

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

TRIBUNE COMPANY, et al.,

Debtors.

Chapter 11

Case No. 08-13141 (KJC)

(Jointly Administered)

**DECLARATION OF SUSAN BELL PURSUANT TO 28 U.S.C. §1746, IN SUPPORT OF
OPENING BRIEF OF TM RETIREES WITH RESPECT TO RESOLUTION OF
ALLOCATION DISPUTES IN CONNECTION WITH CONFIRMATION OF THE
THIRD AMENDED DCL PLAN**

I, Susan Bell, pursuant to 28 U.S.C. §1746, declare under penalty of perjury that:

1. I have personal knowledge of the facts detailed herein and have also reviewed the following documents (each as defined herein and attached as indicated):
 - (i) Chart setting forth the negotiated claim amounts for TM Retirees (defined herein) with a claim against the parent company of Tribune, with such claims identified by the source plan under which the claim derives (the “**TM Retiree Chart**”) (Exhibit A)
 - (ii) The Times Mirror Deferred Compensation Plan for Executives effective as of April 1, 1994 ¹ and its restatement The Times Mirror Deferred Compensation Plan for Executives effective as of April 1, 1994 and amended effective as of January 1, 2005 (both “**TM DC Plan**”) (Exhibit B)
 - (iii) The Times Mirror Company Supplemental Retirement Plan for Certain Times Mirror Officers as of January 1, 1993 (the “**SERP**”) (Exhibit C)
 - (iv) The Times Mirror Company Excess Pension Plan as of January 1, 1994 (the “**Excess Plan**”) (Exhibit D)

¹ The Times Mirror Deferred Compensation Plan for Executives effective as of April 1, 1994 was superseded by its amendment and restatement by Tribune Company in 2005 following the Merger.

- (v) The Times Mirror Company Pension Plan for Directors as amended and restated on March 5, 1987 (the “**Directors Pension Plan**”) (Exhibit E)
 - (vi) Deferred compensation plans for non-employee directors of The Times Mirror Company: The Times Mirror Company Non-Employee Directors Stock Plan as amended and restated effective January 1, 1997 (the “**TM Directors Stock Plan**”) and The Times Mirror Deferred Compensation Plan for Directors effective as of April 1, 1994 (the “**TM Directors DC Plan**”)² (Exhibit F)
 - (vii) Various individual agreements which set forth the terms of the negotiated agreement between The Times Mirror Company and the employee regarding, among other things, supplemental retirement benefits (“**Individual Agreements**”) (Exhibits G1-G17)
 - (viii) March 13, 2000 Agreement and Plan of Merger between Tribune Company and The Times Mirror Company (“**Merger Agreement**”)³
2. I was an employee of the Times Mirror Company (“**Times Mirror**”) from 1978 until 2000 and the Director of Executive Compensation and Executive Benefits at Times Mirror from 1995 until Times Mirror merged with Tribune Company (“**Tribune**”) in 2000 (the “**Merger**”). Following the Merger, I provided transitional services to Tribune for several months and then retired.
3. Tribune and Times Mirror negotiated the terms of the Merger, including with respect to Tribune’s obligations to assume the Times Mirror non-qualified deferred compensation plans. As Director of Executive Compensation and Executive Benefits of Times Mirror, I was the lead Human Resources representative for Times

² The TM Directors DC Plan is an additional deferred compensation plan for non-employee directors which was recently discovered as relevant to the TM Retiree claims. Two former directors have claims under this plan. This plan does not change the aggregate amounts shown on the TM Retiree Chart; it is an additional source plan for the amounts shown for Mssrs. Bryson and Armstrong.

³ The Merger Agreement is attached to the Declaration of Jay Teitelbaum dated February 24, 2012, submitted in support of the Opening Brief of the TM Retirees.

Mirror at these negotiations and was directly involved in the discussions related to Sections 4.9 and 6.9 of the Merger Agreement.

4. As a result of the negotiations, among other things, Tribune and Times Mirror agreed that, upon the Merger, all of the benefit plans of Times Mirror and their obligations, including those plans described in paragraph 1 subparagraphs (ii)–(vii) above, would be assumed by Tribune.
5. In addition, the parties agreed that the terms of the TM DC Plan and the TM Directors DC Plan would be modified to provide for a fixed interest rate for computing the ongoing obligations of Tribune, rather than the floating rate provided for in the TM DC Plan and the TM Directors DC Plan.
6. The interests of the TM Retirees were fully vested in each of the Times Mirror plans as of the Merger.
7. In my employment at Times Mirror, I was responsible for, among other things, designing, drafting, implementing, communicating and administering the compensation packages for Times Mirror executives and directors and for working with Times Mirror accountants and actuaries to identify the obligations required to be disclosed on Times Mirror financial statements with respect to the NQDC Plans (as defined below).
8. I have personal knowledge of each of the Times Mirror non-qualified deferred compensation plans identified in paragraph 1 subparagraphs (ii)–(vii) above which form the basis for the TM Retiree claims and are described herein. Those plans were an important and valuable part of Times Mirror’s executive and/or directors compensation package.

9. Those executives whose employment continued with Tribune after the Merger were covered by a certain non-qualified deferred compensation plan sponsored by Tribune for its executives referred to as the Tribune Company Supplemental 401(k) Plan (the “**Supplemental 401(k) Plan**”). The information about TM Retiree’s claims under the Supplemental 401(k) Plan was obtained from Schedule F of the Debtors’ schedules of assets and liabilities and statements of financial affairs filed with the court on March 23, 2009 (ECF Docket No. 577). I have no personal knowledge about this plan and because I am not in possession of the Supplemental 401(k) Plan, it is not annexed hereto. The Times Mirror non-qualified deferred compensation plans identified in paragraph 1 subparagraphs (ii)–(vii) above together with the Supplemental 401(k) Plan are the “**TM Retiree Plans**”.
10. Each of the TM Retiree Plans is an unfunded non-qualified deferred compensation plan (“**NQDC plan**”) as that term is used in the Internal Revenue Code. Each of the TM Retiree Plans is intended to be a plan “maintained primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees” as set forth in Section 201(2) *et seq.* of the Employee Retirement Income Security Act of 1974.
11. In designing the TM Retiree Plans identified in paragraph 1 subparagraphs (ii)–(vi) above, I surveyed executive and/or directors compensation packages at comparable companies and engaged outside consultants to determine that each of those TM Retiree Plans was competitive in the industry, or that those plans when considered in conjunction with Times Mirror’s other compensation practices provided a total compensation package that was competitive.

12. Each of the TM Retiree Plans identified in paragraph 1 subparagraphs (ii)–(vii) above was created and provided by Times Mirror in the ordinary course of its business, according to ordinary business terms that were usual and customary for compensating executives and/or directors at comparable companies.
13. Following the commencement of the Tribune bankruptcy cases, I was engaged as a consultant to Teitelbaum & Baskin, LLP, attorneys for the TM Retirees, to assist counsel in these cases. In that capacity, I gathered information from each TM retiree to prepare a proof of claim on behalf of each TM Retiree. Each TM Retiree reviewed and executed his/her own proof of claim. The **TM Retirees** are a group of approximately 200 former employees and/or directors (and beneficiaries of such former employees and/or directors) of Times Mirror who were receiving or entitled to receive payments under certain non-qualified deferred compensation plans assumed by one or more of the Debtors.
14. I am a creditor in this case with a claim in the amount of \$34,604 under the Excess Plan.
15. My compensation for services performed for Teitelbaum & Baskin on behalf of the TM Retirees is not contingent upon the outcome of this case and, other than being reimbursed for travel expenses, I am not being specifically compensated for my testimony in connection with this case.
16. In addition, in my capacity as a consultant to Teitelbaum & Baskin, LLP, I was personally involved in the negotiations with the Debtors in connection with settling upon a fixed amount for each TM Retiree claim, as embodied in the settlement agreement, dated May 18, 2010 (the “**TM Retiree Settlement**”). Pursuant to the

TM Retiree Settlement it was agreed that the adjusted claim amounts which were part of the negotiated compromise were to be treated as allowed claims. In addition, the methodology for determining similar claims (based upon interest rates, mortality tables and other metrics) was agreed upon as was the treatment of such claims. It was further agreed that that TM Retirees would receive a payment equal to 35.2% of their allowed claims pursuant to the Third Amended Joint Plan of Reorganization for Tribune Company and its Subsidiaries, (the “**Third DCL Plan**”).

17. The TM Retirees have asserted claims of approximately \$113.6 million against the Debtors based on the TM Retiree Plans and of that amount approximately \$108.4 million represents claims asserted against the Tribune parent company. For purposes of this Allocation Dispute, the claims of the 185 TM Retirees with a claim against the Tribune parent company were compromised to an adjusted amount of approximately \$99.6 million⁴ determined under the terms of the TM Retiree Settlement.
18. In connection with this resolution of allocation disputes, I prepared the TM Retiree Chart which set forth the negotiated amount determined under the TM Retiree Settlement of each TM Retiree claim asserted against the parent company of Tribune as it relates to the relevant NQDC Plans under which the claim derives, including the TM DC Plan; the SERP; the Excess Plan; the Directors Pension Plan; the TM Directors Stock Plan; the TM Directors DC Plan; the Supplemental 401(k)

⁴ This amount includes the claims for 6 TM Retirees who were not included in 2010 at the time when the TM Retiree Settlement was negotiated. The amounts of their claims have been determined in accordance with the terms of the TM Retiree Settlement.

Plan and Individual Agreements. A copy of the TM Retiree Chart is annexed as Exhibit A and a copy of each TM Retiree Plan as described in paragraph 1 herein is also attached.

19. The TM Retiree Claims embodied in the TM Retiree Settlement, each arise from participation by the TM Retirees in one or more the TM Retiree Plans. The deferred compensation benefits earned under the TM Retiree Plans are all based on services rendered.
20. A detailed explanation of each TM Retiree Plan and the claims arising thereunder is set forth below.

The Times Mirror Deferred Compensation Plan for Executives (the "TM DC Plan")

21. The negotiated amounts of each claim under the TM DC Plan are detailed in the 5th column of the TM Retiree Chart and aggregate \$20,620,208.13.⁵ (A true and accurate copy of the TM DC Plan is annexed hereto as Exhibit B.) This is a NQDC Plan which is unfunded. The TM DC Plan allowed participants to defer receipt of compensation which was due for services rendered. It provides:

THE TIMES MIRROR COMPANY, a Delaware corporation, established this Deferred Compensation Plan for Executives (the "Plan"), effective April 1, 1994, to enable Company executives covered under the Plan to enhance their retirement security by permitting them to enter into agreements with the Company to defer compensation and receive benefits at retirement, death, separation from service and as otherwise provided under the Plan.

(TM DC Plan p. 1)

22. Pursuant to the TM DC Plan:
 - certain Times Mirror executives were permitted to make an annual election to

⁵ This total does not include amounts detailed in the 5th column of the TM Retiree Chart which were deferred under the TM Directors Stock Plan or the TM Directors DC Plan as noted.

defer a portion of their cash compensation (*Id.* at 1.1);

- the amount deferred was subject to substantial risk of forfeiture insofar as there was no designated fund or collateral to repay the obligations to the employee (*Id.* at 10.3);
- the participant would commence receiving payments at a future date, either upon a retirement date or at termination of employment as specified by the participant in the annual election (*Id.* at 5.2, 5.3);
- payments could be received in a lump sum or over periods of 5, 10 or 15 years (*Id.*);
- the repayment obligation carried an interest component identified as a Crediting Rate (*Id.* at 1.8), but which was converted to a fixed 9% under Section 6.9(c) of the Merger Agreement;
- participants were 100% vested at all times in the amounts credited to their accounts (*Id.* at 4.3).

The Times Mirror Supplemental Retirement Plan (the “SERP”):

23. The negotiated amounts of each claim under the SERP are detailed in the 6th column of the TM Retiree Chart and aggregate \$55,892,710.37. (A true and accurate copy of the SERP is annexed hereto as Exhibit C.) This is a NQDC plan which is unfunded. The SERP allows participants to defer receipt of compensation which is due for services rendered. It provides:

It is intended that this Supplemental Plan be a plan "maintained primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees" as set forth in Section 201(2) *et seq.* of the Employee Retirement Income Security Act of 1974.

* * *

Benefits under this Supplemental Plan shall be payable solely from the general assets of the Company and Participants herein shall not be entitled to look to any source for payment of such benefits other than the general assets of the Company.

(SERP at p. 1).

24. Pursuant to the SERP:

- defined benefit pension benefits accrued based upon length of service and compensation levels. (*Id.* at Attachment 1, ¶1);
- participants vested in the SERP upon (x) the earlier to occur of (i) the attainment of age 65 while an employee of the Company, (ii) the date as of which the Participant is granted vested status by the approval of the Board of Directors or the Compensation Committee, or (iii) the date on which the Participant has a total and permanent disability as determined by the Board of Directors or the Compensation Committee (*Id.* at Art. V), or (y) upon a change in control (*Id.* at Article X). In August 1995, the Compensation Committee acted to provide full vesting for SERP participants pursuant to the terms of the qualified Times Mirror Pension Plan;
- a vested participant would receive monthly payments commencing upon reaching the age of 65 and retirement payable as an annuity over the life of the participant, with a 50% joint survivor benefit for a spouse. The calculation of the annuity payments would be adjusted if benefits were received prior to age 65 or under an optional form of payment. (*Id.* at Attachment 1, ¶3).

The Times Mirror Excess Pension Plan (the "Excess Plan"):

25. The negotiated amounts of each claim under the Excess Plan are detailed in the 7th column of the TM Retiree Chart and aggregate \$13,317,470.02. (A true and accurate copy of the TM DC Plan is annexed hereto as Exhibit D.) This is a NQDC plan which is unfunded. The Excess Plan allows participants to defer receipt of compensation which is due for services rendered. It provides:

The purpose of this Excess Pension Plan (the "Excess Plan") is to provide additional pension benefits to designated employees of The Times Mirror Company (the "Company") and its subsidiaries whose pension benefits from The Times Mirror Pension Plan or any other defined benefit plans now or hereafter sponsored by the Company or a subsidiary of the Company (the "Basic Pension Plans") are limited by the maximum accrual limits of Section 415 of the Internal Revenue Code of 1986, as amended, ("Code") or the maximum compensation limits of Section 401(a)(17) of the Code ("IRS limits")

It is intended that this Excess Plan be a plan "maintained primarily for the purpose of providing deferred compensation. . .

* * *

Benefits under this Excess Plan shall be payable solely from the general assets of the Company and participants herein shall not be entitled to look to any source for payment of such benefits other than the general assets of the Company.

(Excess Plan Article I).

26. Pursuant to the Excess Plan:

- defined benefit pension benefits accrued based upon length of service and compensation levels. (*Id.* at Article III);
- participants vested in the Excess Plan (i) pursuant to the terms of the basic pension plans of Times Mirror (*Id.* at Article V); or (ii) upon a change in control (*Id.* at Article X);

- a vested participant would receive monthly payments commencing upon reaching the age of 65 and retirement payable as an annuity over the life of the participant. The calculation of the annuity payments would be adjusted if benefits were received prior to age 65 or under an optional form of payment. (*Id.* at Article IV).

The Times Mirror Pension Plan for Directors (the “Directors Pension Plan”)

27. The negotiated amount of the single claim (for F. Daniel Frost) under the Directors Pension Plan is detailed in the 8th column of the TM Retiree Chart and is \$239,907.66. (A true and accurate copy of the Directors Pension Plan is annexed hereto as Exhibit E.) This is a NQDC Plan which is unfunded. The Directors Pension Plan allowed participants to defer receipt of compensation which is due for services rendered. This plan was terminated effective December 31, 1996 for then current active non-employee directors. It provides:

The purpose of this Plan shall be to provide recognition and retirement benefits to eligible members of the Board of Directors (the “Board”) of The Times Mirror Company (the “Company”) and to facilitate the Company’s ability to attract, retain and reward members of its Board.

* * *

This Plan shall be a non-contributory, non-qualified, and unfunded Plan, and claims to benefits hereunder shall represent only unsecured general obligations of the Company. No special fund or trust shall be created, nor shall any notes or securities be issued with respect to any retirement benefits.

(Directors Pension Plan Article I and Article VII).

28. Pursuant to the Directors Pension Plan:

- non-employee directors accrued a defined benefit pension benefit based upon length of service and compensation levels (*Id.* at Articles V and VI);
- non-employee directors were eligible for a pension benefit upon termination of service after five years of service as a director provided he/she was a director in good standing at the time of his/her termination of service (*Id.* at Articles III, ¶3);
- a vested director would receive payments commencing at termination of service or such later date as specified by the director, payable for a period equal to his/her years of service as a non-employee director, with remaining payments continuing to a surviving spouse upon the death of the director (*Id.* at Article VI)

The Times Mirror Non Employee Directors Stock Plan (the “TM Directors Stock Plan”) and the Times Mirror Deferred Compensation Plan for Directors (the “TM Directors DC Plan”):

29. Non-employee directors were able to defer all or a portion of their retainer and fees under NQDC plans sponsored by Times Mirror. Deferrals made prior to 1997 were made under the TM Directors DC Plan. Deferrals made after 1996 were made under the TM Directors Stock Plan. When the Directors Pension Plan was terminated effective December 31, 1996 for then current active non-employee directors, settlement amounts for certain directors representing the present value of their defined benefit pension benefits accrued under the Directors Pension Plan were credited to a special deferral account under the TM Directors DC Plan. The negotiated amounts of the three claims under the TM Directors Stock Plan and the Directors DC Plan have been combined and are detailed in the 5th column of the TM Retiree Chart and total \$1,128,316.23. (True and accurate copies of the TM Directors Stock Plan and the TM Directors DC Plan are annexed hereto as Exhibit F.)

30. The TM Directors Stock Plan was a NQDC plan referred to as a “phantom stock” plan which is unfunded. The TM Directors DC Plan is a NQDC plan referred to as a “cash-or-deferred” or account balance plan which is unfunded. Both these plans allowed participants to defer receipt of compensation which was due for services rendered.
31. The TM Directors Stock Plan allows participants to defer receipt of compensation which is due for services rendered. It provides:

Purpose of the Plan. Under this Non-Employee Directors Stock Plan (the "Directors Plan") of The Times Mirror Company, a Delaware corporation (the "Company"), shares of the Company's Series A Common Stock, \$1.00 par value ("Common Stock"), shall be issued to participants in partial compensation for their service as directors of the Company

(TM Directors Stock Plan, ¶1).

32. Pursuant to the TM Directors Stock Plan:
- non-employee directors were permitted to make an annual election to defer receipt of all or a portion of their cash and stock compensation, in which case the deferred compensation would be denominated as shares of common stock in the company (*Id.* at ¶8; Summary of Directors Compensation Benefits at p. 1 (Exhibit F));
 - Directors were 100% vested at all times in the amounts credited to their account and would make an irrevocable election as to the timing of the payment of the deferred compensation account balance (*Id.* at ¶¶ 8-9);
 - Upon the occurrence of the Merger, the deferred compensation balances denominated in “phantom” Times Mirror stock was converted to “phantom” Tribune stock and in connection with the LBO in 2007 was converted to a cash

value based upon the value of the stock of Tribune which was deemed repurchased.

33. The TM Directors DC Plan provides:

THE TIMES MIRROR COMPANY, a Delaware corporation (the “Company”), hereby establishes this Deferred Compensation Plan for Directors (the “Plan”), effective as of April 1, 1994, for the purpose of enabling directors of the Company who become covered under the Plan to enhance their retirement security by permitting them to enter into agreements with the Company to defer their fees for services as a director and receive benefits at retirement, death, separation from service and as otherwise provided under the Plan.

(TM Directors DC Plan p. 1)

34. Pursuant to the TM Directors DC Plan:

- non-employee directors were permitted to make an annual election to defer all or a portion of their cash retainer and fees (*Id.* at 1.1);
- the amount deferred was subject to substantial risk of forfeiture insofar as there was no designated fund or collateral to repay the obligations to the employee (*Id.* at 10.3);
- the participant would commence receiving payments at a future date, either upon a retirement date or at termination of employment as specified in the annual election (*Id.* at 5.2, 5.3);
- payments could be received in a lump sum or over periods of 5, 10 or 15 years (*Id.*);
- the repayment obligation carried an interest component identified as a Crediting Rate (*Id.* at 1.5), but which was converted to a fixed 9% under Section 6.9(c) of the Merger Agreement.

- participants were 100% vested at all times in the amounts credited to their accounts (*Id.* at 4.3).

Individual Agreements (the “Individual Agreements”):

35. The negotiated amounts of each claim under the Individual Agreements are detailed in the 8th column of the TM Retiree Chart and aggregate \$8,416,329.95.⁶ (A true and accurate copy of the Individual Agreements is annexed hereto as Exhibits G1 – G17.)
36. Unlike the preceding plans, these Individual Agreements were tailored to the individual participant and generally supplemented existing agreements between the employee and Times Mirror. Each agreement provides for deferred compensation to the participant and is summarized as follows:
 - (1) Otis Chandler (attached hereto as Exhibit G1): letter provided in early 2006 confirmed benefits to spouse of Otis Chandler upon death of Otis Chandler which were payable under an agreement with Otis Chandler executed in late 1984 and which replaced the benefits which had been earned under the SERP.
 - (2) William D. Crawford (attached hereto as Exhibit G2): letter dated May 21, 1986 confirmed terms of benefits under existing pension plans as of date of retirement and provided for supplemental lifetime pension payments as part of an early retirement package to compensate for years of service.

⁶ This amount does not include the claim for Daniel Frost, whose claim was identified as earned under the Directors Pension Plan but for simplicity was listed in the column labeled “Individual Agreements”. His claim is set forth under the section describing the Directors Pension Plan.

- (3) Peter J. Fernald (attached hereto as Exhibit G3): letter dated March 30, 1984 confirmed supplemental pension benefits as a life annuity as a result of early retirement to compensate for years of service.
- (4) Michael J Forgione (attached hereto as Exhibit G4): letter dated May 6, 1988 confirmed terms of benefits under existing retirement plans as of date of retirement and supplemental pension payments previously agreed to in an employment agreement dated May 7, 1984 as well as provided additional supplemental lifetime pension payments which were paid in a lump sum, as part of an early retirement package to compensate for years of service.
- (5) F. Daniel Frost (attached hereto as Exhibit G5): Originally included as a letter agreement dated May 21, 1992, but the letter is simply a confirmation of his benefit under the Directors Pension Plan.
- (6) Lee J. Guittar (attached hereto as Exhibit G6): letter dated September 11, 1984 provided for supplemental additional life annuity pension benefit payments as part of an early retirement package to compensate for years of service which provided for vesting of a non-vested benefit earned under the qualified plan as well as provided credit for severance pay which could not be provided under the qualified plan.
- (7) Harvey V. Guttry, Jr. (attached hereto as Exhibit G7): letter dated April 27, 1981 confirmed terms of benefits under existing retirement plans as of date of retirement and provided for supplemental lifetime pension payments as part of an early retirement package to compensate for years of service.

- (8) William P. Keller (attached hereto as Exhibit G8): letter dated June 1, 1982 confirmed terms of benefits under existing pension plans as of date of retirement and provided for supplemental lifetime pension payments as part of an early retirement package to compensate for years of service.
- (9) Donald S. Kellerman (attached hereto as Exhibit G9): letter dated December 13, 1991 confirmed terms of benefits under existing retirement plans as of date of retirement and provided for modified terms under the SERP for supplemental lifetime pension payments as part of an early retirement package to compensate for years of service and which replaced the benefits which had been earned under the SERP.
- (10) George C. Kuekes (attached hereto as Exhibit G10): letter dated January 24, 1992 confirmed terms of benefits under existing retirement plans as of date of retirement and provided for supplemental lifetime pension payments as part of a voluntary early retirement package to compensate for years of service and in consideration of agreement to delay retirement until July 1, 1992.
- (11) Martin P. Levin (attached hereto as Exhibit G11): letter dated December 30, 1983 confirmed terms of benefits under existing retirement plans as of date of retirement and provided for supplemental lifetime pension payments as part of retirement package to compensate for years of service.
- (12) Robert C. Lobdell (attached hereto as Exhibit G12): letter dated December 31, 1985 confirmed terms of benefits under existing retirement plans as of date of

retirement and provided for supplemental lifetime pension payments as part of retirement package to compensate for years of service.

(13) Kathleen G. McGuinness (attached hereto as Exhibit G13): settlement agreement dated July 21, 1998 confirmed terms of benefits under the TM DC Plan, provided for a supplemental lifetime pension payment which was equal to the non-vested accrued benefits earned under the qualified pension plan and the Excess Plan as of date of retirement and provided for payments over 15 years as part of a wrongful termination settlement.

(14) William A. Niese (attached hereto as Exhibit G14): letter dated November 1, 1999 confirmed terms of supplemental lifetime pension payments upon retirement as additional deferred compensation in consideration of agreement to delay retirement until July 1, 2001.

(15) Larry W. Peterson (attached hereto as Exhibit G15): letter dated November 11, 1993 confirmed terms of benefits under existing retirement plans as of date of retirement and provided for supplemental lifetime pension payments as part of an early retirement package to compensate for years of service.

(16) James W. Wallace (attached hereto as Exhibit G16): letter dated May 22, 1989 confirmed terms of benefits under existing retirement plans as of date of retirement and provided for supplemental lifetime pension payments as part of an early retirement package to compensate for years of service.

(17) Mark H. Willes (attached hereto as Exhibit G17): letter dated March 2, 2000 confirmed terms of benefits under existing retirement plans as of date of retirement and provided for supplemental lifetime pension payments as additional deferred compensation for agreeing to remain as Chairman, President and CEO of Times Mirror until the completion of the Merger.

37. As part of my job duties and responsibilities I was required to and did become familiar with the treatment of the Pension Plans under applicable accounting rules including under Statements issued by the Financial Accounting Standards Board (“**FASB**”) and the financial and tax implications on the part of Times Mirror as well as the TM Retirees in participating in such plans.
38. Each of the TM Retiree claims that are the subject of the allocation dispute arose in connection with services provided to Times Mirror by each of the TM Retirees prior to the merger of Times Mirror into Tribune (with the exception of claims under the Supplemental 401(k) Plan). Most of the claims are as a result of services provided by the TM Retirees to Times Mirror. In a few cases, certain TM Retirees continued to provide services to Tribune after the Merger.
39. Times Mirror identified each TM Retiree Plan on its books and records. With respect to the TM DC Plan, the TM Directors DC Plan and the TM Directors Stock Plan, Times Mirror identified an account balance on its books and records as a long term liability in an amount equal to the amount of deferred compensation that each participant agreed to withhold from current earned compensation, as well as interest, or in the case of the TM Directors Stock Plan an amount equal to dividends, which was credited to participant accounts each year. With respect to

the Excess Plan, the SERP, the Directors Pension Plan and the Individual Agreements, each provided deferred compensation in the form of an annuity and was reflected on the Times Mirror books and records as a long term liability based upon a present value of unfunded obligations. A benefit to Times Mirror of its nonqualified deferred compensation plans was the ability to have a competitive compensation package without a full immediate cash cost.

40. Based upon my 22 years of experience with Times Mirror and the public filings by Times Mirror, Times Mirror relied upon cash from operations as a primary source of its liquidity. These NQDC Plans assisted in supporting that liquidity need.
41. In administering the NQDC Plans, the goal of the participating TM Retirees was resoundingly to defer current compensation for retirement.
42. This treatment comported with my understanding of Financial Accounting Standards Board Statement No. 87 “Employers’ Accounting for Pensions”, which provides that “[t]he service cost component of net periodic pension cost is the actuarial present value of benefits attributed by the plan’s benefit formula to services rendered by employees during the period.” (FAS 87 at para 16).
43. As part of my duties and responsibilities, I determined that the goals of the TM Retirees and the treatment of the nonqualified deferred compensation plans to be both consistent with the accounting treatment for NQDC Plans. By way of example, FAS 87, sections 12 and 79 provide:

A pension benefit is part of the compensation paid to an employee for services. . .

The Board's conclusions in this Statement derive from the basic idea that a defined benefit pension is an exchange between the employer and the employee. In exchange for services provided by

the employee, the employer promises to provide, in addition to current wages and other benefits, an amount of retirement income. It follows from that basic view that pension benefits are not gratuities but instead are part of an employee's compensation, and since payment is deferred, the pension is a type of deferred compensation.

44. Pursuant to FAS 87, as amended and replaced by FAS 158, the overfunded or underfunded status of defined benefit plans are to be reflected as an asset (overfunded) or liability (underfunded) on the balance sheet, and para 36 of FAS 87 provides:

The employer shall aggregate the statuses of all overfunded plans and recognize that amount as an asset in its statement of financial position. It also shall aggregate the statuses of all underfunded plans and recognize that amount as a liability in its statement of financial position. An employer that presents a classified statement of financial position shall classify the liability for an underfunded plan as a current liability, a noncurrent liability, or a combination of both. The current portion (determined on a plan-by-plan basis) is the amount by which the actuarial present value of benefits included in the benefit obligation payable in the next 12 months, or operating cycle if longer, exceeds the fair value of plan assets. The asset for an overfunded plan shall be classified as a noncurrent asset in a classified statement of financial position.

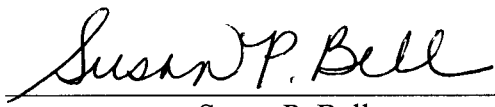
45. Similarly, Paragraph 4(b) of FAS 158 provides that a business entity shall:

Aggregate the statuses of all overfunded plans and recognize that amount as an asset in its statement of financial position. It also shall aggregate the statuses of all underfunded plans and recognize that amount as a liability in its statement of financial position. A business entity that presents a classified statement of financial position shall classify the liability for an underfunded plan as a current liability, a noncurrent liability, or a combination of both. The current portion (determined on a plan-by-plan basis) is the amount by which the actuarial present value of benefits included in the benefit obligation payable in the next 12 months, or operating cycle if longer, exceeds the fair value of plan assets. The asset for an overfunded plan shall be classified as a noncurrent asset in a classified statement of financial position.

46. Based upon a review of the publicly available financial data from Times Mirror and Tribune (including the Debtors' trial balance produced with respect to the FY 2000 balance sheet included in the Tribune FY 2000 10-K), the unfunded obligations for the TM Retiree Plans were reflected as a long term non-current liability on the books and records of both Times Mirror and Tribune. In addition, Note 15 to the Tribune FY 2007 10-K and the supporting trial balance reflect that payments due to TM Retirees which were to be made within one year were reflected as a current liability in "Employee Compensation and Benefits."
47. Times Mirror treated the NQDC Plan obligations due under such plans as long term, non-current liabilities, rather than short term, current liabilities associated with operations. This treatment is reflected in the Times Mirror Form 10-K and the financial statements set forth therein, that were submitted by Times Mirror to the Securities Exchange Commission. I have reviewed the Times Mirror Form 10-K reports for the years 1995 through 1999 and the consolidated balance sheet statements set forth therein. Based upon my review of the financials and my working knowledge of how these transactions were handled by the Times Mirror accounting staff with whom I worked, I have concluded that the unfunded liability for the TM Retiree Plan obligations was accounted for in non-current "Other Liabilities", not as "Accounts Payable", "Employee's Compensation" or "Other Current Liabilities", under the Current Liabilities section of the balance sheet.

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

Executed on February 24, 2012



Susan P. Bell