

EXHIBIT 2

PLAN SUPPORT AGREEMENT

This Plan Support Agreement (the "Agreement"), is made, as of the date hereof, by and among (i) the Journal Register Company (the "Company"), on behalf of itself and the other Debtors (as defined below), and (ii) the undersigned holders (each, a "Consenting Lender," and, collectively, the "Consenting Lenders") each of which is a signatory hereto and a holder of claims (as defined in section 101(5) of Title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code")) against the Debtors (the "Claims") arising under or in connection with (a) that certain Amended and Restated Credit Agreement dated as of January 26, 2006 (as amended and modified from time to time, the "Credit Agreement") among the Company, the Company's subsidiary guarantors (together with the Company, the "Debtors"), JPMorgan Chase Bank, N.A., as administrative agent and collateral agent (in such capacities, the "Existing Agent"), and the lenders parties thereto from time to time and (b) related interest rate hedging agreements (together with the Credit Agreement and all ancillary and related documents, the "Credit Documents"). For the avoidance of doubt, the Consenting Lenders hereunder, in the aggregate, (i) comprise more than 50% of holders of Claims, and (ii) hold more than 66 ²/₃% in amount of the Claims. The Debtors, the Consenting Lenders, and the Existing Agent are each referred to herein as a "Party", and collectively, as the "Parties".

RECITALS

WHEREAS, the Company has determined that it would be in its best interests to engage in a prompt restructuring or recapitalization concerning or impacting, *inter alia*, the Claims (the "Transaction");

WHEREAS, the Existing Agent and certain of the Consenting Lenders have formed a steering committee for the purposes of negotiating the Transaction and have agreed on the material terms of the Transaction;

WHEREAS, the general terms of the Transaction are memorialized in the term sheet attached hereto as Exhibit A (the "Term Sheet"), which is incorporated herein and is made part of this Agreement, including, without limitation, all provisions thereof relating to the Lender Termination Events and the Debtor Termination Events;¹

WHEREAS, the Parties intend to implement the Transaction through a plan of reorganization for the Debtors to be confirmed in bankruptcy cases (the "Bankruptcy Cases") to be commenced by the Debtors by filing voluntary petitions under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") substantially on the terms set forth in the Term Sheet (the "Plan"); and

WHEREAS, subject to execution of definitive documentation and, as required, appropriate approvals of the Bankruptcy Court, the following sets forth the agreement between the Parties concerning their respective obligations.

¹ Capitalized terms used herein without definition shall have the meanings ascribed to such terms in the Term Sheet.

NOW, THEREFORE, in consideration of the foregoing, the Parties agree as follows:

AGREEMENT

Section 1. Consenting Lenders' Commitments Regarding Transaction.

1.01. Voting on the Plan

Each Consenting Lender agrees that, for as long as it is a holder of a Claim, subject to the conditions that (i) the material terms of any agreement implementing the Transaction, including, without limitation, the Plan, embody and are consistent with the terms and conditions set forth in the Term Sheet, (ii) the Plan, the Disclosure Statement, all pleadings seeking standard "first day" relief, including, without limitation, applications for retention of the Debtors' professionals, and the other documents contemplated in the Term Sheet are in form and substance reasonably satisfactory to the Consenting Lenders, and (iii) no Lender Termination Event shall have resulted in the termination of the Term Sheet in accordance with its terms (a "Lender Termination"), it shall (i) when solicited, subject to the acknowledgements contained in Section 6 hereof, vote to support the Plan and not revoke or withdraw such vote; (ii) not consent to, vote for or otherwise support, either directly or indirectly, any other plan of reorganization or liquidation for the Debtors, or dissolution, winding up, restructuring or merger of the Debtors; or (iii) not object to, oppose or otherwise interfere with, and cause its controlled affiliates (as defined in the Bankruptcy Code) to not object to, oppose or otherwise interfere with, the confirmation of the Plan or other provisions of the Term Sheet; provided, however, that no Consenting Lender shall be barred from (x) objecting to compliance with Bankruptcy Code section 1125 or other applicable law relating to the sufficiency of the disclosures contained in the disclosure statement accompanying the Plan (the "Disclosure Statement") or (y) taking any action that does not directly or indirectly conflict with the provisions of this Agreement and the Term Sheet.

1.02. Forbearance from Exercising Remedies

Each Consenting Lender (including the Existing Agent or other Existing Agents under the Credit Agreement, each in their capacity as such) hereby agrees, as long as the Debtors are in compliance with the Term Sheet, including, without limitation, the various target dates for certain actions and events set forth therein, to forbear (i) through the filing of the Bankruptcy Cases (the "Petition Date"), from exercising any rights or remedies under the Credit Documents on the same terms and conditions as the Forbearance Agreement and Amendment No. 3 dated as of July 24, 2008 (as amended by Amendment No. 1 thereto dated as of September 15, 2008, Amendment No. 2 thereto dated as of October 31, 2008 and Amendment No. 3 thereto dated as of December 5, 2008, the "Forbearance Agreement"); and (ii) after the Petition Date through the Effective Date, from seeking the lifting of the automatic stay to exercise any rights or remedies under the Credit Documents, provided, however, that the Consenting Lenders shall retain all rights and remedies available to them under any document governing the Debtors' use of the Cash Collateral.

1.03. Transfer of Claims

For a period commencing as of the date hereof until the occurrence of a Lender Termination, each of the Consenting Lenders hereby agrees not to (i) sell, assign, transfer, hypothecate or otherwise dispose of, directly or indirectly, any Claim, unless the transferee (such transferees, if any, to also be "Consenting Lenders" hereunder) agrees in writing, by delivering a joinder to this Agreement to the Existing Agent and the Company, to be bound by this Agreement and the Term Sheet; or (ii) grant any proxies, deposit its Claim into a voting trust, or enter into a voting agreement or any similar agreement with respect thereto, unless any such arrangement provides, in writing, in a form enforceable by, and satisfactory to, the Company, for compliance with this Agreement and the Term Sheet or this Agreement (each action referred to in the foregoing clauses (i) and (ii), a "Transfer"). Any Transfer that does not comply with the preceding sentence shall be deemed void *ab initio*.

1.04. Representation of Holdings

Each of the Consenting Lenders represents that, as of the date hereof, (i) it is the holder of the Claims set forth on the attached Schedule A; and (ii) it has full power to vote and dispose of all of the aggregate principal amount of such Claims.

Section 2. The Debtors' Undertakings. The Debtors shall, so long as no Debtor Termination Event has resulted in the termination of the Term Sheet in accordance with its terms, (i) take all actions reasonably necessary to effectuate and consummate the transactions contemplated by the Term Sheet and the Plan; (ii) implement all steps reasonably necessary and desirable to obtain an order of the Bankruptcy Court confirming the Plan; and (iii) take no actions inconsistent with the transactions contemplated by this Agreement, the Term Sheet and the Plan or the timely confirmation and consummation of the Plan.

Section 3. The Debtors' Fiduciary Obligations. Notwithstanding anything to the contrary in this Agreement, (i) nothing herein requires the Company to breach any fiduciary obligations it has under applicable law; and (ii) to the extent such fiduciary obligations require the Company to terminate its obligations under the Term Sheet, it may do so without incurring any liability to the Consenting Lenders or the Existing Agent under this Agreement or the Term Sheet.

Section 4. Mutual Representations, Warranties, and Covenants. Each of the Parties represents, warrants, and covenants to the others the following, each of which is a continuing representation, warranty, and covenant:

4.01. Enforceability.

This Agreement is a legal, valid, and binding obligation of the Party, enforceable against it in accordance with its terms, except as enforcement may be limited by applicable laws relating to or limiting creditor's rights generally or by equitable principles relating to enforceability.

4.02. No Consent or Approval.

Except as expressly provided in this Agreement, no consent or approval by any other person or entity is required in order for it to carry out the provisions of this Agreement.

4.03 Power and Authority. It has all requisite power and authority to enter into this Agreement and to carry out the transactions contemplated by, and perform its respective obligations under, this Agreement, the Term Sheet and the Plan.

4.04 Authorization. The execution and delivery of this Agreement and the performance of its obligations hereunder have been duly authorized by all necessary action on its part.

4.05 Governmental Consents. The execution, delivery and performance by it of this Agreement do not and shall not require any registration or filing with, consent or approval of, or notice to, or other action by, any federal, state or other governmental authority or regulatory body, except such filings as may be necessary and/or required under the federal and state securities laws and, in connection with the commencement of the Bankruptcy Cases, the approval of the Disclosure Statement and confirmation of Plan.

Section 5. No Waiver of Participation and Reservation of Rights. This Agreement and the Plan are part of a proposed settlement of disputes among the Parties. Except as expressly provided in this Agreement, nothing herein is intended to, or does, in any manner waive, limit, impair, or restrict the ability of each of the Consenting Lenders to protect and preserve its rights, remedies and interests, including without limitation, its Claims against the Debtors or its full participation in the Bankruptcy Cases. If the Transaction is not consummated, or if this Agreement is terminated for any reason, the Parties fully reserve any and all of their rights.

Section 6. Acknowledgment. This Agreement and the Term Sheet and the transactions contemplated herein and therein are the product of negotiations between the Parties and their respective representatives. This Agreement is not and shall not be deemed to be a solicitation of votes for the acceptance of the Plan. Each of the Consenting Lenders' acceptance of the Plan will not be solicited until it has received a copy of the Disclosure Statement approved by the Bankruptcy Court.

Section 7. Effectiveness; Amendments. This Agreement shall not become effective and binding upon any of the Parties until all Parties have delivered counterpart signatures hereto. This Agreement cannot be amended, except by a writing executed by all Parties.

Section 8. Miscellaneous.

8.01. Further Assurances

The Parties agree to execute and deliver such other instruments and perform such acts, in addition to the matters herein specified, as may be appropriate or necessary, from time to time, to effectuate the agreements and understandings of the Parties, whether the same occurs before or after the date of this Agreement.

8.02. Complete Agreement

This Agreement (together with the Term Sheet) constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements, oral or written, between the Parties with respect thereto.

8.03. Parties

This Agreement shall be binding upon, and inure to the benefit of, the Parties. No rights or obligations of any Party under this Agreement may be assigned or transferred to any other person or entity except as provided in Sections 1.03 and 8.08 hereof. Nothing in this Agreement, express or implied, shall give to any person or entity, other than the Parties, any benefit or any legal or equitable right, remedy or claim under this Agreement.

8.04. Governing Law

THIS AGREEMENT IS TO BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN SUCH STATE, WITHOUT GIVING EFFECT TO THE CHOICE OF LAWS PRINCIPLES THEREOF.

8.05. Execution of Agreement; Headings

This Agreement may be executed and delivered (by facsimile or otherwise) in any number of counterparts, each of which, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same agreement. Except as expressly provided in this Agreement, each individual executing this Agreement on behalf of a Party has been duly authorized and empowered to execute and deliver this Agreement on behalf of said Party. The headings of all sections of this Agreement are inserted solely for the convenience of reference and are not a part of and are not intended to govern, limit or aid in the construction or interpretation of any term or provision hereof.

8.06. Interpretation

This Agreement is the product of negotiations of the Parties, and in the enforcement or interpretation hereof, is to be interpreted in a neutral manner, and any presumption with regard to interpretation for or against any party by reason of that Party having drafted or caused to be drafted this Agreement, or any portion hereof, shall not be effective in regard to the interpretation hereof.

8.07 Confidentiality

All information obtained in the course of the negotiations leading up to this Agreement, including but not limited to the identities of the Consenting Lenders and their respective holdings of Claims, shall be treated by all Parties hereto as confidential information and not publicly disclosed without the written consent of the Company, the Existing Agent, or the applicable

Consenting Lender, as applicable, based upon a given Party's rights in the information at issue, except as (i) otherwise required with respect to the Term Sheet or (ii) may be required by law. In no event shall the identities of the Consenting Lenders and their respective holdings of Claims be referenced in public filings or press releases without the express written consent of the Party at issue.

8.08. Successors and Assigns

This Agreement is intended to bind and inure to the benefit of the Parties and their respective successors, assigns, heirs, executors, administrators and representatives, other than a trustee or similar representative appointed in the Bankruptcy Cases. The agreements, representations and obligations of the Consenting Lenders under this Agreement are, in all respects, several and not joint.

8.09. Fees and Expenses

If any Party brings any action against any other Party for breach of such other Party of its obligations hereunder, the prevailing Party shall be entitled to all reasonable expenses, including, without limitation, reasonable attorneys' fees incurred in connection with such action.


8.10. Specific Performance

The Parties acknowledge and agree that money damages would not be an adequate or sufficient remedy for any breach of this Agreement, and each non-breaching Party shall be entitled to specific performance and/or injunctive or other equitable relief as a remedy for any such breach.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

Dated: February 20, 2009

JOURNAL REGISTER COMPANY

By: 
Name: JAMES HALL
Its: CEO

[CONSENTING LENDER SIGNATURE PAGES FOLLOW]

Dated: February 18, 2009

JPMORGAN CHASE BANK, N.A.,
individually and as Existing Agent

By: 

Name: Charles Freedgood

Title: Managing Director

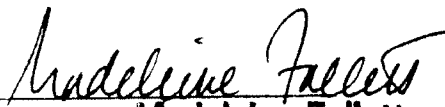
Telephone: (212) 622-4513

Facsimile: (212) 622-4557

Webster Bank, National Association

Dated: February 13, 2009

[CONSENTING LENDER]



Madeleine Follett

Title: VICE PRESIDENT

Telephone: 860-692-1603
Facsimile: 860-947-1873

Dated: February 13, 2009

ARROW DISTRESSED SECURITIES FUND

By: _____

Name: _____

George Schulz

Title: _____

Managing Member of
Investment Mgr.

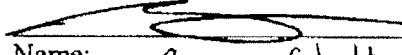
Telephone: _____

Facsimile: _____

Dated: February 15, 2009

SCHULTZE MASTER FUND, LTD.

By:


Name: George Schultz
Title: Director

Telephone: _____
Facsimile: _____

SIGNATURE PAGE TO PLAN SUPPORT AGREEMENT

Dated: February 18, 2009

MORGAN STANLEY SENIOR FUNDING, INC.

By: Donna M. Souza

Name: _____

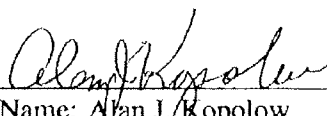
Title: Donna M. Souza
Vice President

Telephone: 212-761-1054

Facsimile: 212-507-3572

Dated: February 18, 2009

MANUFACTURERS AND TRADERS
TRUST COMPANY

By: 
Name: Alan J. Kopolow
Title: Vice President

Telephone: 410-244-4160

Facsimile: 410-244-4426

SIGNATURE PAGE TO PLAN SUPPORT AGREEMENT

Dated: February 18, 2009

KEYBANK NATIONAL ASSOCIATION

By: Carla L. [Signature]
Name: CARLA LANING
Title: VICE PRESIDENT

Telephone: 216-689-8626
Facsimile: 216-689-8468

Dated: February 18, 2009

[CONSENTING LENDER]


Paul J. Niedermayer

Title: Vice President

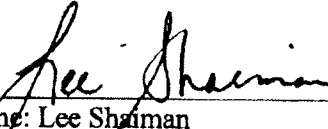
U.S. Bank National Association

Telephone: 414-765-6186

Facsimile: 414-765-4332

Dated: February 18, 2009


Gale Force 4 CLO, Ltd.
By: GSO Debt Funds Management LLC as
Collateral Manager

By: 
Name: Lee Shauman
Title: Authorized Signatory

Telephone: 212-503-2137
Facsimile: 212-503-6960

Dated: February 18 2009

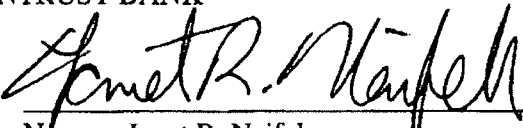
THE BANK OF NEW YORK MELLON

By: 
Name: EDWARD J. DeSALVIO
Title: VICE PRESIDENT

Telephone: 212.635.7285
Facsimile: 212.635.7290

Dated: February 18, 2009

SUNTRUST BANK

By: 

Name: Janet R. Naifeh


Title: Senior Vice President


Telephone: 615-748-4026

Facsimile: 615-748-5700

Dated: February 18, 2009

CRÉDIT INDUSTRIEL ET COMMERCIAL

By: 
Name: Brian O'Leary
Title: Managing Director

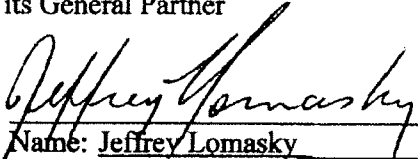
By: 
Name: Dora Deblasi Hyduk
Title: First Vice President and Senior Credit Officer

Telephone: 212-715-4427
Facsimile: 212-715-4535

SIGNATURE PAGE TO PLAN SUPPORT AGREEMENT

Dated: February 16, 2009

CERBERUS PARTNERS, L.P.
By: Cerberus Associates, L.L.C.,
its General Partner

By: 
Name: Jeffrey Lomasky
Title: Senior Managing Director

Telephone: 212-891-2112
Facsimile: 212-909-1415

Dated: February 16 2009

[CONSENTING LENDER]

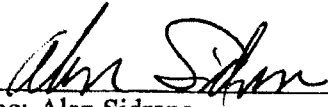
LC Capital Master Fund, Ltd.
By: [Signature]
Title: Director

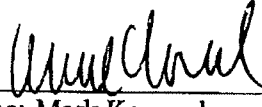
680 Fifth Avenue, 12th FL.
NY, NY 10019

Telephone: 212-581-8989
Facsimile: 212-581-8999

Dated: February 18, 2009

CALYON NEW YORK BRANCH

By: 
Name: Alan Sidrane
Title: Managing Director

By: 
Name: Mark Koneval
Title: Managing Director

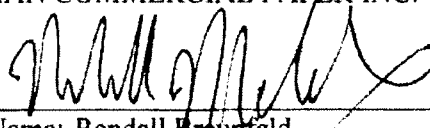
Telephone: 212-261-7867
Facsimile: 212-261-3259

SIGNATURE PAGE TO PLAN SUPPORT AGREEMENT

Dated: February 18, 2009

LEHMAN COMMERCIAL PAPER INC.

By:



Name: Randall Braunfeld

Title: Authorized Signatory

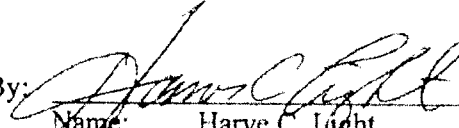
Telephone: _____

Facsimile: _____

Dated: February 18, 2009

COMERICA INCORPORATED

By:


Name: Harve C. Light
Title: Vice President

Telephone: 313-222-0236
Facsimile: 313-222-3784

SIGNATURE PAGE TO PLAN SUPPORT AGREEMENT

Dated: February 18, 2009

PRIMUS ASSET MANAGEMENT INC, *Primus CLO I Ltd's*
Collateral Manager

By:


[Signature]
Name: N. S. Campbell, Jr
Title: PM

Telephone: 212-949-7530
Facsimile: _____

SIGNATURE PAGE TO PLAN SUPPORT AGREEMENT

Dated: February 18, 2009

WACHOVIA BANK NATIONAL ASSOCIATION

By: 
Name: REGINALD T. DAWSON
Title: MANAGING DIRECTOR

Telephone: 404.214.1634
Facsimile: 404.214.3751

SIGNATURE PAGE TO PLAN SUPPORT AGREEMENT

Dated: February 18, 2009

BANK OF AMERICA, N.A.

By: 


Name: Kevin M. Behan
Title: Senior Vice President

Telephone: 212-563-8333
Facsimile: 704-602-3609

SIGNATURE PAGE TO PLAN SUPPORT AGREEMENT

Dated: February __, 2009

ROYAL BANK OF CANADA

By: 

Name: _____

Title: Leslie P. Vowell
Attorney-in-Fact

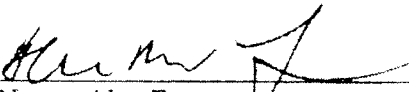
Telephone: 212-428-6607

Facsimile: 212-428-3097

SIGNATURE PAGE TO PLAN SUPPORT AGREEMENT

Dated: February 11, 2009

THE ROYAL BANK OF SCOTLAND PLC

By: 
Name: Alan Ferguson
Title: Managing Director

Telephone: 212-401-1320

Facsimile: 212-401-3414

SIGNATURE PAGE TO PLAN SUPPORT AGREEMENT

Dated: February 19, 2009

PRIMUS CLO II, LTD

By:

Name:

Elizabeth Crocker

Title:

Analyst

Telephone:

212-697-3780

Facsimile:

SIGNATURE PAGE TO PLAN SUPPORT AGREEMENT

AIB DEBT MANAGEMENT, Ltd.

By: 

Name:

Title:

Joseph Augustini
Senior Vice President
Investment Advisor to
AIB Debt Management, Limited

Telephone:

(212) 339-8002

Facsimile:

(212) 339-8099

By: 

Name:

Title:

John Denny
Director
Investment Advisor to
AIB Debt Management, Limited

Telephone:

(212) 515-6736

Facsimile:

(212) 339-8099

ALLIED IRISH BANKS, p.l.c

By: 

Name:

Joseph Augustini

Title:

Senior Vice President

Telephone: (212) 339-8002

Facsimile: (212) 339-8099

By: 

Name:

Jim Dennehy

Title:

Director

Telephone: (212) 515-6736

Facsimile: (212) 339-8099

Dated: February 19, 2009

[CONSENTING LENDER]

General Electric Capital Corporation

W. Magee

WILLIAM E. MAGEE

Title: DULY AUTHORIZED SIGNATORY

Telephone: _____

Facsimile: _____

EXHIBT A
TERM SHEET

JOURNAL REGISTER COMPANY

Summary of Principal Terms and Condition of Restructuring

February 19, 2009

The terms and conditions set forth in this term sheet (the “Restructuring Term Sheet”) are meant to be part of a comprehensive compromise, each element of which is consideration for the other elements and an integral aspect of the proposed restructuring. The Restructuring Term Sheet is in the nature of a settlement proposal in furtherance of settlement discussions and is entitled to protection from any use or disclosure to any party or person pursuant to Federal Rule of Evidence 408 and any other rule of similar import.

This Restructuring Term Sheet does not constitute an offer or a legally binding obligation of the Company (as defined below), the Existing Lenders (as defined below), the Existing Agent (as defined below) or any other party in interest, nor does it constitute an offer of securities or a solicitation of the acceptance or rejection of a chapter 11 plan for the Company. The transactions contemplated by this Restructuring Term Sheet will be subject to the terms and conditions to be set forth in definitive documents acceptable to the Company, the Existing Agent and the Consenting Lenders (as defined below). This Restructuring Term Sheet is part of, and will be attached to, the Plan Support Agreement (the “Plan Support Agreement”) among the Company, the Existing Agent and the Consenting Lenders and is subject to the terms thereof.

Until publicly disclosed by the Company, with the prior written consent of the Existing Agent or except as otherwise permitted under the Plan Support Agreement, this Restructuring Term Sheet is strictly confidential and may not be shared with any person other than the Company, the Existing Agent and the Existing Lenders and each such party’s professionals and advisors.

Company:	Journal Register Company (“ <u>JRC</u> ” and, as reorganized pursuant to the Plan (as defined below), “ <u>Reorganized JRC</u> ”) and its subsidiaries (together with JRC, the “ <u>Company</u> ” or the “ <u>Debtors</u> ” and, as reorganized pursuant to the Plan, the “ <u>Reorganized Company</u> ”).
Existing Lenders:	The entities (the “ <u>Existing Lenders</u> ”) that hold claims against the Debtors under (i) that certain Amended and Restated Credit Agreement dated as of January 25, 2006 (as amended by, among other amendments, the Forbearance Agreement and Amendment No. 3, dated as of July 24, 2008 (as amended, the “ <u>Forbearance Agreement</u> ”), and as thereafter amended or otherwise modified from time to time, the “ <u>Existing Credit Agreement</u> ”) among JRC, the subsidiary guarantors party thereto, JPMorgan Chase Bank, N.A., as administrative agent and collateral agent (the

	<p>“<u>Existing Agent</u>”), and the Existing Lenders; and (ii) related interest rate hedging arrangements. The claims held by the Existing Lenders (inclusive of accrued and unpaid principal and interest, fees, expenses and other obligations and charges) shall be collectively referred to herein as the “<u>Lender Claims</u>.” JRC will agree, as part of the Restructuring (as defined below), that all Lender Claims shall be allowed in full in the Chapter 11 Cases (as defined below), without setoff, subordination, or recharacterization to be treated in accordance with the Plan.</p>
Trade Claimants:	<p>Holders of unsecured claims (the “<u>Trade Claimants</u>”) against any Debtor that supplied goods and services to the Company and that are anticipated to continue to supply such goods and services to the Reorganized Company. The unsecured claims held by the Trade Claimants shall be collectively referred to herein as the “<u>Trade Claims</u>.”</p>
Other Unsecured Claimants:	<p>Holders of all unsecured claims (the “<u>Other Unsecured Claimants</u>”) against any Debtor other than the Trade Claims (the “<u>Other Unsecured Claims</u>”), including, without limitation, claims arising out of the rejection of executory contracts or unexpired leases by any Debtor, and claims, if any, arising out of the termination of collective bargaining agreements under section 1113 of the Bankruptcy Code (as defined below).</p>
Restructuring Transaction:	<p>Subject to the terms hereof, the Debtors shall restructure their capital structure (the “<u>Restructuring</u>”) through a plan of reorganization (the “<u>Plan</u>”), the material terms and conditions of which are set forth herein and which shall otherwise be in form and substance reasonably satisfactory to those Existing Lenders that (i) comprise more than 50% in number of the Existing Lenders; (ii) hold more than 66 2/3% in amount of the Lender Claims; and (iii) have executed the Plan Support Agreement (the “<u>Consenting Lenders</u>”) to be confirmed in cases (the “<u>Chapter 11 Cases</u>”) to be commenced by the Debtors under chapter 11 of title 11 of the United States Code (the “<u>Bankruptcy Code</u>”) on or before February 22, 2009 (the “<u>Petition Date</u>”) in the United States Bankruptcy Court for the Southern District of New York (the “<u>Bankruptcy Court</u>”).</p> <p>To effectuate the Restructuring, Reorganized JRC will obtain from one or more lenders to be determined (which may or may not include one or more of the Existing</p>

	<p>Lenders) (the “<u>Revolving Lenders</u>”) a \$25 million revolving credit facility (the “<u>Revolving Facility</u>”) substantially on the terms set forth in Schedule A hereto (the “<u>Revolving Facility Term Sheet</u>”) or, if the Revolving Facility shall be provided by Revolving Lenders other than the Existing Lenders, on terms acceptable to the Consenting Lenders.</p>
Cash Collateral:	<p>The Debtors and the Consenting Lenders will enter into a consensual stipulation (the “<u>Cash Collateral Stipulation</u>”) regarding the Debtors’ postpetition use of cash claimed as collateral by the Existing Lenders (the “<u>Cash Collateral</u>”), allowing the Debtors to use Cash Collateral (i) in the ordinary course of business and (ii) for restructuring expenses, <u>provided, however</u> that no portion of the Cash Collateral may be used to fund litigation against the Existing Lenders or the Existing Agent, except with respect to a purported breach of this Restructuring Term Sheet, the Plan Support Agreement, or the Cash Collateral Stipulation; <u>provided further, however</u>, that the Existing Agent and the Consenting Lenders understand that Bankruptcy Court may require that a portion of the Cash Collateral be made available to a committee of unsecured creditors appointed in the Chapter 11 Cases to conduct an investigation of the Lender Claims and the liens securing such claims. As adequate protection for the Existing Lenders’ interests in the Cash Collateral the Debtors will (a) grant replacement liens on certain unencumbered property; (b) pay reasonable fees and expenses of the Existing Lenders and the Existing Agent; and (c) continue all of their obligations as required under the Forbearance Agreement (as if the same were in effect immediately prior to the Petition Date) and the Existing Credit Facility (as modified by such Forbearance Agreement and in effect immediately prior to the Petition Date) until the Effective Date, other than the obligation to make the Monthly Deposit (as defined in Section 4.1(a) of the Forbearance Agreement). To the extent that the Debtors are in compliance with the Cash Collateral Stipulation and this Restructuring Term Sheet has not been terminated, the Consenting Lenders agree not to seek additional adequate protection pursuant to sections 363 and 361 of the Bankruptcy Code or otherwise.</p>

I. TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN	
Administrative Claims:	On or as soon as practicable after the effective date of the Plan (the “ <u>Effective Date</u> ”), each holder of an allowed administrative claim shall receive cash equal to the full amount of its claim or otherwise be left unimpaired, unless otherwise agreed to by such holder or permitted by the Bankruptcy Code.
Lender Claims:	On the Effective Date, in full and final satisfaction of the Lender Claims: (i) all fees and expenses required to be paid pursuant to the Existing Credit Agreement shall be paid in full in cash; and (ii) each Existing Lender shall receive its pro rata share (according to the respective amount of the Lender Claims held by each Existing Lender) of (a) a \$175 million Tranche A Term Loan Facility (the “ <u>Tranche A Term Loan Facility</u> ”), on the terms set forth in Schedule B hereto (the “ <u>Tranche A Term Loan Facility Term Sheet</u> ”); (b) a \$100 million Tranche B Term Loan Facility, on the terms set forth in Schedule C hereto (together with the Tranche A Term Loan Facility Term Sheet, the “ <u>Term Loan Facilities Term Sheets</u> ”) (the “ <u>Tranche B Term Loan Facility</u> ,” and, together with the Tranche A Term Loan Facility, the “ <u>Term Loan Facilities</u> ”); and (c) the equity of Reorganized JRC, subject to dilution only by (i) the options to purchase shares of the common stock of Reorganized JRC (the “ <u>New Common Stock</u> ”) to be issued pursuant to the Post-Effective Date Management Incentive Plan (as defined below), (ii) the Revolving Facility Stock (as defined below), and (iii) the exercise of the Revolving Facility Warrants (as defined below).
Other Secured Claims and Priority Claims:	All allowed priority claims and secured claims (other than the Lender Claims) shall, at the option of the Debtors with the consent of the Consenting Lenders, be paid: (i) in cash in full on the later of (x) the Effective Date and (y) the date such claim becomes due and payable in the ordinary course of business; (ii) in cash on such other terms and conditions as may be agreed between the holder of each such claim, on the one hand, and the Debtors and the Existing Agent, on the other hand; or (iii) in deferred cash payments, to the extent permissible under the Bankruptcy Code.

<p>Trade Claims:</p>	<p>Trade Claims shall not be entitled to any distribution under the Plan.</p> <p>The principal amount of each Allowed Trade Claim that has not been satisfied by the Debtors prior to the Effective Date, shall be paid: (i) in cash in full on the later of (x) the Effective Date, (y) the date such claim becomes an Allowed Trade Claim, and (z) the date such claim becomes due and payable in the ordinary course of business; or (ii) in cash on such other terms and conditions as may be agreed between the holder of each such claim, on the one hand, and the Debtors and the Existing Agent, on the other hand.</p> <p>Allowed Trade Claims shall be paid from the distribution otherwise payable under the Plan to the Existing Lenders on account of the secured portion of the Lender Claims.</p>
<p>Multiemployer Withdrawal Liability:</p>	<p>The Debtors may seek to modify certain collective bargaining agreements or seek relief under section 1113 of the Bankruptcy Code with respect to such collective bargaining agreements. The treatment of any claims arising from the Debtors' withdrawal from, or modification of, certain related multiemployer pension plans may be determined through a negotiated settlement and/or judicial resolution.</p>
<p>Other Unsecured Claims:</p>	<p>The Other Unsecured Claimants shall not receive any distributions or retain any property on account of their Other Unsecured Claims.</p>
<p>Existing Equity:</p>	<p>The holders of the existing JRC capital stock and the holders of any existing options, warrants or rights to acquire any equity securities of JRC shall not receive any distributions or retain any property on account of their equity interests in JRC and all such capital stock, options, warrants and rights shall be extinguished.</p>
<p>Retiree Benefits:</p>	<p>Pursuant to section 1129(a)(13) of the Bankruptcy Code, after the Effective Date, the Reorganized Company shall continue to pay all retiree benefits (within the meaning of section 1114 of the Bankruptcy Code) for which the Debtors are liable. Nothing in the Plan shall: (a) restrict the right of the Debtors or the Reorganized Company to</p>

	modify the terms and conditions of the retiree benefits, if any, as otherwise permitted pursuant to the terms of the applicable plans or non-bankruptcy law; or (b) be construed as an admission that any such retiree benefits are owed by the Debtors.
Releases and Exculpations:	The Plan will include derivative releases, mutual third-party releases and exculpation provisions. Such releases and exculpations shall be for the benefit of (as applicable) and binding upon the Existing Agent, the Existing Lenders, the Debtors (as debtors and debtors in possession) and the Debtors' post-Petition Date directors, officers, professionals, and agents that are reasonably satisfactory to the Consenting Lenders (the " <u>Released Parties</u> "), to the fullest extent permitted by law; <u>provided, however</u> , that a non-Consenting Lender will only be a deemed Released Party for purposes of the third-party release provisions if such Existing Lender agrees to release all such claims against the other Released Parties held by such Existing Lender.
III. CORPORATE GOVERNANCE AND MANAGEMENT	
Board of Directors of Reorganized JRC:	The initial Board of Directors of Reorganized JRC shall consist of five members, each of which shall be selected by the Consenting Lenders, at least ten (10) days prior to the hearing to confirm the Plan. Successor directors will be appointed and/or elected in accordance with Reorganized JRC's charter and by-laws.
Company Status:	Reorganized JRC shall be a private (non-reporting) company. The New Common Stock will: (i) not be registered; (ii) not be listed on any national exchange; and (iii) be transferable by the recipients thereof under the Plan pursuant to the exemption from registration granted by section 1145(c) of the Bankruptcy Code (except with respect to any such recipient deemed to be an "underwriter").
New Common Stock:	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> "). Each Existing Lender 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>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; <u>provided</u> that, at all times, there must be outstanding at least one share of Class A Common Stock.</p> <p>The economic rights of the Class A Common Stock and Class B Common Stock shall be identical. 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 with the holders of the Class A Common Stock, voting as a single class) on certain non-ordinary course transactions, including (i) any authorization of, or increase in the number of authorized shares of, any class of capital stock ranking <i>pari passu</i> with or senior to the New Common Stock as to dividends or liquidation preference, including additional New Common Stock; (ii) any amendment to Reorganized JRC’s certificate of incorporation or by-laws; (iii) any amendment to any shareholders or comparable agreement; (iv) any sale, lease or other disposition of all or substantially all of the assets of Reorganized JRC through one or more transactions; (v) any recapitalization, reorganization, consolidation or merger of Reorganized JRC; (vi) 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 JRC, except as may be provided for under the Post-Effective Date Management Incentive Plan or any other management incentive plan; and (vii) to the extent that holders of Class A Common Stock have the right to vote thereon, any redemption, purchase or other acquisition by Reorganized JRC 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 Company, all assets will be distributed to holders of the New Common Stock on a pro rata basis.</p>

Charter Documents:	The charter documents for Reorganized JRC and each of its subsidiaries shall be in a form reasonably satisfactory to the Consenting Lenders and shall provide, among other things, for limitations on the transfer of the New Common Stock to ensure that Reorganized JRC remains a private company.
Chief Executive Officer:	The Chief Executive Officer of Reorganized JRC shall be selected by the Board of Directors of Reorganized JRC.
Post-Effective Date Management Incentive Plan:	The Plan shall provide for the adoption of a post-Effective Date management incentive plan (the “ <u>Post-Effective Date Management Incentive Plan</u> ”), pursuant to which up to 10% of the equity of Reorganized JRC shall be reserved for the Board of Directors of Reorganized JRC to grant options to purchase New Common Stock to the members of such Board and the members of the management of the Reorganized Company. The Post-Effective Date Management Incentive Plan will contain terms and conditions (including the form of equity grant) as determined by the Board of Directors of Reorganized JRC.
Registration Rights Agreement:	On the Effective Date, Reorganized JRC and the Existing Lenders shall enter into a Registration Rights Agreement, which, without limitation, shall provide for (i) “piggy-back” registration rights for the New Common Stock (with customary exceptions, including Reorganized JRC's initial public offering); (ii) following the initial public offering of Reorganized JRC, 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 Stock (with customary limitations); (iii) 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 (iv) preemptive rights (with customary exceptions).
Indemnification:	The Consenting Lenders and Reorganized Debtors shall agree, and the Plan and confirmation order shall provide that, all rights to exculpation, indemnification and advancement of expenses for acts or omissions occurring at or prior to the consummation of the Plan, whether asserted or claimed prior to, at or after the consummation of the

	<p>Plan (including any matters arising in connection with the transactions contemplated by this Restructuring Term Sheet and the Plan Support Agreement), existing as of the Petition Date in favor of each of the directors and officers (statutory or otherwise) of JRC or its subsidiaries as of the Petition Date, (collectively, “<u>Indemnitees</u>”), in the certificate of incorporation or by-laws (or comparable organization documents) of JRC or any of its subsidiaries, as applicable, or in any agreement shall survive the Effective Date and shall continue in full force and effect (and not be modified, amended or terminated in any manner adverse to any Indemnatee without the written consent of the affected Indemnatee) for a period of not less than six years following the consummation of the Plan.</p>
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Separation Agreement With James Hall:	The Consenting Lenders and the Existing Agent shall not, as long as the Plan Support Agreement is in effect, initiate, participate or cooperate in any manner in any proceeding to avoid or seek disgorgement of, under chapter 5 of the Bankruptcy Code or otherwise, the “Settlement Payment” and the other payments provided for in that certain Transition and Separation Agreement between JRC and James Hall, dated as of January 20, 2009.
Pre-Effective Date Management Incentive Plan:	Neither the Existing Agent nor the Consenting Lenders shall, as long as the Plan Support Agreement is in effect, oppose the Debtors’ request for the Bankruptcy Court’s approval, or implementation of, the pre-Effective Date management incentive plan as memorialized in the Journal Register 2008 Management Incentive Plan.
Financial Advisor Retention:	The Debtors shall retain Lazard as financial advisors in connection with the Restructuring, on terms consistent with those previously agreed to by the Existing Agent.
IV. EXIT FINANCING	
Revolving Facility:	On the Effective Date, Reorganized JRC shall enter into the Revolving Facility. As an inducement to providing a commitment under the Revolving Facility, (i) each Existing Lender that agrees to become a Revolving Lender may receive its pro rata share of up to 20% of the New Common Stock outstanding as of the Effective Date (the “ <u>Revolving Facility Stock</u> ”), subject to reduction for warrants to purchase New Common Stock issued to Revolving Lenders that are not Existing Lenders to the extent authorized by (with such consent not to be unreasonably withheld), and on terms acceptable to, the Consenting Lenders (the “ <u>Revolving Facility Warrants</u> ”); and (ii) each non-Existing Lender that agrees to become a Revolving Lender may, with the consent of the Consenting Lenders (with such consent not to be unreasonably withheld), receive its pro rata share of the Revolving Facility Warrants.

Term Loan Facilities:	The Tranche A Term Loan Facility and the Tranche B Term Loan Facility will have the terms set forth in the respective Term Loan Facilities Term Sheets.
V. OTHER TERMS	
Conditions Precedent To Confirmation:	<p>(a) the Company shall have obtained a commitment (for at least \$25 million) for the Revolving Facility, on terms and conditions that (i) are substantially the terms and conditions set forth in the Revolving Facility Term Sheet or, if the Revolving Facility shall be provided by Revolving Lenders other than the Existing Lenders, on terms and conditions acceptable to the Consenting Lenders; and (ii) support the Debtors' demonstration that (x) the Plan is feasible; and (y) Reorganized JRC will have the ability to satisfy its obligations to pay current interest and principal under the Term Facilities; and</p> <p>(b) reasonable, customary and appropriate severance and other compensation agreements covering the period commencing on the Effective Date of the Plan, and lasting for a period of one year, will be negotiated and agreed upon among JRC's board of directors and those current officers of the Company that will continue with the Reorganized Company (as identified at least ten (10) days before the hearing on the confirmation of the Plan). Such agreements, as well as the identity of such officers, shall be in a form and substance acceptable to the Consenting Lenders.</p>
Conditions Precedent To Effective Date:	Conditions precedent to the consummation of the Plan, each of which may be waived in writing by the Consenting Lenders, shall include, but not be limited to, the following:
	<p>(a) the disclosure statement with respect to the Plan shall be consistent with the provisions of this Restructuring Term Sheet and otherwise in form and substance reasonably satisfactory to the Consenting Lenders (such disclosure</p>

	<p>statement, the “<u>Disclosure Statement</u>”);</p> <p>(b) an order confirming the Plan (the “<u>Confirmation Order</u>”), in form and substance reasonably satisfactory to the Consenting Lenders shall have been entered by the Bankruptcy Court and shall have become a final order, not subject to a stay;</p> <p>(c) the Debtors shall have executed and delivered appropriate definitive documentation regarding the Restructuring, including, without limitation, (i) the Revolving Facility and all documents ancillary thereto; (ii) each of the Term Loan Facilities and all documents ancillary thereto; (iii) the amended and restated certificate of incorporation and by-laws of Reorganized JRC and each of its subsidiaries (which documents shall contain provisions requiring no more than majority approval to amend such documents); and (iv) the Registration Rights Agreement, each in form and substance reasonably satisfactory to the Debtors and the Consenting Lenders;</p> <p>(d) all material governmental, regulatory and third party approvals, waivers and/or consents in connection with the Restructuring, if any, shall have been obtained and shall remain in full force and effect, and there shall exist no claim, action, suit, investigation, litigation or proceeding, pending or threatened in any court or before any arbitrator or governmental instrumentality, which would prohibit the transactions contemplated by the Restructuring;</p> <p>(e) there shall not have been any material adverse change (as measured against the information provided to the Existing Agent and/or its advisors prior to the Petition Date) in the status of any claims against the Debtors on account of pension withdrawal liability;</p> <p>(f) there shall not have been any material adverse change (as measured against the information provided to the Existing Agent and/or its advisors prior to the Petition Date) in the status</p>
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	<p>of any claims against the Debtors on account of taxes assessed by the State of Connecticut with respect to pending or completed audits (the “<u>Connecticut Tax Claims</u>”), including the Debtors’ ability to pay the Connecticut Tax Claims over an extended period of time in accordance with section 1129(a)(9)(C) of the Bankruptcy Code;</p> <p>(g) the Debtors shall have cash on hand as of the Effective Date of at least an amount to be agreed;</p> <p>(h) the Revolving Facility (i) shall have closed on substantially the terms and conditions set forth in the Revolving Facility Term Sheet or, if the Revolving Facility shall be provided by Revolving Lenders other than the Existing Lenders, on terms and conditions acceptable to the Consenting Lenders; (ii) shall be in full force and effect, and (iii) the extension of credit thereunder shall be available upon (and subject to) the Effective Date;</p> <p>(i) all other conditions precedent relating to Revolving Facility and the Term Loan Facilities, as set forth in Schedule D hereto, shall have been satisfied; and</p> <p>(j) no Lender Termination Event or Debtor Termination Event shall have occurred that shall not have been waived by the Consenting Lenders or the Debtors, as applicable.</p>
Lender Termination Events:	<p>This Restructuring Term Sheet shall be terminated and all of the obligations of the parties hereto shall be of no further force or effect, in the event (each, a “<u>Lender Termination Event</u>”) that any of the following occurs:</p>
	<p>(a) the Company shall fail to file the Plan and the Disclosure Statement no later than the week of February 15, 2009;</p> <p>(b) any of the pleadings filed by the Company seeking customary “first day” relief, including, without limitation, terms for retention of</p>

	<p>professionals in the Chapter 11 Cases (collectively, the “<u>First Day Pleadings</u>”), are not, in form and substance, satisfactory to the Existing Agent;</p> <p>(c) the Disclosure Statement shall not have been approved by the Bankruptcy Court on or before April 3, 2009;</p> <p>(d) the Plan shall not have been confirmed by the Bankruptcy Court on or before June 3, 2009 or an event shall have occurred, or an order shall have been entered by the Bankruptcy Court and shall not have been vacated within 30 days thereof, that shall have the practical effect of preventing confirmation of the Plan on or before such date;</p> <p>(e) the Effective Date shall not have occurred on or before July 1, 2009;</p> <p>(f) there shall be any material modification to any terms of the Restructuring that is inconsistent with (i) the terms and conditions set forth in this Restructuring Term Sheet, or (ii) the financial projections provided to the Existing Agent by the Company prior to the Petition Date, in each case, without the prior written consent of the Consenting Lenders;</p> <p>(g) JRC shall withdraw, or file a motion to withdraw, the Plan or submit an amended plan of reorganization or liquidation that is materially adverse to the Existing Lenders or materially inconsistent with the terms and provisions of this Restructuring Term Sheet;</p> <p>(h) any event, development or circumstance (other than any event, development or circumstance arising from or relating to (A) agreed-upon operational restructuring as set forth in the Company’s business plan dated October 15, 2008, or (B) the Chapter 11 Cases) shall have occurred on or after January 1, 2009 that, either alone or in combination, has had or could reasonably be expected to have a material adverse effect on the business,</p>
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	<p>operations, assets, liabilities, condition (financial or otherwise) or prospects of the Company taken as a whole or the Reorganized Company taken as a whole;</p> <p>(i) a trustee, responsible officer, or an examiner with powers beyond the duty to investigate and report, as set forth in subclauses (3) and (4) of clause (a) of section 1106 of the Bankruptcy Code shall have been appointed under section 1104 or 1105 of the Bankruptcy Code for service in the Chapter 11 Cases;</p> <p>(j) the Chapter 11 Cases shall have been converted to cases under chapter 7 of the Bankruptcy Code; or</p> <p>(k) the Debtors shall have breached any material provision of this Restructuring Term Sheet or the Plan Support Agreement.</p>
	<p>The foregoing Lender Termination Events are intended solely for the benefit of the Consenting Lenders.</p> <p>Upon the occurrence of any of the Lender Termination Events, this Restructuring Term Sheet shall terminate automatically upon (x) the seventh (7th) business day after the occurrence of such Lender Termination Event set forth in subparagraphs (a), (d), (e), (f), (j), and (k) above, unless waived in writing by the Consenting Lenders, in their sole discretion before the expiration of such waiver period; or (y) in case of the Lender Termination Events set forth in subparagraphs (b), (c), (g), (h), and (i) above, (i) written notice of such Termination Event provided to the Debtors by the Existing Agent; <u>provided</u> that the Debtors hereby agree to waive the requirement that the automatic stay under section 362 of the Bankruptcy Code be lifted in connection with giving such notice (and not to object to the Consenting Lenders seeking to lift the automatic stay in connection with giving such notice, if necessary); and (ii) such Termination Event remaining uncured for at least ten (10) days following the delivery of notice thereof.</p>
Debtor Termination Events:	<p>This Restructuring Term Sheet may be terminated by the Company and all of the obligations of the parties hereto shall be of no further force or effect, in the event (each, a</p>

	<p>“<u>Debtor Termination Event</u>”) that any of the following occurs:</p> <ul style="list-style-type: none"> (a) the Board terminates the Plan Support Agreement pursuant to Section 3 thereof; or (b) the Consenting Lenders shall have breached any material provision of this Restructuring Term Sheet or the Plan Support Agreement. <p>The foregoing Debtor Termination Events are intended solely for the benefit of the Debtors.</p> <p>Upon the occurrence of any of Debtor Termination Event, the termination of this Restructuring Term Sheet shall be effective upon (i) written notice being provided to the Existing Agent by the Debtors; and (ii) such breach (if applicable) remaining uncured for at least ten (10) days following the Existing Agent’s receipt of such notice.</p>
Expenses:	<p>JRC will reimburse all fees and expenses required to be paid under the Existing Credit Agreement in connection with the Restructuring, including, but not limited to, the fees and expenses of counsel (including but not limited to Milbank, Tweed, Hadley & McCloy LLP) and financial advisors (including but not limited to Loughlin Meghji & Co.)</p>
First Day Pleadings:	<p>The Debtors shall furnish to the Existing Agent drafts of all First Day Pleadings as promptly as possible, but in no event later than the date of execution of the Plan Support Agreement, and the Existing Agent shall promptly review and return any comments on such drafts to the Debtors.</p>
No Waiver:	<p>Nothing in this Restructuring Term Sheet shall affect in any way, or be deemed a waiver of, any of the rights of (i) any of the holders of the Lender Claims or (ii) the Company under any applicable instrument, document or law, except as provided herein or the Plan Support Agreement.</p>
Governing Law:	<p>State of New York.</p>

SCHEDULE A – REVOLVING FACILITY

<i>Borrower</i>	Journal Register Company (the “ <u>Borrower</u> ”), a Delaware corporation.
<i>Guarantors</i>	Each of the Borrower’s direct and indirect existing and future wholly-owned subsidiaries (collectively, the “ <u>Guarantors</u> ”; the Borrower and the Guarantors, collectively, the “ <u>Loan Parties</u> ”).
<i>Administrative Agent</i>	An entity to be determined (in such capacity, the “ <u>Revolver Administrative Agent</u> ”).
<i>Lenders</i>	One or more revolving credit lenders to be determined (collectively, the “ <u>Revolving Lenders</u> ”).
<i>Facility</i>	A three-year revolving facility (the “ <u>Revolving Facility</u> ”; the commitments thereunder, the “ <u>Revolving Commitments</u> ”) in the amount of up to \$25 million (the loans thereunder, the “ <u>Revolving Loans</u> ”).
<i>Availability</i>	<p>The Revolving Facility shall be available on a revolving basis during the period commencing on the Closing Date (as defined below) and ending on the third anniversary thereof (the “<u>Revolving Facility Termination Date</u>”).</p> <p>Availability under the Revolving Facility will be subject to the Borrowing Base referred to below. “<u>Availability</u>” means, at any time, an amount equal to (i) the lesser of the Revolving Commitment and the Borrowing Base <u>minus</u> (ii) the sum of the aggregate outstanding amount of borrowings under the Revolving Facility plus the undrawn amount of outstanding Letters of Credit (as defined below) issued for the account of the Borrower (and any unreimbursed amounts in respect of drawings under such Letters of Credit).</p>
<i>Letters of Credit</i>	A portion of the Revolving Facility to be determined shall be available for the issuance of letters of credit (the “ <u>Letters of Credit</u> ”) by one or more Revolving Lenders designated under the Revolving Facility, and which have agreed to act, as an issuing bank thereunder (in such capacity, each an “ <u>Issuing Lender</u> ”). No Letter of Credit shall have an expiration date after the earlier of (a) one year after the date of issuance and (b) five business days prior to the Revolving Facility Termination Date; <u>provided</u> that any Letter of Credit with a one-year tenor may provide for the renewal thereof for additional one-year periods (which shall in no event extend beyond the date referred to in clause (b) above).

	<p>Drawings under any Letter of Credit shall be reimbursed by the Borrower (whether with its own funds or with the proceeds of Revolving Loans) on the same or (subject to notice of such drawing being given by a time to be agreed) the next business day. To the extent that the Borrower does not so reimburse the relevant Issuing Lender, the Revolving Lenders under the Revolving Facility shall be irrevocably and unconditionally obligated to reimburse such Issuing Lender on a <u>pro rata</u> basis.</p> <p>Outstanding letters of credit under the Existing Credit Facility as of the Effective Date shall be continued as Letters of Credit under, and constitute utilization of, the Revolving Facility.</p>
<i>Borrowing Base</i>	<p>The “<u>Borrowing Base</u>” will equal the sum of up to 85% of Loan Parties’ eligible accounts receivable, <u>plus</u> the lesser of (i) up to a percentage to be determined of Loan Parties’ eligible inventory (valued at the lower of cost (FIFO) or market) and (ii) the product of up to 85% multiplied by the net orderly liquidation value percentage identified in the most recent inventory appraisal ordered by the Revolver Administrative Agent multiplied by the Loan Parties’ eligible inventory (valued at the lower of cost (FIFO) or market), <u>less</u> customary reserves established by the Revolver Administrative Agent in its Permitted Discretion. “<u>Permitted Discretion</u>” means a determination made in good faith and in the exercise of reasonable (from the perspective of a secured asset based lender) business judgment.</p> <p>The definitions of eligible accounts receivable and eligible inventory will be determined by the Revolver Administrative Agent in its Permitted Discretion, but will exclude, without limitation, the ineligible categories set forth below:</p> <p><u>Ineligible Accounts Receivable</u>: (i) accounts which remain unpaid 90 days after the invoice date or which have been written off the books of the relevant Loan Party or otherwise designated as uncollectible; (ii) accounts owing by an account debtor as to which 50% or more of the dollar amount of all accounts owing by such account debtor are ineligible; (iii) accounts to any one account debtor or group of affiliated account debtors that are in excess of 10% of total eligible accounts; (iv) accounts which do not arise from the sale of goods or performance of services in the ordinary course of the Borrower’s business; (v) accounts owing by a director, officer, employee or affiliate of the Borrower; (vi) federal government accounts which do not comply with the Assignment of Claims Act; (vii) accounts owing by an account debtor outside of the U.S.; (viii) accounts that are payable in any currency other than dollars; (ix) contra accounts; (x) accounts which are the subject of a bill-and-</p>

	<p>hold, guaranteed sale, sale and return, sale on approval, consignment, or other repurchase or return basis; (xi) accounts for which the goods have not been shipped or for which the services giving rise to such account have not been performed or if such account was invoiced more than once; (xii) accounts which represent a progress billing that are contingent upon the Borrower's completion of any further performance or relate to payments of interest; (xiii) accounts with respect to which an invoice has not been sent to the applicable account debtor; (xiv) accounts which are not subject to a first priority perfected security interest in favor of the Revolver Administrative Agent; (xv) accounts which are subject to liens other than a lien in favor of the Revolver Administrative Agent and permitted encumbrances which do not have priority over the lien in favor of the Revolver Administrative Agent; (xvi) accounts with respect to which any covenant, representation, or warranty contained in the Revolving Loan Documents (as defined below) has been breached or is not true; (xvii) accounts owed by an insolvent or bankrupt debtor or a debtor who has ceased operations; (xviii) accounts in respect of subscriptions and/or classified ads owing by an account debtor which is a natural person; and (xix) such other categories as may be established by the Revolver Administrative Agent in its Permitted Discretion.</p> <p><u>Ineligible Inventory:</u> (i) inventory which is slow moving, obsolete, defective or unfit for sale; (ii) work-in-process inventory, bill-and-hold goods or returned inventory, and finished goods (such as newspapers); (iii) inventory outside the United States; (iv) inventory in transit; (v) inventory at locations that are not owned by a Loan Party (unless subject to reserves to be agreed); (vi) inventory which is not owned by the relevant Loan Party free and clear of all liens and rights except the liens in favor of the Revolver Administrative Agent and permitted encumbrances which do not have priority over the lien in favor of the Revolver Administrative Agent; (vii) inventory on consignment; (viii) inventory which consists of display items or packing or shipping materials, manufacturing supplies or replacement parts; (ix) inventory which is not subject to a first priority perfected security interest in favor of the Revolver Administrative Agent; (x) inventory with respect to which any covenant, representation, or warranty contained in the Revolving Loan Documents has been breached or is not true; (xi) inventory other than newsprint and printing plates; and (xii) such other categories as may be established by the Revolver Administrative Agent in its Permitted Discretion.</p> <p>In addition, the Revolver Administrative Agent would retain the right, from time to time, in its Permitted Discretion, to establish additional standards of eligibility and reserves against eligibility, adjust reserves and to reduce advance rates or reduce one or more of</p>
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	the sub-limits (if applicable) used in computing the Borrowing Base.
<i>Maturity</i>	All Revolving Loans shall be due and payable on the Revolving Facility Termination Date.
<i>Fees and Interest Rates</i>	As set forth on Annex A-1 below.
<i>Optional Prepayments and Commitment Reductions</i>	Revolving Loans may be prepaid by the Borrower without premium or penalty (but subject to payment of break funding costs, if any, in respect of Eurodollar Loans (as defined below)), and Revolving Commitments may be reduced by the Borrower without premium or penalty, in minimum amounts to be agreed in the Revolving Loan Documents.
<i>Mandatory Prepayments</i>	In the event that the sum of the aggregate outstanding amount of borrowings under the Revolving Facility plus the undrawn amount of outstanding Letters of Credit issued for the account of the Borrower (and any unreimbursed amounts in respect of drawings under such Letters of Credit) shall exceed the lesser of (a) the Revolving Commitments and (b) the Borrowing Base, outstanding Revolving Loans shall be prepaid (and/or Letters of Credit shall be cash collateralized) in the amount of such excess.
<i>Collateral</i>	<p>The obligations of the Loan Parties in respect of the Revolving Facility and all obligations of the Loan Parties in respect of cash management services owing to any Revolving Lender or any affiliate thereof shall be secured by (i) a first priority, perfected security interest in substantially all accounts receivable, inventory, deposit accounts and other related assets of the Loan Parties, except for those assets as to which the Revolver 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 Revolver Administrative Agent (the “<u>Revolving Facility Collateral</u>”); and (ii) a second priority, perfected security interest in all other assets of the Loan Parties securing the Tranche A Term Loan Facility (the “<u>Term Loan Facility Collateral</u>” and, together with the Revolving Facility Collateral, the “<u>Collateral</u>”).</p> <p>The liens securing the Revolving Facility will be subject to and governed by an intercreditor agreement, on terms acceptable to the Revolver Administrative Agent and the Revolving Lenders (in their sole discretion), with the Tranche A Term Lenders (and/or the Tranche A Term Administrative Agent) and the Tranche B Term Lenders (and/or the Tranche B Term Administrative Agent).</p>

<i>Use of Proceeds</i>	The proceeds of the Revolving Loans shall be used by the Borrower for general corporate purposes (including working capital requirements) of the Loan Parties in the ordinary course of business, and to make payments required under the Plan not exceeding an aggregate amount to be agreed.
<i>Closing Date Conditions Precedent</i>	The Revolving Facility shall become effective as of the date (the “ <u>Closing Date</u> ”, which shall be the same date as the Effective Date) on which the conditions precedent described in Schedule D hereto shall be satisfied or waived.
<i>Ongoing Conditions</i>	The making of each extension of credit under the Revolving Facility on or after the Closing Date shall be conditioned upon: (a) the accuracy of all representations and warranties in the Revolving Loan Documents (including, without limitation, the material adverse change representation) (or, if any such representation and warranty is expressly stated to have been made as of a specific date, as of such specific date); (b) there being no default or event of default in existence at the time of, or after giving effect to the making of, such extension of credit; and (c) after giving effect to such extension of credit, the total extensions of credit under the Revolving Facility not exceeding the lesser of the Revolving Commitments or Borrowing Base then in effect. As used herein and in the Revolving Loan Documents, a “ <u>material adverse change</u> ” shall mean any event, development or circumstance that has had or could reasonably be expected to have a material adverse effect on (i) the business, assets, operations, prospects or condition, financial or otherwise, of the Borrower and its subsidiaries taken as a whole (other than the filing of the bankruptcy petition and the agreed upon operational restructuring), (ii) the ability of any Loan Party to perform any of its obligations under the Revolving Loan Documents to which it is a party, (iii) the Collateral, or the Revolver Administrative Agent’s liens (on behalf of itself and the Revolving Lenders) on the Collateral or the priority of such liens, or (iv) the rights of or benefits available to the Revolver Administrative Agent, the Issuing Lenders or the Revolving Lenders thereunder.
<i>Documentation</i>	The credit documentation for the Revolving Facility (the “ <u>Revolving 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 Revolving Lenders, including without limitation the following:
<i>Representations</i>	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 Revolving 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 Revolving Loan Documents; and enforceability of guarantees by the Guarantors under the Revolving Loan Documents.
<i>Affirmative Covenants</i>	Delivery of monthly, quarterly and annual financial statements (in each case, within a time period to be agreed), quarterly compliance certificates and annual projections, monthly collateral reporting (including supporting information requested by the Revolver Administrative Agent) (or more frequent such reports if excess Availability shall be less than \$10 million) , borrowing base certificates and other information requested by the Revolving Lenders or the Revolver Administrative Agent; 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 Revolving Lenders and the Revolver Administrative Agent to inspect property and books and records (including periodic field examinations and inventory appraisals); 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).
<i>Financial Covenants</i>	So long as excess Availability shall be less than \$7.5 million, a minimum fixed charge coverage ratio of 1.1:1.0, tested quarterly on a trailing four-quarter basis; <u>provided</u> that the fixed charge coverage ratio shall be reported quarterly regardless of excess Availability.
<i>Negative Covenants</i>	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.
<i>Events of Default</i>	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 Revolving 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).
<i>Voting</i>	Amendments, waivers and consents with respect to the Revolving Loan Documents shall require the approval of Revolving Lenders holding not less than a majority of the Revolving Commitments, except that: (a) the consent of each Revolving Lender directly affected thereby shall be required with respect to (i) reductions in the amount or extensions of the scheduled date of maturity of any loan or reductions in the amount or extensions of the payment date for any required mandatory payments (if any), (ii) reductions in the rate of interest or any fee or extensions of any due date thereof and (iii) increases in the amount or extensions of the expiry date of any Revolving Lender's commitment; (b) the consent of each Revolving Lender shall be required to (i) modify the pro rata sharing requirements of the Revolving Loan Documents, (ii) permit any Loan Party to assign its rights under the Revolving Loan Documents, (iii) modify any of the voting percentages or (iv) release all or substantially all of the Guarantors or all or substantially all of the Collateral, except as otherwise permitted in the Revolving Loan Documents; and (c) the consent of Revolving Lenders holding not less than 75% of the Revolving Commitments shall be required to (i) increase the advance rates set forth in the definition of Borrowing Base or (ii) modify the eligibility criteria with respect to the Borrowing Base components if the effect thereof shall increase the Borrowing Base.
<i>Assignments and Participations</i>	The Revolving Lenders shall be permitted to assign all or a portion of their loans and commitments under the Revolving Facility with the consent, not to be unreasonably withheld, of the Revolver Administrative Agent, each Issuing Lender and, so long as no event of default under the Revolving Facility is continuing, the Borrower. In the case of partial assignments (other than to another Revolving Lender, an affiliate of a Revolving Lender or an approved fund, the minimum assignment amount shall be \$2 million, unless otherwise agreed by the Revolver Administrative Agent. The Revolving Lenders shall also be permitted to sell participations in their loans. Participants shall have the same benefits as the Revolving 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 Revolving Lender from which it

	<p>purchased its participation would be required. Pledges of loans in accordance with applicable law shall be permitted without restriction. Each Revolving Lender may disclose information to prospective participants and assignees. The Revolver Administrative Agent will be entitled to a processing fee of \$3,500 from the assignor or the assignee in connection with any assignment.</p>
<i>Yield Protection</i>	<p>The Revolving Loan Documents shall contain customary provisions (a) protecting the Revolving 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 Revolving Lenders for “breakage costs” incurred in connection with, among other things, any prepayment of a Eurodollar Loan (as defined below) on a day other than the last day of an interest period with respect thereto.</p>
<i>Field Examinations</i>	<p>Field examinations will be conducted on an ongoing basis at regular intervals at the discretion of the Revolver Administrative Agent, to ensure the adequacy of Borrowing Base collateral and related reporting and control systems. Up to two field examinations per year will be conducted at the Borrower’s expense; provided that there shall be no limitation on the number or frequency of field examinations if an event of default under the Revolving Facility shall have occurred and be continuing or if excess Availability shall be less than \$10 million.</p>
<i>Appraisals</i>	<p>Inventory appraisals will be conducted on an annual basis at the discretion of the Revolver Administrative Agent. Up to one inventory appraisal per year will be conducted at the Borrower’s expense; provided that there shall be no limitation on the number or frequency of such appraisals if an event of default under the Revolving Facility shall have occurred and be continuing or if excess Availability shall be less than \$10 million.</p>
<i>Cash Dominion</i>	<p>Within 60 days after the Closing Date (which date may be extended by the Revolver Administrative Agent in its sole discretion), the Borrower and its subsidiaries will direct all account debtors (other than account debtors paying in cash or via check at offices of the Borrower and its subsidiaries) to forward payments directly to lock boxes subject to lock box agreements with depository institutions reasonably satisfactory to the Revolver Administrative Agent (provided that cash and check collections shall be deposited promptly after collection into a blocked account by the relevant Loan Party). During the existence of an event of default or at any time excess Availability shall be less than \$7.5 million, the Revolver Administrative Agent may direct that all payments or deposits into such lock boxes will be swept on a daily basis into a blocked account</p>

	<p>with the Revolver Administrative Agent. The Revolver Administrative Agent, any Revolving Lender to be designated and/or another bank reasonably acceptable to the Revolver Administrative Agent shall be the Borrower's principal depository and disbursement bank(s). The appropriate documentation, including blocked account and/or lockbox agreements reasonably acceptable to the Revolver Administrative Agent, will be required for all depository accounts of the Borrower and its subsidiaries at depository institutions other than the Revolver Administrative Agent (other than payroll, zero balance, trust, employee benefits and other customary excluded accounts).</p>
<p><i>Expenses and Indemnification</i></p>	<p>The Borrower shall pay (a) all reasonable out-of-pocket expenses of the Revolver Administrative Agent associated with the preparation, execution, delivery and administration of the Revolving 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 Revolver Administrative Agent and the Revolving Lenders (including the fees, disbursements and other charges of counsel) in connection with the enforcement of the Revolving 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 Revolver Administrative Agent.</p> <p>The Revolver Administrative Agent and the Revolving Lenders (and their affiliates and their respective officers, directors, employees, advisors 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).</p>
<p><i>Governing Law and Forum</i></p>	<p>State of New York.</p>

INTEREST AND CERTAIN FEES

<p><i>Interest Rate</i></p>	<p>The Borrower may elect that the Revolving Loans comprising a borrowing under the Revolving Facility bear interest at a rate per annum equal to: (i) the Alternate Base Rate <u>plus</u> the Applicable Margin; or (ii) the Adjusted LIBO Rate <u>plus</u> the Applicable Margin.</p> <p>As used herein:</p> <p>“<i>ABR Loans</i>” means Revolving Loans bearing interest based upon the Alternate Base Rate.</p> <p>“<i>Adjusted LIBO Rate</i>” 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 Revolver 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.</p> <p>“<i>Alternate Base Rate</i>” means, with respect to any ABR Loan, for any 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%; <u>provided</u> 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. 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.</p> <p>“<i>Applicable Margin</i>” means (a) with respect to ABR Loans, 4.50% per annum and (b) with respect to Eurodollar Loans, 5.50% per annum.</p> <p>“<i>Eurodollar Loans</i>” means Revolving Loans bearing interest based upon the LIBO Rate.</p> <p>“<i>Federal Funds Effective Rate</i>” 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</p>
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	<p>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 Revolver Administrative Agent from three Federal funds brokers of recognized standing selected by it.</p> <p>“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.</p> <p>“Prime Rate” means the rate of interest per annum publicly announced from time to time by the entity acting as the Revolver 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.</p>
<i>Interest Payment Dates</i>	<p>In the case of ABR Loans, quarterly in arrears.</p> <p>In the case of Eurodollar Loans, on the last day of each relevant interest period and, in the case of any interest period longer than three months, on each successive date three months after the first day of such interest period.</p> <p>Accrued interest on the Revolving Loans shall be payable in cash on each interest payment date.</p>
<i>Commitment Fees</i>	<p>The Borrower shall pay a commitment fee on the Revolving Facility calculated at a per annum rate equal to 1.00% on the average daily unused portion of the Revolving Commitments, payable quarterly in arrears.</p>
<i>Letter of Credit Fees</i>	<p>The Borrower shall pay a letter of credit fee under the Revolving Facility at a per annum rate equal to the Applicable Margin then in effect with respect to Eurodollar Loans thereunder on the aggregate undrawn amount of each outstanding Letter of Credit. Such fee shall be shared ratably among the Revolving Lenders and shall be payable quarterly in arrears.</p> <p>A fronting fee in an amount to be agreed upon between the Borrower and the Issuing Lenders on the aggregate undrawn amount of each Letter of Credit shall be payable quarterly in arrears to the relevant Issuing Lender for its own account. In addition, customary processing, issuance, amendment, renewal and extension charges shall be payable to each Issuing Lender for its own account.</p>
<i>Default Rate</i>	<p>At any time upon the occurrence and during the continuation of any</p>

	event of default under the Revolving Facility, all outstanding Revolving Loans shall bear interest at 2% above the rate otherwise applicable thereto. Without limiting the foregoing, overdue interest, fees and other amounts under the Revolving Facility shall bear interest at 2% above the rate applicable to ABR Loans.
<i>Rate and Fee Basis</i>	All per annum rates shall be calculated on the basis of a year of 360 days (or 365/366 days, in the case of ABR Loans the interest rate payable on which is then based on the Prime Rate) for actual days elapsed.
<i>Agency Fee</i>	An administrative agency fee payable to the Revolver Administrative Agent in such amount and at such times as shall be agreed in writing between the Borrower and the Revolver Administrative Agent.

SCHEDULE B – TRANCHE A TERM LOAN FACILITY

<i>Borrower</i>	Journal Register Company (the “ <u>Borrower</u> ”), a Delaware corporation.
<i>Guarantors</i>	Same as for Revolving Facility.
<i>Administrative Agent</i>	JPMorgan Chase Bank, N.A. (in such capacity, the “ <u>Tranche A Term Administrative Agent</u> ”).
<i>Lenders</i>	The lenders under the Existing Facility as of the Closing Date (collectively, the “ <u>Tranche A Term Lenders</u> ”).
<i>Facility</i>	A term loan facility (the “ <u>Tranche A Term Loan Facility</u> ”) in an aggregate principal amount of \$175 million (the loans thereunder, the “ <u>Tranche A Term Loans</u> ”), representing a conversion of a portion of the Lender Claims into the Tranche A Term Loans as of the Closing Date.
<i>Amortization and Maturity</i>	The Tranche A Term Loans shall be repayable in consecutive equal quarterly installments on the last business day of each fiscal quarter, commencing with the fiscal quarter ending March 31, 2010, in an aggregate annual amount of \$10 million, with the final installment in the amount of the then remaining aggregate principal amount of the Tranche A Term Loans payable on the fourth anniversary of the Closing Date.
<i>Fees and Interest Rates</i>	As set forth on Annex B-1 below.
<i>Optional Prepayments</i>	Tranche A Term Loans may be prepaid by the Borrower without premium or penalty (but subject to payment of break funding costs, if any, in respect of Eurodollar Loans (as defined below)) in minimum amounts to be agreed in the Tranche A Term Loan Documents (as defined below).
<i>Mandatory Prepayments</i>	<p>The following amounts shall be applied to prepay the Tranche A Term 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);</p> <p>(b) 100% of the net proceeds of any debt incurrence by the Borrower</p>

	<p>or any of its subsidiaries after the Closing Date (subject to certain customary exceptions to be agreed); and</p> <p>(c) a percentage to be agreed of excess cash flow 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.)</p> <p>Each such mandatory prepayment of the Tranche A Term Loans shall be applied pro rata to the remaining installments of the Tranche A Term Loans. Amounts prepaid in respect of Tranche A Term Loans may not be reborrowed.</p>
<i>Collateral</i>	<p>The obligations of the Loan Parties in respect of the Tranche A Term Loan 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 Revolving Facility Collateral), except for those assets as to which the Tranche A Term 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 Tranche A Term Administrative Agent, and (ii) a second priority, perfected security interest in all of the Revolving Facility Collateral.</p> <p>The liens securing the Tranche A Term Loans will be subject to and governed by an intercreditor agreement, on terms acceptable to the Tranche A Term Administrative Agent and the Tranche A Term Lenders (in their sole discretion), with the Revolving Lenders (and/or the Revolver Administrative Agent) and the Tranche B Term Lenders (and/or the Tranche B Term Administrative Agent).</p>
<i>Closing Date Conditions Precedent</i>	Same as for the Revolving Facility.
<i>Documentation</i>	The credit documentation for the Tranche A Term Loan Facility (the " <u>Tranche A Term 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 Tranche A Term Lenders, including without limitation the following:
<i>Representations</i>	Substantially the same as for the Revolving Facility (except for those which relate to the revolving asset-based nature of the Revolving

	Facility).
<i>Affirmative Covenants</i>	Substantially the same as for the Revolving Facility (except for those which relate to the revolving asset-based nature of the Revolving Facility).
<i>Financial Covenants</i>	(i) Minimum EBITDA, (ii) a minimum fixed charge coverage ratio, (iii) a maximum leverage ratio and (iv) maximum capital expenditures.
<i>Negative Covenants</i>	Substantially the same as for the Revolving Facility (except for those, if any, which relate to the revolving asset-based nature of the Revolving Facility).
<i>Events of Default</i>	Substantially the same as for the Revolving Facility (except for those, if any, which relate to the revolving asset-based nature of the Revolving Facility).
<i>Voting</i>	Amendments, waivers and consents with respect to the Tranche A Term Loan Documents shall require the approval of Tranche A Term Lenders holding not less than a majority of the aggregate amount of the Tranche A Term Loans, except that the consent of each Tranche A Term 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 Tranche A Term Loan, (ii) reductions in the principal of any Tranche A Term 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 Tranche A Term Loan Documents, (v) assignment by any Loan Party of its rights under the Tranche A Term 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 Tranche A Term Loan Documents.
<i>Assignments and Participations</i>	The Tranche A Term Lenders shall be permitted to assign all or a portion of their Tranche A Term Loans with the consent, not to be unreasonably withheld, of the Tranche A Term Administrative Agent, unless the assignee is a Tranche A Term Lender, an affiliate of a Tranche A Term Lender or an approved fund. In the case of partial assignments (other than to another Tranche A Term Lender, an affiliate of a Tranche A Term Lender or an approved fund, the minimum assignment amount shall be \$1,000,000, unless otherwise agreed by the Tranche A Term Administrative Agent. The Tranche A Term Lenders shall also be permitted to sell participations in their loans. Participants shall have the same benefits as the Tranche A

	Term 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 Tranche A Term Lender from which it purchased its participation would be required. Pledges of loans in accordance with applicable law shall be permitted without restriction. Each Tranche A Term Lender may disclose information to prospective participants and assignees. The Tranche A Term Administrative Agent will be entitled to a processing fee of \$3,500 from the assignor or the assignee in connection with any assignment.
<i>Yield Protection</i>	Substantially the same as for the Revolving Facility.
<i>Expenses and Indemnification</i>	Substantially the same as for the Revolving Facility.
<i>Governing Law and Forum</i>	State of New York.

INTEREST AND CERTAIN FEES

<i>Interest Rate</i>	<p>The Borrower may elect that the Tranche A Term Loans bear interest at a rate per annum equal to: (i) the Alternate Base Rate <u>plus</u> the Applicable Margin; or (ii) the Adjusted LIBO Rate <u>plus</u> the Applicable Margin.</p> <p>As used herein:</p> <p>“<i>ABR Loans</i>” means Tranche A Term Loans bearing interest based upon the Alternate Base Rate.</p> <p>“<i>Adjusted LIBO Rate</i>” 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 Tranche A Term 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; <u>provided</u> that, for purposes of the Tranche A Term Loan Facility, the Adjusted LIBO Rate for any interest period shall in no event be less than 5.00% per annum.</p> <p>“<i>Alternate Base Rate</i>” means, with respect to any ABR Loan, for any 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%; <u>provided</u> 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 <u>provided further</u> that the Alternate Base Rate shall in no event at any time be less than 4.00% 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.</p> <p>“<i>Applicable Margin</i>” means (a) with respect to ABR Loans, 4.50% per annum and (b) with respect to Eurodollar Loans, 5.50% per annum.</p> <p>“<i>Eurodollar Loans</i>” means Tranche A Term Loans bearing interest</p>
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	<p>based upon the LIBO Rate.</p> <p>“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 Tranche A Term Administrative Agent from three Federal funds brokers of recognized standing selected by it.</p> <p>“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.</p> <p>“Prime Rate” means the rate of interest per annum publicly announced from time to time by the Tranche A Term 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.</p>
<i>Interest Payment Dates</i>	<p>In the case of ABR Loans, quarterly in arrears.</p> <p>In the case of Eurodollar Loans, on the last day of each relevant interest period and, in the case of any interest period longer than three months, on each successive date three months after the first day of such interest period.</p> <p>Accrued interest on the Tranche A Term Loans shall be payable in cash on each interest payment date.</p>
<i>Default Rate</i>	<p>At any time upon the occurrence and during the continuation of any event of default under the Tranche A Term Loan Facility, all outstanding Tranche A Term Loans shall bear interest at 2% above the rate otherwise applicable thereto. Without limiting the foregoing, overdue interest, fees and other amounts under the Tranche A Term Loan Facility shall bear interest at 2% above the rate applicable to ABR Loans.</p>
<i>Rate and Fee Basis</i>	<p>All per annum rates shall be calculated on the basis of a year of 360 days (or 365/366 days, in the case of ABR Loans the interest rate payable on which is then based on the Prime Rate) for actual days elapsed.</p>

<i>Agency Fee</i>	An administrative agency fee payable to the Tranche A Term Administrative Agent in such amount and at such times as shall be agreed in writing between the Borrower and the Tranche A Term Administrative Agent.
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SCHEDULE C – TRANCHE B TERM LOAN FACILITY

<i>Borrower</i>	Journal Register Company (the “ <u>Borrower</u> ”), a Delaware corporation.
<i>Guarantors</i>	Same as for Tranche A Term Loan Facility.
<i>Administrative Agent</i>	An entity to be determined (in such capacity, the “ <u>Tranche B Term Administrative Agent</u> ” and, together with the Revolver Administrative Agent and the Tranche A Term Administrative Agent, the “ <u>Agents</u> ”).
<i>Lenders</i>	The lenders under the Existing Credit Facility as of the Closing Date (collectively, the “ <u>Tranche B Term Lenders</u> ” and, together with the Tranche A Term Lenders and the Revolving Lenders, the “ <u>Lenders</u> ”).
<i>Facility</i>	A term loan facility (the “ <u>Tranche B Term Loan Facility</u> ” and, together with the Tranche A Term Loan Facility, the “ <u>Term Loan Facilities</u> ”; and the Term Loan Facilities and the Revolving Facility, collectively, the “ <u>Facilities</u> ”) in an aggregate principal amount of \$100 million (the loans thereunder, the “ <u>Tranche B Term Loans</u> ” and, together with the Tranche A Term Loans, the “ <u>Term Loans</u> ”), representing a conversion of a portion of the Lender Claims into the Tranche B Term Loans as of the Closing Date.
<i>Maturity Date</i>	The Tranche B Term Loans shall be repayable in full on the fifth anniversary of the Closing Date. There shall be no scheduled principal amortization payments on the Tranche B Term Loans prior to the final maturity date thereof.
<i>Fees and Interest Rates</i>	As set forth on Annex C-1 below.
<i>Optional Prepayments</i>	Subject to the prior payment in full of the Tranche A Term Loans, the Tranche B Term Loans may be prepaid by the Borrower without premium or penalty in minimum amounts to be agreed in the Tranche B Term Loan Documents.
<i>Mandatory Prepayments</i>	<p>Subject to the prior payment in full of the Tranche A Term Loans, the following amounts shall be applied to prepay the Tranche B Term 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</p>

	<p>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); and</p> <p>(c) a percentage to be agreed of excess cash flow for any fiscal year of the Borrower (commencing with the fiscal year ending on or nearest to December 31, 2010).</p> <p>Each such mandatory prepayment shall be applied ratably to the Tranche B Term Loans. Amounts prepaid in respect of Tranche B Term Loans may not be reborrowed.</p>
<i>Collateral</i>	<p>The obligations of the Loan Parties in respect of the Tranche B Term Loan Facility shall be secured by a third priority, perfected security interest in all of the Collateral securing the Tranche A Term Loans.</p> <p>The liens securing the Tranche B Term Loans will be subject to and governed by an intercreditor agreement, on terms acceptable to the Tranche B Term Administrative Agent and the Tranche B Term Lenders (in their sole discretion), with the Tranche A Term Lenders (and/or the Tranche A Term Administrative Agent) and the Revolving Lenders (and/or the Revolver Administrative Agent).</p>
<i>Closing Date Conditions Precedent</i>	Same as for the Tranche A Term Loan Facility.
<i>Documentation</i>	The credit documentation for the Tranche B Term Loan Facility (the “ <u>Tranche B Term 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 Tranche B Term Lenders, including without limitation the following:
<i>Representations</i>	Substantially the same as for the Tranche A Term Loan Facility.
<i>Affirmative Covenants</i>	Substantially the same as for the Tranche A Term Loan Facility.
<i>Financial Covenants</i>	(i) A minimum fixed charge coverage ratio, (ii) a maximum leverage ratio and (iii) maximum capital expenditures (but with greater headroom than the corresponding covenant levels contained in the Tranche A Term Loan Facility).
<i>Negative Covenants</i>	To be based substantially upon the negative covenants in the Tranche

	A Term Loan Facility (but with less restrictive baskets and thresholds to be agreed).
<i>Events of Default</i>	To be based substantially upon the events of default in the Tranche A Term Loan Facility (but with less restrictive grace periods and thresholds to be agreed).
<i>Voting</i>	Substantially the same as for the Tranche A Term Loan Facility.
<i>Assignments and Participations</i>	Substantially the same as for the Tranche A Term Loan Facility.
<i>Yield Protection</i>	Substantially the same as for the Tranche A Term Loan Facility.
<i>Expenses and Indemnification</i>	Substantially the same as for the Tranche A Term Loan Facility.
<i>Governing Law and Forum</i>	State of New York.

INTEREST AND CERTAIN FEES

<i>Interest Rate</i>	The Tranche B Term Loans shall bear interest at a fixed rate of 15.00% per annum (the “ <u>Coupon Rate</u> ”).
<i>Interest Payment Dates</i>	Interest payments shall be made quarterly in arrears. Accrued interest on the Tranche B Term Loans shall be paid in cash or in kind (i.e., by adding such accrued interest to principal) on each applicable interest payment date on terms to be determined (including that accrued interest shall be paid in kind if the Borrower fails to meet a minimum liquidity requirement to be agreed).
<i>Default Rate</i>	At any time upon the occurrence and during the continuation of any event of default under the Tranche B Term Loan Facility, all outstanding Tranche B Term Loans shall bear interest at 2% above the Coupon Rate. Without limiting the foregoing, overdue interest, fees and other amounts under the Tranche B Term Loan Facility shall bear interest at 2% above the Coupon Rate.
<i>Rate Basis</i>	Interest payments will be calculated on the basis of a 360-day year of twelve 30-day months.
<i>Agency Fee</i>	An administrative agency fee payable to the Tranche B Term Administrative Agent in such amount and at such times as shall be agreed in writing between the Borrower and the Tranche B Term Administrative Agent.

SCHEDULE D - CONDITIONS PRECEDENTS

<i>Conditions Precedent:</i>	<p>The occurrence of the Closing Date with respect to the Facilities is subject to the satisfaction or written waiver of conditions that are customary, necessary or appropriate for the loans of this type, including, without limitation, the following:</p> <p>(i) 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 Loan Parties, the respective Lenders party thereto and the Agents, which shall reflect the terms and conditions of the term sheets to which this Schedule D is attached (the “<u>Term Sheets</u>”).</p> <p>(ii) 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 approvals, if any) shall have been obtained and shall be in full force and effect.</p> <p>(iii) The respective 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 such Agent and its counsel.</p> <p>(iv) The Revolver Administrative Agent shall have received and be reasonably satisfied with inventory appraisals from appraisers reasonably satisfactory to the Revolver Administrative Agent. The appraisers shall be engaged directly by the Revolver Administrative Agent and shall have no direct or indirect interest, financial or otherwise, in the property or transaction.</p> <p>(v) The Revolver Administrative Agent or its designee shall have conducted and be reasonably satisfied with a field examination of the accounts receivable, inventory and related working capital matters and financial information of the Borrower and its subsidiaries and of</p>
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	<p>the related data processing and other systems.</p> <p>(vi) The Revolver Administrative Agent shall have received a Borrowing Base certificate as of a date specified by the Revolver Administrative Agent with customary supporting documentation and supplemental reporting to be agreed upon between the Revolver Administrative Agent and the Borrower.</p> <p>(vii) Minimum excess Availability for the Borrower under the Revolving Facility at closing only of an amount to be agreed.</p> <p>(viii) 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 Agents, which condition shall be deemed satisfied if the corporate and capital structure of the Borrower and its subsidiaries is consistent with the Term Sheets.</p> <p>(ix) There shall not have been any material adverse change in the information provided in the environmental review reports previously provided to the Existing Agent or in the status of the environmental hazards or liabilities affecting the properties of the Debtors.</p> <p>(x) With respect to each Facility, 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.</p> <p>(xi) Liens creating security interests in the Collateral of the requisite priority shall have been perfected.</p> <p>(xii) The Existing Lenders, the Revolving Lenders, the Existing Agents and the Revolver Administrative Agent shall have received all fees required to be paid, and all expenses for which invoices have been presented, on or before the Closing Date.</p> <p>(xiii) The Borrower shall have issued New Common Stock to the Existing Lenders as contemplated in the Restructuring Term Sheet.</p> <p>(xiv) Satisfaction of all conditions precedent to the Effective Date.</p>
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