

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

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In re : **Chapter 11**
 :
THE McCLATCHY COMPANY, et al., : **Case No. 20-10418 (MEW)**
 :
Debtors.¹ : **(Joint Administration Pending)**
 :
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**JOINT CHAPTER 11 PLAN OF REORGANIZATION OF THE McCLATCHY COMPANY
 AND ITS AFFILIATED DEBTORS AND DEBTORS IN POSSESSION**

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Dated: New York, New York
 February 13, 2020

¹ The last four digits of Debtor The McClatchy Company’s tax identification number are 0478. Due to the large number of debtor entities in these chapter 11 cases, for which the Debtors have requested joint administration, a complete list of the debtor entities and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ proposed claims and noticing agent at <http://www.kccllc.net/McClatchy>. The location of the Debtors’ service address for purposes of these chapter 11 cases is: 2100 Q Street, Sacramento, California 95816.



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INTRODUCTION

The McClatchy Company, together with the other debtors and debtors in possession in the above-captioned Chapter 11 Cases, hereby propose this joint chapter 11 plan of reorganization for the resolution of outstanding Claims and Interests.² The Debtors are the proponents of this Plan within the meaning of section 1129 of the Bankruptcy Code. The distributions to be made to Holders of Claims are set forth herein. The McClatchy Company's non-Debtor subsidiaries are not subject to the Chapter 11 Cases or this Plan.

Reference is made to the Disclosure Statement, distributed contemporaneously herewith, for a discussion of (i) the history, business, and operations of the Debtors and their subsidiaries, (ii) a summary and analysis of the Plan, and (iii) certain related matters, including risk factors relating to the consummation of this Plan. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, the Debtors reserve the right to alter, amend, modify, revoke, or withdraw this Plan prior to its substantial consummation.

ALL HOLDERS OF CLAIMS WHO ARE ENTITLED TO VOTE ARE ENCOURAGED TO READ THE PLAN, THE ACCOMPANYING DISCLOSURE STATEMENT, AND THEIR RESPECTIVE EXHIBITS IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THIS PLAN.

ARTICLE I

DEFINITIONS, RULES OF INTERPRETATION, AND COMPUTATION OF TIME

A. Scope of Definitions

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

B. Definitions

1.1 “*2027 Debentures*” means those certain 7.15% Debentures due November 1, 2027 issued pursuant to that certain Indenture dated as of November 4, 1997 by and between Knight-Ridder, Inc., as issuer, The Chase Manhattan Bank, as original trustee, and the Bank of New York, as trustee, as amended, supplemented or otherwise modified from time to time.

1.2 “*2029 Debentures*” means those certain 6.875% Debentures due March 15, 2029 issued pursuant to that certain Indenture dated as of November 4, 1997 by and between

² Capitalized terms used herein shall have the meanings ascribed to them in Article I.B of this Plan.

Knight-Ridder, Inc., as issuer, The Chase Manhattan Bank, as original trustee, and the Bank of New York, as trustee, as amended, supplemented or otherwise modified from time to time.

1.3 “*ABL Agent*” means Wells Fargo Bank, National Association, in its capacity as agent for the ABL Lenders under the ABL Credit Agreement.

1.4 “*ABL Credit Agreement*” means that certain Credit Agreement dated as of July 16, 2018, by and among the borrowers party thereto, The McClatchy Company, as parent, the ABL Lenders party thereto, and the ABL Agent, as amended, supplemented, or otherwise modified from time to time.

1.5 “*ABL Credit Facility*” means the asset-based revolving credit facility available under the ABL Credit Agreement.

1.6 “*ABL Credit Facility Claim*” means any claim or obligation arising under or based on the ABL Credit Facility Documents.

1.7 “*ABL Credit Facility Documents*” means the ABL Credit Agreement together with all amendments, supplements, notes, pledges, collateral agreements, loan and security agreements, instruments, mortgages, control agreements, deeds of trust and other documents or instruments executed or delivered in connection with the ABL Credit Agreement, in each case as amended, restated, supplemented, or modified from time to time.

1.8 “*ABL Lender*” means any person or entity party to the ABL Credit Agreement as a “Lender” thereunder.

1.9 “*ABL Intercreditor Agreement*” means ABL Notes Intercreditor Agreement, dated as of July 16, 2018 (as amended, modified and supplemented from time to time), by and between the ABL Agent and the First Lien Notes Agent.

1.10 “*ABL Priority Collateral*” shall have the meaning ascribed to such term in the ABL Notes Intercreditor Agreement, dated as of July 16, 2018 (as amended, modified or otherwise supplemented from time to time).

1.11 “*Administrative Claim*” means a Claim for costs and expenses of administration of the Debtors’ Estates pursuant to sections 503(b), 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred after the Petition Date and through the Effective Date of preserving the Debtors’ estates and operating the business of the Debtors; (b) Professional Claims; and (c) all fees and charges assessed against the Debtors’ estates under chapter 123 of title 28 of the United States Code.

1.12 “*Administrative Claim Request Form*” means the form to be included in the Plan Supplement for submitting Administrative Claim requests.

1.13 “*Administrative Claims Bar Date*” means the deadline for filing proofs of or requests for payment of Administrative Claims, which shall be thirty (30) days after the Effective Date, unless otherwise ordered by the Bankruptcy Court, and except with respect to (i) DIP Facility Claims (ii) Professional Claims, (iii) Administrative Claims Allowed by an order of

the Bankruptcy Court on or before the Effective Date, or (iv) Administrative Claims that are not Disputed and arose in the ordinary course of business and were paid or are to be paid in accordance with the terms and conditions of the particular transactions giving rise to such Administrative Claims.

1.14 “*Affiliates*” has the meaning ascribed to such term by section 101(2) of the Bankruptcy Code.

1.15 “*Allowed*” means, when used with respect to any Claim, (a) any Claim that (i) is timely filed by the applicable bar date, or (ii) as to which there exists no requirement for the Holder of a Claim to file such Claim under the Plan, the Bankruptcy Code, the Bankruptcy Rules or a final order; (b) any Claim (i) that is listed in the Debtors’ schedules of assets and liabilities, as such schedules may be amended by the Debtors from time to time in accordance with Bankruptcy Rule 1009, as not contingent, not unliquidated, and not disputed, and (ii) for which no contrary proof of Claim has been timely filed; or (c) any Claim allowed under the Plan or by a final order. With respect to any Claim described in clauses (a) and (b) above, such Claim will be considered Allowed only if, and to the extent that, (i) no objection to the allowance of such Claim has been asserted on or before the deadline for filing objections to Claims under the Plan, (ii) an objection to such Claim is asserted and such Claim is subsequently allowed pursuant to a final order, (iii) such Claim is settled by the Debtors, (iv) such Claim is allowed pursuant to a stipulation with the Debtors on or after the Effective Date, or (v) such Claim is allowed pursuant to the Plan or any agreements related thereto and approved and authorized by the Bankruptcy Court.

1.16 “*Ballot*” means the ballot upon which Holders of Claims entitled to vote on the Plan shall cast their votes to accept or reject the Plan, and, if applicable, make such other elections as may be made thereon.

1.17 “*Bankruptcy Code*” means the Bankruptcy Reform Act of 1978, as amended and codified in title 11 of the United States Code, 11 U.S.C. §§ 101-1532, as in effect on the date hereof but, with respect to amendments to the Bankruptcy Code subsequent to commencement of the Chapter 11 Case, only to the extent that such amendments were made expressly applicable to bankruptcy cases which were filed as of the enactment of such amendments.

1.18 “*Bankruptcy Court*” means the United States Bankruptcy Court for the Southern District of New York or such other court as may have jurisdiction over the Chapter 11 Cases.

1.19 “*Bankruptcy Rules*” means the Federal Rules of Bankruptcy Procedure and the Official Bankruptcy Forms, as amended, the Federal Rules of Civil Procedure, as amended, as applicable to the Chapter 11 Cases or proceedings therein, and the Local Rules of the Bankruptcy Court, as applicable to the Chapter 11 Cases or proceedings therein, as the case may be.

1.20 “*Bar Date*” means any deadlines set by the Bankruptcy Court pursuant to a Bar Date Order or other Final Order for filing proofs of claim in the Chapter 11 Cases, as the context may require.

1.21 “*Bar Date Order*” means any order entered by the Bankruptcy Court which establishes a Bar Date, and any subsequent order supplementing such order or relating thereto.

1.22 “*Brigade Advisors*” means, collectively, (i) Kramer Levin Naftalis & Frankel LLP, as counsel to the Brigade Parties, (ii) GLC Advisors & Co., LLC, as financial advisor to the Brigade Parties, and (iii) subject to the approval of the Debtors (such approval not to be unreasonably withheld, conditioned, or delayed), such other advisors or professionals as may be retained by or on behalf of the Brigade Parties.

1.23 “*Brigade Parties*” means, collective, Brigade Capital Management and each of its managed funds or accounts that is a beneficial Holder of the First Lien Notes.

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

1.25 “*Cash*” means legal tender of the United States of America and equivalents thereof.

1.26 “*Cash Election*” means the election available to a Holder of an Allowed General Unsecured Claim to opt to receive its Pro Rata share of Cash in the aggregate amount of \$3,000,000 in full and complete satisfaction, discharge and release of such Allowed General Unsecured Claim.

1.27 “*Causes of Action*” means any and all actions, claims, proceedings, causes of action, suits, accounts, demands, controversies, agreements, promises, rights to legal remedies, rights to equitable remedies, rights to payment and claims, whether known, unknown, reduced to judgment, not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured, and whether asserted or assertable directly or derivatively, in law, equity or otherwise, including actions brought prior to the Petition Date, actions under chapter 5 of the Bankruptcy Code, and actions against any Entity for failure to pay for products or services provided or rendered by the Debtors, all claims, suits or proceedings relating to enforcement of the Debtors’ intellectual property rights, including patents, copyrights and trademarks, and all claims or causes of action seeking recovery of the Debtors’ or the Reorganized Debtors’ accounts receivable or other receivables or rights to payment created or arising in the ordinary course of the Debtors’ or the Reorganized Debtors’ businesses, based in whole or in part upon any act or omission or other event occurring prior to the Petition Date or during the course of the Chapter 11 Cases, including through the Effective Date.

1.28 “*Chairman of the Board*” has the meaning set forth in Article 6.13 of the Plan.

1.29 “*Chatham Advisors*” means, collectively, (i) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as counsel to the Chatham Parties, (ii) Ducera Partners LLC, as financial advisor to the Chatham Parties, and (iii) subject to the approval of the Debtors (such approval not to be unreasonably withheld, conditioned, or delayed), such other advisors or professionals as may be retained by or on behalf of the Chatham Parties.

1.30 “*Chatham Parties*” means, collectively, Chatham Asset Management, LLC and each of its managed funds or accounts that is a beneficial Holder of the First Lien Notes or Third Lien Notes, or that is a “Lender” under (and as defined in) the Second Lien Credit Agreement.

1.31 “*Chatham Subordinated Notes Claims*” means an aggregate amount of \$45 million of the First Lien Notes Claims held by the Chatham Parties.

1.32 “*Charging Lien*” means any lien or other priority in payment to which the First Lien Notes Agent, the Second Lien Term Loan Agent, or the Third Lien Notes Agent is entitled under the First Lien Notes Documents, the Second Lien Term Loan Documents, or the Third Lien Notes Indenture, respectively, including reasonable fees, costs, expenses and indemnification, including the reasonable fees, costs and expenses of the First Lien Notes Agent’s, the Second Lien Term Loan Agent’s, or the Third Lien Notes Agent’s professionals, as set forth in the First Lien Notes Documents, the Second Lien Term Loan Documents, or the Third Lien Notes Indenture, respectively.

1.33 “*Certificate*” means any instrument evidencing a Claim or an Interest.

1.34 “*Chapter 11 Cases*” means the chapter 11 cases of the Debtors pending in the Bankruptcy Court and being jointly administered under Case No. 20-10418 (MEW).

1.35 “*Claim*” means any claims against the Debtors, whether or not asserted, as defined in section 101(5) of the Bankruptcy Code, or an Administrative Claim, as applicable.

1.36 “*Claims and Solicitation Agent*” means Kurtzman Carson Consultants LLC.

1.37 “*Claims Objection Deadline*” means, as applicable (except for Administrative Claims), (a) the day that is the later of (i) the first Business Day that is at least one (1) year after the Effective Date and (ii) as to proofs of claim filed after an applicable Bar Date, the first Business Day that is at least 180 days after a Final Order is entered deeming the late filed claim timely filed or (b) such later date as may be established by the Bankruptcy Court upon request of the Reorganized Debtors without further notice to parties in interest.

1.38 “*Class*” means a category of Holders of Claims or Interests classified together pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code, as described in Article III of this Plan.

1.39 “*Confirmation*” means the entry, within the meaning of Bankruptcy Rules 5003 and 9012, of the Confirmation Order, subject to all conditions specified having been satisfied or waived.

1.40 “*Confirmation Date*” means the date on which Confirmation occurs.

1.41 “*Confirmation Hearing*” means the hearing before the Bankruptcy Court held under section 1128 of the Bankruptcy Code to consider confirmation of the Plan and related matters as such hearing may be adjourned or continued from time to time.

1.42 “*Confirmation Order*” means the order of the Bankruptcy Court confirming this Plan under section 1129 of the Bankruptcy Code.

1.43 “*Creditor*” has the meaning ascribed to such term in section 101(10) of the Bankruptcy Code.

1.44 “*Cure*” means the payment or other honoring of all obligations required to be paid or honored in connection with assumption of an Executory Contract or Unexpired Lease pursuant to section 365 of the Bankruptcy Code, including (a) the cure of any non-monetary defaults to the extent required, if at all, pursuant to section 365 of the Bankruptcy Code, and (b) with respect to monetary defaults, the distribution, within a reasonable period of time following the Effective Date, of Cash, or such other property as may be agreed upon by the parties or ordered by the Bankruptcy Court, with respect to the assumption (or assumption and assignment) of an Executory Contract or Unexpired Lease, pursuant to section 365(b) of the Bankruptcy Code, in an amount equal to all unpaid monetary obligations or such other amount as may be agreed upon by the parties, under such Executory Contract or Unexpired Lease, to the extent such obligations are enforceable under the Bankruptcy Code and applicable non-bankruptcy law.

1.45 “*Cure Objection Deadline*” means the deadline for filing objections to a proposed Cure, which shall be on or before seven (7) days after the filing of the Rejection Schedule or, if the Rejection Schedule is amended, seven (7) days after such amendment.

1.46 “*D&O Insurance*” means insurance maintained by the Debtors which covers, among others, the directors and officers of the Debtors or any of them, including any runoff policies or tail coverage.

1.47 “*Debenture Claim*” means any claim or obligation arising under or based on the 2027 Debentures or the 2029 Debentures and any related documents or instruments executed or delivered in connection with the 2027 Debentures or 2029 Debentures, as applicable, in each case as amended, restated, supplemented, or modified from time to time.

1.48 “*Debtors*” means, collectively, The McClatchy Company, Cypress Media, Inc., Aboard Publishing, Inc., Bellingham Herald Publishing, LLC, Belton Publishing Company, Inc., Biscayne Bay Publishing, Inc., Cass County Publishing Company, Columbus-Ledger Enquirer, Inc., Cypress Media, LLC, East Coast Newspapers, Inc., El Dorado Newspapers, Gulf Publishing Company, Inc., Herald Custom Publishing of Mexico, S. de R.L. de C.V., HLB Newspapers, Inc., Idaho Statesman Publishing, LLC, Keltatim Publishing Company, Inc., Keynoter Publishing Company, Inc., Lee’s Summit Journal, Incorporated, Lexington H-L Services, Inc., Macon Telegraph Publishing Company, Mail Advertising Corporation, McClatchy Big Valley, Inc., McClatchy Interactive LLC, McClatchy Interactive West, McClatchy International Inc., McClatchy Investment Company, McClatchy Management Services, Inc., McClatchy Newspapers, Inc., McClatchy News Services, Inc., McClatchy Property, Inc., McClatchy Resources, Inc., McClatchy Shared Services, Inc., McClatchy U.S.A., Inc., Miami Herald Media Company, N & O Holdings, Inc., Newsprint Ventures, Inc., Nittany Printing and Publishing Company, Nor-Tex Publishing, Inc., Olympian Publishing, LLC, Olympic-Cascade Publishing, Inc., Pacific Northwest Publishing Company, Inc., Quad County Publishing, Inc., San Luis Obispo Tribune, LLC, Star-Telegram, Inc., Tacoma News, Inc., The Bradenton Herald, Inc.,

The Charlotte Observer Publishing Company, The News and Observer Publishing Company, The State Media Company, The Sun Publishing Company, Inc., Tribune Newsprint Company, Tru Measure, LLC, Wichita Eagle and Beacon Publishing Company, Inc., and Wingate Paper Company.

1.49 “*DIP Agent*” means Encina Business Credit, LLC, in its capacity as administrative agent for the DIP Lenders pursuant to the DIP Credit Agreement.

1.50 “*DIP Credit Agreement*” means that certain Senior Secured Super-Priority Debtor-In-Possession Credit Agreement by and among certain of the Debtors as borrowers thereunder, the DIP Agent, and the DIP Lenders, as amended, supplemented, or otherwise modified from time to time, and all documents executed in connection therewith.

1.51 “*DIP Facility*” means the debtor-in-possession senior secured asset-based revolving credit facility in an amount up to \$50 million provided to the Debtors by the DIP Lenders pursuant to the DIP Credit Agreement as authorized by the Bankruptcy Court pursuant to the DIP Order, as may be amended or modified from time to time.

1.52 “*DIP Facility Claim*” means any claim or obligation arising under or based on the DIP Facility.

1.53 “*DIP Lenders*” means the banks and other financial institutions or entities from time to time party to the DIP Credit Agreement as lenders.

1.54 “*DIP Order*” means, collectively, (a) any interim and final orders entered by the Bankruptcy Court authorizing and approving the DIP Facilities and the agreements related thereto, and (b) any and all orders entered by the Bankruptcy Court authorizing and approving amendments or modifications to the DIP Credit Agreements or either of the orders described in the foregoing clause (a).

1.55 “*Disallowed*” means (a) a Claim, or any portion thereof, that has been disallowed by a Final Order or a settlement, or as provided in this Plan, (b) a Claim or any portion thereof that is Scheduled at zero or as contingent, disputed, or unliquidated and as to which a proof of claim bar date has been established but no proof of claim has been timely filed or deemed timely filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court or otherwise deemed timely filed under applicable law, or (c) a Claim or any portion thereof that is not Scheduled and as to which a proof of claim bar date has been established but no proof of claim has been timely filed or deemed timely filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court or otherwise deemed timely filed under applicable law.

1.56 “*Disclosure Statement*” means the written disclosure statement or any supplements thereto (including the Plan Supplement and all schedules thereto or referenced therein) that relates to this Plan, as such disclosure statement may be amended, modified, or supplemented from time to time, all as approved by an order of the Bankruptcy Court pursuant to sections 1125 and 1127 of the Bankruptcy Code and Bankruptcy Rule 3017.

1.57 “*Disputed*” means any Claim, or any portion thereof, prior to it having become an Allowed Claim or a Disallowed Claim.

1.58 “*Distribution Agent*” means Kurtzman Carson Consultants LLC.

1.59 “*Distribution Date*” means, as applicable, (a) the Initial Distribution Date, or (b) a Periodic Distribution Date.

1.60 “*Distribution Record Date*” means the date for determining which Holders of Allowed Claims are eligible to receive distributions under the Plan, which shall be (a) the Confirmation Date, or (b) such other date as designated by an order of the Bankruptcy Court.

1.61 “*DTC*” means the Depository Trust Company, and its successors and assigns.

1.62 “*Effective Date*” means the date on which this Plan shall take effect, which date shall be a Business Day on or after the Confirmation Date on which all conditions precedent to the effectiveness of this Plan specified in Article 11.1, have been satisfied, or, if capable of being waived, waived, which date shall be specified in a notice filed by the Reorganized Debtors with the Bankruptcy Court.

1.63 “*Employee Compensation Plans*” means, collectively, the KEIP and the MIP.

1.64 “*Entity*” has the meaning ascribed to such term in section 101(15) of the Bankruptcy Code.

1.65 “*Equity Security*” has the meaning ascribed to such term in section 101(16) of the Bankruptcy Code.

1.66 “*Estates*” means the bankruptcy estates of the Debtors created pursuant to section 541 of the Bankruptcy Code.

1.67 “*Exchange Act*” means the Securities Exchange Act of 1934, as now in effect or hereafter amended.

1.68 “*Existing Parent Equity*” means any Interests in The McClatchy Company.

1.69 “*Exculpated Claim*” means any Claim related to any act or omission in connection with, relating to, or arising out of the Debtors’ in or out of court restructuring, the Chapter 11 Cases, formulation, preparation, dissemination, negotiation, or filing of the Disclosure Statement, the Plan, the settlement of Claims or renegotiation of Executory Contracts or Unexpired Leases, the negotiation of the Plan, the DIP Credit Agreement, the Plan Supplement, the New First Lien Notes Documents, the Exit Facilities, or any contract, instrument, release, or other agreement or document created or entered into in connection with the Disclosure Statement or Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of consummation of the Plan, the administration, consummation, and implementation of the Plan, the distribution of property under

the Plan, or any transaction contemplated by the Plan or Disclosure Statement, or in furtherance thereof.

1.70 “Exculpated Parties” means the following parties in their respective capacities as such: (a) the Debtors; (b) the Reorganized Debtors; (c) the Supporting Parties; (d) the Chatham Parties; (e) the Brigade Parties; (f) the ABL Lenders; (g) the ABL Agent; (h) the DIP Lenders; (i) the DIP Agent; (j) the First Lien Notes Agent; (k) the Second Lien Term Loan Agent; (l) the Third Lien Notes Agent, and (m) with respect to each of the foregoing persons in clauses (a) through (l), such Entity’s respective current and former Affiliates, and such Entities’ and their current and former Affiliates’ current and former officers, managers, directors, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, successors, and assigns, subsidiaries, and each of their current and former officers, managers, directors, equity holders, principals, members, employees, agents, managed accounts or funds, management companies, fund advisors, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such. Notwithstanding the forgoing, Ponderay shall not be an Exculpated Party.

1.71 “Executory Contract” means any contract to which any of the Debtors is a party that is subject to assumption or rejection under sections 365 or 1123 of the Bankruptcy Code.

1.72 “Exhibit” means an exhibit contained in the Plan Supplement or annexed as an appendix to the Disclosure Statement.

1.73 “Existing Board” means the current members of the board of directors of The McClatchy Company.

1.74 “Exit 1.5L Facility” means the new 1.5 lien term loan facility in the aggregate principal net amount of \$75 million, consisting of (a) the conversion of the Subordinated Chatham Notes Claims to term loans thereunder, and (b) \$30 million of new money financing provided by certain of the Chatham Parties, or affiliates thereof, pursuant to a new credit agreement, by and among the Reorganized Debtors, as borrowers, and the Exit 1.5L Facility Lenders, and all other documents entered into in connection therewith or contemplated thereby. The Exit 1.5L Facility shall also include an aggregate principal amount of 7.000% of original issue discount.

1.75 “Exit 1.5L Facility Commitment Agreements” means the commitment agreements regarding the Exit 1.5L Facility in accordance with this Plan and on the terms set forth in Exhibit F to the Disclosure Statement, and as may be otherwise agreed by the Debtors and the Supporting Parties, the forms of which shall be included in the Plan Supplement.

1.76 “Exit 1.5L Facility Lenders” means the lender or syndication of lenders, which include certain of the Chatham Parties, party to the Exit 1.5L Facility as of the Effective Date and each of the financial institutions from time to time party to the Exit 1.5L Facility as lenders.

1.77 “Exit ABL Facility” means that certain asset-based revolving credit facility in the principal amount of \$50 million pursuant to a new credit agreement, by and among the

Reorganized Debtors, as borrowers, and the Exit ABL Lenders, and all other documents entered into in connection therewith or contemplated thereby.

1.78 “*Exit ABL Facility Commitment Agreements*” means the commitment agreements regarding the Exit ABL Facility in accordance with this Plan, the forms of which shall be included in the Plan Supplement.

1.79 “*Exit ABL Facility Lenders*” means the lender or syndication of lenders, which may include the DIP Lenders, party to the Exit ABL Facility as of the Effective Date and each of the financial institutions from time to time party to the Exit ABL Facility as lenders.

1.80 “*Exit Facilities*” means the Exit ABL Facility and the Exit 1.5L Facility.

1.81 “*Exit Facilities Commitment Agreements*” means the Exit ABL Facility Commitment Agreements and the Exit 1.5L Facility Agreements.

1.82 “*Exit Lenders*” means Exit ABL Facility Lenders and the Exit 1.5L Facility Lenders.

1.83 “*Face Amount*” means, (a) when used in reference to a Disputed Claim or Disallowed Claim, the full stated liquidated amount claimed by the Holder of a Claim in any proof of Claim, or amendment thereof in accordance with applicable law, timely filed with the Bankruptcy Court or otherwise deemed timely filed by any Final Order of the Bankruptcy Court or other applicable bankruptcy law, or the amount estimated for such Claim in an order of the Bankruptcy Court, and (b) when used in reference to an Allowed Claim or Allowed Interest, the Allowed amount of such Claim or Interest. If none of the foregoing applies, the Face Amount of the Claim shall be zero (\$0) dollars.

1.84 “*Final Decree*” means a final decree entered by the Court closing the Chapter 11 Cases pursuant to Bankruptcy Rule 3022.

1.85 “*Final Order*” means an order or judgment, the operation or effect of which has not been reversed, stayed, modified, or amended, is in full force and effect, and as to which order or judgment (or any reversal, stay, modification, or amendment thereof) (a) the time to appeal, seek certiorari, or request reargument or further review or rehearing has expired and no appeal, petition for certiorari, or request for reargument or further review or rehearing has been timely filed, or (b) any appeal that has been or may be taken or any petition for certiorari or request for reargument or further review or rehearing that has been or may be filed has been resolved by the highest court to which the order or judgment was appealed, from which certiorari was sought, or to which the request was made, and no further appeal or petition for certiorari or request for reargument or further review or rehearing has been or can be taken or granted; provided, however, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedures, or any analogous rule under the Bankruptcy Rules, may be filed relating to such order shall not prevent such order from being a Final Order; provided, further, that the Debtors or Reorganized Debtors, as applicable, reserve the right to waive any appeal period for an order or judgment to become a Final Order.

1.86 “*First Lien Noteholder*” means a Holder of First Lien Notes Claims.

1.87 “*First Lien Notes*” means those certain 9.000% Senior Secured Notes due 2026 issued pursuant to the First Lien Notes Indenture.

1.88 “*First Lien Notes Agent*” means The Bank of New York Mellon Trust Company, N.A. in its capacity as Trustee and Collateral Agent under the First Lien Notes Indenture.

1.89 “*First Lien Notes Claim*” means any claims or obligations arising under the First Lien Notes Documents.

1.90 “*First Lien Notes Documents*” means the First Lien Notes Indenture and all related amendments, supplements, notes, pledges, collateral agreements, loan and security agreements, instruments, mortgages, control agreements, deeds of trust and other documents or instruments executed or delivered in connection with the First Lien Notes Indenture, in each case as amended, restated, supplemented, or modified from time to time.

1.91 “*First Lien Notes Indenture*” means that certain Indenture dated July 16, 2018, by and among The McClatchy Company, as issuer, the subsidiary guarantor parties thereto, and the First Lien Notes Agent, as amended, supplemented, or otherwise modified from time to time.

1.92 “*General Unsecured Claim*” means any Claim that is not an Administrative Claim, Professional Claim, Priority Tax Claim, DIP Facility Claim, Other Priority Claim, Other Secured Claim, ABL Credit Facility Claim, First Lien Notes Claim, Second Lien/Third Lien Claim, Go-Forward Trade Claim, PBGC Claim, Intercompany Claim, or Subordinated Claim. General Unsecured Claims include Debenture Claims and any Claim arising from the rejection of an executory contract or unexpired lease.

1.93 “*Go-Forward Trade Claim*” means any Claim against the Debtors (other than any Intercompany Claims or Unsecured Claims) as of the commencement of the Chapter 11 Cases that is neither secured by collateral nor entitled to priority under the Bankruptcy Code or any order of the Bankruptcy Court and has been identified by the Debtors, in consultation with the Supporting Parties, as being integral to and necessary for the ongoing operations of the Reorganized Debtors.

1.94 “*Governmental Unit*” has the meaning ascribed to such term in section 101(27) of the Bankruptcy Code.

1.95 “*Holdback Escrow Account*” means the interest-bearing escrow account into which Cash equal to the Holdback Escrow Amount shall be deposited on the Effective Date for the payment of Allowed Professional Claims to the extent not previously paid or disallowed.

1.96 “*Holdback Escrow Amount*” means the sum of (a) the aggregate amounts withheld by the Debtors as of the Confirmation Date as a holdback on payment of Professional Claims pursuant to the Professional Fee Order and (b) twenty (20) percent of that portion of the unbilled fees of Professionals estimated pursuant to Article 2.3(b) of the Plan attributable to fees incurred as of the Confirmation Date; provided, however, that if a Professional does not provide an estimate pursuant to Article 2.3(b), the Debtors may estimate the unbilled fees of such

Professional incurred as of the Confirmation Date, and the sum of provision (a) above and the total amount so estimated shall comprise the Holdback Escrow Amount.

1.97 “*Holder*” means a holder of a Claim against or Interest in the Debtors.

1.98 “*Impaired*” means impaired within the meaning of section 1124 of the Bankruptcy Code.

1.99 “*Indemnification Obligations*” means obligations of the Debtors, if any, to indemnify, reimburse, advance, or contribute to the losses, liabilities, or expenses of an Indemnitee pursuant to the Debtors’ certificate of incorporation or functional equivalent thereof, as applicable, bylaws or functional equivalent thereof, as applicable, policy of providing employee indemnification, applicable law, or specific agreement in respect of any claims, demands, suits, causes of action, or proceedings against an Indemnitee based upon any act or omission related to an Indemnitee’s service with, for, or on behalf of the Debtors.

1.100 “*Indemnitee*” means all directors, officers, or employees of the Debtors, in each case employed by the Debtors or serving as a director or officer prior to or as of the Effective Date and acting in their respective capacities as such prior to the Effective Date, who are entitled to assert Indemnification Obligations.

1.101 “*Indentures*” means the First Lien Notes Indenture and the Third Lien Notes Indenture.

1.102 “*Initial Distribution Date*” means the date selected by the Reorganized Debtors, in their sole discretion, upon which distributions to Holders of Allowed Claims entitled to receive distributions under this Plan shall commence.

1.103 “*Insurance Contract*” has the meaning ascribed to it in Article 7.3 of this Plan.

1.104 “*Insured Claims*” has the meaning ascribed to it in Article 7.4 of this Plan.

1.105 “*Intercompany Claim*” means a claim held by a Debtor against another Debtor or a non-Debtor Affiliate, or by a non-Debtor Affiliate against a Debtor

1.106 “*Intercompany Interests*” means all Interests in the Subsidiary Debtors.

1.107 “*Interest*” means any equity interest, equity-related instrument, or warrant in, or with respect to, a Debtor, including, but not limited to, all issued, unissued, authorized or outstanding shares of stock, preferred stock, membership interests, other instruments evidencing an ownership interest, or equity security in any of the Debtors, whether or not transferable, and any option, warrant, right to purchase or acquire any such interests at any time, or any other interest that is exercisable, convertible or exchangeable into equity of a Debtor, contractual or otherwise, including, without limitation, equity or equity-based incentives, grants, or other instruments issued, granted or promised to be granted to current or former employees, directors, officers, or contractors of the Debtors to acquire any such interests in a Debtor that existed immediately before the Effective Date.

1.108 “KEIP” means any key employee incentive plan with respect to the Debtors’ officers and management adopted by the Debtors’ board of directors during the pendency of the Chapter 11 Cases and approved by a Final Order of the Bankruptcy Court.

1.109 “Key Executive Employment Agreements” means the employment agreements to be entered into with the Key Executives and which shall be effective on the Effective Date.

1.110 “Key Executives” means, collectively, the five officers and executive employees of the Reorganized Debtors who hold any one or more of the following titles: President; Chief Executive Officer; Chief Legal Officer; Chief People Officer; Chief Administrative Officer; Chief Financial Officer; Vice President, Finance; Vice President, Customer and Product; and Vice President, News.

1.111 “Law” means any law (statutory or common), statute, regulation, rule, code or ordinance enacted, adopted, issued, or promulgated by any Governmental Unit.

1.112 “Legal Proceeding” means legal, governmental, administrative, judicial, or regulatory investigations, audits, actions, suits, claims, arbitrations, demands, demand letters, notices of noncompliance or violation, or proceedings.

1.113 “Letter(s) of Credit” means any letter of credit (singularly or collectively as the case may be) issued pursuant to the DIP Credit Agreements.

1.114 “Letter of Credit Issuer” means any issuer of Letters of Credit under the DIP Credit Agreement.

1.115 “Lien” has the meaning ascribed to such term in section 101(37) of the Bankruptcy Code.

1.116 “Loan Documents” means, collectively, the First Lien Notes Documents, the Second Lien Term Loan Documents and the Third Lien Notes Documents.

1.117 “MIP” means that certain management equity incentive compensation plan to be implemented substantially currently with the Effective Date, pursuant to which the MIP Equity shall be reserved for grants made from time to time to the Key Executives after the Effective Date, subject to the terms and conditions established therein.

1.118 “MIP Documents” means documents setting forth the summary terms of the MIP, which shall be included in the Plan Supplement.

1.119 “MIP Equity” means Reorganized Equity representing 10% of the Reorganized Equity authorized on the Effective Date on a fully-diluted basis.

1.120 “New Board” means the board of directors of Reorganized McClatchy.

1.121 “*New Bylaws*” means the bylaws, limited liability company agreement, or functional equivalent thereof, as applicable, of the Reorganized Debtors, the form of which shall be included in the Plan Supplement.

1.122 “*New Certificates of Incorporation*” means the certificates of incorporation, certificates of formation, or functional equivalent thereof, as applicable, of each of the Reorganized Debtors, the form of which shall be included in the Plan Supplement.

1.123 “*New Corporate Governance Documents*” means, as applicable, (a) the New Certificates of Incorporation, (b) the New Bylaws, and (c) the New Shareholders Agreement, in each case to be filed as part of the Plan Supplement.

1.124 “*New Independent Directors*” has the meaning ascribed to it in Article 6.12 of this Plan.

1.125 “*New First Lien Notes*” means the new 10.000% Senior Secured Notes due 2026 to be issued pursuant to the New First Lien Notes Indenture.

1.126 “*New First Lien Notes Documents*” means, collectively, the New First Lien Notes Indenture and each other agreement, security agreement, pledge agreement, collateral assignment, mortgage, control agreement, guarantee, certificate, document, or instrument executed and/or delivered in connection with the foregoing, whether or not specifically mentioned herein or therein, as the same may be modified, supplemented, or replaced from time to time.

1.127 “*New First Lien Notes Indenture*” means the Indenture to be entered into by and among Reorganized McClatchy, as issuer, the subsidiary guarantor parties thereto, and the First Lien Notes Agent, on terms substantially similar to those contained in the First Lien Notes Indenture, subject to certain modifications set forth on Exhibit E to the Disclosure Statement and as may be otherwise agreed to by the Debtors and the Supporting Parties, the form of which will be included in the Plan Supplement.

1.128 “*New Shareholders Agreement*” means the shareholders agreement, limited liability company agreement, or functional equivalent thereof, as applicable, of Reorganized McClatchy with respect to the Reorganized Equity and to ensure compliance with Article 6.13 hereof, the form of which shall be included in the Plan Supplement.

1.129 “*Notes Priority Collateral*” shall have the meaning ascribed to such term in the ABL Notes Intercreditor Agreement, dated as of July 16, 2018 (as amended, modified or otherwise supplemented from time to time).

1.130 “*Old McClatchy Securities*” means, collectively, the 2027 Debentures, the 2029 Debentures, the First Lien Notes, the Third Lien Notes and the Existing Parent Equity, and all options, warrants, rights and other instruments evidencing an ownership interest in the Debtors (whether fixed or contingent, matured or unmatured, disputed or undisputed), contractual, legal, equitable, or otherwise, to acquire any of the foregoing.

1.131 “*Ordinary Course Professionals Order*” means the Bankruptcy Court’s Order Pursuant To Bankruptcy Code Sections 105(a), 327, 330 And 331 Authorizing Debtors To Employ And Pay Professionals Utilized In The Ordinary Course Of Business.

1.132 “*Other Interests*” means all options, call rights, puts, awards, or other agreements to acquire an Equity Security of the Debtors.

1.133 “*Other Priority Claim*” means a Claim against a Debtor that is entitled to priority in payment pursuant to section 507(a) of the Bankruptcy Code that is not an Administrative Claim, DIP Facility Claim, Priority Tax Claim, or Professional Claim.

1.134 “*Other Secured Claim*” means any Secured Claim that is not a DIP Facility Claim, First Lien Notes Claim, Second Lien Term Loan Claim, Third Lien Notes Claim, or Priority Tax Claim..

1.135 “*PBGC*” means the Pension Benefit Guaranty Corporation.

1.136 “*PBGC Claims*” means claims arising from settlement of the termination premium incurred in connection with the distress termination of the Debtors’ qualified defined benefit pension plan, Allowed in an amount to be agreed among the PBGC, the Supporting Parties and the Debtors.

1.137 “*PBGC Note*” has the meaning set forth in Article 4.7 of the Plan, the form of which shall be included in the Plan Supplement.

1.138 “*Periodic Distribution Date*” means such Business Days after the Initial Distribution Date selected by the Reorganized Debtors in their reasonable discretion for making distributions under this Plan.

1.139 “*Petition Date*” means February 13, 2020.

1.140 “*Plan*” means this joint plan of reorganization for the resolution of outstanding Claims and Interests in the Chapter 11 Cases, as may be modified in accordance with the Bankruptcy Code and Bankruptcy Rules, including the Plan Supplement and all Exhibits, supplements, appendices, and schedules.

1.141 “*Plan Supplement*” means the supplement or supplements to the Plan containing certain Exhibits and documents relevant to the implementation of the Plan, to be filed with the Bankruptcy Court on or before the Plan Supplement Filing Date, and including: (a) the New Corporate Governance Documents, (b) the Rejection Schedule, (c) a list of retained Causes of Action, (d) the Administrative Claim Request Form, (e) the New First Lien Notes Indenture, (f) the Exit ABL Commitment Agreements, (g) the Exit ABL Facility Commitment Agreements, and (h) the PBGC Note, (i) the form of Reorganized Equity, (j) the form of Reorganized McClatchy Warrant, (k) the New Shareholders Agreement, (l) the MIP Documents, and (m) to the extent known, the New Board, or in the alternative, a list of candidates for the New Board mutually agreeable to the Debtors and the Supporting Parties.

1.142 “Plan Supplement Filing Date” means the date on which the Plan Supplement shall be filed with the Bankruptcy Court, which date shall be at least seven (7) days prior to the Voting Deadline or such later date as may be approved by the Bankruptcy Court without further notice.

1.143 “Plan Transaction Documents” means all definitive documents and agreements to which the Debtors will be a party as contemplated by the Plan, including (a) the Plan and any documentation or agreements related thereto; (b) the Confirmation Order and pleadings in support of entry thereof; (c) the Disclosure Statement, the solicitation materials in respect of the Plan, the motion to approve the Disclosure Statement, and the order approving the Disclosure Statement; (d) the Employee Compensation Plans; (e) the Exit Facilities Commitment Agreements and any documentation or agreements relating thereto; (f) the New First Lien Notes Documents; and (g) all documents that will comprise the Plan Supplement.

1.144 “Ponderay” means Ponderay Newsprint Company.

1.145 “Ponderay Owners” means Newsprint Ventures, Inc., Tribune Newsprint Company, and Wingate Paper Company.

1.146 “Priority Tax Claim” means a Claim against a Debtor that is entitled to priority in payment pursuant to sections 502(i) or 507(a)(8) of the Bankruptcy Code.

1.147 “Pro Rata” means the proportion that an Allowed Claim or Allowed Interest in a particular Class bears to the aggregate amount of Allowed Claims or Allowed Interests in that Class, or the proportion that Allowed Claims or Allowed Interests in a particular Class bear to the aggregate amount of Allowed Claims or Allowed Interests in a particular Class and other Classes entitled to share in the same recovery as such Allowed Claim or Allowed interests under the Plan.

1.148 “Professional” means any Entity retained in the Chapter 11 Case by separate Final Order pursuant to sections 327, 363, and 1103 of the Bankruptcy Code or otherwise and to be compensated for services rendered prior to or on the Effective Date pursuant to (i) sections 327, 328, 329, 330, or 331 of the Bankruptcy Code or (ii) a Final Order entered by the Bankruptcy Court authorizing such retention; provided, however, that Professional does not include any Entity retained pursuant to the Ordinary Course Professionals Order.

1.149 “Professional Claim” means a claim against a Debtor for professional services rendered or costs incurred on or after the Petition Date and on or prior to the Effective Date by any Professional.

1.150 “Professional Fee Order” means the order entered by the Bankruptcy Court authorizing the interim payment of Professional Claims subject to the Holdback Escrow Amount.

1.151 “Reinstated” or “Reinstatement” means (a) leaving unaltered the legal, equitable and contractual rights to which a Claim entitles the Claim Holder so as to leave such Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code, or (b) notwithstanding any contractual provision or applicable law that entitles the Claim Holder to demand or receive accelerated payment of such Claim after the occurrence of a default, (i) curing any such default that occurred before or after the Petition Date, other than a default of a kind

specified in section 365(b)(2) of the Bankruptcy Code; (ii) reinstating the maturity of such Claim as such maturity existed before such default; (iii) compensating the Claim Holder for any damages incurred as a result of any reasonable reliance by such Claim Holder on such contractual provision or such applicable law; and (iv) not otherwise altering the legal, equitable or contractual rights to which such Claim entitles the Claim Holder; provided, however, that any contractual right that does not pertain to the payment when due of principal and interest on the obligation on which such Claim is based, including, but not limited to, financial covenant ratios, negative pledge covenants, covenants or restrictions on merger or consolidation, “going dark” provisions, and affirmative covenants regarding corporate existence prohibiting certain transactions or actions contemplated by this Plan, or conditioning such transactions or actions on certain factors, shall not be required to be cured or reinstated in order to accomplish Reinstatement.

1.152 “Rejection Schedule” means the schedule of Executory Contracts and Unexpired Leases to be rejected by the Debtors pursuant to the Plan that will be included in the Plan Supplement.

1.153 “Released Parties” means, collectively, the following parties in their respective capacities as such: (a) the Debtors; (b) the Reorganized Debtors; (c) the Supporting Parties; (d) the ABL Lenders; (e) the ABL Agent; (f) the DIP Lenders; (g) the DIP Agent; (h) the First Lien Notes Agent; (i) the Second Lien Term Loan Agent; (j) the Third Lien Notes Agent, and (k) with respect to each of the foregoing persons in clauses (a) through (j), such Entity’s respective current and former Affiliates, and such Entities’ and their current and former Affiliates’ current and former officers, managers, directors, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, successors, and assigns, subsidiaries, and each of their current and former officers, managers, directors, equity holders, principals, members, employees, agents, managed accounts or funds, management companies, fund advisors, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such. Notwithstanding the foregoing, Ponderay shall not be a Released Party.

1.154 “Releasing Parties” means, collectively, the following parties in their respective capacities as such: (a) each Holder of a Claim who votes to accept the Plan; (b) each Holder of a Claim abstaining from voting or voting to reject the Plan, unless such holder elects to opt out of the releases contained in Article 10.5 by checking the box on its timely submitted applicable Ballot; (c) each Holder of a General Unsecured Claim who elects to opt in to the releases contained in Article 10.5 by checking the box on its timely submitted Treatment Election Form; (d) the Released Parties identified in clauses (a) through (j) of the definition thereof and (e) the Released Parties identified in clause (k) of the definition thereof on behalf of whom the parties identified in clauses (a) through (j) of the definition of Released Parties have the authority under applicable law to grant such release. For the avoidance of doubt, Releasing Parties do not include administrative creditors entitled to the treatment set forth in Article II of the Plan.

1.155 “Reorganized Debtors” means each of the Debtors, as reorganized on the Effective Date in accordance with the Plan, including any newly-formed Entity that is a transferee or successor thereto by merger, consolidation, transfer, or otherwise pursuant to the Restructuring Transactions.

1.156 “Reorganized Equity” means the shares of common stock of Reorganized McClatchy authorized pursuant to its certificate of incorporation, the form of which will be included in the Plan Supplement.

1.157 “Reorganized McClatchy” means the Entity that will be, as of the Effective Date, the ultimate parent company of the other Reorganized Debtors and that, in accordance with the Plan (including the Restructuring Transactions), will be the issuer of the Reorganized Equity.

1.158 “Reorganized McClatchy Warrants” means warrants for 2.5% of the Reorganized Equity, subject to dilution from the MIP Equity, at a strike price that implies a total enterprise value that will be set forth in the Plan Supplement.

1.159 “Restructuring Transactions” has the meaning set forth in Article 6.13 of the Plan.

1.160 “Scheduled” means, with respect to any Claim, the status, priority, and amount, if any, of such Claim as set forth in the Schedules.

1.161 “Schedules” means the schedules of assets and liabilities and the statements of financial affairs filed in the Chapter 11 Cases by the Debtors pursuant to section 521 of the Bankruptcy Code, which incorporate by reference the global notes and statement of limitations, methodology, and disclaimer regarding the Debtors’ schedules and statements, as such schedules or statements have been or may be further modified, amended, or supplemented from time to time in accordance with Bankruptcy Rule 1009 or Final Orders of the Bankruptcy Court.

1.162 “Second Lien Credit Agreement” means that certain Junior Lien Term Loan Credit Agreement dated as of July 16, 2018, by and among The McClatchy Company, as borrower, the guarantors party thereto, the Second Lien Term Lenders party thereto, and the Second Lien Term Loan Agent, as amended, supplemented, or otherwise modified from time to time.

1.163 “Second Lien Term Lenders” means any Person or Entity party to the Second Lien Credit Agreement as “Lender” thereunder.

1.164 “Second Lien Term Loan” means the loans made by the Second Lien Term Lenders pursuant to and under the Second Lien Credit Agreement.

1.165 “Second Lien Term Loan Agent” means The Bank of New York Mellon, in its capacity as Administrative Agent, Tranche A Collateral Agent, and Tranche B Collateral Agent under the Second Lien Credit Agreement.

1.166 “Second Lien Term Loan Claim” means any claim or obligation arising under or based on the Second Lien Term Loan Documents.

1.167 “Second Lien Term Loan Documents” means the Second Lien Credit Agreement and all related amendments, supplements, notes, pledges, collateral agreements, loan and security agreements, instruments, mortgages, control agreements, deeds of trust and other

documents or instruments executed or delivered in connection with the Second Lien Credit Agreement, in each case as amended, restated, supplemented, or modified from time to time.

1.168 “*Second Lien/Third Lien Claims*” means all Second Lien Term Loan Claims and Third Lien Notes Claims.

1.169 “*Second Lien/Third Lien Deficiency Claims*” means any unsecured Claim of a Holder of Second Lien Term Loan Claims or Third Lien Notes Claims arising under the Second Lien Term Loan Documents or the Third Lien Notes Indenture, as applicable.

1.170 “*Secured Claim*” means a Claim to the extent it is (i) secured by a lien on property of a Debtor’s estate, the amount of which is equal to or less than the value of such property (A) as agreed to by the Holder of such Claim and the Debtors, or (B) as determined by a final order of a court of competent jurisdiction in accordance with section 506(a) of the Bankruptcy Code, or (ii) secured by the amount of any rights of setoff of the Holder thereof under section 553 of the Bankruptcy Code.

1.171 “*Securities Act*” means the Securities Act of 1933, as now in effect or hereafter amended, and the rules and regulations of the United States Securities and Exchange Commission promulgated thereunder.

1.172 “*Security*” has the meaning ascribed to such term in section 2(a)(1) of the Securities Act.

1.173 “*Servicer*” means any indenture trustee, agent (including the ABL Agent, First Lien Notes Agent, Second Lien Term Loan Agent, and Third Lien Notes Agent), servicer, or other authorized representative of Holders of Claims or Interests recognized by the Debtors.

1.174 “*Solicited Terms of Key Executive Employment Agreements*” means the schedule of detailed information regarding the Reorganized Debtors’ anticipated management structure and compensation served upon all parties entitled to vote on the Plan.

1.175 “*Subordinated Claim*” means any Claim against the Debtors that is subject to subordination under section 510(b) or (c) of the Bankruptcy Code, whether arising from rescission of a purchase or sale of a security of the Debtors or an Affiliate of the Debtors, for damages arising from the purchase or sale of such a security, or for reimbursement or contribution allowed under section 502 of the Bankruptcy Code on account of such Claim, or otherwise, which Claim shall be subordinated to all Claims or Interests that are senior to or equal to the Claim or Interest represented by such security, except that if such security is an Interest in The McClatchy Company, such Claim has the same priority as Existing Parent Equity.

1.176 “*Subsidiaries*” means the direct or indirect subsidiaries of The McClatchy Company.

1.177 “*Subsidiary Debtors*” means each of the Debtors other than The McClatchy Company.

1.178 “Supporting Parties” means (a) Holders of no less than 66.67% in aggregate principal amount of First Lien Notes Claims who vote to accept the Plan, (b) Holders of no less than 66.67% in aggregate principal amount of Second Lien Term Loan Claims who vote to accept the Plan, and (c) Holders of no less than 66.67% in aggregate principal amount of Third Lien Notes Claims who vote to accept the Plan.

1.179 “Third Lien Noteholder” means a Holder of Third Lien Notes Claims.

1.180 “Third Lien Notes” means the 6.875% Senior Secured Junior Lien Notes due 2031 issued pursuant to the Third Lien Notes Indenture.

1.181 “Third Lien Notes Agent” means The Bank of New York Mellon, in its capacity as Trustee and Collateral Agent under the Third Lien Notes Indenture.

1.182 “Third Lien Notes Claim” means any Claim or obligation arising under or based on the Third Lien Notes Indenture and any related documents or instruments executed or delivered in connection with the Third Lien Notes Indenture, in each case as amended, restated, supplemented, or modified from time to time.

1.183 “Third Lien Notes Documents” means the Third Lien Notes Indenture and all related amendments, supplements, notes, pledges, collateral agreements, loan and security agreements, instruments, mortgages, control agreements, deeds of trust and other documents or instruments executed or delivered in connection with the Third Lien Notes Indenture, in each case as amended, restated, supplemented, or modified from time to time.

1.184 “Third Lien Notes Indenture” means that certain Indenture dated as of December 18, 2018, by and among The McClatchy Company, as issuer, the subsidiary guarantors party thereto, and the Third Lien Notes Agent, as amended, supplemented, or otherwise modified from time to time.

1.185 “Tranche A/B Intercreditor Agreement” means that certain intercreditor agreement, dated as of July 16, 2018, by and among The McClatchy Company, the Tranche A Facility Agent (as defined therein), and the Tranche B Facility Agent (as defined therein).

1.186 “Treatment Election Form” means the form upon which Holders of General Unsecured Claims shall make the Cash Election or Warrant Election and such other elections as may be made thereon.

1.187 “Unclaimed Distribution” means any distribution under the Plan on account of an Allowed Claim to a Holder that has not: (a) accepted a particular distribution or, in the case of distributions made by check, negotiated such check; (b) given notice to the Reorganized Debtors of an intent to accept a particular distribution; (c) responded to the Debtors’ or Reorganized Debtors’ request for information necessary to facilitate a particular distribution; or (d) taken any other action necessary to facilitate such distribution.

1.188 “Unexpired Lease” means a lease of nonresidential real property to which any of the Debtors is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

1.189 “*Unimpaired*” means, with respect to a Class of Claims, a Class of Claims that is not Impaired.

1.190 “*Voting Deadline*” means February 24, 2020, at 4:00 p.m. prevailing Eastern time.

1.191 “*Warrant Election*” means the election available to a Holder of an Allowed General Unsecured Claim to opt to receive its pro rata share of the Reorganized McClatchy Warrants, in full and complete satisfaction, discharge and release of such Allowed General Unsecured Claim.

1.192 “*Warrant Equity*” means Reorganized Equity issuable upon the exercise of the Reorganized McClatchy Warrants.

C. Rules of Interpretation

For purposes of this Plan, unless otherwise provided herein, (a) whenever from the context it is appropriate, each term, whether stated in the singular or the plural, shall include both the singular and the plural; (b) each pronoun stated in the masculine, feminine, or neuter includes the masculine, feminine, and neuter; (c) any reference in the Plan to an existing document or schedule filed or to be filed means such document or schedule, as it may have been or may be amended, modified, or supplemented; (d) any reference to an entity as a Holder of a Claim or Interest includes that entity’s successors and assigns; (e) all references in this Plan to Sections, Articles, and Exhibits are references to Sections, Articles, and Exhibits of or to this Plan; (f) the words “herein,” “hereunder,” and “hereto” refer to this Plan in its entirety rather than to a particular portion of this Plan; (g) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of this Plan; (h) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (i) to the extent the Disclosure Statement is inconsistent with the terms of this Plan, this Plan shall control; (j) to the extent this Plan is inconsistent with the Confirmation Order, the Confirmation Order shall control; (k) references to “shares,” “shareholders,” “directors,” and/or “officers” shall also include “membership units,” “members,” “managers,” or other functional equivalents, as applicable, as such terms are defined under the applicable state limited liability company or alternative comparable laws, as applicable; and (l) any immaterial effectuating provision may be interpreted by the Reorganized Debtors in a manner that is consistent with the overall purpose and intent of the Plan without further Final Order of the Bankruptcy Court.

D. Computation Of Time

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

E. References to Monetary Figures

All references in this Plan to monetary figures shall refer to currency of the United States of America, unless otherwise expressly provided.

F. Exhibits

All Exhibits are incorporated into and are a part of this Plan as if set forth in full herein and such Exhibits shall be filed with the Bankruptcy Court on or before the Plan Supplement Filing Date. After the Plan Supplement Filing Date, copies of Exhibits may be obtained upon email request to the Claims and Solicitation Agent at McClatchyInfo@kccllc.com, or by downloading such exhibits from the Debtors' informational website at <http://www.kccllc.net/McClatchy>. To the extent any Exhibit is inconsistent with the terms of this Plan and unless otherwise provided for in the Confirmation Order, the terms of the Exhibit shall control as to the transactions contemplated thereby and the terms of this Plan shall control as to any Plan provision that may be required under the Exhibit.

ARTICLE II

ADMINISTRATIVE EXPENSES AND PRIORITY CLAIMS

2.1 Administrative Claims. Except to the extent that the Debtors and a Holder of an Allowed Administrative Claim agree to a less favorable treatment, a Holder of an Allowed Administrative Claim (other than a DIP Facility Claim, which shall be subject to Article 2.2 of this Plan, or a Professional Claim, which shall be subject to Article 2.3 of this Plan) shall receive, in full satisfaction, settlement, and release of, and in exchange for, such Administrative Claim, Cash equal to the unpaid portion of such Allowed Administrative Claim either (a) on the later of (i) thirty (30) days following the Effective Date (or as soon as reasonably practicable thereafter); (ii) thirty (30) days after the date when the Administrative Claim becomes an Allowed Administrative Claim (or as soon as reasonably practicable thereafter); or (iii) the date when the Administrative Claim becomes payable pursuant to any agreement between the Debtors and the Holder of the Administrative Claim; or (b) if the Allowed Administrative Claim is based on liabilities incurred by the Debtors in the ordinary course of their business after the Petition Date, in the ordinary course of business in accordance with the terms and conditions of the particular transaction giving rise to such Allowed Administrative Claim, without any further action by the Holder of such Allowed Administrative Claim; *provided, however*, that other than the Holder of (v) a DIP Facility Claim, (w) a Professional Claim, (x) an Administrative Claim Allowed by a final order of the Bankruptcy Court on or before the Effective Date, (y) an Administrative Claim that is not disputed and arose in the ordinary course of business and was paid or is to be paid in accordance with the terms and conditions of the particular transaction giving rise to such Administrative Claim, or (z) an Administrative Claim arising under chapter 123 of title 28 of the United States Code, the Holder of any Administrative Claim shall have filed a proof of claim form no later than the Administrative Claims Bar Date and such claim shall have become an Allowed Claim. Except as otherwise provided herein and as set forth in Articles 2.2 or 2.3 of this Plan, all requests for payment of an Administrative Claim must be filed, in substantially the form of the Administrative Claim Request Form contained in the Plan Supplement, with the Claims Agent and served on counsel for the Debtors or the Reorganized Debtors, as applicable, no later than the Administrative Claims Bar Date. Any request for payment of an Administrative Claim pursuant to this Article 2.1 that is not timely filed and served shall be Disallowed automatically without the need for any objection from the Reorganized Debtors. For the avoidance of doubt, the Debtors' determination to object to the allowance of an Administrative Claim shall be subject to consultation with and approval of the Supporting Parties (such approval not to be unreasonably withheld, conditioned or delayed). The

Reorganized Debtors may settle an Administrative Claim without further Bankruptcy Court approval. In the event that the Reorganized Debtors object to an Administrative Claim and there is no settlement, the Bankruptcy Court shall determine the Allowed amount of such Administrative Claim.

2.2 DIP Facility Claims. Pursuant to the DIP Order, all DIP Facility Claims are Allowed. Except to the extent that a Holder of a DIP Facility Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each and every DIP Facility Claim, Holders of a DIP Facility Claim shall be (a) paid in full in Cash on the Effective Date, such payments to be distributed to the DIP Agent for the ratable benefit of the Holders of DIP Facility Claims, or (b) converted into and deemed outstanding under the Exit ABL Facility pursuant to the Confirmation Order.

To the extent that any Letter of Credit remains undrawn as of the Effective Date, the Debtors shall (i) cause that Letter of Credit to be replaced with a letter of credit issued under the Exit ABL Facility, (ii) collateralize that Letter of Credit with Cash in an amount specified in the Exit Facilities, (iii) provide a back-to-back letter of credit to the Letter of Credit Issuer on terms and from a financial institution reasonably acceptable to the Letter of Credit Issuer, or (iv) provide such other treatment as the Letter of Credit Issuer shall agree.

Upon the Effective Date, all Liens and security interests granted to secure the DIP Facility shall be deemed discharged, cancelled, and released and shall be of no further force and effect. To the extent that the DIP Lenders or the DIP Agent have filed or recorded publicly any Liens and/or security interests to secure the Debtors' obligations under the DIP Facility, the DIP Lenders or the DIP Agent, as the case may be, shall take any commercially reasonable steps requested by the Debtors or the Reorganized Debtors, at the expense of the Reorganized Debtors, that are necessary to cancel and/or extinguish such publicly-filed Liens and/or security interests

2.3 Professional Claims.

(a) **Final Fee Applications.** All final requests for payment of Professional Claims must be filed no later than forty-five (45) days after the Effective Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code, the Bankruptcy Rules and prior orders of the Bankruptcy Court, the Allowed amounts of such Professional Claims and expenses shall be determined by the Bankruptcy Court.

(b) **Payment of Interim Amounts.** Subject to the Holdback Escrow Amount, on the Effective Date, the Reorganized Debtors shall pay all amounts owing to Professionals for all outstanding amounts billed relating to prior periods through the Effective Date as to which no objection has been filed. In order to receive payment on the Effective Date for unbilled fees and expenses incurred and approved by the Bankruptcy Court through the Effective Date, no later than two (2) days prior to the Effective Date, the Professionals shall estimate fees and expenses due for periods that have not been billed as of the Effective Date and shall deliver such estimate to counsel for the Debtors. Within fifteen (15) days after the Effective Date, a Professional receiving payment for the estimated period shall submit a detailed invoice covering such period.

(c) **Holdback Escrow Account.** On the Effective Date, the Reorganized Debtors shall fund the Holdback Escrow Account with Cash equal to the aggregate Holdback Escrow Amount for all Professionals. The Distribution Agent shall maintain the Holdback Escrow Account in trust for the Professionals with respect to whom fees have been held back pursuant to the Professional Fee Order. Such funds shall not be considered property of the Debtors, the Reorganized Debtors, or the Estates. The remaining amount of Professional Claims owing to the Professionals shall be paid to such Professionals by the Distribution Agent from the Holdback Escrow Account when such claims are finally Allowed by the Bankruptcy Court. When all Professional Claims have been paid in full, amounts remaining in the Holdback Escrow Account, if any, shall be paid to the Reorganized Debtors.

(d) **Post-Confirmation Date Retention.** Upon the Effective Date, any requirement that Professionals comply with sections 327 through 331 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Reorganized Debtors shall employ and pay Professionals in the ordinary course of business (including the reasonable fees and expenses incurred by Professionals in preparing, reviewing, prosecuting, defending, or addressing any issues with respect to final fee applications).

2.4 Priority Tax Claims. Pursuant to section 1129(a)(9)(C) of the Bankruptcy Code, unless otherwise agreed by the Holder of a Priority Tax Claim and the applicable Debtor (or Reorganized Debtor, as applicable), each Holder of an Allowed Priority Tax Claim will receive, in full satisfaction of its Allowed Priority Tax Claim that is due and payable on or before the Effective Date, Cash equal to the amount of such Allowed Priority Tax Claim (i) on the Effective Date, (ii) at the sole option of the Debtors, in installment payments over a period of not more than five (5) years after the Petition Date pursuant to section 1129(a)(9)(C) of the Bankruptcy Code, or (iii) if the Priority Tax Claim is not Allowed as of the Effective Date, no later than thirty (30) days after the date on which such Priority Tax Claim becomes an Allowed Priority Tax Claim.

ARTICLE III

CLASSIFICATION, TREATMENT, AND VOTING OF CLAIMS AND INTERESTS

3.1 Classification of Claims and Interests.

(a) The Plan is a single plan of reorganization for the jointly administered Chapter 11 Cases, but does not constitute a substantive consolidation of the Debtors' Estates for voting purposes. The Plan, though proposed jointly, constitutes a separate plan for each of the Debtors for voting purposes. Therefore, all Claims against and Interests in a particular Debtor are placed in the Classes set forth below with respect to such Debtor. Classes that are not applicable as to a particular Debtor or group of Debtors shall be eliminated as set forth more fully in Article 5.3 below. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims of the kinds specified in sections 507(a)(1) and 507(a)(8) of the Bankruptcy Code have not been classified and their treatment is set forth in Article II above.

(b) Pursuant to sections 1122 and 1123 of the Bankruptcy Code, set forth below is a designation of classes of Claims against and Interests in the Debtors. A Claim or

Interest is placed in a particular Class for the purposes of voting on the Plan and, to the extent applicable, receiving distributions pursuant to the Plan only to the extent that such Claim or Interest is an Allowed Claim or an Allowed Interest in that Class and such Claim or Interest has not been paid, released, or otherwise settled prior to the Effective Date.

(c) Claims and Interests are divided into numbered Classes as set forth below:

Class	Claim or Interest	Status	Voting Rights
1	Other Priority Claims	Unimpaired	Presumed to Accept
2	Other Secured Claims	Unimpaired	Presumed to Accept
3	ABL Credit Facility Claims	Unimpaired	Presumed to Accept
4	First Lien Notes Claims	Impaired	Entitled to Vote
5	Second Lien/Third Lien Claims	Impaired	Entitled to Vote
6	Go-Forward Trade Claims	Unimpaired	Presumed to Accept
7	PBGC Claim	Impaired	Entitled to Vote
8	General Unsecured Claims	Impaired	Deemed to Reject
9	Intercompany Claims	Unimpaired	Presumed to Accept
10	Intercompany Interests	Unimpaired	Presumed to Accept
11	Subordinated Claims	Impaired	Deemed to Reject
12	Existing Parent Equity	Impaired	Deemed to Reject

ARTICLE IV

PROVISIONS FOR TREATMENT OF CLAIMS AND INTERESTS

4.1 Class 1 – Other Priority Claims.

(a) Classification: Class 1 consists of all Other Priority Claims.

(b) Treatment: On or as soon as practicable after the Effective Date, except as otherwise provided in and subject to Article 9.5 of this Plan, and except to the extent that a Holder of an Allowed Class 1 Claim and the applicable Debtor or Reorganized Debtor, subject to the consent of the Supporting Parties (not to be unreasonably withheld, conditioned, or delayed), agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each and every Allowed Class 1 Claim, each such Holder of an Allowed

Class 1 Claim shall be paid in full in Cash; provided, however, that Other Priority Claims that arise in the ordinary course of the Debtors' business and which are not due and payable on or before the Effective Date shall be paid in the ordinary course of business in accordance with the terms thereof.

(c) Voting: Class 1 is Unimpaired, and Holders of Allowed Class 1 Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Allowed Class 1 Claims are not entitled to vote to accept or reject the Plan.

4.2 Class 2 – Other Secured Claims.

(a) Classification: Class 2 consists of all Other Secured Claims.

(b) Treatment: On or as soon as practicable after the Effective Date, except as otherwise provided in and subject to Article 9.5 of this Plan, and except to the extent that a Holder of an Allowed Class 2 Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release and discharge of and in exchange for each and every Allowed Class 2 Claim, each such Holder of an Allowed Class 2 Claim shall, at the election of the Debtors or the Reorganized Debtors, as applicable, subject to the consent of the Supporting Parties (not to be unreasonably withheld, conditioned, or delayed):

(i) have its Allowed Class 2 Claim Reinstated and rendered Unimpaired on the Effective Date in accordance with section 1124(2) of the Bankruptcy Code, notwithstanding any contractual provision or applicable non-bankruptcy law that entitles the Holder of an Allowed Class 2 Claim to demand or receive payment of such Allowed Class 2 Claim prior to the stated maturity of such Allowed Class 2 Claim from and after the occurrence of a default; or

(ii) be paid in full in Cash in an amount equal to such Allowed Class 2 Claim, including postpetition interest, if any, on such Allowed Class 2 Claim required to be paid pursuant to section 506 of the Bankruptcy Code.

Nothing in this Article 4.2 or elsewhere in this Plan shall preclude the Reorganized Debtors, as applicable, from challenging the validity of any alleged Lien or any asset of the Debtors or the value of the property that secures any alleged Lien.

(c) Voting: Class 2 is Unimpaired, and Holders of Allowed Class 2 Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Allowed Class 2 Claims are not entitled to vote to accept or reject the Plan.

4.3 Class 3 – ABL Credit Facility Claims.

(a) Classification: Class 3 consists of all ABL Credit Facility Claims.

(b) Treatment: Except to the extent that a Holder of an Allowed Class 3 Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release and discharge of and in exchange for each and every Allowed Class 3 Claim, on the Effective Date

each such Holder of an Allowed Class 3 Claim shall be, to the extent not previously “rolled up” or converted into the DIP Facility pursuant to the applicable DIP Order, paid in full in Cash in an amount equal to such Allowed Class 3 Claim, including postpetition interest, if any, on such Allowed Class 3 Claim required to be paid pursuant to section 506 of the Bankruptcy Code, and all issued and undrawn Letters of Credit (as defined in the ABL Credit Agreement) shall be replaced or cash collateralized in the amounts specified under the DIP Documents or Exit Facilities, as applicable.

(c) Voting: Class 3 is Unimpaired, and Holders of Allowed Class 3 Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Allowed Class 3 Claims are not entitled to vote to accept or reject the Plan.

4.4 Class 4 – First Lien Notes Claims.

(a) Classification: Class 4 consists of all First Lien Notes Claims.

(b) Treatment: On the Effective Date, except to the extent that a Holder of an Allowed Class 4 Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release and discharge of and in exchange for each and every Allowed Class 4 Claim shall receive its (1) Pro Rata share of, to the extent not already paid as adequate protection, Cash in an amount equal to any accrued and unpaid interest (including any interest on interest) on the First Lien Notes that was due as of the Petition Date, and (2):

(i) for each Holder of an Allowed Class 4 Claim that is not a Chatham Subordinated Notes Claim, its Pro Rata share of New First Lien Notes; or

(ii) for each Holder of an Allowed Class 4 Claim that is a Chatham Subordinated Notes Claim, its Pro Rata amount of the Exit 1.5L Facility instead of its Pro Rata share of New First Lien Notes, pursuant to such Holders’ agreement to receive less favorable treatment than each Holder of an Allowed Class 4 Claim that is not a Chatham Subordinated Notes Claim.

(c) Voting: Class 4 is Impaired and Holders of Allowed Class 4 Claims are entitled to vote to accept or reject the Plan.

4.5 Class 5 – Second Lien/Third Lien Claims.

(a) Classification: Class 5 consists of all Second Lien/Third Lien Claims.

(b) Treatment: Consistent with the Settlement of Junior Lien Secured Claims, except to the extent that a Holder of an Allowed Class 5 Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each and every Allowed Class 5 Claim, on or as soon as reasonably practicable after the Effective Date, each Holder of an Allowed Class 5 Claim shall receive on its Pro Rata share, based on the aggregate amount of Allowed Second Lien Notes Claims and Allowed Third Lien Notes Claims, of 97% of the Reorganized Equity, subject to dilution by the MIP Equity and the Warrant Equity.

For the avoidance of doubt, (a) the treatment provided to Holders of Allowed Class 4 Claims is the only treatment such Claims will receive, (b) to the extent that any Second Lien/Third Lien Deficiency Claims exist, such Claims form part of the Second Lien/Third Lien Notes Claims and shall receive no treatment separate and apart from the treatment that the Holders of such Claims receive as Holders of Allowed Class 5 Claims, and (c) Holders of Allowed Class 5 Claims shall be deemed to have waived, and not be entitled to any distribution under the Plan on account of, their Second Lien/Third Lien Deficiency Claims.

(c) Voting: Class 5 is Impaired and Holders of Allowed Class 5 Claims are entitled to vote to accept or reject the Plan.

4.6 Class 6 – Go-Forward Trade Claims.

(a) Classification: Class 6 consists of all Go-Forward Trade Claims.

(b) Treatment: On or as soon as reasonably practicable after the Effective Date, except to the extent that a Holder of an Allowed Class 6 Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release and discharge of and in exchange for each and every Allowed Class 6 Claim, each such Holder of an Allowed Class 6 Claim shall, at the election of the Reorganized Debtors: (i) have its Allowed Class 6 Claim Reinstated and rendered Unimpaired in accordance with section 1124(2) of the Bankruptcy Code; (ii) be paid in full in Cash in an amount equal to such Allowed Class 6 Claim; or (iii) be paid in the ordinary course as such Allowed Class 6 Claim become due.

(c) Voting: Class 6 is Unimpaired, and Holders of Allowed Class 6 Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Allowed Class 6 Claims are not entitled to vote to accept or reject the Plan.

4.7 Class 7 – PBGC Claims.

(a) Classification: Class 7 consists of the PBGC Claims.

(b) Treatment: Pursuant to Bankruptcy Rule 9019 and in full and final satisfaction, settlement, release, and discharge of and in exchange for the Allowed Class 7 Claims, PBGC shall receive (i) a \$33 million secured note due on the thirteenth (13th) anniversary of the Effective Date that shall provide for annual amortization payments commencing in 2023 (the “PBGC Note”), provided, however, that if the Effective Date occurs within forty-five (45) days of the Petition Date, then the PBGC Note shall be due on the tenth anniversary of the Effective Date and the annual amortization payments shall commence on the one month anniversary of the Effective Date; and (ii) 3% of the Reorganized Equity (subject to dilution by the MIP Equity and the Warrant Equity). The liens on and security interests in the Reorganized Debtors’ assets granted pursuant to the PBGC Note shall be junior in all respects to the liens and security interests provided for under the Exit Facilities and the New First Lien Notes. To the extent there is any modification to the above treatment of the PBGC Claim, such treatment shall be agreed upon by the Debtors and the Chatham Parties, and the Brigade Parties must also consent to such treatment (such consent not to be unreasonably withheld or conditioned).

(c) Voting: Class 7 is Impaired and Holders of Allowed Class 8 Claims are entitled to vote to accept or reject the Plan.

4.8 Class 8 – General Unsecured Claims.

(a) Classification: Class 8 consists of all General Unsecured Claims.

(b) Treatment: On or as soon as reasonably practicable after the Effective Date, except as otherwise provided in and subject to Article 9.5 of this Plan, and except to the extent that a Holder of an Allowed Class 8 Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each and every Allowed Class 8 Claim, each Holder of an Allowed Class 8 Claim shall receive its Pro Rata portion of either (i) 100% of the Reorganized McClatchy Warrants among those Holders of Allowed General Unsecured Claims that properly exercise the Warrant Election, or (ii) Cash in the aggregate amount of \$3,000,000 among those Holders of Allowed General Unsecured Claims that properly exercise the Cash Election.

(c) Voting: Class 7 is Impaired and Holders of Allowed Class 8 Claims are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, Holders of Allowed Class 8 Claims are not entitled to vote to accept or reject the Plan.

4.9 Class 9 – Intercompany Claims

(a) Classification: Class 9 consists of all Intercompany Claims.

(b) Treatment: On the Effective Date, all net Allowed Class 9 Claims (taking into account any setoffs of Intercompany Claims) held by the Debtors between and among the Debtors and/or any Affiliates of the Debtors shall, at the election of the Debtors or the Reorganized Debtors, as applicable, subject to the consent of the Supporting Parties (not to be unreasonably withheld, conditioned, or delayed), be either (i) Reinstated, in full or in part, and treated in the ordinary course of business, or (ii) released, waived, and discharged. The treatment of the Intercompany Claims shall be effectuated in a tax efficient manner.

(c) Voting: Class 9 is Unimpaired, and Holders of Allowed Class 9 Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Allowed Class 9 Claims are not entitled to vote to accept or reject the Plan.

4.10 Class 10 – Intercompany Interests

(a) Classification: Class 10 consists of all Intercompany Interests.

(b) Treatment: On the Effective Date, all Class 10 Interests held by the Debtors shall be Reinstated and otherwise unaffected by the Plan, subject to the Plan Transaction Documents; provided, however, that the Ponderay Owners shall abandon their Interests in Ponderay.

To the extent Reinstated under the Plan, the Intercompany Interests shall be Reinstated for the ultimate benefit of the holders of the Reorganized Equity, and in exchange for the Debtors' and Reorganized Debtors' agreement under the Plan to make certain distributions to the Holders of Allowed Claims. Holders of Intercompany Interests shall not otherwise receive or retain any property on account of such Intercompany Interests. For the avoidance of doubt, to the extent Reinstated pursuant to the Plan, on and after the Effective Date, all Intercompany Interests shall be owned by the same Reorganized Debtor that corresponds with the Debtor that owned such Intercompany Interests prior to the Effective Date.

(c) Voting: Class 10 is Unimpaired, and Holders of Class 10 Interests are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 10 Interests are not entitled to vote to accept or reject the Plan.

4.11 Class 11 – Subordinated Claims.

(a) Classification: Class 11 consists of all Claims under Bankruptcy Code sections 510(b) and (c).

(b) Treatment: Holders of Allowed Class 11 Claims shall not receive any distributions on account of such Allowed Class 11 Claims, and on the Effective Date all Allowed Class 11 Claims shall be released, waived, and discharged.

(c) Voting: Class 11 is Impaired, and Holders of Allowed Class 11 Claims are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, Holders of Allowed Class 11 Claims are not entitled to vote to accept or reject the Plan.

4.12 Class 12 – Existing Parent Equity.

(a) Classification: Class 12 consists of all Existing Parent Equity.

(b) Treatment: Holders of Allowed Class 12 Interests shall not receive any distributions on account of such Allowed Class 12 Interests, and on the Effective Date all Allowed Class 12 Interests shall be deemed automatically cancelled, released, and extinguished without further action by the Debtors or the Reorganized Debtors and the obligations of the Debtors and the Reorganized Debtors thereunder shall be discharged.

(c) Voting: Class 12 is Impaired, and Holders of Allowed Class 12 Interests are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, Holders of Allowed Class 12 Interests are not entitled to vote to accept or reject the Plan.

ARTICLE V

ACCEPTANCE

5.1 Classes Entitled to Vote. Classes 4, 5, and 7 are Impaired and are entitled to vote to accept or reject this Plan. By operation of law, Classes 1, 2, 3, 6, 9, and 10 are Unimpaired and are deemed to have accepted this Plan and, therefore, are not entitled to vote. By

operation of law, Classes 8, 11, and 12 are deemed to have rejected this Plan and are not entitled to vote.

5.2 Acceptance by Impaired Classes. An Impaired Class of Claims shall have accepted this Plan if, not counting the vote of any Holder designated under section 1126(e) of the Bankruptcy Code, (a) the Holders of at least two-thirds in amount of the Allowed Claims actually voting in the Class have voted to accept this Plan and (b) the Holders of more than one-half in number of the Allowed Claims actually voting in the Class have voted to accept the Plan.

5.3 Elimination of Classes. To the extent applicable, any Class that does not contain any Allowed Claims or any Claims temporarily allowed for voting purposes under Bankruptcy Rule 3018, as of the date of commencement of the Confirmation Hearing, for all Debtors or with respect to any particular Debtor shall be deemed to have been deleted from this Plan for all Debtors or for such particular Debtor, as applicable, for purposes of (a) voting to accept or reject this Plan and (b) determining whether it has accepted or rejected this Plan under section 1129(a)(8) of the Bankruptcy Code. In particular, Class 12 shall exist only with respect to The McClatchy Company, Class 3 shall exist only with respect to the Debtors which are obligors under the ABL Credit Facility, Class 4 shall exist only with respect to the Debtors which are obligors under the First Lien Notes, and Class 5 shall exist only with respect to the Debtors which are obligors under the Second Lien Term Loan and the Third Lien Notes.

5.4 Deemed Acceptance if No Votes Cast. If no Holders of Claims eligible to vote in a particular Class vote to accept or reject the Plan, this Plan shall be deemed accepted by the Holders of such Claims in such Class.

5.5 Cramdown. To the extent necessary, the Debtors shall request confirmation of this Plan, as it may be modified from time to time in accordance with the terms hereof, under section 1129(b) of the Bankruptcy Code. The Debtors reserve the right to modify, amend, or withdraw this Plan, with respect to all Debtors or any individual Debtor or group of Debtors to the extent, if any, that confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification.

ARTICLE VI

MEANS FOR IMPLEMENTATION OF THE PLAN

6.1 Substantive Consolidation.

The Plan contemplates and is predicated upon deemed substantive consolidation of the Debtors' Estates and Chapter 11 Cases for distribution purposes only. On the Effective Date, each Claim against any Debtor shall be deemed only against The McClatchy Company and shall be deemed a single Claim against and a single obligation of The McClatchy Company, for distribution purposes only and the claims register shall be updated accordingly. This limited substantive consolidation

effected pursuant to this Article 6.1 of the Plan shall not otherwise affect the rights of any Holder of any Claim, or affect the obligations of any Debtor with respect to such Claim.

6.2 General Settlement of Claims and Interests.

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, on the Effective Date, the provision of the Plan shall constitute good-faith compromise and settlement of all Claims and Interests and controversies resolved pursuant to the Plan.

6.3 Settlement of Junior Lien Secured Claims

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, the Plan incorporates a proposed compromise and settlement designed to achieve an economic settlement of the Second Lien Term Loan Claims and Third Lien Notes Claims and an efficient resolution of the Chapter 11 Cases. In connection with such settlement, and as set forth in Article 4.5 of this Plan, all Second Lien Term Loan Claims and all Third Lien Notes Claims shall be treated together as a single class in accordance with the terms of the Plan notwithstanding the terms of the Tranche A/B Intercreditor Agreement. Treatment of the Second Lien/Third Lien Claims as provided herein is a settlement and compromise of uncertainty and potential litigation, including, among other things, litigation relating to valuation of the Debtors.

6.4 New First Lien Notes.

On the Effective Date, the Reorganized Debtors shall issue or cause to be issued the New First Lien Notes in exchange for the First Lien Notes in accordance with Section 4.4 hereof. The distribution of the New First Lien Notes shall be governed by the terms and conditions set forth in the Plan applicable to such distribution and by the terms and conditions of the New First Lien Notes Indenture and such other instruments evidencing or relating to such distribution, which terms and conditions shall bind each Person receiving such distribution or issuance. The New First Lien Notes Indenture shall not permit the incurrence of indebtedness secured by a first-priority lien on the Notes Priority Collateral other than those arising under the New First Lien Notes. Other than the obligations arising under the Exit ABL Facility (which shall be in an amount not to exceed \$50 million), the Reorganized Debtors shall not be permitted to incur any obligations secured by a lien on the ABL Priority Collateral that is senior to the lien on such ABL Priority Collateral granted to the Holders of the New First Lien Notes.

6.5 Plan Funding.

Distributions under this Plan, and the Reorganized Debtors' operations post-Effective Date will be funded from the following sources:

(a) **Exit Facilities.** On the Effective Date, the Reorganized Debtors shall enter into the Exit Facilities. Confirmation shall be deemed approval of the Exit Facilities (including the transactions contemplated thereby, such as any supplementation or additional syndication of the Exit Facilities, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, including the payment of all fees, indemnities, and expenses provided for therein) and authorization for the

Reorganized Debtors to enter into and execute the Exit Facilities and such other documents as the Exit Lenders may reasonably require to effectuate the treatment afforded to such lenders pursuant to the Exit Facilities, subject to such modifications as the Reorganized Debtors may deem to be reasonably necessary to consummate such Exit Facilities.

(b) **Second Lien/Third Lien Deficiency Claims.** Consistent with the Settlement of Junior Lien Secured Claims, effective as of the Effective Date, Holders of Second Lien/Third Lien Claims shall be deemed to have compromised their Second Lien/Third Lien Deficiency Claims.

(c) **Other Plan Funding.** Other than as set forth in Article 6.5(a) of this Plan, all Cash necessary for the Reorganized Debtors to make payments required by this Plan shall be obtained from the Debtors' Cash balances then on hand, after giving effect to the transactions contemplated herein.

6.6 Authorization and Issuance of Reorganized Equity.

(a) On the Effective Date, Reorganized McClatchy shall authorize and issue the Reorganized Equity. Distribution of Reorganized Equity hereunder shall constitute issuance of 100% of the Reorganized Equity and shall be deemed issued on the Effective Date. The issuance of Reorganized Equity by Reorganized McClatchy, including options for the purchase thereof or other equity awards, if any, providing for the issuance of Reorganized Equity, is authorized without the need for any further corporate action or without any further action by the Debtors or the Reorganized Debtors, as applicable.

(b) The Reorganized Equity issued under this Plan shall be subject to economic and legal dilution from (i) the MIP Equity, (ii) the Warrant Equity and (iii) any other shares, membership units, or functional equivalent thereof, as applicable, of Reorganized Equity issued after the Effective Date.

(c) All of the shares, membership units, or functional equivalent thereof, as applicable, of Reorganized Equity issued pursuant to the Plan shall be duly authorized, validly issued, fully paid, and non-assessable, and the holders of Reorganized Equity shall not be required to execute the New Shareholders Agreement before receiving their respective distributions of Reorganized Equity under the Plan. Any such Entities who do not execute the New Shareholders Agreement shall be automatically deemed to have accepted the terms of the New Shareholders Agreement (in their capacity as shareholders, membership unit holders, or functional equivalent thereof, as applicable, of Reorganized McClatchy) and to be parties thereto without further action. The New Shareholders Agreement shall be adopted on the Effective Date and shall be deemed to be valid, binding, and enforceable in accordance with its terms, and each holder of Reorganized Equity shall be bound thereby.

(d) On the Effective Date, none of the Reorganized Equity will be registered under the Securities Act or listed on a national securities exchange, the Reorganized Debtors will not be reporting companies under the Exchange Act, the Reorganized Debtors shall not be required to and will not file reports with the Securities and Exchange Commission or any other entity or party. In order to prevent the Reorganized Debtors from becoming subject to the

reporting requirements of the Exchange Act, except in connection with a public offering, the New Corporate Governance Documents may impose certain trading restrictions, and the Reorganized Equity will be subject to certain transfer and other restrictions pursuant to the New Corporate Governance Documents designed to maintain the Reorganized Debtors as private, non-reporting companies.

6.7 Exemptions from Securities Act Registration Requirements. The offering, issuance, and distribution of any Securities pursuant to the Plan and any and all settlement agreements incorporated therein will be exempt from the registration requirements of section 5 of the Securities Act pursuant to section 1145 of the Bankruptcy Code, section 4(a)(2) of the Securities Act, or any other available exemption from registration under the Securities Act, as applicable. Section 4(a)(2) of the Securities Act exempts transactions not involving a public offering, and section 506 of Regulation D of the Securities Act provides a safe harbor under section 4(a)(2) for transactions that meet certain requirements. In addition, under section 1145 of the Bankruptcy Code, if applicable, any Securities issued pursuant to the Plan and any and all settlement agreements incorporated therein will be freely transferable under the Securities Act by the recipients thereof, subject to (1) the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 2(a)(11) of the Securities Act, and compliance with any applicable state or foreign securities laws, if any, and the rules and regulations of the United States Securities and Exchange Commission, if any, applicable at the time of any future transfer of such Securities or instruments, (2) the restrictions, if any, on the transferability of such Securities and instruments, including restrictions contained in the governing documents to such Securities, and (3) any other applicable regulatory approval. In reliance upon these exemptions, the offer, issuance, and distribution of Securities will not be registered under the Securities Act or any applicable state Blue Sky Laws, and may not be transferred, encumbered or otherwise disposed of in the absence of such registration or an exemption therefrom under the Securities Act or under such laws and regulations thereunder. Accordingly, the Securities may be subject to restrictions on transfer as set forth in the governing documents to such Securities. Reorganized Equity will bear a legend relating to the transfer restrictions, including those arising under the New Corporate Governance Document, applicable to such stock.

6.8 Cancellation of Old McClatchy Securities, Agreements, and the Second Lien Term Loan. On the Effective Date, except as otherwise specifically provided for herein (a) the Old McClatchy Securities and the Second Lien Term Loan and any other note, bond, indenture, Certificate, or other instrument or document evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors (including the First Lien Notes Indenture and the Third Lien Notes Indenture), shall be deemed to be automatically cancelled and discharged without further action by any person and (b) the obligations of, Claims against, and/or Interests in the Debtors under, relating, or pertaining to any agreements, indentures, certificates of designation, bylaws, or certificate or articles of incorporation or similar documents governing the Old McClatchy Securities, and any other note, bond, indenture, Certificate, or other instrument or document evidencing or creating any indebtedness or obligation of the Debtors, as the case may be, shall be deemed to be automatically released and discharged and cancelled without further action by any person; provided, however, that (i) the Class 10 Intercompany Interests shall be treated as set forth in Article 4.10 above and (ii) any agreement (including the Indentures) that governs the rights of a Holder of a Claim and that is administered by a Servicer shall continue in effect solely for the purposes of allowing such Servicer to (x) make the

distributions on account of such Claims under this Plan and perform such other necessary functions with respect thereto, if any, as provided for in Article 9.4 of this Plan and (y) maintain and exercise its Charging Lien or other right to priority payment against distributions under the Plan on account of such Servicer's reasonable fees, expenses, and indemnities owed to such Servicer under the terms of either of the Indentures. On or after the Effective Date, all duties and responsibilities of the First Lien Notes Agent under the First Lien Notes Indenture, the Second Lien Term Loan Agent under the Second Lien Term Loan Documents, and the Third Lien Notes Agent under the Third Lien Notes Indenture shall be discharged and deemed satisfied except to the extent required in order to effectuate the Plan.

6.9 Issuance of New Securities; Execution of Plan Documents. Except as otherwise provided in the Plan, on or as soon as reasonably practicable after the Effective Date, the Reorganized Debtors shall issue all Securities, notes, instruments, Certificates, and other documents required to be issued pursuant to the Plan.

6.10 Continued Corporate Existence.

(a) Except as otherwise provided in this Plan, the Debtors shall continue to exist after the Effective Date as separate entities, the Reorganized Debtors, with all the powers of corporations or other entities under applicable law in the jurisdictions in which the Debtors have been incorporated or formed, as applicable, and pursuant to their certificate of incorporation and bylaws (or in each case, the functional equivalent thereof, as applicable) or other organizational documents in effect prior to the Effective Date, except to the extent such certificate of incorporation and bylaws (or in each case, the functional equivalent thereof, as applicable) or other organization documents are amended and restated by this Plan, including pursuant to Article 6.12 below, without prejudice to any right to terminate such existence (whether by merger or otherwise) under applicable law after the Effective Date. To the extent such documents are amended, such documents are deemed to be amended pursuant to the Plan without any further notice to or action, order, or approval of the Bankruptcy Court or any other court of competent jurisdiction (other than the requisite filings required under applicable state, provincial, or federal law).

(b) Except as otherwise provided in the Plan, the continued existence, operation, and ownership of Affiliates is a material component of the business of the Debtors and the Reorganized Debtors, as applicable, and, as set forth in Article 10.1 of this Plan, all of the Debtors' equity interests and other property interests in such Affiliates shall vest in the Reorganized Debtors or their successors on the Effective Date.

6.11 Restructuring Transactions.

(a) On or following the Confirmation Date, the Debtors or Reorganized Debtors, as the case may be, shall take such actions as may be necessary or appropriate to effect the relevant restructuring transactions as set forth in the Plan and the Plan Transaction Documents, and may take other actions on or after the Effective Date (collectively, the "Restructuring Transactions"). The anticipated post-Effective Date structure of the Reorganized Debtors shall be provided with the Plan Supplement.

(b) Prior to, on, or after the Effective Date, and pursuant to the Plan, the Reorganized Debtors shall enter into the Restructuring Transactions described herein and in the Disclosure Statement and the Plan Transaction Documents. The Debtors or the Reorganized Debtors, as applicable, shall take any actions as may be necessary or appropriate to effect a restructuring of the Debtors' businesses or the overall organization structure of the Reorganized Debtors. The Restructuring Transactions may include one or more restructurings, conversions, or transfers as may be determined by the Debtors to be necessary or appropriate. The actions taken by the Debtors or the Reorganized Debtors, as applicable, to effect the Restructuring Transactions may include: (i) the execution, delivery, adoption, and/or amendment of appropriate agreements or other documents of restructuring, conversion, disposition, or transfer containing terms that are consistent with the terms of the Plan, the Disclosure Statement, the Plan Transaction Documents, and any ancillary documents and that satisfy the applicable requirements of applicable state law and any other terms to which the applicable parties may agree; (ii) the execution, delivery, adoption, and/or amendment of appropriate instruments of transfer, assignment, assumption or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan, the Disclosure Statement, the Plan Transaction Documents, and any ancillary documents and having other terms for which the applicable parties may agree; (iii) the filing of appropriate certificates or articles of incorporation, reincorporation, or conversion (or, in each case, the functional equivalent thereof) pursuant to applicable state law, including but not limited to an amended certificate of incorporation and by-laws (or, in each case, the functional equivalent thereof, as applicable); (iv) the cancellation of shares and warrants; and (v) all other actions that the Debtors or the Reorganized Debtors, as applicable, determine to be necessary, desirable, or appropriate to implement, effectuate, and consummate the Plan or the Restructuring Transactions contemplated hereby, including making filings or recordings that may be required by applicable state law in connection with the Restructuring Transactions.

(c) The following Debtors shall be dissolved upon the Effective Date: Newsprint Ventures, Inc., Tribune Newsprint Company, and Wingate Paper Company. Such Debtors are deemed to be dissolved without any further notice to or action, order, or approval of the Bankruptcy Court or any other court of competent jurisdiction (other than the requisite filings required under applicable state, provincial, or federal law, if any). Any Claim arising as a result of such dissolutions shall be receive the applicable treatment under this Plan.

6.12 New Corporate Governance Documents. The New Corporate Governance Documents shall be adopted and amended as may be required so that they are consistent with the provisions of this Plan and otherwise comply with section 1123(a)(6) the Bankruptcy Code. After the Effective Date, the Reorganized Debtors may amend and restate the New Corporate Governance Documents and other constituent documents as permitted by applicable state corporation or other comparable alternative law, as applicable, and their charters and bylaws (or in each case, the functional equivalent thereof, as applicable).

6.13 Directors and Officers of the Reorganized Debtors. On the Effective Date, the term of the Existing Board shall expire, and the New Board shall be appointed. On the Effective Date the initial New Board shall consist of: (i) the Chief Executive Officer of the Reorganized Debtors; (ii) the Chairman of the Board shall be selected by the Existing Board in its sole discretion (the "Chairman of the Board"); (iii) three directors selected by the Chatham Parties in their sole and absolute discretion; and (iv) two directors that shall be independent directors (the

“New Independent Directors”) selected by the Chatham Parties; provided that the New Independent Directors shall be chosen from the list of individuals mutually acceptable to the Debtors and the Chatham Parties. The compensation of the Chairman of the Board shall be mutually agreed between the Supporting Parties and the Chairman of the Board consistent with customary standards. The Chairman of the New Board and the Chief Executive Officer shall serve a three-year term following the Effective Date, and the New Independent Directors shall serve a one-year term following the Effective Date. Following such initial terms, the Chatham Parties shall select the directors of the New Board. For the avoidance of doubt, for so long as the New First Lien Notes are outstanding, the Reorganized Debtors shall maintain at least two independent directors.

In accordance with the Solicited Terms of Key Executive Employment Agreements, effective as of the Effective Date, the Reorganized Debtors shall enter the Key Executive Employment Agreements on mutually agreeable terms with the Key Executives to address existing change in control commitments or long-term agreements consistent with Reorganized McClatchy’s commitment to local, independent journalism. In accordance with Bankruptcy Code section 1129(a)(5)(B), attached as Exhibit G to the Disclosure Statement is a schedule disclosing the identities of the Key Executives and the nature of the compensation to be paid to such Key Executives. For the avoidance of doubt, consummation of the Restructuring Transactions on the Effective Date shall not constitute a “change of control” or similar transaction that causes the acceleration of payments or benefits under existing employment agreements with Key Executives. For the avoidance of doubt, the Chief Executive Officer shall receive no other compensation for board service in addition to his or her compensation as Chief Executive Officer.

6.14 Corporate Action. Each of the matters provided for under this Plan involving the corporate structure of the Debtors or the Reorganized Debtors or corporate action to be taken by or required of the Debtors or the Reorganized Debtors shall, as of the Effective Date, be deemed to have occurred and be effective as provided herein, and shall be authorized, approved, and to the extent taken prior to the Effective Date, ratified in all respects without any requirement of further action by stockholders, creditors, or directors of the Debtors or the Reorganized Debtors. Such actions may include (a) the adoption and filing of the New Corporate Governance Documents, (b) the appointment of the New Board, (c) the issuance and distribution of the Reorganized Equity and the New First Lien Notes, and (d) entry into the Exit Facilities.

6.15 Effectuating Documents; Further Transactions. On and after the Effective Date, the Reorganized Debtors, and the officers thereof and members of the New Board, shall be authorized to and may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, indentures, and other agreements or documents, and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of this Plan, or to otherwise comply with applicable law, in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorizations, or consents except for those expressly required pursuant to the Plan.

6.16 Employment, Retirement, and Other Agreements and Employee Compensation Plans.

(a) **Employment Agreements.** The Debtors shall assume or reject employment, severance (including change in control), retirement, indemnification or other agreement with their pre-Effective Date directors, officers, managing members and employees in accordance with the provisions of Article VII of this Plan. The Reorganized Debtors may enter into new employment arrangements and/or change in control agreements with the Debtors' officers who continue to be employed after the Effective Date.

(b) **Other Incentive Plans and Employee Benefits.** Unless otherwise specified in this Plan, and except in connection and not inconsistent with Article 6.16(a), on and after the Effective Date, the Reorganized Debtors shall have the sole discretion to (a) amend, adopt, assume, and/or honor, in the ordinary course of business or as otherwise provided herein, any contracts, agreements, policies, programs, and plans for, among other things, compensation, pursuant to the terms thereof or hereof, including any incentive plan, 401(k) plan, health care benefits, disability benefits, deferred compensation benefits, savings, severance benefits, retirement benefits, welfare benefits, workers' compensation benefits, life insurance, and accidental death and dismemberment insurance for the directors, officers, and employees of the Debtors who served in such capacity from and after the Petition Date, and (b) honor, in the ordinary course of business, Claims of employees employed as of the Effective Date for accrued vacation time arising prior to the Petition Date.

After the Effective Date, subject to the Reorganized Debtors' rights, if any, under applicable non-bankruptcy law, unless otherwise ordered by the Bankruptcy Court, the Reorganized Debtors shall continue to pay all retiree benefits, as that term is defined in section 1114 of the Bankruptcy Code, at the level established pursuant to subsection (e)(1)(B) or (g) of section 1114 of the Bankruptcy Code, at any time prior to Confirmation, for the duration of the period the Debtors has obligated themselves to provide such benefits.

As soon as reasonably practicable after the Effective Date, the New Board shall adopt and implement the MIP and other incentive compensation bonus, severance, supplemental retirement and related benefit plans for the management of the Reorganized Debtors other than the Key Executives, which shall be mutually agreeable to the Chatham Parties and the Key Executives. On the Effective Date, the Reorganized Debtors shall enter into the Key Executive Employment Agreements, the terms of which shall be consistent with the Solicited Terms of Key Executive Employment Agreements.

6.17 Preservation Of Causes Of Action. In accordance with section 1123(b)(3) of the Bankruptcy Code, the Reorganized Debtors shall retain and may (but are not required to) enforce all rights to commence and pursue any and all Causes of Action that are not released pursuant to Article 10.4 of this Plan or an order of the Bankruptcy Court, whether arising before or after the Petition Date, including any actions or categories of actions specifically enumerated in a list of retained Causes of Action contained in the Plan Supplement, and such Causes of Action shall vest in the Reorganized Debtors as of the Effective Date; provided, however, that the Debtors shall release all Causes of Action arising under chapter 5 of the Bankruptcy Code and all state insolvency clawback analogs. The Debtors or the Reorganized Debtors, in their sole and absolute

discretion, shall determine whether to bring, settle, release, compromise, or enforce such Causes of Action (or decline to do any of the foregoing), and shall not be required to seek further approval of the Bankruptcy Court for such action. The Reorganized Debtors or any successors may pursue such litigation claims in accordance with the best interests of the Reorganized Debtors or any successor holding such rights of action. **No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against them as any indication that the Debtors or the Reorganized Debtors will not pursue any and all available Causes of Action against them. The Debtors and the Reorganized Debtors expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise provided in the Plan.** Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled in this Plan or an order of the Bankruptcy Court, the Reorganized Debtors expressly reserve all Causes of Action for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of Confirmation or consummation of the Plan.

6.18 Reservation of Rights. With respect to any avoidance actions that the Debtors abandon in accordance with Article 6.17 of this Plan, the Debtors and the Reorganized Debtors, as applicable, reserve all rights, including the right under section 502(d) of the Bankruptcy Code to use defensively the abandoned avoidance cause of action as a basis to object to all or any part of a claim against any Estates asserted by a creditor which remains in possession of, or otherwise obtains the benefit of, the avoidable transfer.

6.19 Exemption from Certain Transfer Taxes and Recording Fees. Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant to the Plan shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, or other similar tax or governmental assessment to the fullest extent contemplated by section 1146(a) of the Bankruptcy Code, and the Confirmation Order will direct the appropriate state or local governmental officials or agents to forgo the collection of any such tax or governmental assessment and to accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

6.20 Insured Claims. Notwithstanding anything to the contrary contained herein, to the extent the Debtors have insurance with respect to any Allowed General Unsecured Claim, the Holder of such Allowed Claim shall (a) be paid any amount from the proceeds of insurance to the extent that the Claim is insured, and (b) receive the treatment provided for in this Plan for Allowed General Unsecured Claims to the extent the applicable insurance policy does not provide coverage with respect to any portion of the Claim.

ARTICLE VII

UNEXPIRED LEASES AND EXECUTORY CONTRACTS

7.1 Assumption and Rejection of Executory Contracts and Unexpired Leases.

(a) Except as otherwise provided herein, or in any contract, instrument, release, indenture, or other agreement or document entered into in connection with the Plan, as of and subject to the occurrence of the Effective Date, all Executory Contracts and Unexpired Leases to which any of the Debtors are parties shall be deemed assumed unless such contract or lease (i) was previously assumed or rejected by the Debtors pursuant to a Final Order of the Bankruptcy Court; (ii) had previously expired or terminated pursuant to its own terms or by agreement of the parties thereto; (iii) is the subject of a motion to reject filed by the Debtors on or before the Confirmation Date; (iv) is identified for rejection on the Rejection Schedule included in the Plan Supplement; or (v) is to be rejected pursuant to the terms of the Plan.

(b) Entry of the Confirmation Order will constitute an order of the Bankruptcy Court approving the assumptions or rejections of such Executory Contracts or Unexpired Leases as set forth in the Plan, all pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Counterparties to Executory Contracts or Unexpired Leases that are deemed rejected as of the Effective Date shall have the right to assert any Claim on account of the rejection of such Executory Contracts or Unexpired Leases subject to compliance with the requirements herein. Unless otherwise indicated, all assumptions or rejections of Executory Contracts and Unexpired Leases pursuant to the Plan are effective as of the Effective Date. Each Executory Contract or Unexpired Lease assumed pursuant to the Plan or by Bankruptcy Court order shall revert in and be fully enforceable by the applicable contracting Reorganized Debtor in accordance with its terms, except as such terms may have been modified by such order.

(c) Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of pre-existing obligations owed to the Debtors under such contracts or leases. In particular, notwithstanding any nonbankruptcy law to the contrary, the Reorganized Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations on goods previously purchased by the contracting Debtors or the Reorganized Debtors, as applicable, from counterparties to rejected or repudiated Executory Contracts.

(d) All assumed Executory Contracts and Unexpired Leases shall remain in full force and effect for the benefit of the Reorganized Debtors, and be enforceable by the Reorganized Debtors in accordance with their terms, notwithstanding any provision in such assumed Executory Contract or Unexpired Lease that prohibits, restricts, or conditions such assumption, assignment, or transfer. Any provision in the assumed Executory Contracts and Unexpired Leases that purports to declare a breach or default based in whole or in part on commencement or continuance of these Chapter 11 Cases or any successor cases is hereby deemed unenforceable. To the extent any provision in any Executory Contract or Unexpired Lease assumed pursuant to the Plan (including, without limitation, any “change of control” provision) restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the Reorganized

Debtors' assumption of such Executory Contract or Unexpired Lease, then such provision will be deemed modified such that the transactions contemplated by the Plan will not entitle the non-Debtor party thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto.

(e) Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and all rights related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated pursuant hereunder. Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Case shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

(f) Notwithstanding anything to the contrary herein, the Debtors reserve the right to alter, amend, modify, or supplement the Rejection Schedule at any time before the Effective Date. After the Effective Date, the Reorganized Debtors shall have the right to terminate, amend or modify any intercompany contracts, leases or other agreements without approval of the Bankruptcy Court.

7.2 Claims Based on Rejection of Executory Contracts or Unexpired Leases.

All Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, if any, must be filed with the Bankruptcy Court within thirty (30) days after the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection. Any Claims arising from the rejection of an Executory Contract or Unexpired Lease not filed with the Bankruptcy Court within such time will be automatically disallowed, forever barred from assertion, and shall not be enforceable against the Debtors or the Reorganized Debtors, the Estates, or their property without the need for any objection by the Reorganized Debtors or further notice to, or action, order or approval of the Bankruptcy Court.

7.3 Determination of Assumption Disputes and Deemed Consent.

(a) Except as otherwise provided in the Plan, any monetary amounts by which any Executory Contract or Unexpired Lease to be assumed under the Plan is in default shall be satisfied, under section 365(b)(1) of the Bankruptcy Code, by Cure. If there is a dispute regarding (i) the nature or amount of any Cure; (ii) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed; or (iii) any other matter pertaining to assumption, then payment of Cure shall occur following the entry of a Final Order resolving such dispute, approving such assumption (and, if applicable, assignment), or as may be agreed upon by the Debtors or the Reorganized Debtors, as applicable,

and the counterparty to the Executory Contract or Unexpired Lease. The Debtors or the Reorganized Debtors, as applicable, reserve the right either to reject or nullify the assumption of any Executory Contract or Unexpired Lease after a Final Order determining the Cure or any request for adequate assurance of future performance required to assume such Executory Contract or Unexpired Lease is made.

(b) Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time before the effective date of the assumption.

(c) If a proper and timely objection to the Debtors' proposed Cure was filed by the Cure Objection Deadline, the Cure shall be equal to (i) the amount agreed to between the Debtors or Reorganized Debtors, as applicable, and the applicable counterparty; or (ii) to the extent the Debtors or Reorganized Debtors and counterparty do not reach an agreement regarding any Cure or any other matter related to assumption, the Bankruptcy Court shall determine the Allowed amount of such Cure and any related issues. Objections, if any, to the proposed assumption and/or Cure must be in writing, filed with the Bankruptcy Court, and served in hard-copy form so that they are actually received by the Cure Objection Deadline.

(d) If an objection to the proposed assumption and/or to the Cure is timely filed and received, and the parties do not reach a consensual resolution of such objection, a hearing with respect to such objection shall be held at such time scheduled by the Bankruptcy Court or the Debtors or Reorganized Debtors. Objections to the proposed Cure or assumption of an Executory Contract or Unexpired Lease will not be treated as objections to Confirmation of the Plan.

7.4 Insurance Policies.

(a) Notwithstanding anything to the contrary in the Disclosure Statement, the Plan, the Plan Documents, the Plan Supplement, the Confirmation Order, any other document related to any of the foregoing or any other order of the Bankruptcy Court (including any other provision that purports to be preemptory or supervening or grants an injunction or release, including, but not limited to, the injunctions set forth in Article 10.9 of the Plan): (a) on the Effective Date, the Reorganized Debtors shall assume all insurance policies, as amended or modified, issued or providing coverage at any time to the Debtors, their affiliates or predecessors of any of the foregoing and all agreements related thereto, as amended or modified (such policies and agreements, collectively, the "Insurance Contracts"); (b) nothing in the Disclosure Statement, the Plan, the Plan Documents, the Plan Supplement or the Confirmation Order alters, modifies or otherwise amends the terms and conditions of (or the coverage provided by) any of the Insurance Contracts or releases or discharges the security interest and/or liens insurers and third party administrators have on any collateral and/or security, except that as of the Effective Date, the Reorganized Debtors shall become and remain liable for all of the Debtors' obligations and liabilities thereunder regardless of whether such obligations and liabilities arise before or after the Effective Date, provided, however that the Debtors or Reorganized Debtors, as applicable, shall

retain the right to challenge any amounts owed under the Insurance Contracts in accordance with their terms, and the rights and obligations of the parties under the Insurance Contracts, whether or not such Insurance Contracts are executory or were in effect before or after the Petition Date, shall remain fully enforceable by the parties after the Effective Date of this Plan; (c) nothing in the Disclosure Statement, the Plan, the Plan Documents, Plan Supplement, the Confirmation Order, any prepetition or administrative claim bar date order (or notice) or claim objection order alters or modifies the duty, if any, that the insurers and/or third party administrators have to pay claims covered by the Insurance Contracts and their right to seek payment or reimbursement from the Debtors (or after the Effective Date, the Reorganized Debtors) or draw on any collateral or security therefor in accordance with the terms of the Insurance Contracts; (d) insurers and third party administrators shall not need to nor be required to file or serve a Cure Dispute or a request, application, claim, proof of claim or motion for payment and shall not be subject to any Bar Date or similar deadline governing Cure amounts or Claims; (e) the claims of insurers and/or third party administrators (whether arising before or after the Effective Date) under Insurance Contracts shall be paid in full in the ordinary course by the Debtors (or, after the Effective Date, the Reorganized Debtors), whether as an Allowed Administrative Claim or otherwise regardless of when such amounts are or shall become liquidated, due or paid and shall not be released or discharged by the Plan or the Confirmation Order; and (f) the automatic stay of Bankruptcy Code section 362(a) and the injunctions set forth in Article 10.9 of the Plan, if and to the extent applicable, shall be deemed lifted without further order of the Bankruptcy Court, solely to permit: (A) claimants with valid claims covered by any of the Insurance Contracts (“Insured Claims”) to proceed with their claims; (B) insurers and/or third party administrators to administer, handle, defend, settle, and/or pay, in the ordinary course of business and subject to the terms of the Insurance Contracts, without further order of the Bankruptcy Court, (i) all Insured Claims, and (ii) all costs in relation to each of the foregoing; (C) the insurers and/or third party administrators to draw against any or all of any collateral or security provided by or on behalf of the Debtors (or the Reorganized Debtors, as applicable) at any time and to hold the proceeds thereof as security for the obligations of the Debtors (and the Reorganized Debtors, as applicable) to the applicable insurers and/or third party administrators and/or apply such proceeds to the obligations of the Debtors (and the Reorganized Debtors, as applicable) in accordance with the terms of the Insurance Contracts, and (D) the insurers and/or third party administrators to (i) cancel any policies under the Insurance Contracts, and (ii) take other actions relating thereto, to the extent permissible under applicable non-bankruptcy law, each in accordance with the terms of the Insurance Contracts.

(b) The Debtors or the Reorganized Debtors, as the case may be, shall maintain D&O Insurance providing coverage for those indemnitees currently covered by such policies for the remaining term of such policy and shall maintain runoff policies or tail coverage under policies in existence as of the Effective Date for a period of six years after the Effective Date, to the fullest extent permitted by such provisions, in each case insuring such parties in respect of any claims, demands, suits, Causes of Action, or proceedings against such indemnitees based upon any act or omission related to such indemnitee’s service with, for, or on behalf of the Debtors in at least the scope and amount as currently maintained by the Debtors.

7.5 Contracts and Leases Entered into After the Petition Date. Contracts and leases entered into after the Petition Date by the Debtors, and any Executory Contracts and Unexpired Leases assumed by the Debtors, may be performed by the Reorganized Debtors in the ordinary course of business and in accordance with the terms thereof.

7.6 General Reservation of Rights. Neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on the Rejection Schedule, nor anything contained in the Plan, shall constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that the Reorganized Debtors, or any of their Affiliates, has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors or the Reorganized Debtors, as applicable, shall have 45 days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

ARTICLE VIII

PROCEDURES FOR RESOLVING DISPUTED CLAIMS AND INTERESTS

8.1 Determination Of Claims and Interests. After the Effective Date, the Reorganized Debtors shall have and retain any and all rights and defenses the Debtors had with respect to any Claim or Interest prior to the Effective Date, including the Causes of Action retained pursuant to Article 6.17, except with respect to any Claim or Interest deemed Allowed under the Plan.

Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases prior to the Effective Date (including the Confirmation Order), no Claim or Interest shall become an Allowed Claim or Interest unless and until such Claim or Interest is deemed Allowed or the Bankruptcy Court has entered a Final Order, including the Confirmation Order, in the Chapter 11 Cases allowing such Claim or Interest. All settled Claims approved prior to the Effective Date pursuant to a Final Order of the Bankruptcy Court, pursuant to Bankruptcy Rule 9019 or otherwise shall be binding on all parties. For the avoidance of doubt, any Claim determined and liquidated pursuant to (a) an order of the Bankruptcy Court or (b) applicable non-bankruptcy law (which determination has not been stayed, reversed, or amended and as to which determination or any revision, modification, or amendment thereof as to which the time to appeal or seek review or rehearing has expired and no appeal or petition for review or rehearing was filed or, if filed, remains pending) shall be deemed an Allowed Claim in such liquidated amount and satisfied in accordance with this Plan.

Nothing contained in this Article 8.1 shall constitute or be deemed a waiver of any claim, right, or Cause of Action that the Debtors or the Reorganized Debtors may have against any Entity in connection with or arising out of any Claim, including any rights under section 157(b) of title 28 of the United States Code.

8.2 Claims Administration Responsibility. Except as otherwise specifically provided for in the Plan, after the Effective Date, the Reorganized Debtors shall retain responsibility for (a) administering, disputing, objecting to, compromising, or otherwise resolving all Claims against, and Interests in, the Debtors, including (i) filing, withdrawing, or litigating to judgment objections to Claims or Interests, (ii) settling or compromising any Disputed Claim without any further notice to or action, order, or approval by the Bankruptcy Court, and (iii) administering and adjusting the claims register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court, and (b) making distributions (if any) with respect to all Claims and Interests.

8.3 Objections to Claims. Unless otherwise extended by the Bankruptcy Court, any objections to Claims (other than Administrative Claims) shall be served and filed on or before the Claims Objection Deadline (or such later date as may be established by the Bankruptcy Court upon request of the Reorganized Debtors without further notice to parties in interest). Notwithstanding any authority to the contrary, an objection to a Claim shall be deemed properly served on the Holder of the Claim if the Debtors or the Reorganized Debtors effect service in any of the following manners: (a) in accordance with Federal Rule of Civil Procedure 4, as modified and made applicable by Bankruptcy Rule 7004, (b) to the extent counsel for a Holder of a Claim or Interest is unknown, by first class mail, postage prepaid, on the signatory on the proof of Claim or other representative identified on the proof of Claim or any attachment thereto (or at the last known addresses of such Holders of Claims if no proof of Claim is filed or if the Debtors have been notified in writing of a change of address), or (c) by first class mail, postage prepaid, on any counsel that has appeared on behalf of the Holder of the Claim in the Chapter 11 Cases and has not withdrawn such appearance.

8.4 Disallowance of Claims. EXCEPT AS OTHERWISE AGREED, ANY AND ALL PROOFS OF CLAIM FILED AFTER THE APPLICABLE DEADLINE FOR FILING SUCH PROOFS OF CLAIM SHALL BE DEEMED DISALLOWED AND EXPUNGED AS OF THE EFFECTIVE DATE WITHOUT ANY FURTHER NOTICE TO, OR ACTION, ORDER, OR APPROVAL OF THE BANKRUPTCY COURT, AND HOLDERS OF SUCH CLAIMS MAY NOT RECEIVE ANY DISTRIBUTIONS ON ACCOUNT OF SUCH CLAIMS, UNLESS SUCH LATE PROOF OF CLAIM IS DEEMED TIMELY FILED BY A FINAL ORDER OF THE BANKRUPTCY COURT.

Nothing herein shall in any way alter, impair, or abridge the legal effect of any Bar Date Order, or the rights of the Debtors, the Reorganized Debtors, or other parties in interest to object to Claims on the grounds that they are time barred or otherwise subject to disallowance or modification. Nothing in this Plan shall preclude amendments to timely filed proofs of Claim to the extent permitted by applicable law.

All Claims of any Entity from which property is sought by the Debtors under section 542, 543, 550, or 553 of the Bankruptcy Code or that the Debtors or the Reorganized Debtors allege is a transferee of a transfer that is avoidable under section 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code shall be disallowed if (a) the Entity, on the one hand, and the Debtors or the Reorganized Debtors, on the other hand, agree or the Bankruptcy Court has determined by Final Order that such Entity or transferee is liable to turn over any property or monies under any of the aforementioned sections of the Bankruptcy Code and (b) such Entity or transferee has failed to turn over such property by the date set forth in such agreement or Final Order.

8.5 Estimation of Claims. Before or after the Effective Date, the Debtors or the Reorganized Debtors, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate a Disputed Claim pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or Interest or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any Disputed Claim, including during the litigation of any objection to any Disputed Claim or during the pendency of any appeal relating to such objection. In the

event that the Bankruptcy Court estimates any contingent or unliquidated Claim, that estimated amount shall constitute a maximum limitation on such Claim for all purposes under the Plan (including for purposes of distributions), without prejudice to the Holder of such Claim's right to request that estimation should be for the purpose of determining the Allowed amount of such Claim, and the Reorganized Debtors may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim. All of the objection, estimation, settlement, and resolution procedures set forth in the Plan are cumulative and not necessarily exclusive of one another. Disputed Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Plan or the Bankruptcy Court.

8.6 No Interest on Disputed Claims. Unless otherwise specifically provided for in this Plan or as otherwise required by section 506(b) of the Bankruptcy Code, postpetition interest shall not accrue or be paid on Claims or Interests, and no Holder of a Claim or Interest shall be entitled to interest accruing on or after the Petition Date on any Claim or Interest. Additionally, and without limiting the foregoing, unless otherwise specifically provided for in this Plan or as otherwise required by section 506(b) of the Bankruptcy Code, interest shall not accrue or be paid on any Disputed Claim in respect of the period from the Effective Date to the date a final distribution is made, when and if such Disputed Claim becomes an Allowed Claim.

8.7 Amendments to Claims. On or after the Effective Date, except as otherwise provided herein, a Claim may not be filed or amended without the authorization of the Bankruptcy Court or the Reorganized Debtors, and, to the extent such authorization is not received, any such new or amended Claim filed shall be deemed Disallowed in full and expunged without any further notice to or action, order, or approval of the Bankruptcy Court.

ARTICLE IX

PROVISIONS GOVERNING DISTRIBUTIONS

9.1 Time of Distributions. Except as otherwise provided for herein or ordered by the Bankruptcy Court, distributions under this Plan shall be made on the later of (a) the Initial Distribution Date or (b) on the first Periodic Distribution Date occurring after the later of, (i) thirty (30) days after the date when a Claim is Allowed or (ii) thirty (30) days after the date when a Claim becomes payable pursuant to any agreement between the Debtors (or the Reorganized Debtors) and the Holder of such Claim; provided, however, that the Reorganized Debtors may, in their sole discretion, make one-time distributions on a date that is not a Periodic Distribution Date.

9.2 Currency. Except as otherwise Provided in the Plan or Bankruptcy Court order, as of the Effective Date, any Claim asserted in currency other than U.S. dollars shall be automatically deemed converted to the equivalent U.S. dollar value using the exchange rate as of Effective Date at 4:00 p.m. prevailing Eastern Time, mid-range spot rate of exchange for the applicable currency as published in the next *The Wall Street Journal, National Edition* following the Effective Date.

9.3 Distribution Agent. Except as otherwise provided herein, all distributions under the Plan shall be made by Kurtzman Carson Consultants LLC as Distribution Agent, or by such other Entity designated by the Reorganized Debtors as a Distribution Agent on the Effective

Date. The Distribution Agent shall not be required to give any bond or surety or other security for the performance of the Reorganized Debtors' duties as Distribution Agent unless otherwise ordered by the Bankruptcy Court. The Distribution Agent shall be empowered to (a) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (b) make all distributions contemplated hereby; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Distribution Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Distribution Agent to be necessary and proper to implement the provisions hereof. If the Distribution Agent is an entity other than the Reorganized Debtors, such entity shall be paid its reasonable fees and expenses, including the reasonable fees and expenses of its attorneys or other professionals.

9.4 Distribution on Account of Claims Administered by Servicers: Delivery of Distributions to Servicers. In the case of Holders of Claims whose Claims are governed by an agreement and administered by a Servicer, the respective Servicer shall be deemed to be the Holder of such Claims for purposes of distributions to be made hereunder. The Distribution Agent shall make all distributions on account of such Claims to the Servicers or as directed by the Servicers, in the Servicers' sole discretion. Each Servicer shall, at its option, hold or direct such distributions for the beneficial Holders of such Allowed Claims, as applicable; provided, however, the Servicer shall retain all rights under its respective agreement in connection with delivery of distributions to the beneficial Holders of such Allowed Claim; and provided further, however, that the Debtors' and the Reorganized Debtors' obligations to make distributions pursuant to this Plan shall be deemed satisfied upon delivery of distributions to each Servicer or the entity or entities designated by the Servicers. The Servicers shall not be required to give any bond, surety, or other security for the performance of their duties with respect to such distributions.

9.5 Distributions on Account of Claims Allowed After the Effective Date.

(a) **No Distributions Pending Allowance.** No payments or distributions shall be made with respect to all or any portion of a Disputed Claim unless and until all objections to such Disputed Claim have been settled or withdrawn or have been determined by a Final Order of the Bankruptcy Court, and the Disputed Claim has become an Allowed Claim.

(b) **Special Rules for Distributions to Holders of Disputed Claims.** Notwithstanding any provision otherwise in the Plan and except as otherwise agreed by the relevant parties no partial payments and no partial distributions shall be made with respect to a Disputed Claim until all such disputes in connection with such Disputed Claim have been resolved by settlement or Final Order. All distributions made pursuant to the Plan on account of a Disputed Claim that is later deemed an Allowed Claim by the Bankruptcy Court shall be made together with any dividends, payments, or other distributions made on account of, as well as any obligations arising from, the distributed property as if such Allowed Claim had been an Allowed Claim on the dates distributions were previously made to Holders of Allowed Claims included in the applicable Class; provided, however, that no interest shall be paid on account to such Allowed Claims unless required under applicable bankruptcy law.

9.6 Delivery Of Distributions.

(a) **Record Date for Distributions.** On the Distribution Record Date, the claims register shall be closed and the Distribution Agent shall be authorized and entitled to recognize only those record Holders listed on the claims register as of the close of business on the Distribution Record Date. Notwithstanding the foregoing, if a Claim or Interest is transferred less than twenty (20) days before the Distribution Record Date, the Distribution Agent shall make distributions to the transferee only to the extent practical and in any event only if the relevant transfer form contains an unconditional and explicit certification and waiver of any objection to the transfer by the transferor. Each of ABL Agent, the First Lien Notes Agent, the Second Lien Term Loan Agent, and the Third Lien Notes Agent shall have no obligation to recognize any transfer of any applicable Claims occurring after the close of business on the Distribution Record Date and shall instead be entitled to recognize and deal for all purposes under the Plan with only those Holders of record as of the close of business on the Distribution Record Date.

(b) **Cash Distributions.** Distributions of Cash may be made either by check drawn on a domestic bank or wire transfer from a domestic bank, at the option of the Reorganized Debtors, except that Cash payments made to foreign creditors may be made in such funds and by such means as are necessary or customary in a particular foreign jurisdiction.

(c) **Address for Distributions.** Distributions to Holders of Allowed Claims shall be made by the Distribution Agent or the appropriate Servicer (i) at the addresses set forth on the proofs of Claim filed by such Holders of Claims (or at the last known addresses of such Holders of Claims if no proof of Claim is filed or if the Debtors or the Distribution Agent have been notified in writing of a change of address), (ii) at the addresses set forth in any written notices of address changes delivered to the Distribution Agent after the date of any related proof of Claim, (iii) at the addresses reflected in the Schedules if no proof of Claim has been filed and the Distribution Agent has not received a written notice of a change of address, or (iv) in the case of a Holder of a Claim whose Claim is governed by an agreement and administered by a Servicer, at the addresses contained in the official records of such Servicer. The Debtors, the Reorganized Debtors, and the Distribution Agent shall not incur any liability whatsoever on account of any distributions under the Plan.

(d) **Undeliverable Distributions.** If any distribution to a Holder of a Claim is returned as undeliverable, no further distributions to such Holder of such Claim shall be made unless and until the Distribution Agent or the appropriate Servicer is notified of then-current address of such Holder of the Claim, at which time all missed distributions shall be made to such Holder of the Claim without interest, dividends, or accruals of any kind on the next Periodic Distribution Date. Amounts in respect of undeliverable distributions shall be returned to the Reorganized Debtors until such distributions are claimed.

(e) **Reversion.** Any distribution under the Plan that is an Unclaimed Distribution for a period of six months after such distribution shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code and such Unclaimed Distribution shall revert to and vest in the Reorganized Debtors free of any restrictions thereon, and to the extent such Unclaimed Distribution is Reorganized Equity or Reorganized McClatchy Warrants, shall be deemed cancelled. Upon vesting, the Claim of any Holder or successor to such Holder with respect to such

property shall be cancelled, discharged and forever barred, notwithstanding federal or state escheat, abandoned, or unclaimed property laws to the contrary. The provisions of the Plan regarding undeliverable distributions and Unclaimed Distributions shall apply with equal force to distributions that are issued by the Reorganized Debtors or the Distribution Agent made pursuant to any indenture or Certificate (but only with respect to the initial distribution by the Servicer to Holders that are entitled to be recognized under the relevant indenture or Certificate and not with respect to Entities to whom those recognized Holders distribute), notwithstanding any provision in such indenture or Certificate to the contrary and notwithstanding any otherwise applicable federal or state escheat, abandoned, or unclaimed property law.

(f) **De Minimis Distributions.** Notwithstanding any other provision of the Plan to the contrary, the Reorganized Debtors, the Distribution Agent, and any Servicer shall not be required to make a distribution on account of an Allowed Claim if (i) the aggregate amount of all distributions authorized to be made on the Periodic Distribution Date in question is or has a value less than \$100,000; provided that the Reorganized Debtors shall make, or cause to be made, a distribution on a Periodic Distribution Date of less than \$100,000 if the Reorganized Debtors expect that such Periodic Distribution Date shall be the final Periodic Distribution Date; or (ii) the amount to be distributed to the specific Holder of the Allowed Claim on the particular Periodic Distribution Date does not both (x) constitute a final distribution to such Holder and (y) have a value of at least \$50.00.

(g) **Fractional Distributions.** Notwithstanding any other provision of the Plan to the contrary, the Reorganized Debtors, the Distribution Agent, and any Servicer shall not be required to make partial distributions or distributions of fractional shares or membership units of Reorganized Equity or Reorganized McClatchy Warrants or distributions or payments of fractions of dollars. Whenever any payment or distribution of a fractional share or membership unit of Reorganized Equity or Reorganized McClatchy Warrants under the Plan would otherwise be called for, such fraction shall be deemed zero. Whenever any payment of Cash of a fraction of a dollar pursuant to the Plan would otherwise be required, the actual payment shall reflect a rounding of such fraction to the nearest whole dollar (up or down), with half dollars or less being rounded down.

9.7 Accrual of Dividends and Other Rights. For purposes of determining the accrual of dividends or other rights after the Effective Date, Reorganized Equity shall be deemed distributed as of the Effective Date regardless of the date on which it is actually issued, dated, authenticated, or distributed; provided, however, the Reorganized Debtors shall not pay any such dividends or distribute such other rights, if any, until after distributions of Reorganized Equity actually take place.

9.8 Surrender of Securities or Instruments. As soon as practicable after the Effective Date, each First Lien Noteholder and each Third Lien Noteholder shall surrender its First Lien Note(s) or Third Lien Note(s) to the First Lien Notes Agent or Third Lien Notes Agent, as applicable, or in the event such First Lien Note(s) or Third Lien Note(s) are held in the name of, or by a nominee of, the DTC, the Reorganized Debtors shall seek the cooperation of the DTC to provide appropriate instructions to the First Lien Notes Agent and Third Lien Notes Agent and each First Lien Noteholder and Third Lien Noteholder shall be deemed to have surrendered each Holder's note, debenture, or other evidence of indebtedness upon surrender of such global security

by DTC or such other securities depository or custodian thereof. No distributions under the Plan shall be made for or on behalf of such Holder unless and until such First Lien Note(s) and Third Lien Note(s) is received by the First Lien Notes Agent or Third Lien Notes Agent, as applicable, or the loss, theft or destruction of such First Lien Note(s) or Third Lien Note(s) is established to the reasonable satisfaction of the First Lien Notes Agent or Third Lien Notes Agent, as applicable, which satisfaction may require such Holder to submit (a) a lost instrument affidavit and (b) an indemnity bond holding the Debtors, the Reorganized Debtors, and the First Lien Notes Agent or Third Lien Notes Agent, as applicable, harmless in respect of such note and distributions made thereof. Upon compliance with this Article 9.8 by a First Lien Noteholder or Third Lien Noteholder, such Holder shall, for all purposes under the Plan, be deemed to have surrendered such Claim. Any First Lien Noteholder or Third Lien Noteholder that fails to surrender such First Lien Note or Third Lien Note or satisfactorily explain its non-availability to the First Lien Notes Agent or the Third Lien Notes Agent, as applicable, within one (1) year of the Effective Date shall be deemed to have no further Claim against the Debtors, the Reorganized Debtors (or their property), or the First Lien Notes Agent or the Third Lien Notes Agent, as applicable, in respect of such Claim and shall not participate in any distribution under the Plan. All property in respect of such forfeited distributions, including interest thereon, shall be promptly returned to the Reorganized Debtors by the First Lien Notes Agent or the Third Lien Notes Agent, as applicable, and any such security shall be cancelled. Notwithstanding the foregoing, if the record Holder of a First Lien Notes Claim or Third Lien Notes Claim is the DTC or its nominee or such other securities depository or custodian thereof, or if a First Lien Notes Claim or Third Lien Notes Claim is held in book-entry or electronic form pursuant to a global security held by the DTC or such other securities depository or custodian thereof, then the beneficial Holder of such an Allowed First Lien Notes Claim or Allowed Third Lien Notes Claim shall be deemed to have surrendered such Holder's security, note, debenture or other evidence of indebtedness upon surrender of such global security by the DTC or such other securities depository or custodian thereof.

9.9 Compliance Matters. In connection with the Plan, to the extent applicable, the Reorganized Debtors and the Distribution Agent shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Reorganized Debtors and the Distribution Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Reorganized Debtors reserve the right to allocate all distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, and other spousal awards, Liens, and encumbrances.

9.10 Claims Paid or Payable by Third Parties.

(a) **Claims Paid by Third Parties.** The Claims and Solicitation Agent shall reduce in full a Claim to the extent that the Holder of such Claim receives payment in full on account of such Claim from a party that is not the Debtors or the Reorganized Debtors without any further notice to or action, order, or approval of the Bankruptcy Court. To the extent a Holder of a Claim receives a distribution on account of such Claim and receives payment from a party that

is not the Debtors or the Reorganized Debtors on account of such Claim, such Holder shall, within two weeks of receipt thereof, repay or return the distribution under the Plan to the Reorganized Debtors, to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such distribution under the Plan.

(b) **Claims Payable by Insurance Carriers.** No distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the Debtors' insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy. To the extent that one or more of the Debtors' insurers agree to satisfy in full a Claim (if and to the extent adjudicated by a court of competent jurisdiction), then immediately upon such insurers' agreement, such Claim may be expunged to the extent of any agreed upon satisfaction on the claims register by the Claims and Solicitation Agent without a Claims objection having to be filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

(c) **Applicability of Insurance Policies.** Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims shall be in accordance with the provisions of any applicable insurance policy. Nothing contained in the Plan shall constitute or be deemed a waiver of any Cause of Action that the Debtors or any Entity may hold against any other Entity, including insurers under any policies of insurance, nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

9.11 Setoffs. Except as otherwise expressly provided for in the Plan and except with respect to any DIP Facility Claims and any distribution on account thereof, the Reorganized Debtors pursuant to the Bankruptcy Code (including section 553 of the Bankruptcy Code), applicable non-bankruptcy law, or as may be agreed to by the Holder of a Claim, may set off against any Allowed Claim and the distributions to be made pursuant to the Plan on account of such Allowed Claim, any Claims, rights, and Causes of Action of any nature that the Debtors or the Reorganized Debtors, as applicable, may hold against the Holder of such Allowed Claim, to the extent such Claims, rights, or Causes of Action against such Holder have not been otherwise compromised or settled on or prior to the Effective Date (whether pursuant to the Plan or otherwise); provided, however, that neither the failure to effect such a setoff nor the allowance of any Claim pursuant to the Plan shall constitute a waiver or release by the Reorganized Debtors of any such Claims, rights, and Causes of Action that the Reorganized Debtors may possess against such Holder. In no event shall any Holder of Claims be entitled to set off any Claim against any Claim, right, or Cause of Action of the Debtors or the Reorganized Debtors, as applicable, unless such Holder has filed a motion with the Bankruptcy Court requesting the authority to perform such setoff on or before the Confirmation Date, and notwithstanding any indication in any proof of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of setoff pursuant to section 553 or otherwise.

9.12 Recoupment. In no event shall any Holder of Claims or Interests be entitled to recoup any Claim or Interest against any Claim, right, or Cause of Action of the Debtors or the Reorganized Debtors, as applicable, unless such Holder actually has performed such recoupment and provided notice thereof in writing to the Debtors on or before the Confirmation

Date, notwithstanding any indication in any proof of Claim or Interest or otherwise that such Holder asserts, has, or intends to preserve any right of recoupment.

9.13 Allocation of Plan Distributions Between Principal and Interest. To the extent that any Allowed Claim entitled to a distribution under this Plan is composed of indebtedness and accrued but unpaid interest thereon, such distribution shall, to the extent permitted by applicable law, be allocated for United States federal income tax purposes to the principal amount of the Claim first and then, to the extent the consideration exceeds the principal amount of the Claim, to the portion of such Claim representing accrued but unpaid interest, provided, however, any distribution under this Plan of Cash in an amount equal to any accrued and unpaid interest (including any interest on interest) on the First Lien Notes that was due as of the Petition Date, shall, to the extent permitted by applicable law, be allocated for United States federal income tax purposes solely to the portion of such Claim representing accrued but unpaid interest.

ARTICLE X

EFFECT OF THE PLAN ON CLAIMS AND INTERESTS

10.1 Vesting of Assets. Except as otherwise explicitly provided in this Plan, on the Effective Date, all property comprising the Estate (including Causes of Action, but excluding property that has been abandoned pursuant to an order of the Bankruptcy Court) shall vest in the Reorganized Debtors which, as Debtors, owned such property or interest in property as of the Effective Date, free and clear of all Claims, Liens, charges, encumbrances, rights, and Interests. As of and following the Effective Date, the Reorganized Debtors may operate their business and use, acquire, and dispose of property and settle and compromise Claims, Interests, or Causes of Action without supervision of the Bankruptcy Court, free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by this Plan or the Confirmation Order.

10.2 Discharge of the Debtors. Pursuant to section 1141(d) of the Bankruptcy Code, except as otherwise specifically provided in this Plan or the Confirmation Order, and effective as of the Effective Date: (a) the distributions and rights that are provided in this Plan, if any, and the treatment of all Claims and Interests shall be in exchange for and in complete satisfaction, discharge, and release of all Claims and Causes of Action, whether known or unknown, including any interest accrued on such Claims from and after the Petition Date, against, liabilities of, Liens on, obligations of, rights against, and Interests in the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to this Plan on account of such Claims, rights, and Interests, including, but not limited to, Claims and Interests that arose before the Effective Date and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not (i) a proof of Claim or interest based upon such Claim, debt, right, or Interest is filed or deemed filed under section 501 of the Bankruptcy Code, (ii) a Claim or Interest based upon such Claim, debt, right, or Interest is allowed under section 502 of the Bankruptcy Code, or (iii) the Holder of such a Claim, right, or Interest accepted this Plan; (b) the Plan shall bind all Holders of Claims and Interests notwithstanding whether any such Holders failed to vote to accept or reject the Plan or voted to reject the Plan; (c) all Claims and Interests shall be satisfied, discharged,

and released in full, and the Debtors' liability with respect thereto shall be extinguished completely, including any liability of the kind specified under section 502(g) of the Bankruptcy Code; and (d) all Entities shall be precluded from asserting against the Debtors, the Estates, the Reorganized Debtors, their successors and assigns, and their assets and properties any other Claims or Interests based upon any documents, instruments, or any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims against and Interests in the Debtors, subject to the occurrence of the Effective Date.

10.3 Compromises and Settlements. Pursuant to Bankruptcy Rule 9019(a), the Debtors may compromise and settle various (a) Claims or Interests and (b) Causes of Action that the Debtors have against other Entities up to the Effective Date. After the Effective Date, any such right shall pass to the Reorganized Debtors as contemplated in Article 10.1 of this Plan, without the need for further approval of the Bankruptcy Court. Pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided pursuant to the Plan or any distribution to be made on account of an Allowed Claim, the provisions of the Plan shall constitute a good faith compromise of all Claims, Interests, and controversies relating to the contractual, legal, and subordination rights that a Holder of a Claim or Interest may have with respect to any Allowed Claim or Allowed Interest. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims, Interests and controversies, as well as a finding by the Bankruptcy Court that any such compromise or settlement is in the best interests of the Debtors, their Estates, and Holders of Claims and Interests, and is fair, equitable, and reasonable.

10.4 Release by Debtors. Without limiting any other applicable provisions of, or releases contained in, this Plan, pursuant to section 1123(b) of the Bankruptcy Code, as of the Effective Date, in consideration for the concessions made as set forth in this Plan and the other contracts, instruments, releases, agreements, or documents to be entered into or delivered in connection with the Plan, and the service of the Released Parties in facilitating the expeditious reorganization of the Debtors and the implementation of the restructuring contemplated by the Plan, the Debtors and their Estates, the Reorganized Debtors, and any other Person seeking to exercise the rights of the Estates shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released, waived and discharged the Released Parties from any and all Claims, Interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative Claims asserted on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or in any way relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the DIP Facility, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, provided under any applicable law, rule, or regulation, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the restructuring of Claims and Interests prior to or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the DIP Credit Agreement, the Plan, the Disclosure Statement, the Plan Supplement, the New First Lien Notes, the Exit Facilities, any other Plan

Transaction Document, or related agreements, instruments, or other documents, upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date of the Plan, other than Claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct or gross negligence. Notwithstanding anything to the contrary in the foregoing, the release set forth above does not release any post-Effective Date obligations of any party under the Plan or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan. For the avoidance of doubt, nothing in this paragraph shall in any way affect the operation of Article 10.2 of the Plan, pursuant to section 1141(d) of the Bankruptcy Code. Entry of the Confirmation Order by the Bankruptcy Court shall constitute an order approving the Debtors' release pursuant to Bankruptcy Rule 9019, and further, shall constitute the Bankruptcy Court's finding that the Debtors' release is: (1) in exchange for the good and valuable consideration provided by the Released Parties; (2) a good faith settlement and compromise of the claims released by the Debtors' release; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable, and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Debtors or Reorganized Debtors asserting any Claim or Causes of Action released pursuant to the Debtors' release. Nothing herein shall abrogate applicable attorney disciplinary rules.

10.5 Release by Holders of Claims and Interests. Without limiting any other applicable provisions of, or releases contained in, this Plan, as of the Effective Date, in consideration for the obligations of the Debtors and the Reorganized Debtors under this Plan, and the Consideration and other contracts, instruments, releases, agreements, or documents to be entered into or delivered in connection with this Plan, each Releasing Party shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released, waived and discharged the Debtors, the Reorganized Debtors, their Estates, and the Released Parties from any and all Claims, Interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative Claims asserted on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or in any way relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the DIP Facility, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors provided under any applicable law, rule, or regulation, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the restructuring of Claims and Interests prior to or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the DIP Credit Agreement, the Plan, the Disclosure Statement, the Plan Supplement, the New First Lien Notes, the Exit Facilities, any other Plan Transaction Document, or related agreements, instruments, or other documents, upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date of the Plan, other than Claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct or gross negligence. Notwithstanding anything to the contrary in the foregoing, the release set forth above does not release any post-Effective Date obligations of any party under the Plan or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to

implement the Plan. For the avoidance of doubt, except as expressly provided herein, nothing in this Article 10.5 shall in any way affect the operation of Article 10.2 of the Plan, pursuant to section 1141(d) of the Bankruptcy Code. Entry of the Confirmation Order by the Bankruptcy Court shall constitute an order approving the third party release pursuant to Bankruptcy Rule 9019, and further, shall constitute the Bankruptcy Court's finding that the third party release is: (1) in exchange for the good and valuable consideration provided by the Released Parties; (2) a good faith settlement and compromise of the claims released by the third party release; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable, and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Releasing Parties asserting any Claim or Causes of Action released pursuant to the third party release. Nothing herein shall abrogate applicable attorney disciplinary rules.

10.6 Mutual Release by Debtors and Supporting Parties. Without limiting any other applicable provisions of, or releases contained in, this Plan or the Plan Transaction Documents, as of the Effective Date, in consideration for the obligations of the Debtors and the Reorganized Debtors under this Plan and the concessions made as set forth in this Plan and the other contracts, instruments, releases, agreements, or documents to be entered into or delivered in connection with the Plan, and the service of the Supporting Parties in facilitating the expeditious reorganization of the Debtors and the implementation of the restructuring contemplated by the Plan, each of the Debtors and the Supporting Parties, for themselves and for their respective current and former Affiliates, and the Debtors' and the Supporting Parties', and their current and former Affiliates', current and former officers, managers, directors, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, successors, and assigns, subsidiaries, and each of their current and former officers, managers, directors, equity holders, principals, members, employees, agents, managed accounts or funds, management companies, fund advisors, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such, hereby mutually release each other from any and all Claims, Interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative Claims asserted on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or in any way relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the DIP Facility, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors provided under any applicable law, rule, or regulation, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the restructuring of Claims and Interests prior to or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the DIP Credit Agreement, the Plan, the Disclosure Statement, the Plan Supplement, the New First Lien Notes, the Exit Facilities, any other Plan Transaction Document, or related agreements, instruments, or other documents, upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date of the Plan, other than Claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct or gross negligence. Notwithstanding anything to the contrary in the foregoing, the release set forth

above does not release any post-Effective Date obligations of any party under the Plan or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan. For the avoidance of doubt, nothing in this paragraph shall in any way affect the operation of Article 10.2 of the Plan, pursuant to section 1141(d) of the Bankruptcy Code. Entry of the Confirmation Order by the Bankruptcy Court shall constitute an order approving the Debtors' and the Supporting Parties' mutual release pursuant to Bankruptcy Rule 9019, and further, shall constitute the Bankruptcy Court's finding that the mutual release is: (1) in exchange for the good and valuable consideration provided by both the Debtors and the Supporting Parties; (2) a good faith settlement and compromise of the claims released by the mutual release; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable, and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Debtors or Reorganized Debtors and the Supporting Parties asserting any Claim or Causes of Action released pursuant to the mutual release. Nothing herein shall abrogate applicable attorney disciplinary rules.

10.7 Exculpation and Limitation of Liability. From and after the Effective Date, the Exculpated Parties shall neither have, nor incur any liability to any Person or Entity for any Exculpated Claim; provided, however, that the foregoing "exculpation" shall have no effect on: (1) the liability of any Person or Entity that would otherwise result from the failure to perform or pay any obligation or liability under this Plan or any contract, instrument, release or other agreement or document (i) previously assumed, (ii) entered into during the Chapter 11 Cases, or (iii) to be entered into or delivered in connection with this Plan, or (2) the liability of any Exculpated Party that results from any act or omission of such Exculpated Party that is determined in a Final Order to have constituted gross negligence or willful misconduct.

The Exculpated Parties have, and upon Confirmation shall be deemed to have, participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code, including with regard to the distributions of the Reorganized Equity pursuant to the Plan and, therefore, are not and shall not be liable at any time for the violations of any applicable, law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

10.8 Indemnification Obligations. Notwithstanding anything to the contrary contained in Article 6.16 of the Plan, (a) from and after the Effective Date, the Reorganized Debtors will indemnify each Indemnitee to the same extent of any Indemnification Obligation in effect prior to the Effective Date; and (b) the Reorganized Debtors' indemnification obligation shall remain in full force and effect, shall not be modified, reduced, discharged, impaired, or otherwise affected in any way. The treatment of Indemnification Obligations in this Article 10.8 shall be in complete satisfaction, discharge, and release of any Claim on account of such Indemnification Obligation of the Debtors, except that any Indemnitee may assert a Claim in the Chapter 11 Cases for any Prepetition Indemnification Obligation that is not satisfied because of the limitation contained in the prior sentence.

10.9 Injunction. Except as otherwise provided in the Plan or the Confirmation Order, the satisfaction, release, and discharge pursuant to this Article X shall

act as an injunction, from and after the Effective Date, against any Entity (a) commencing or continuing in any manner or in any place, any action, employment of process, or other proceeding; (b) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree or order; (c) creating, perfecting, or enforcing any lien or encumbrance; (d) asserting a setoff, right of subrogation, or recoupment of any kind against any debt, liability, or obligation due to the Debtors, except as set forth in Article 9.11 or 9.12 of the Plan, in each case with respect to any Claim, Interest, or Cause of Action satisfied, released or to be released, exculpated or to be exculpated, or discharged under this Plan or pursuant to the Confirmation Order and to the fullest extent authorized or provided by the Bankruptcy Code, including to the extent provided for or authorized by sections 524 and 1141 thereof; provided, however, that nothing contained herein shall (1) preclude such Entities from exercising their rights pursuant to and consistent with the terms of this Plan or the Confirmation Order; or (2) be construed to prevent any Entity from defending against Claims objections or collection actions whether by asserting a right of setoff, recoupment, or otherwise, to the extent permitted by law.

10.10 Subordination Rights.

(a) Except as otherwise provided in the Plan, the allowance, classification and treatment of all Allowed Claims and the respective distributions and treatments under the Plan take into account and conform to the relative priority and rights of the Claims in each Class in connection with any contractual, legal and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) of the Bankruptcy Code, or otherwise. All Claims and all rights and claims between or among Holders of Claims relating in any manner whatsoever to distributions on account of Claims or Interests, based upon any claimed subordination rights, whether asserted or unasserted, legal or equitable, shall be deemed satisfied by the distributions under the Plan to Holders of Claims having such subordination rights, and such subordination rights shall be deemed waived, released, discharged, and terminated as of the Effective Date. Except as otherwise specifically provided for in the Plan, distributions to the various Classes of Claims hereunder shall not be subject to levy, garnishment, attachment, or like legal process by any Holder of a Claim by reason of any subordination rights or otherwise, so that each Holder of a Claim shall have and receive the benefit of the distributions in the manner set forth in the Plan.

(b) Except as otherwise provided in the Plan, the right of the Debtors or the Reorganized Debtors to seek subordination of any Claim or Interest pursuant to section 510 of the Bankruptcy Code is fully reserved, and the treatment afforded any Claim or Interest that becomes a subordinated Claim or Interest at any time shall be modified to reflect such subordination. Unless the Plan or the Confirmation Order otherwise provide, no distributions shall be made on account of a Claim subordinated pursuant to this Article 10.10(b) unless ordered by the Bankruptcy Court.

10.11 Protection Against Discriminatory Treatment. Consistent with section 525 of the Bankruptcy Code and paragraph 2 of Article VI of the United States Constitution, no Governmental Unit shall discriminate against the Reorganized Debtors or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Reorganized Debtors, or another

entity with whom the Reorganized Debtors have been associated, solely because the Debtors have been debtors under chapter 11, have been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or have not paid a debt that is dischargeable in the Chapter 11 Cases.

10.12 Release of Liens. Except as otherwise provided in the Plan or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Reorganized Debtors and their successors and assigns. Notwithstanding the above, nothing in this Plan or the Confirmation Order shall release any deed restriction, easements, or institutional control that runs with the land under environmental law.

10.13 Reimbursement or Contribution. If the Bankruptcy Court disallows a Claim for reimbursement or contribution of an entity pursuant to section 502(e)(1)(B) of the Bankruptcy Code, then to the extent that such Claim is contingent as of the Effective Date, such Claim shall be forever Disallowed notwithstanding section 502(j) of the Bankruptcy Code, unless prior to the Effective Date (1) such Claim has been adjudicated as noncontingent or (2) the relevant Holder of a Claim has filed a noncontingent proof of Claim on account of such Claim and a Final Order has been entered determining such Claim as no longer contingent.

ARTICLE XI

CONDITIONS PRECEDENT

11.1 Conditions to the Effective Date of the Plan. The following are conditions precedent to the occurrence of the Effective Date, each of which may be satisfied or waived in accordance with Article 11.2 of this Plan:

(a) the Bankruptcy Court shall have entered the Confirmation Order and such order shall be a Final Order;

(b) the Debtors (i) shall have obtained the Exit Facilities, (ii) shall have executed and delivered the documentation governing the Exit Facilities, which Exit Facilities shall close substantially contemporaneously with the Effective Date, and (iii) all conditions to effectiveness of the Exit Facilities (other than any required receipt of equity funding) shall have been satisfied or waived (or will be satisfied and waived substantially concurrently with the occurrence of the Effective Date);

(c) the New Corporate Governance Documents shall have been adopted and (where required by applicable law) filed with the applicable authorities of the relevant jurisdictions of organization and shall have become effective in accordance with such jurisdiction's corporation, limited liability company, or alternative comparable laws, as applicable;

(d) all authorizations, consents, certifications, approvals, rulings, no action letters, opinions or other documents or actions required by any law, regulation or order to be received or to occur in order to implement the Plan on the Effective Date shall have been

obtained or shall have occurred unless failure to do so will not have a material adverse effect on the Reorganized Debtors; and

(e) all statutory fees and obligations then due and payable to the Office of the United States Trustee shall have been paid and satisfied in full.

11.2 Waiver of Conditions Precedent. The conditions set forth in Article 11.1 of this Plan may be waived, in whole or in part, by the Debtors in their sole discretion, without any notice to any other parties in interest or the Bankruptcy Court and without a hearing.

11.3 Notice of Effective Date. The Reorganized Debtors shall file with the Bankruptcy Court a notice of the occurrence of the Effective Date within a reasonable period of time after the conditions in Article 11.1 of this Plan have been satisfied or waived pursuant to Article 11.2 of this Plan.

11.4 Effect of Non-Occurrence of Conditions to Consummation. If prior to consummation of the Plan, the Confirmation Order is vacated pursuant to a Final Order, then except as provided in any order of the Bankruptcy Court vacating the Confirmation Order, the Plan will be null and void in all respects, and nothing contained in the Plan or Disclosure Statement shall (a) constitute a waiver or release of any Claims, Interests, or Causes of Action, (b) prejudice in any manner the rights of the Debtors or any other Entity, or (c) constitute an admission, acknowledgment, offer, or undertaking of any sort by the Debtors or any other Entity.

ARTICLE XII

RETENTION OF JURISDICTION

Pursuant to sections 105(a) and 1142 of the Bankruptcy Code, the Bankruptcy Court shall have exclusive jurisdiction of all matters arising out of, and related to, the Chapter 11 Cases and the Plan, including jurisdiction to:

(a) resolve any matters related to Executory Contracts and Unexpired Leases, including: (i) the assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases to which the Debtors are a party or with respect to which the Debtors may be liable, and to hear and determine the allowance of Claims resulting therefrom including the amount of Cure, if any, required to be paid; (ii) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed; (iii) the Reorganized Debtors' amendment, modification, or supplement after the Effective Date, pursuant to Article VII of the Plan, of the lists of Executory Contracts and Unexpired Leases to be assumed or rejected or otherwise; and (iv) any dispute regarding whether a contract or lease is or was executory or expired;

(b) adjudicate any and all adversary proceedings, applications, and contested matters that may be commenced or maintained pursuant to the Chapter 11 Cases, this Plan, or that were the subject of proceedings before the Bankruptcy Court, prior to the Effective Date, proceedings to adjudicate the allowance of Disputed Claims and Disputed Interests, and all controversies and issues arising from or relating to any of the foregoing;

(c) ensure that distributions to Holders of Allowed Claims are accomplished as provided herein and adjudicate any and all disputes arising from or relating to distributions under the Plan;

(d) allow in whole or in part, disallow in whole or in part, determine, liquidate, classify, estimate, or establish the priority, secured or unsecured status, or amount of any Claim or Interest, including hearing and determining any and all objections to the allowance or estimation of Claims or Interests filed, both before and after the Confirmation Date, including any objections to the classification of any Claim or Interest, and the resolution of request for payment of any Administrative Claim;

(e) hear and determine or resolve any and all matters related to Causes of Action;

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

(g) issue and implement orders in aid of execution, implementation, or consummation of this Plan;

(h) consider any modifications of this Plan, to cure any defect or omission, or to reconcile any inconsistency in any order of the Bankruptcy Court, including the Confirmation Order;

(i) hear and determine all applications for allowance of compensation and reimbursement of Professional Claims under this Plan or under sections 330, 331, 503(b), 1103, and 1129(a)(4) of the Bankruptcy Code;

(j) determine requests for the payment of Claims entitled to priority under section 507(a)(1) of the Bankruptcy Code, including compensation and reimbursement of expenses of parties entitled thereto;

(k) adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;

(l) hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of this Plan or the Confirmation Order, including disputes arising under agreements, documents, or instruments executed in connection with this Plan and disputes arising in connection with any Entity's obligations incurred in connection with the Plan;

(m) hear and determine all suits or adversary proceedings to recover assets of the Debtors and property of their Estates, wherever located;

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

- (o) resolve any matters relating to the pre- and post-confirmation sales of the Debtors' assets;
- (p) grant any consensual request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code;
- (q) hear any other matter not inconsistent with the Bankruptcy Code;
- (r) hear and determine all disputes involving the existence, nature or scope of the Debtors' discharge;
- (s) enter a Final Decree closing the Chapter 11 Cases;
- (t) enforce all orders previously entered by the Bankruptcy Court; and
- (u) hear and determine all matters relating to any section 510(b) Claim.

From the Confirmation Date through the Effective Date, the Bankruptcy Court shall retain jurisdiction with respect to each of the foregoing items and all other matters that were subject to its jurisdiction prior to the Confirmation Date; provided, however, that the Bankruptcy Court shall not have nor retain exclusive jurisdiction over any post-Effective Date agreement, including but not limited to any of the Exit Facilities Commitment Agreements. Nothing contained herein shall be construed to increase, decrease or otherwise modify the independence, sovereignty or jurisdiction of the Bankruptcy Court.

ARTICLE XIII

MISCELLANEOUS PROVISIONS

13.1 Binding Effect. Upon the Effective Date, this Plan shall be binding upon and inure to the benefit of the Debtors, the Reorganized Debtors, all current and former Holders of Claims, all current and former Holders of Interests, and all other parties in interest and their respective heirs, successors, and assigns.

13.2 Payment of Statutory Fees. All fees payable pursuant to section 1930 of title 28 of the United States Code, as of the entry of the Confirmation Order as determined by the Bankruptcy Court at the Confirmation Hearing, shall be paid on the Effective Date. The Reorganized Debtors shall continue to pay fees pursuant to section 1930 of title 28 of the United States Code until the Chapter 11 Cases are closed by entry of the Final Decree.

13.3 Payment of Restructuring Expenses On the Effective Date, without the need to file a fee or retention application in the Chapter 11 Cases, the Reorganized Debtors shall pay all reasonable and documented fees and expenses, including fees and expenses estimated to be incurred through the Effective Date, of the Chatham Advisors and the Brigade Advisors. **Modification and Amendments.** The Debtors may alter, amend, or modify this Plan under section 1127(a) of the Bankruptcy Code at any time prior to the Confirmation Date. After the Confirmation Date and prior to substantial consummation of this Plan as defined in section 1101(2) of the Bankruptcy Code, the Debtors may, under section 1127(b) of the Bankruptcy Code,

institute proceedings in the Bankruptcy Court to remedy any defect or omission or reconcile any inconsistencies in this Plan, the Disclosure Statement, or the Confirmation Order, and such matters as may be necessary to carry out the purposes and effects of this Plan.

13.5 Confirmation of the Plan. The Debtors request Confirmation of the Plan under section 1129(b) of the Bankruptcy Code with respect to any Impaired Class that does not accept the Plan pursuant to section 1126 of the Bankruptcy Code. The Debtors reserve the right to amend the Plan to any extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification.

13.6 Additional Documents. On or before the Effective Date, the Debtors may file with the Bankruptcy Court such agreements or other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors or the Reorganized Debtors, as applicable, and Holders of Claims receiving distributions pursuant to the Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provision and intent of the Plan.

13.7 Revocation, Withdrawal, or Non-Consummation.

(a) **Right to Revoke or Withdraw.** The Debtors reserve the right to revoke or withdraw this Plan at any time prior to the Effective Date and file subsequent chapter 11 plans.

(b) **Effect of Withdrawal, Revocation, or Non-Consummation.** If the Debtors revoke or withdraw this Plan prior to the Effective Date, or if the Confirmation Date or the Effective Date does not occur, then this Plan, any settlement or compromise embodied in this Plan (including the fixing or limiting to an amount certain any Claim or Class of Claims or the allocation of the distributions to be made hereunder), the assumption or rejection of Executory Contracts or Unexpired Leases effected by this Plan, and any document or agreement executed pursuant to this Plan shall be null and void in all respects. In such event, nothing contained herein or in the Disclosure Statement, and no acts taken in preparation for consummation of this Plan, shall be deemed to constitute a waiver or release of any Claims, Interests, or Causes of Action by or against the Debtors or any other Entity, to prejudice in any manner the rights and defenses of the Debtors, the Holder of a Claim or Interest, or any Entity in any further proceedings involving the Debtors, or to constitute an admission, acknowledgement, offer, or undertaking of any sort by the Debtors or any other Entity.

13.8 Notices. After the Effective Date, any pleading, notice, or other document required by the Plan to be served on or delivered on the Parties below shall be served as follows:

If to the Reorganized Debtors:

The McClatchy Company
2100 Q Street
Sacramento, California 95816
Attn: Billie McConkey, Vice President, Legal/People, Corporate Secretary

with a copy (which shall not constitute notice) to:

Skadden, Arps, Slate, Meagher & Flom LLP
300 South Grand Avenue
Suite 3400
Los Angeles, CA 90071
Attention: Van C. Durrer, II

525 University Avenue, Suite 1400
Palo Alto, CA 94301
Attn: Jennifer Madden

If to the Chatham Parties:

Chatham Asset Management, LLC
26 Main Street, Suite 204
Chatham, New Jersey 07928
Attn.: Feisal Alibhai
Barry Schwartz
Roshan Karingada

with a copy to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, New York 10019
Attn: Andrew N. Rosenberg
Elizabeth R. McColm
John Weber

If to the Brigade Parties:

Brigade Capital Management, LP
399 Park Avenue
New York, New York 10022
Attn.: Patrick Evans

With a copy to:

Kramer Levin Naftalis & Frankel LLP
1177 Avenue of the Americas
New York, New York 10036
Attn: Thomas M. Mayer
Douglas Mannal

If to the Office of the United States Trustee:

Office of the United States Trustee for the Southern District of New York
201 Varick Street, Suite 1006
New York, New York 10014
Attention: Ben Higgins and Brian Masumoto

13.9 Term of Injunctions or Stays. Unless otherwise provided in the Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Case pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and existing on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order) shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

13.10 Governing Law. Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or unless otherwise specifically stated, the laws of the State of New York shall govern the construction and implementation of this Plan, any agreements, documents, and instruments executed in connection with this Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreements shall control). Corporate governance matters shall be governed by the laws of the state of incorporation, formation, or functional equivalent thereof, as applicable, of the applicable Reorganized Debtor.

13.11 Entire Agreement. Except as otherwise indicated, the Plan supersedes all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan.

13.12 Severability. If, prior to Confirmation, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is (a) valid and enforceable pursuant to its terms, (b) integral to the Plan and may not be deleted or modified without the Debtors' consent, and (c) nonseverable and mutually dependent.

13.13 No Waiver or Estoppel. Upon the Effective Date, each Holder of a Claim or Interest shall be deemed to have waived any right to assert that its Claim or Interest should be Allowed in a certain amount, in a certain priority, be secured, or not be subordinated by virtue of

an agreement made with the Debtors and/or their counsel, or any other party, if such agreement was not disclosed in this Plan, the Disclosure Statement, or papers filed with the Bankruptcy Court.

13.14 Conflicts. In the event that the provisions of the Disclosure Statement and the provisions of the Plan conflict, the terms of this Plan shall govern.

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Dated: February 13, 2020

Respectfully submitted,

THE McCLATCHY COMPANY, on behalf of itself and
its affiliates listed below

By: /s/ R. Elaine Lintecum

Name: R. Elaine Lintecum

Title: Vice President, Assistant Secretary and Treasurer

Cypress Media, Inc.
Aboard Publishing, Inc.
Bellingham Herald Publishing, LLC
Belton Publishing Company, Inc.
Biscayne Bay Publishing, Inc.
Cass County Publishing Company
Columbus-Ledger Enquirer, Inc.
Cypress Media, LLC
East Coast Newspapers, Inc.
El Dorado Newspapers
Gulf Publishing Company, Inc.
Herald Custom Publishing of Mexico, S. de R.L. de C.V.
HLB Newspapers, Inc.
Idaho Statesman Publishing, LLC
Keltatim Publishing Company, Inc.
Keynoter Publishing Company, Inc.
Lee's Summit Journal, Incorporated
Lexington H-L Services, Inc.
Macon Telegraph Publishing Company
Mail Advertising Corporation
McClatchy Big Valley, Inc.
McClatchy Interactive LLC
McClatchy Interactive West
McClatchy International Inc.
McClatchy Investment Company
McClatchy Management Services, Inc.
McClatchy Newspapers, Inc.
McClatchy News Services, Inc.
McClatchy Property, Inc.
McClatchy Resources, Inc.
McClatchy Shared Services, Inc.
McClatchy U.S.A., Inc.
Miami Herald Media Company
N & O Holdings, Inc.

Newsprint Ventures, Inc.
Nittany Printing and Publishing Company
Nor-Tex Publishing, Inc.
Olympian Publishing, LLC
Olympic-Cascade Publishing, Inc.
Pacific Northwest Publishing Company, Inc.
Quad County Publishing, Inc.
San Luis Obispo Tribune, LLC
Star-Telegram, Inc.
Tacoma News, Inc.
The Bradenton Herald, Inc.
The Charlotte Observer Publishing Company
The News and Observer Publishing Company
The State Media Company
The Sun Publishing Company, Inc.
Tribune Newsprint Company
Tru Measure, LLC
Wichita Eagle and Beacon Publishing Company, Inc.
Wingate Paper Company