries customary for financings of this type and acceptable to the Steering Committee Members, including without limitation the following: (i) Minimum EBITDA, (ii) maximum capital expenditures, (iii) a minimum fixed charge coverage ratio and (iv) a maximum leverage ratio. Covenant levels to be negotiated to provide flexibility reasonably acceptable to

	the Steering Committee Members and the Debtors for the first 18 months after the Effective Date.
<b>Negative Covenants:</b>	The Term A Loan Documents shall contain negative covenants relating to Holdings, the Borrower and its subsidiaries customary for financings of this type and acceptable to the Steering Committee Members, including without limitation the following: limitations on: indebtedness (including guarantee obligations and preferred stock of subsidiaries); liens; mergers, consolidations, liquidations and dissolutions; sales of assets; payment of restricted payments (including dividends and other payments in respect of capital stock); investments (including acquisitions), loans and advances; sale and leaseback transactions; swap agreements; optional payments and modifications of subordinated debt and certain other debt to be determined; transactions with affiliates; changes in fiscal year; negative pledge clauses and other restrictive agreements; and amendment of material documents.
<b>Events of Default:</b>	The Term A Loan Documents shall contain events of default relating to Holdings, the Borrower and its subsidiaries customary for financings of this type and acceptable to the Steering Committee Members, including without limitation the following: nonpayment of principal when due; nonpayment of interest, fees or other amounts after a grace period to be agreed upon; material inaccuracy of representations and warranties; violation of covenants (subject, in the case of certain affirmative covenants, to a grace period to be agreed upon); cross-default to occurrence of a default (whether or not resulting in acceleration) under any other agreement governing indebtedness, in excess of an amount to be agreed upon, of the Borrower or any of its subsidiaries; bankruptcy events; certain ERISA events; material judgments; any of the Term A Loan Documents shall cease to be in full force and effect or any Loan Party shall so assert; any security interests created by the security documents shall cease to be enforceable and of the same priority purported to be created thereby; and a change of control (the definition of which is to be agreed).
<b>Voting:</b>	Amendments, waivers and consents with respect to the Term A Loan Documents shall require the approval of Term A Lenders holding not less than a majority of the aggregate amount of the Term A Loans, except that the consent of each Term A Lender directly affected thereby shall be required with respect to (i) reductions in the amount or extensions of the scheduled date of amortization or final maturity of any Term A Loan, (ii) reductions in the principal of any Term A Loan or the rate of interest or any fee or extensions of any due date thereof, (iii) modifications to any of the voting percentages, (iv) modifications to the pro rata sharing requirements of the Term A Loan Documents, (v) assignment by any Loan Party of its rights under the Term A Loan

	Documents and (vi) release of all or substantially all of the Guarantors, and release of all or substantially all of the Collateral, except as permitted in the Term A Loan Documents.
<b>Assignments and Participations:</b>	The Term A Lenders shall be permitted to assign all or a portion of their Term A Loans with the consent, not to be unreasonably withheld, of the Term A Administrative Agent, unless the assignee is a Term A Lender, an affiliate of a Term A Lender or an approved fund. In the case of partial assignments (other than to another Term A Lender, an affiliate of a Term A Lender or an approved fund, the minimum assignment amount shall be \$5 million, unless otherwise agreed by the Term A Administrative Agent. The Term A Lenders shall also be permitted to sell participations in their loans. Participants shall have the same benefits as the Term A Lenders with respect to yield protection and increased cost provisions. Voting rights of participants shall be limited to those matters with respect to which the affirmative vote of the Term A Lender from which it purchased its participation would be required. Pledges of loans in accordance with applicable law shall be permitted without restriction. Each Term A Lender may disclose information to prospective participants and assignees. The Term A Administrative Agent will be entitled to a processing fee of \$3,500 from the assignor or the assignee in connection with any assignment.
<b>Yield Protection:</b>	The Term A Loan Documents shall contain customary provisions (a) protecting the Term A Lenders against increased costs or loss of yield resulting from changes in reserve, tax, capital adequacy and other requirements of law and from the imposition of or changes in withholding or other taxes and (b) indemnifying the Term A Lenders for "breakage costs" incurred in connection with, among other things, any prepayment of a loan on a day other than the last day of an interest period with respect thereto.
<b>Expenses and Indemnification:</b>	<p>The Borrower shall pay (a) all reasonable out-of-pocket expenses of the Term A Administrative Agent associated with the preparation, execution, delivery and administration of the Term A Loan Documents and any amendment or waiver with respect thereto (including the reasonable fees, disbursements and other charges of counsel), (b) all out-of-pocket expenses of the Term A Administrative Agent and the Term A Lenders (including the fees, disbursements and other charges of counsel) in connection with the enforcement of the Term A Loan Documents and (c) fees and expenses associated with collateral monitoring, collateral reviews and appraisals (including field examination fees plus out-of-pocket expenses), environmental reviews and fees and expenses of other advisors and professionals engaged by the Term A Administrative Agent.</p> <p>The Term A Administrative Agent and the Term A Lenders (and their affiliates and their respective officers, directors, employees, advisors</p>

	and agents) will have no liability for, and will be indemnified and held harmless against, any loss, liability, cost or expense incurred in respect of the financing contemplated hereby or the use or the proposed use of proceeds thereof (except to the extent found in a final judgment by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of the indemnified party).
<b>Governing Law and Forum:</b>	State of New York.
<b>Counsel to Term A Administrative Agent:</b>	Cravath, Swaine & Moore LLP.

**EXHIBIT B**  
**TO**  
**JOINT PLAN OF REORGANIZATION**  
**UNDER CHAPTER 11, TITLE 11, UNITED STATES CODE**  
**OF FREEDOM COMMUNICATIONS HOLDINGS, INC., ET AL., DEBTORS**

**Material Terms of Term B Facility**

<b>Principal Amount and Type:</b>	A term loan facility (the " <u>Term B Facility</u> ") in an aggregate principal amount of \$100 million, representing a conversion of a portion of the Secured Lender Claims into the Term B Loans as of the Closing Date.
<b>Borrowers:</b>	The Borrower.
<b>Guarantors:</b>	The Guarantors.
<b>Administrative Agent</b>	An entity to be determined (in such capacity, the " <u>Term B Administrative Agent</u> ").
<b>Collateral Agent:</b>	To be determined.
<b>Lenders:</b>	Holder of Secured Lender Claims as of the Closing Date (collectively, the " <u>Term B Lenders</u> ").
<b>Interest Rates and Fees:</b>	<p><b><u>Interest Rate:</u></b></p> <p>The Term B Loan shall bear interest at a fixed rate of 14.00% per annum (the "<u>Term B Interest Rate</u>").</p> <p><b><u>Interest Payment Dates:</u></b></p> <p>Interest payments shall be made quarterly in arrears. Interest shall be paid in cash or, if cash on hand and availability under the Revolving Credit Facility, pro forma for a quarterly cash election interest payment under the Term B Loan, are less than \$40 million in the aggregate (the "<u>Availability</u>"), the Borrower shall have the option to add such interest to the principal amount of the Term B Loan (a "<u>PIK Election</u>"), in each case, quarterly in arrears. Principal added pursuant to a PIK Election will bear interest at 14%.</p> <p>For purposes of determining whether the Borrower can make a PIK Election in respect of the first quarterly interest payment in each fiscal year, the Availability shall be calculated as of the date of such first quarterly interest payment after giving effect to the amount of the mandatory prepayment to be made by the Borrower in respect of Free Cash Flow for the prior fiscal year if such payment has not been previously made.</p>



	<p><b><u>Default Rate:</u></b></p> <p>At any time upon the occurrence and during the continuation of any event of default under the Term B Facility, all outstanding Term B Loans shall bear interest at 2% above the Term B Interest Rate. Without limiting the foregoing, overdue interest, fees and other amounts under the Term B Facility shall bear interest at 2% above the Term B Interest Rate.</p> <p><b><u>Rate Basis:</u></b></p> <p>Interest payments will be calculated on the basis of a 360-day year of twelve 30-day months.</p> <p><b><u>Agency Fee:</u></b></p> <p>An administrative agency fee payable to the Term B Administrative Agent in such amount and at such times as shall be agreed in writing between the Borrower and the Term B Administrative Agent.</p>
<b>Maturity:</b>	Five years after the Effective Date.
<b>Optional Prepayments:</b>	Subject to the prior indefeasible payment in full of the Term A Loans, the Term B Loans may be prepaid by the Borrower without premium or penalty in minimum amounts to be agreed in the Term B Loan Documents.
<b>Mandatory Prepayments:</b>	<p>Subject to the prior indefeasible payment in full in cash of the Term A Loans, the following amounts shall be applied to prepay the Term B Loans:</p> <p>(a) 100% of the net proceeds of any sale or other disposition of assets (including as a result of casualty or condemnation) by the Borrower or any of its subsidiaries (subject to certain customary exceptions (including reinvestment rights) and minimum thresholds to be agreed) or receipt of tax refunds or other extraordinary receipts;</p> <p>(b) 100% of the net proceeds of any debt incurrence by the Borrower or any of its subsidiaries after the Closing Date (subject to certain customary exceptions to be agreed);</p> <p>(c) 50% of Free Cash Flow (to be defined in a manner to be agreed upon by the Debtors and the Steering Committee Members) for any fiscal year of the Borrower (commencing with the fiscal year ending on or nearest to December 31, 2010); and</p> <p>(d) other amounts subject to customary mandatory prepayment provisions, including, but not limited to, net proceeds of equity issuances, tax refunds and extraordinary receipts.</p>

	Each such mandatory prepayment shall be applied ratably to the Term B Loans. Amounts prepaid in respect of Term B Loans may not be reborrowed.
<b>Collateral:</b>	<p>The obligations of the Loan Parties in respect of the Term B Facility shall be secured by (i) a second priority, perfected security interest in the Term A Collateral, and (ii) a third priority, perfected security interest in all of the Exit Facility Collateral, if applicable.</p> <p>The liens securing the Term B Loans will be subject to and governed by the Intercreditor Agreement.</p>
<b>Amortization:</b>	N/A
<b>Closing Date Conditions Precedent:</b>	Same as for the Term A Facility.
<b>Documentation:</b>	The credit documentation for the Term B Facility (the " <u>Term B Loan Documents</u> ") shall contain representations and warranties, covenants and events of default relating to the Borrower and its subsidiaries customary for financings of this type and other terms deemed appropriate by the Term B Lenders as set forth below.
<b>Representations:</b>	Substantially the same as for the Term A Loan.
<b>Affirmative Covenants:</b>	Substantially the same as for the Term A Loan.
<b>Financial Covenants:</b>	The Term B Loan Documents shall contain financial covenants relating to Holdings, the Borrower and its subsidiaries customary for financings of this type and acceptable to the Steering Committee Members, including without limitation the following: (a) Minimum EBITDA, (b) maximum capital expenditures, (c) a minimum fixed charge coverage ratio, and (d) a maximum leverage ratio (each with greater headroom than the corresponding covenant levels contained in the Term A Facility). Covenant levels to be negotiated to provide flexibility reasonably acceptable to the Steering Committee Members and the Debtors for the first 18 months after the Effective Date.
<b>Negative Covenants:</b>	To be based substantially upon the negative covenants in the Term A Facility (but with less restrictive baskets and thresholds to be agreed).
<b>Events of Default:</b>	To be based substantially upon the events of default in the Term A Facility (but with less restrictive grace periods and thresholds to be agreed).
<b>Voting:</b>	Substantially the same as for the Term A Facility.
<b>Assignments and</b>	Substantially the same as for the Term A Facility.

<b>Participations:</b>	
<b>Yield Protection:</b>	Substantially the same as for the Term A Facility.
<b>Expenses and Indemnification:</b>	Substantially the same as for the Term A Facility.
<b>Governing Law and Forum:</b>	State of New York.

**EXHIBIT C**  
**TO**  
**JOINT PLAN OF REORGANIZATION**  
**UNDER CHAPTER 11, TITLE 11, UNITED STATES CODE**  
**OF FREEDOM COMMUNICATIONS HOLDINGS, INC., ET AL., DEBTORS**

**Material Terms of New Common Stock**

<b>Issue:</b>	Common stock, ___ par value.
<b>Issuer:</b>	Reorganized Freedom Holdings.
<b>Authorized Shares:</b>	Such number of shares of New Common Stock as shall be specified by the Debtors with the consent of the Existing Lender Agent in the Plan Supplement.
<b>Initial Issuance:</b>	Such number of shares of New Common Stock as shall be specified by the Debtors with the consent of the Existing Lender Agent in the Plan Supplement.
<b>Classes:</b>	<p>The New Common Stock shall consist of (i) a class of full voting common stock (the “<u>Class A Common Stock</u>”) and (ii) a separate class of limited-voting common stock (the “<u>Class B Common Stock</u>”).</p> <p>Each holder of an Existing Lender Secured Claim shall have the option to choose to take its New Common Stock in the form of Class A Common Stock or Class B Common Stock.</p> <p>The New Common Stock allocated to holders of Old Freedom Stock Interests shall be Class A Common Stock.</p>
<b>Conversion Rights:</b>	Each share of Class B Common Stock will be convertible at the option of the holder, exercisable at any time, into one share of Class A Common Stock; provided that, at all times, there must be outstanding at least one share of Class A Common Stock.
<b>Economic Rights:</b>	The economic rights of the Class A Common Stock and Class B Common Stock shall be identical.
<b>Class A Voting Rights</b>	The holders of the Class A Common Stock will be entitled to one vote for each share of Class A Common Stock held by such holder of record on the books of Reorganized Freedom Holdings for all matters on which stockholders of Reorganized Freedom Holdings are entitled to vote.
<b>Class B Voting Rights</b>	The Class B Common Stock will not be entitled to general voting rights, but will be entitled to vote on an “as converted” basis (together

<p><b>and Limitations:</b></p>	<p>with the holders of the Class A Common Stock, voting as a single class) on certain non-ordinary course transactions, including (a) any authorization of, or increase in the number of authorized shares of, any class of capital stock ranking pari passu with or senior to the New Common Stock as to dividends or liquidation preference, including additional New Common Stock; (b) any amendment to Reorganized Holding's certificate of incorporation or by-laws; (c) any amendment to any shareholders or comparable agreement; (d) any sale, lease or other disposition of all or substantially all of the assets of Reorganized Holdings through one or more transactions; (e) any recapitalization, reorganization, consolidation or merger of Reorganized Holdings; (f) to the extent that holders of Class A Common Stock have the right to vote thereon, any issuance or entry into an agreement for the issuance of capital stock (or any options or other securities convertible into capital stock) of Reorganized Holdings, except as may be provided for under the New Equity Incentive Plan or any other management incentive plan; and (g) to the extent that holders of Class A Common Stock have the right to vote thereon, any redemption, purchase or other acquisition by Reorganized Holdings of any of its capital stock (except for purchases from employees upon termination of employment).</p> <p>The Class B Common Stock will be entitled to a separate class vote on any amendment or modification of any rights or privileges of the Class B Common Stock that does not equally affect the Class A Common Stock. In any liquidation, dissolution or winding up of the Reorganized Company, all assets will be distributed to holders of the New Common Stock on a pro rata basis.</p>
<p><b>New Stockholders Agreement:</b></p>	<p>Each holder of New Common Stock shall be deemed to enter into the New Stockholders Agreement on terms and conditions reasonably acceptable to the Steering Committee Members and the Debtors, which, without limitation, shall provide for customary "drag along" and "tag along" rights and the right to vote on certain non-ordinary course transactions (including, but not limited to, (a) - (g) specified in the description of Class A Common Stock and Class B Common Stock provided above).</p>
<p><b>Transfer Restrictions:</b></p>	<p>To be determined.</p>
<p><b>Registration Rights Agreement:</b></p>	<p>On the Effective Date, Reorganized Holdings and the Secured Lenders shall enter into a Registration Rights Agreement on terms and conditions reasonably acceptable to the Steering Committee Members and the Debtors, which, without limitation, shall provide for (a) "piggyback" registration rights for the New Common Stock (with customary exceptions, including Reorganized Holding's initial public offering); (b) following the initial public offering of Reorganized Holdings, if any, for those holders of New Common Stock that cannot sell freely under Rule 144 of the Securities Act of 1933, as amended, S-3 or "short-form" demand registration rights for the New Common</p>

	Stock (with customary limitations); (c) information rights, including the right of prospective purchasers of the New Common Stock to obtain non-public information upon execution of a confidentiality agreement; and (d) preemptive rights (with customary exceptions).
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**EXHIBIT D**  
**TO**  
**JOINT PLAN OF REORGANIZATION**  
**UNDER CHAPTER 11, TITLE 11, UNITED STATES CODE**  
**OF FREEDOM COMMUNICATIONS HOLDINGS, INC., ET AL., DEBTORS**

**Material Terms of New Warrants**

<b>Securities to be Issued:</b>	<p>Reorganized Freedom Holdings will issue the New Warrants which will entitle holders thereof to receive up to 10% of the outstanding fully diluted New Common Stock as of the Effective Date.<sup>1</sup></p> <p>Each holder of Old Freedom Stock Interests will receive New Warrants to purchase its Pro Rata share of such New Common Stock. Each New Warrant will entitle its holder to purchase one share of New Common Stock at the Exercise Price (as defined below).</p>
<b>Exercise:</b>	<p>The New Warrants shall be exercisable immediately after issuance and until the Expiration Date (as defined below); <u>provided</u> the New Warrants shall not be exercised without the consent of Reorganized Freedom Holdings, which consent shall not be withheld unless such exercise would cause Reorganized Freedom Holdings not to comply with the rules and regulations promulgated by the FCC. No New Warrant shall be exercisable after the Expiration Date.</p>
<b>Exercise Price:</b>	<p>The exercise price (the "<u>Exercise Price</u>") shall be set at a price per share that would result in full recovery to the Existing Secured Lenders on account of the portion of their Existing Lender Secured Claims converted to equity under the Plan (the "<u>Full Recovery Price</u>") <u>plus</u> an amount equal to the Full Recovery Price multiplied by 15%.</p>
<b>Cashless Exercise:</b>	<p>If the New Common Stock is listed on a national securities exchange (as such term is defined in the U.S. Securities and Exchange Act of 1934), in lieu of paying the Exercise Price, a holder of New Warrants shall have the option (the "<u>Cashless Exercise Option</u>") to receive, upon exercise of the New Warrants, shares of New Common Stock with a market value equal to the difference between (i) the market value of the shares of New Common Stock that would have been issuable upon exercise of the New Warrants for cash and (ii) the aggregate Exercise Price.</p>
<b>Term:</b>	<p>The earlier of December 31, 2014 and the consummation of a Transaction (as defined below) (the "<u>Expiration Date</u>").</p>
<b>Effect of Triggering</b>	<p>In the event a binding agreement (the "<u>Agreement</u>") to implement a</p>

<sup>1</sup> The Warrants are subject to dilution by any equity awards under the New Equity Incentive Plan, but not by any award of New Common Stock as part of the Exit Financing Share Allocation.

**Events:**

transaction (including, a merger, consolidation or sale of all or substantially all of Reorganized Freedom Holdings' assets) (a "Transaction") is agreed to and executed by the Debtors as of a date (the "Agreement Date") that is on or prior to the Expiration Date, on the date of the closing of the Transaction (the "Closing Date"), either:

(a) if the New Common Stock is exchanged for consideration consisting of cash or securities listed on a national securities exchange (as such term is defined in the U.S. Securities and Exchange Act of 1934) other than common stock, then the New Warrants will be automatically cancelled and deemed surrendered in exchange for the greater of (i) an amount of cash equal to the value of the New Warrants on the Closing Date, calculated using the Black-Scholes method for valuing options and the following assumptions: (a) volatility shall be fixed at 40%, (b) the risk free rate shall be the then current effective U.S. Federal government interest rate for a bond or note with a remaining time to maturity equal to the remaining term of the New Warrant, (c) the exercise price shall be the Exercise Price in effect on the Closing Date, (d) the term of the New Warrant shall be the remaining term of the New Warrant, measured from the Agreement Date and (e) the underlying security price for purposes of the Black-Scholes calculation shall be the value of the consideration received in respect of each outstanding share of New Common Stock pursuant to the Transaction and (ii) an amount of cash equal to the difference between (x) the value of the consideration that such holder would have received in the Transaction if such holder had exercised its New Warrants for shares of New Common Stock immediately prior to the Transaction; provided that if any portion of the Transaction consideration consists of securities, the "value" of such securities shall be the weighted average price during the 10 trading days immediately preceding closing of the Transaction and (y) the aggregate Exercise Price of such holder's New Warrants; or

(b) if the New Common Stock is exchanged for any other form of consideration (including, but not limited to, the common stock of another entity) (the "Transaction Consideration"), then the New Warrants will be automatically cancelled and deemed surrendered in exchange for an amount of consideration, which shall be of the same form and allocation as that which comprises the Transaction Consideration, equal to the value of the New Warrants on the Closing Date, calculated using the Black-Scholes method for valuing options and the following assumptions: (a) volatility shall be fixed at 40%, (b) the risk free rate shall be the then current effective U.S. Federal government interest rate for a bond or note with a remaining time to maturity equal to the remaining term of the New Warrant, (c) the exercise price shall be the Exercise Price in effect on the Closing Date, (d) the term of the New Warrant shall be the remaining term of the New Warrant, measured from the Agreement Date and (e) the underlying security price for purposes of the Black-Scholes



	<p>calculation shall be the value of the Transaction Consideration received in respect of each outstanding share of New Common Stock pursuant to the Transaction. The value of the Transaction Consideration shall be determined by (i) a nationally-recognized investment bank selected by the board of directors (a “<u>Valuation Banker</u>”) (for the avoidance of doubt, such Valuation Banker may also advise the board with respect to other aspects of the Transaction) or (ii) the board of directors of Reorganized Freedom Holdings; <u>provided</u> that, if the value of the Transaction Consideration is determined by (x) the board of directors of Reorganized Freedom Holdings or (y) a Valuation Banker that is affiliated with any shareholder of Reorganized Freedom Holdings, such valuation must be accompanied by receipt of a fairness opinion, solely with respect to the value of the non-cash consideration, from a nationally-recognized investment bank that is not affiliated with any shareholder of Reorganized Holdings. A determination of a Valuation Banker or the board of directors of Reorganized Freedom Holdings that complies with the foregoing provisions shall be binding on Reorganized Freedom Holdings and the New Warrant holders;</p> <p><u>provided</u> that, with respect to both (a) and (b) above, if (i) the Agreement Date is on or prior to the Expiration Date and (ii) the Transaction fails to close by the Expiration Date due to delays caused by the process of obtaining the requisite approvals and waivers from the FCC (and for no other cause), then the Expiration Date shall be extended and become the earliest of (i) the Closing Date, (ii) the date the Agreement is terminated or (iii) the date that is 10 business days after the requisite approvals and waivers are obtained from the FCC.</p>
<b>Anti-Dilution:</b>	Weighted average proportional anti-dilution adjustments in the event of below market stock issuances, distributions, subdivisions, splits, combinations and reverse splits.
<b>Registration Rights:</b>	None
<b>Transferability:</b>	<p>The Warrants shall not be transferable, except to:</p> <ul style="list-style-type: none"> <li>(a) trusts, estates, partnerships and other entities whose primary owners and/or primary beneficiaries are holders of any Warrants;</li> <li>(b) members of the family of any holder of any Warrants;</li> <li>(c) affiliates and subsidiaries of any holder of any Warrant; and</li> <li>(d) other holders of any Warrants.</li> </ul>
<b>Voting Rights:</b>	None