

IN THE UNITED STATES DISTRICT COURT
 FOR THE DISTRICT OF HAWAII

FILED IN THE
 UNITED STATES DISTRICT COURT
 DISTRICT OF HAWAII
 NOV 09 2000
 4
 at 4 o'clock and 5:00 P.M.
 WALTER A. Y. H. CHING, CLERK

STATE OF HAWAII, by EARL I. ANZAI,)
 Attorney General, State of Hawaii,)

Plaintiff,)

vs)

GANNETT PACIFIC CORPORATION,)
 et al.,)

Defendants.)

 JEAN KING, et al.,)

Plaintiffs,)

vs)

GANNETT CO., INC., et al.,)

Defendants.)

CIVIL NO. 99-00687 ACK-BMK
 CIVIL NO. 99-00686 ACK-BMK

STIPULATION AND ORDER
 APPROVING SALE; EXHIBITS "A"
 AND "B"

STIPULATION AND ORDER APPROVING SALE

WHEREAS, the parties entered into a Stipulation Approving Sale and Order, filed April 24, 2000, which has been subsequently amended, and

WHEREAS, the Court has conducted sales procedures in accordance with said Stipulation Approving Sale and Order, as amended,

NOW THEREFORE, IT IS HEREBY STIPULATED AND AGREED BY PLAINTIFFS AND DEFENDANTS AS FOLLOWS:

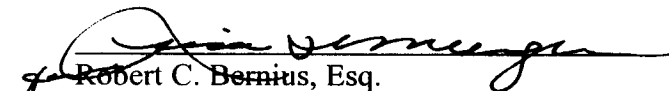
1. The Court has determined that Black Press Ltd. is a “Qualified Bidder” as that term is defined in paragraph 10 of the Stipulation Permitting Sale and Order, as amended.
2. As required by paragraph 11 of Stipulation Permitting Sale and Order, the following events have occurred within the time permitted by the Court:
 - (a) The Successful Qualified Bidder has entered into a written agreement to buy all of the assets of Liberty relating to the *Honolulu Star-Bulletin*. A copy of such written agreement is attached hereto as Exhibit “A.”
 - (b) The Successful Qualified Bidder has exercised its option to purchase certain assets, and a written agreement exists between such Bidder and HNA and/or GPC. A copy of such written agreement is attached hereto as Exhibit “B.”
 - (c) The Successful Qualified Bidder has declined to obtain printing from HNA and/or GPC and has established to the satisfaction of the Court that it has a printing arrangement with a third-party;
 - (d) The Successful Qualified Bidder has finalized and completed plans or arrangements to acquire the assets and services more fully described in Schedule 1 to Exhibit A attached to the Stipulation Permitting Sale and Order; and
 - (e) The Successful Qualified Bidder has agreed to assume some, but not all of the contracts and agreements set forth in Schedule 11 to Exhibit A attached to the Stipulation Permitting Sale and Order.
3. The Court finds that Black Press Ltd. is the “Successful Qualified Bidder” pursuant to paragraph 12 of the Stipulation Permitting Sale and Order, and the Court finds that Black Press Ltd. is the bidder most likely to succeed in publishing, producing,

distributing, and circulating on a stand-alone and *ongoing* basis separately from the *Honolulu Advertiser*, the *Honolulu Star-Bulletin* as a daily English-language newspaper of general circulation at least on the Island of Oahu. The Court finds that Black Press Ltd. has satisfied the following factors:

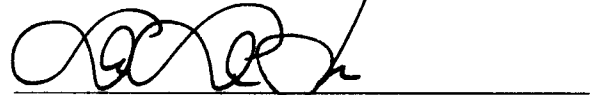
- (a) It has established to the satisfaction of the Court that it has or will promptly obtain the managerial, operational, and financial capability to compete in the publishing, production, distribution, and circulation of, on a stand-alone basis, a daily English-language newspaper of general circulation at least on the Island of Oahu;
- (b) It has established to the satisfaction of the Court that it is committed to using appropriate assets to, at a minimum, publish, produce, distribute, and circulate, on a stand-alone basis separately from the *Honolulu Advertiser*, the *Honolulu Star-Bulletin* as a daily English-language newspaper of general circulation at least on the Island of Oahu;
- (c) It has provided the Court, to the extent requested by the Court or the plaintiffs, with full disclosure of all material past and present transactions with any Defendant, and it has established to the satisfaction of the Court that no such transaction will interfere with its ability and intent to publish, produce, distribute, and circulate on a stand-alone basis separately from the *Honolulu Advertiser*, the *Honolulu Star-Bulletin* as an English-language newspaper of general circulation on at least the Island of Oahu, and compete with the *Honolulu Advertiser*;

- (d) It has established to the satisfaction of the Court that it will exercise independent business judgment in publishing, producing, distributing, and circulating on a stand-alone basis separately from the *Honolulu Advertiser*, the *Honolulu Star-Bulletin* as a daily English-language newspaper of general circulation at least on the Island of Oahu;
- (e) It has agreed to assume some, but not all of the contracts and agreements set forth in Schedule 11 to Exhibit A attached to the Stipulation Permitting Sale and Order.
4. The sale of the assets of Liberty Newspapers related to the *Honolulu Star Bulletin* in accordance with the attached Asset Purchase Agreement between the Successful Qualified Bidder and Liberty Newspapers, dated November 9, 2000, is approved. The sale of the certain assets of HNA related to the *Honolulu Star Bulletin* in accordance with the Asset Purchase Agreement between the Successful Qualified Bidder and HNA and/or GPC, dated November 9, 2000, is approved.
5. This Stipulation and Order approving the Asset Purchase Agreements identified in paragraph 4 constitutes the "Court-approved Sale" as that term is defined in the Stipulation Approving Sale and Order.

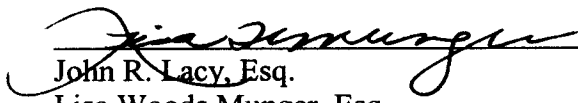
DATED: Honolulu, Hawaii, NOV 09 2000


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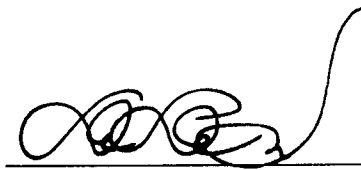
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Diane D. Hastert, Esq.
Damon Key Leong Kupchak Hastert

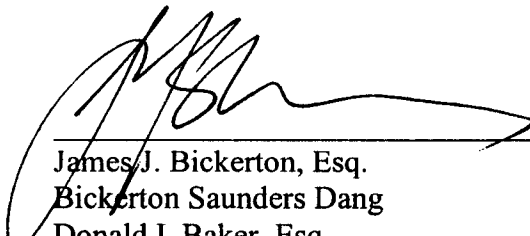
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Department of the Attorney General

Attorneys for Plaintiff State of Hawaii

APPROVED AND SO ORDERED:

ALAN C. KAY

Alan C. Kay
United States District Judge
BARRY M. KURREN

Barry M. Kurren
United States Magistrate Judge

State of Hawaii v. Gannett Pacific Corporation, et al.; Civil No. 99-00687 ACK-BMK; Jean King, et al., v. Gannett Co., Inc. et al, Civil No. 99-00686 ACK-BMK; Stipulation and Order Approving Sale.

HONOLULU STAR-BULLETIN
ASSET PURCHASE AGREEMENT
BETWEEN
LIBERTY NEWSPAPERS LIMITED PARTNERSHIP
AND
BLACK PRESS LTD.

Dated: November 9, 2000

EXHIBIT "A"

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("Agreement") is dated as of November 9, 2000, and is between Liberty Newspapers Limited Partnership, an Arkansas limited partnership having its principal place of business at 1713 Giant Sycamore Lane, Baker, Florida 32531 ("Seller"), and Black Press Ltd., having its principal place of business at 3175 Beach Drive, Victoria, B.C. V8R 6L7 ("Buyer").

Based upon the representations and warranties made by each party to the other in this Agreement, the parties have agreed to consummate the sale of certain assets related to the Honolulu Star-Bulletin (the "Newspaper"), on the terms contained herein.

ARTICLE I. Sale of Assets and Terms of Payment

1.1 Transfer of Assets. Upon the terms and subject to the conditions of this Agreement, on the Closing Date (as defined in Section 2.1 hereof) or, in the case of certain Assets specifically identified on Exhibit A attached hereto, on a date prior to the Closing Date as set forth on Exhibit A, Seller will assign, sell, convey or cause to be conveyed, and deliver to Buyer, and Buyer will purchase and accept from Seller, the assets set forth on Exhibit A (the "Assets").

1.2 Excluded Assets. The following assets relating to the business of publishing and distributing the Newspaper shall be retained by Seller and shall not be sold, assigned or transferred to Buyer (the "Excluded Assets"):

- (a) All contracts of insurance;
- (b) Cash on hand and in banks and other cash items;
- (c) All tangible personal property of Seller disposed of or consumed in the ordinary course of the business of the Newspaper between the date of this Agreement and the Closing Date; and
- (d) The name Liberty Newspapers or any variant thereof.

1.3 Liabilities.

(a) The Assets shall be sold and conveyed to Buyer free and clear of all liabilities, obligations, liens, security interests and encumbrances whatsoever.

(b) Buyer does not assume and will not be liable for any of the following liabilities or obligations of Seller:

(i) any liability or obligation arising under any contract not assigned to Buyer hereunder;

(ii) any liability under any contract of insurance;

(iii) any liability arising out of any termination by Seller of the employment of any employee or consultant of the Newspaper prior to the Closing Date;

(iv) any liabilities arising with respect to the period prior to the Closing Date under the contracts being assigned to or assumed by Buyer;

(v) any liability under any litigation, proceeding or claim of any nature related to the Newspaper brought by any person or entity with respect to the period of time prior to the Closing Date, whether or not such litigation, proceeding or claim is pending, threatened or asserted before, on or after the Closing Date;

(vi) any liability for any taxes owed by Seller with respect to the Newspaper or the Assets for the period of time prior to the Closing Date; or

(vii) any liability not described in this Agreement.

(c) Buyer shall assume, discharge and perform those liabilities and obligations arising on or after the Closing Date under the contracts assigned to Buyer hereunder.

1.4 Consideration. Subject to the conditions contained in this Agreement, and in consideration of the sale of the Assets, Buyer will pay on the Closing Date the sum of Ten Thousand Dollars (\$10,000.00) (the "Purchase Price"), subject to adjustment as provided herein ("Closing Adjustments").

1.5 Manner of Payment. The Purchase Price, as adjusted pursuant to Section 1.6 below, shall be paid to Seller in immediately available funds by wire transfer on the Closing Date.

1.6 Closing Adjustments. Seller shall be entitled to all income earned and be responsible for all expenses incurred in connection with the preparation, publication and distribution of the Newspaper prior to the Closing Date. Buyer shall be entitled to all income earned and be responsible for all expenses incurred in connection with the preparation, publication and distribution of the Newspaper on and after the Closing Date.

ARTICLE II. The Closing

2.1 Time and Place of Closing. The closing (the "Closing") of the sale and purchase of the Assets shall be held in the offices of Goodsill Anderson, Quinn & Stiffel, Honolulu, Hawaii on March 15, 2001, provided that all of the conditions to closing set forth in Articles VII and VIII have been satisfied or waived, or at such other time and place as shall be mutually agreed upon by the parties (the "Closing Date").

2.2 Deliveries by Seller. At the Closing, Seller will deliver to Buyer the following:

- (a) Instruments of transfer and conveyance transferring and assigning the Assets to Buyer;
- (b) Any consents to assignments from third parties obtained by Seller;
- (c) Receipt for the Purchase Price;
- (d) Discharges of any liens, charges, encumbrances and security interests whatsoever, and receipts for payment thereof;
- (e) Certificate of an Officer of Seller certifying the fulfillment of the conditions set forth in Article VIII below; and
- (f) A tax clearance certificate Form A-6 and a report of bulk sale or transfer Form G-A8 from the State of Hawaii Department of Taxation.

2.3 Deliveries by Buyer. At the Closing, Buyer will deliver to Seller the following:

- (a) Funds equal to the Purchase Price as adjusted and in such manner as described in this Agreement;
- (b) An assumption agreement pursuant to which Buyer shall assume Seller's liabilities and obligations as provided herein;
- (c) Certificate dated the Closing Date, of the Secretary of Buyer as to resolutions of the Board of Directors of Buyer relating to this Agreement and the transactions contemplated hereby; and
- (d) Certificate of an Officer of Buyer certifying the fulfillment of the conditions set forth in Article VII below.

ARTICLE III. Representations and Warranties of Seller

Seller represents and warrants to Buyer as follows:

3.1 Organization; Qualification. Seller is a partnership duly organized, validly existing and in good standing under the laws of the State of Arkansas.

3.2 Authority Relative to this Agreement. Seller has the full corporate power, authority and legal right to execute and deliver this Agreement and to consummate the transactions and perform its obligations as contemplated hereby. Subject to Seller's obtaining the approval of its partners as provided herein, the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary action and this Agreement has been duly and validly executed and delivered by Seller and constitutes a legal, valid and binding obligation of Seller enforceable against Seller in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency or similar law affecting the rights of creditors generally.

3.3 No Defaults. The execution, delivery and performance of this Agreement by Seller will not (a) conflict with any provision of its Partnership Agreement or (b) result in a default (or give rise to any right of termination, cancellation or acceleration) under or conflict with any of the terms, conditions or provisions of any note, bond, mortgage or other instrument or obligation relating to the business of the Newspaper and to which any of the Assets may be subject and which default or conflict would have a Material Adverse Effect, except for any orders issued by the U.S. District Court for the District of Hawaii in the case of State of Hawaii v. Gannett Pacific Corporation et al. "Material Adverse Effect" as used in this Agreement means an effect (including but not limited to

any debt, liability or claim) that Magistrate Judge Barry Kurren determines is materially adverse to the business of the Newspaper as a whole.

3.4 [Intentionally Omitted]

3.5 Brokers. There is no broker or finder or other person who would have any valid claim against Buyer for a commission or brokerage in connection with this Agreement or the transactions contemplated hereby as a result of any agreement, understanding or action by Seller.

3.6 Employment Matters. To Seller's knowledge, there are no:

(a) employment contracts or agreements, written or oral, with any employees in existence, including any agreements relating to termination of employment and payments in relation to termination of employment, except the labor agreement entitled "Agreement between the Hawaii Newspaper Guild and the Honolulu Star-Bulletin";

(b) any pending or threatened National Labor Relations Board or state agency unfair labor practice charges against Seller, which if determined against the Seller would have a Material Adverse Effect;

(c) any pending or threatened Occupational Safety and Health citations or investigations against Seller, which if determined against the Seller would have a Material Adverse Effect;

(d) any pending or threatened Workers' Compensation claims or charges relating to Seller, which if determined against the Seller would have a Material Adverse Effect;

(e) any pending or threatened Equal Employment Opportunity Commission or state employment practices charges against Seller or any of the employees of Seller, which if determined against the Seller would have a Material Adverse Effect; or

(f) any pending or threatened wage and hour claims against Seller, which if determined against the Seller would have a Material Adverse Effect.

ARTICLE IV. Representations and Warranties of Buyer

Buyer represents and warrants to Seller as follows:

4.1 **Organization.** Buyer is a corporation duly organized, validly existing and in good standing under the laws of British Columbia, Canada.

4.2 **Authority Relative to this Agreement.** Buyer has the full corporate power, authority and legal right to execute and deliver this Agreement and to consummate the transactions and perform its obligations as contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate and shareholders action, and this Agreement has been duly and validly executed and delivered by Buyer and constitutes a legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency or similar law affecting the rights of creditors generally.

4.3 **No Defaults.** The execution, delivery and performance of this Agreement by Buyer will not conflict with or result in any breach of any provision of its Articles of Incorporation or bylaws.

4.4 Brokers. There is no broker or finder or other person who would have any valid claim against Seller for a commission or brokerage in connection with this Agreement or the transactions contemplated hereby as a result of any agreement, understanding or action by Buyer.

4.5 Operation of Newspaper. Buyer understands the business and operations of publishing a newspaper and what is necessary, in addition to the Assets, to do so successfully. Buyer will operate the Star-Bulletin as an English language daily newspaper published on the island of Oahu. Buyer acknowledges that Seller makes no representation concerning the financial or operating performance of the Newspaper, Hawaii Newspaper Agency Limited Partnership, Liberty Newspapers Limited Partnership, or Gannett Pacific Corporation, since prior costs and revenues of the combined operation will not be applicable to future operations of separate newspapers. Buyer shall be responsible for making its own estimates concerning future revenues and expenses.

ARTICLE V. Covenants of Seller Pending the Closing Date.

Seller covenants and agrees that from the date hereof to and including the Closing Date:

5.1 Maintenance of Business. Seller will not, other than in the ordinary course of business:

(a) Sell, lease, transfer or agree to sell, lease or transfer any of the Assets without replacement thereof with an asset of substantially equivalent kind, condition and value;

(b) Adopt or modify any pension, profit-sharing or other compensation plan (except as required by law or which would not affect the level of benefits) or enter into any contract of employment or collective bargaining agreement, or permit any increases or changes in the compensation (including bonus) of any of the Newspaper's employees, except for increases in accordance with historical practices, except for current labor negotiations;

(c) Enter into or amend any contract or commitment with respect to the Newspaper involving annual consideration of more than \$50,000, respectively, or waive any right or enter into any other transaction, other than as permitted by other provisions of this Agreement or with the consent of Buyer.

5.2 Representations and Warranties. Seller shall give detailed written notice to Buyer promptly upon the occurrence of or becoming aware of the impending or threatened occurrence of any event which would cause or constitute a breach, or would have caused a breach had such event occurred or been known to Seller prior to the date hereof, of any of Seller's representations or warranties contained in this Agreement or in any Schedule hereto.

5.3 Corporate Action. Subject to the provisions of this Agreement, Seller will take all necessary partnership or corporate procedural action, as the case may be, to carry out the transactions contemplated by this Agreement.

5.4 Confidential Information. If for any reason the transactions contemplated in this Agreement are not consummated, Seller shall not disclose to third parties any information designated as confidential and received from Buyer or its agents in the

course of investigating, negotiating and completing the transactions contemplated by this Agreement. Nothing shall be deemed to be confidential information which:

(a) is known to Seller at the time of its disclosure to it; (b) becomes publicly known or available other than through disclosure by Seller; (c) is rightfully received by Seller from a third party; or (d) is independently developed by Seller.

5.5 Consummation of Agreement. Seller shall use all reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement and to cause the transactions contemplated by this Agreement to be fully carried out.

5.6 Notice of Proceedings. Seller will promptly notify Buyer in writing upon becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the transactions contemplated hereunder, or upon receiving any notice from any governmental department, court, agency or commission of its intention to institute an investigation into, or institute any action or proceeding to restrain or enjoin consummation of this Agreement or such transactions, or to nullify or render ineffective this Agreement or such transactions if consummated.

5.7 Hart-Scott-Rodino Act. As soon as possible after the execution of this Agreement, but in no event later than 10 business days thereafter, Seller shall prepare and file all documents with the Federal Trade Commission and the United States Department of Justice as may be required of it to comply with the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, if such filing is required.

5.8 Unemployment Insurance Rating. Seller shall use reasonable efforts to transfer its unemployment insurance rating to Buyer at no cost to Seller, provided that the transfer is approved by Seller's accounting firm, such approval not to be unreasonably withheld.

5.9 Dislocated Workers Act. As soon as practicable after execution of this Agreement, Seller shall give notice as required by the Hawaii Dislocated Workers Act.

ARTICLE VI. Covenants of Buyer Pending the Closing Date

Buyer covenants and agrees that from the date hereof to and including the Closing Date:

6.1 Representations and Warranties. Buyer shall give detailed written notice to Seller promptly upon the occurrence of or becoming aware of the impending or threatened occurrence of any event which would cause or constitute a breach, or would have caused a breach had such event occurred or been known to Buyer prior to the date hereof, of any of the representations and warranties of Buyer contained in this Agreement.

6.2 Corporate Action. Subject to the provisions of this Agreement, Buyer will take all necessary corporate procedural action required of it to carry out the transactions contemplated by this Agreement.

6.3 Confidential Information. If for any reason the transactions contemplated in this Agreement are not consummated, Buyer will return to Seller all materials previously made available to it by Seller, shall not thereafter use the information contained in such materials for any purpose, and shall not disclose to third parties any information

designated as confidential and received from Seller or its agents in the course of investigating, negotiating and completing the transactions contemplated by this Agreement. Nothing shall be deemed to be confidential information which: (a) is known to Buyer at the time of its disclosure to it; (b) becomes publicly known or available other than through disclosure by Buyer; (c) is rightfully received by Buyer from a third party; or (d) is independently developed by Buyer.

6.4 Consummation of Agreement. Buyer shall use all reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement and to cause the transactions contemplated by this Agreement to be fully carried out.

6.5 Notice of Proceedings. Buyer will promptly notify Seller in writing upon becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the transactions contemplated hereunder, or upon receiving any notice from any governmental department, court, agency or commission of its intention to institute an investigation into, or institute any action or proceeding to restrain or enjoin the consummation of this Agreement or such transactions, or to nullify or render ineffective this Agreement or such transactions if consummated.

6.6 Hart-Scott-Rodino Act. As soon as possible after the execution of this Agreement, but in no event later than 10 business days thereafter, Buyer shall prepare and file all documents with the Federal Trade Commission and the United States Department of Justice as are required of it to comply with the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, if such filing is required.

ARTICLE VII. Conditions to the Obligations of Seller

The obligations of Seller under this Agreement are subject to the fulfillment of the following conditions prior to or at the Closing Date, at the Seller's option and subject to the determination of Magistrate Judge Barry Kurren that any such condition has not been fulfilled:

7.1 Representations, Warranties, Covenants.

(a) Each of the representations and warranties of Buyer contained in this Agreement and in any statement, certificate, schedule or other document delivered by Buyer pursuant hereto or in connection with the transactions contemplated hereby, shall have been true and accurate in all material respects as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall then be true and accurate in all material respects;

(b) Buyer shall have performed and complied in all material respects with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or at the Closing Date, other than the delivery by Buyer of the Purchase Price; and

(c) Buyer shall have delivered to Seller a certificate of an officer of Buyer, dated the Closing Date, certifying to the fulfillment of the conditions set forth in Sections 7.1(a) and 7.1(b) above.

7.2 Proceedings.

(a) No action or proceeding shall have been instituted before any court or governmental body to restrain or prohibit, or to obtain substantial damages in respect of, the consummation of this Agreement or any other transaction predicate, necessary or

related thereto, which, in the reasonable opinion of Seller, may reasonably be expected to result in a preliminary or permanent injunction against such consummation or an award of such substantial damages; and

(b) Neither of the parties to this Agreement shall have received written notice from any governmental body of (i) its intent to institute any action or proceeding to restrain or enjoin or nullify this Agreement or the transactions contemplated hereby, or any other transaction predicate, necessary or related thereto, or to commence any investigation (other than a routine letter of inquiry, including a routine Civil Investigative Demand) into the consummation of this Agreement or any such other transaction, or (ii) the actual commencement of such an investigation.

(c) In the event such a notice of intent is received or such an investigation is commenced, this Agreement may not be abandoned by Seller for a period of 120 days from the date of such notice of intent or notice of commencement, but Closing shall be delayed during such period. This Agreement may be abandoned after this 120 day period if, in the reasonable opinion of Seller, there is a likely probability that an investigation will result in an action or proceeding of the type described in clause (a) of this Section 7.2.

7.3 Hart-Scott-Rodino. Any waiting period under the Hart-Scott-Rodino Act for the transactions contemplated by this Agreement, and any other transactions predicate, necessary or related thereto, shall have expired, and no order of a court restraining the transactions contemplated by this Agreement or any other transaction predicate, necessary or related thereto shall be outstanding.

7.4 Court Approval. The purchase and sale transaction contemplated by this Agreement shall have received approval of the United States District Court for the District of Hawaii, no later than November 9, 2000.

7.5 Extension of Termination and Sale Agreement. Seller and Gannett Pacific Corporation will have entered into an extension of the Termination and Sale Agreement dated as of May 19, 2000, on terms satisfactory to Seller, no later than November 15, 2000.

7.6 Gannett Pacific Closing. The closing under the Asset Purchase Agreement between Gannett Pacific Corporation and Black Press Ltd. of even date herewith shall have occurred concurrently with Closing under this Agreement.

7.7 Hawaii Newspaper Guild. Buyer will have become a successor employer and will hire at least a majority of the employees represented by the Hawaii Newspaper Guild ("Guild").

ARTICLE VIII. Conditions to the Obligations of Buyer

The obligations of Buyer under this Agreement are subject to the fulfillment of the following conditions prior to or at the Closing Date, at its option and subject to the determination of Magistrate Judge Barry Kurren that any such condition has not been fulfilled:

8.1 Representations, Warranties, Covenants.

(a) Each of the representations and warranties of Seller contained in this Agreement and in any statement, deed, certificate, schedule or other document delivered pursuant to this Agreement or in connection with the transactions contemplated hereby, shall have been true and accurate as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall then be true and accurate, except in each case for untrue or inaccurate representations or warranties which would not, in the aggregate, have a Material Adverse Effect;

(b) Seller shall have performed and complied in all material respects with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or at the Closing Date, other than delivery to Buyer of the instruments conveying the Assets to Buyer; and

(c) Seller shall have delivered to Buyer a certificate of an officer of Seller, dated the Closing Date, certifying to the fulfillment of the conditions set forth in Sections 8.1(a) and 8.1(b) above.

8.2 Proceedings.

(a) No action or proceeding shall have been instituted before any court or governmental body to restrain or prohibit, or to obtain substantial damages in respect of, the consummation of this Agreement or any other transaction predicate, necessary or related thereto which, in the reasonable opinion of Buyer, may reasonably be expected to result in a preliminary or permanent injunction against such consummation or an award of such substantial damages; and

(b) Neither of the parties to this Agreement shall have received written notice from any governmental body of (i) its intent to institute any action or proceeding to restrain or enjoin or nullify this Agreement or the transactions contemplated hereby, or any other transaction predicate, necessary or related thereto, or to commence any

investigation (other than a routine letter of inquiry, including a routine Civil Investigative Demand) into the consummation of this Agreement or any such other transaction or (ii) the actual commencement of such an investigation.

(c) In the event such a notice of intent is received or such an investigation is commenced, this Agreement may not be abandoned by Buyer for a period of 120 days from the date of such notice of intent or notice of commencement, but Closing shall be delayed during such period. This Agreement may be abandoned after the 120 day period if, in the reasonable option of Buyer, there is a likely probability that an investigation will result in an action or proceeding of the type described in clause (a) of this Section 8.2.

8.3 Hart-Scott-Rodino. Any waiting period under the Hart-Scott-Rodino Act for the transactions contemplated by this Agreement and any other transactions predicate, necessary or related thereto shall have expired, and no order of a court restraining the transactions contemplated by this Agreement or any other transaction predicate, necessary or related thereto shall be outstanding.

8.4 Court Approval. The purchase and sale transaction contemplated by this Agreement shall have received approval of the United States District Court for the District of Hawaii, no later than November 9, 2000.

8.5 Gannett Pacific Closing. The closing under the Asset Purchase Agreement between Gannett Pacific Corporation and Black Press Ltd. of even date herewith shall have occurred concurrently with Closing under this Agreement.

ARTICLE IX. Indemnification

9.1 Survival; Limitations.

(a) The several representations, warranties, covenants and agreements of the parties contained in or made pursuant to this Agreement shall be deemed to have been made on the Closing Date, shall survive the Closing Date and shall remain operative and in full force and effect for a period of two years after the Closing Date.

(b) Seller's maximum aggregate liability to Buyer for indemnification claims under this Agreement shall be the amount of the Purchase Price hereunder.

9.2 Indemnification of Buyer. Seller agrees that it shall indemnify, defend and hold Buyer harmless from and against any and all damages, claims, losses, expenses, costs, obligations and liabilities, including without limitation, liabilities for reasonable attorneys' fees and disbursements ("Loss and Expense"), suffered directly or indirectly by Buyer by reason of, or arising out of:

(a) any material breach of representation or warranty made by Seller pursuant to this Agreement,

(b) any material failure by Seller to perform or fulfill any of its covenants or agreements set forth in this Agreement,

(c) any material failure by Seller to pay or perform when due any of its liabilities or obligations arising out of or related to the business of the Newspaper which have not been assumed by Buyer hereunder, or

(d) any litigation, proceeding or claim by any third party relating to the business or operations of the Newspaper prior to the Closing Date.

9.3 Indemnification of Seller. Buyer agrees that it shall indemnify, defend and hold Seller harmless from and against any and all Loss and Expense suffered directly or indirectly by Seller by reason of, or arising out of:

(a) any material breach of representation or warranty made by Buyer pursuant to this Agreement,

(b) any material failure by Buyer to perform or fulfill any of its covenants or agreements set forth in this Agreement,

(c) any material failure by Buyer to pay or discharge on or subsequent to the Closing Date any liabilities or obligations assumed by Buyer hereunder or incurred or first required to be performed by Buyer on or after the Closing Date, including without limitation, claims from prepaid subscribers or advertisers whose pre-paid balances are transferred to Buyer. An appropriate escrow shall be established for these purposes, and the prepaid amount shall be deposited into such account by Seller at the Closing, except for subscriber prepaids that subscribers elect to have refunded to them.

(d) any litigation, proceeding or claim by any third party relating to the business or operation of the Newspaper on or after the Closing Date.

(e) any claims of wrongful termination or discrimination by Newspaper employees (including any employee of the Newspaper whether before or after Closing) arising out of Buyer's acts or omissions,

(f) any severance claims by union-represented Newspaper employees (including any union-represented employee of the Newspaper whether before or after Closing) (subject to Seller's payment obligation set forth in the last sentence of Section 10.4).

9.4 Notice of Claims. If Seller or Buyer believes that it has suffered or incurred any Loss and Expense, it shall notify the other party promptly in writing and within the applicable time period specified in Section 9.1, describing such Loss and Expense, the amount thereof, if known, and the method of computation of such Loss and Expense, all with reasonable particularity and containing a reference to the provisions of this Agreement in respect of which such Loss and Expense shall have occurred. The amount of the Loss and Expense set forth in the notice shall not be a limitation on any claim for the actual amount of such Loss and Expense, however.

9.5 Defense of Third Party Claims. If any action at law or suit in equity is instituted by a third party (a "Claim") with respect to which any of the parties intends to claim a Loss and Expense under this Article IX such party shall promptly notify the indemnifying party of such action or suit. The indemnifying party shall have the right to conduct and control any Claim through counsel of its own choosing, but the indemnified party may, at its election, participate in the defense of any such Claim at its sole cost and expense. If the indemnifying party does not notify the indemnified party within 30 days after receipt of the notice specified in this Section 9.5 that it is defending any such Claim, then the indemnified party may defend such Claim and settle such Claim, through counsel of its own choosing, and recover from the indemnifying party the amount of such settlement or of any judgment and the costs and expenses of such defense, including, but not limited to, reasonable attorneys' fees and disbursements.

Notwithstanding the foregoing, the failure by a party to abide by these terms and conditions shall not affect the other party's obligations to indemnify such party against Loss and Expense under this Article IX.

ARTICLE X. Miscellaneous Provisions

10.1 **Risk of Loss.** The risk of any loss, damage or destruction to any of the Assets to be transferred to Buyer hereunder from fire or other casualty or cause shall be borne by the Seller at all times prior to the Closing Date hereunder.

10.2 **Abandonment of Agreement.** This Agreement may be terminated by Seller or Buyer at any time prior to the Closing Date:

- (a) by the mutual consent of all parties hereto; or
- (b) by Seller if any of the conditions provided in Article VII hereof has not been fulfilled by the time required and has not been waived, subject to the determination of Magistrate Judge Barry Kurren that any such condition has not been fulfilled; or
- (c) by Buyer if any of the conditions provided in Article VIII hereof has not been fulfilled by the time required and has not been waived, subject to the determination of Magistrate Judge Barry Kurren that any such condition has not been fulfilled; or
- (d) by Buyer, if Buyer has not obtained and secured a supply of newsprint on terms and conditions satisfactory to it to carry on the publication of the Newspaper by November 30, 2000; or
- (e) by Buyer, if Buyer has not entered into an agreement with the Guild dealing with the terms and conditions of employment of those employees who are members of the Guild by November 30, 2000; or
- (f) by any party hereto, if Buyer has not obtained the Guild's written consent, in form satisfactory to the parties, to retention by Hawaii Newspaper Agency Limited Partnership and/or Gannett Pacific Corporation of the Retirement Plan for Bargaining Unit Employees of *Honolulu Star-Bulletin* (the "Plan"), the Plan assets, and all obligations under the Plan by November 30, 2000; or

- (g) by any party hereto, if Buyer, Seller and the Guild have not executed an agreement, in form satisfactory to the parties, pursuant to which the Guild waives as against Buyer and Liberty any severance claim in favor of its employees arising solely out of the purchase and sale transaction contemplated by this Agreement by November 30, 2000; or
- (h) by any party hereto if the Closing has not been fully completed by March 15, 2001, subject to the provisions of Section 10.3.

10.3 Liabilities Upon Abandonment. In the event this Agreement is terminated pursuant to Section 10.2 above, no party hereto shall have any liability to the other party for costs, expenses, damages, loss of anticipated profits or otherwise, unless the termination occurs because of any material misrepresentation or material breach of warranty by a party hereto or the failure of substantial performance of, or substantial compliance with, any covenant or agreement contained in this Agreement such as would prevent Closing hereunder. In the event either party fails to close when required to do so under the terms of this Agreement, the other party shall have the right to seek specific performance of this Agreement.

10.4 Expenses. Except as otherwise provided herein, all costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby will be paid by the party incurring such costs and expenses. Seller shall pay one-half of the first \$100,000 incurred by Buyer for severance payments made by Buyer to Newspaper employees (including any employee of the Newspaper whether before or after Closing) within two (2) years after Closing.

*including Dislocated
Workers' Act Allowances,
if any,*

*TDW
jim*

10.5 Employees and Employee Benefits. Seller shall be responsible for payment of all compensation (including accrued vacation, commissions, bonuses and sick pay)

payable to all employees of the Newspaper through the day preceding the Closing Date. Seller will pay directly to the Newspaper's employees the value of their accrued vacation, commissions, bonuses and sick pay accrued through the day preceding the Closing Date. Buyer shall be responsible for payment of all compensation payable to all employees of the Newspaper on and after the Closing Date. Buyer may make offers of employment to all union and non-union employees of the *Honolulu Star-Bulletin*; provided, however, that Buyer shall be responsible for all severance claims by union-represented Newspaper employees (subject to Seller's payment obligation set forth in the last sentence of Section 10.4). Buyer shall be responsible for WARN and comparable federal and/or State liabilities with respect to employee terminations by it following the Closing.

10.6 Waiver of Compliance. Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement or condition herein may be waived by the other party only by a written instrument signed by the party granting the waiver. Any such waiver or failure to insist upon strict compliance with a term of this Agreement shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure to comply.

10.7 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given when delivered by hand or by facsimile transmission or mailed by registered or certified mail (return receipt requested), postage prepaid, to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

(a) If to Seller, to:

Liberty Newspapers Limited Partnership
1713 Grant Sycamore Lane
Baker, Florida 32531
Attention: Rupert E. Phillips
Fax No. 850-537-4050

with a copy to:

Alan L. Marx, Esq.
King & Ballow
1100 Union Street Plaza
315 Union Street
Nashville, TN 37201
Fax No. 615-726-5413

(b) If to Buyer, to:

David Black
3175 Beach Drive
Victoria, British Columbia
Canada V8R 6L7
Fax No. 250-370-2294

with a copy to:

Les Jamieson
Patterson Adams
707 Fort Street
Fourth Floor
Victoria, BC V8W 2T6
Fax No. 250-360-2979

10.8 Assignment. This Agreement and all of its terms shall be binding upon and inure to the benefit of the parties and their respective successors. This Agreement shall

AND PERMITTED ASSIGNS

DB
DA
jmm

not be assigned by any party hereto and any purported assignment shall be void, except that Buyer may assign its rights and obligations under this Agreement to an affiliate of Buyer, provided that Buyer remains liable for all of its obligations under this Agreement.

10.9 Governing Law. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Hawaii.

10.10 Public Announcements. No public announcement (including an announcement to employees) or press release concerning the transactions provided for herein shall be made by any party without the prior written approval of the other party, except as may be required by law.

10.11 No Third Party Rights. Nothing in this Agreement shall be deemed to create any right on the part of any person or entity not a party to this Agreement.

10.12 Waiver of Jury Trial. Seller and Buyer specifically waive any right to trial by jury in any court with respect to any contractual, tortious or statutory claim, counterclaim or crossclaim against the other arising out of or connected in any way to this Agreement because the parties hereto, both of whom are represented by counsel, believe that the complex commercial aspects of their dealing with one another make a jury determination neither desirable nor appropriate.

10.13 Counterparts. This Agreement may be executed in identical counterparts and each counterpart hereof shall be deemed to be an original instrument, but all counterparts hereof taken together shall constitute a single document.

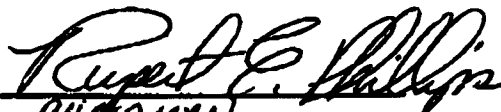
10.14 Entire Agreement; Amendments. This Agreement, including the Exhibits and Schedules hereto and the documents delivered hereunder, embodies the entire agreement and understanding of the parties in respect of the subject matter hereof, and supersedes all prior agreements and understandings between the parties. This Agreement may not be amended except in a writing signed by both parties.

- 27 -

The parties have caused this Agreement to be signed of the date first above written.

LIBERTY NEWSPAPERS LIMITED PARTNERSHIP

By: Phillips Media Services, Inc., General Partner

By: 
Title: CHAIRMAN

BLACK PRESS LTD.

By: _____
Title: _____

53818.7

The parties have caused this Agreement to be signed of the date first above written.

LIBERTY NEWSPAPERS LIMITED PARTNERSHIP

By: Phillips Media Services, Inc., General Partner

By: _____
Title: _____

BLACK PRESS LTD.

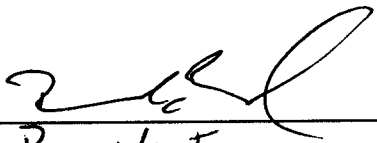
By:  _____
Title: President

EXHIBIT A

1. Star-Bulletin Names

The name, title and masthead of the *Honolulu Star-Bulletin*, together with all names, titles and slogans used exclusively in connection with the *Honolulu Star-Bulletin*, including starbulletin.com, honolulustarbulletin.com, and any other related domain names, Do It and Do It Electric, and all intangible rights and privileges of whatever kind belonging to or incidental thereto owned by Liberty Newspapers, including any and all copyrights and trademarks relating thereto, and any and all rights to renew the same, and the rights to reprint all or any part of the *Honolulu Star-Bulletin* published prior to the Closing.

2. Subscriber List

The list of subscribers (including copies of any contracts with such subscribers) to the *Honolulu Star-Bulletin*. At the subscriber's option, the unearned portion of any prepaid subscriptions attributable to the *Honolulu Star-Bulletin* will be transferred to Buyer or returned to the subscriber. Seller will provide (or will cause Hawaii Newspaper Agency Limited Partnership to provide) the then-current *Honolulu Star-Bulletin* subscription list to Buyer fourteen (14) calendar days before Closing.

3. Advertiser List

The list of contract advertisers that have advertised in the *Honolulu Star-Bulletin* only within the last year and copies of the advertising contracts with those advertisers (with pricing information redacted), and the unearned portion of any prepaid advertising scheduled to run only in the *Honolulu Star-Bulletin*.

4. Editorial Department

- a. Agreement between the Hawaii Newspaper Guild and the *Honolulu Star-Bulletin*
- b. The name and business address of all union and non-union employees of the *Honolulu Star-Bulletin*.
- c. The name, business address, and phone number of any freelancers, stringers, or the like who are under contract to the *Honolulu Star-Bulletin*.
- d. At the Buyer's option, any syndicated features and/or wire service contracts and licenses which are assignable.

5. Web Site

All of Liberty Newspapers' and *Honolulu Star-Bulletin's* right, title and interest in the internet domain name "starbulletin.com" and any existing archives of material currently or previously displayed at that site.

6. Office Furniture and Leases

All office supplies, office equipment, desks, chairs, and the like owned by Liberty Newspapers for use in the publication of the *Honolulu Star-Bulletin*.

To the extent assignable, Liberty Newspapers's office leases for news bureaus.

7. Employees

All employee records for those employees hired by Buyer.

8. Research

All *Honolulu Star-Bulletin* research that was available in the data room.

HONOLULU STAR-BULLETIN
ASSET PURCHASE AGREEMENT
AMONG
HAWAII NEWSPAPER AGENCY
AND
GANNETT PACIFIC CORPORATION
AND
BLACK PRESS LTD.

Dated: November 9, 2000

EXHIBIT "B"

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("Agreement") is dated as of November 9, 2000, and is among Gannett Pacific Corporation, a Hawaii corporation with its principal place of business at 605 Kapiolani Boulevard, Honolulu, Hawaii 96801 ("Gannett Pacific") and Hawaii Newspaper Agency Limited Partnership, a Delaware limited partnership with its principal place of business at 605 Kapiolani Boulevard, Honolulu, Hawaii ("HNA") (Gannett Pacific and HNA are referred to below individually as "Seller" and collectively as "Sellers"), and Black Press Ltd., having its principal place of business at 3175 Beach Drive, Victoria, B.C. V8R 6L7 ("Buyer").

Based upon the representations and warranties made by Sellers to Buyer and Buyer to Sellers in this Agreement, the parties have agreed to consummate the sale of certain assets related to the *Honolulu Star-Bulletin* (the "Newspaper"), on the terms contained herein.

ARTICLE I. Sale of Assets and Terms of Payment

1.1 Transfer of Assets. Upon the terms and subject to the conditions of this Agreement, on the Closing Date (as defined in Section 2.1 hereof) or, in the case of certain Assets specifically identified on Exhibit A attached hereto, on a date prior to the Closing Date as set forth on Exhibit A, Sellers will assign, sell, convey or cause to be conveyed, and deliver to Buyer, and Buyer will purchase and accept from Sellers, some or all of the assets set forth on Exhibit A that Buyer elects to purchase (the "Assets").

1.2 [Intentionally Omitted]

1.3 Liabilities.

(a) The Assets shall be sold and conveyed to Buyer free and clear

of all liabilities, obligations, liens, security interests and encumbrances whatsoever.

(b) Buyer shall assume, discharge and perform the following:

- (i) those liabilities and obligations arising on or after the Closing Date under the contracts assigned to Buyer hereunder;
- (ii) those liabilities and obligations of Sellers as of the Closing Date for advertising to be run in whole or in part in issues of the Newspaper published after the Closing Date and for prepaid subscriptions assigned to Buyer. Sellers shall supply Buyer at Closing with a list of all advertising which Sellers have sold prior to Closing for publication in issues of the Newspaper to be published on or after the Closing Date.

1.4 Consideration. Subject to the conditions contained in this Agreement, and in consideration of the sale of the Assets, Buyer will pay on the Closing Date the sum determined to be the liquidation value of the Assets Buyer elects to purchase as determined by a person selected by Phil Murray and acceptable to the parties who is knowledgeable about the newspaper business (the "Purchase Price"), subject to adjustment as provided herein.

1.5 Manner of Payment. The Purchase Price, as adjusted pursuant to Section 1.6 below, shall be paid to Sellers in immediately available funds by wire transfer on the Closing Date.

1.6 Adjustments. Sellers shall be entitled to all income earned and be responsible for all expenses incurred in connection with the preparation, publication and distribution of the Newspaper prior to the Closing Date. Buyer shall be entitled to all income earned and be responsible for all expenses incurred in connection with the preparation, publication and distribution of the Newspaper on and after the Closing Date. The unearned portion of paid in advance subscriptions to the Newspaper will be transferred to Buyer.

ARTICLE II. The Closing

2.1 Time and Place of Closing. The closing (the "Closing") of the sale and purchase of the Assets shall be held in the offices of Goodsill Anderson, Quinn & Stiffel, Honolulu, Hawaii on March 15, 2001, provided that all of the conditions to closing set forth in Articles VII and VIII have been satisfied or waived, or at such other time and place as shall be mutually agreed upon by the parties (the "Closing Date").

2.2 Deliveries by Seller. At the Closing, Sellers will deliver to Buyer the following:

- (a) Bills of sale, deeds, assignments and other instruments of transfer and conveyance transferring and assigning the Assets to Buyer;
- (b) Any consents to assignments from third parties obtained by Sellers;
- (c) Receipt for the Purchase Price;
- (d) Discharges of any liens, charges, encumbrances and security interests whatsoever, and receipts for payment thereof;
- (e) Certificate of an Officer of Sellers certifying the fulfillment of the conditions set forth in Article VIII below; and
- (f) A tax clearance certificate Form A-6 and a report of bulk sale or transfer Form G-A8 from the State of Hawaii Department of Taxation.

2.3 Deliveries by Buyer. At the Closing, Buyer will deliver to Sellers the following:

- (a) Funds equal to the Purchase Price as adjusted and in such manner as described in this Agreement;
- (b) An assumption agreement pursuant to which Buyer shall assume Seller's liabilities and obligations as provided herein;
- (c) Certificate dated the Closing Date, of the Secretary of Buyer as to

resolutions of the Board of Directors of Buyer relating to this Agreement and the transactions contemplated hereby; and

- (d) Certificate of an Officer of Buyer certifying the fulfillment of the conditions set forth in Article VII below.

ARTICLE III. Representations and Warranties of Seller

Sellers represent and warrant to Buyer as follows:

3.1 **Organization; Qualification.** Gannett Pacific Corporation is a corporation duly organized, validly existing and in good standing under the laws of the State of Hawaii. HNA is a limited partnership duly organized, validly existing and in good standing under the laws of the State of Delaware.

3.2 **Authority Relative to this Agreement.** Sellers have the full partnership or corporate power, authority and legal right to execute and deliver this Agreement and to consummate the transactions and perform their obligations as contemplated hereby. Subject to Sellers obtaining the requisite corporate or partnership approval as provided herein, the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary action and this Agreement has been duly and validly executed and delivered by Sellers and constitutes a legal, valid and binding obligation of Sellers enforceable against Sellers in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency or similar law affecting the rights of creditors generally.

3.3 **No Defaults.** The execution, delivery and performance of this Agreement by Sellers will not (a) conflict with any provision of HNA's Partnership Agreement or Gannett Pacific's Articles of Incorporation or Bylaws, (b) result in a default (or give rise to any right of termination, cancellation or acceleration) under or conflict with any of the terms, conditions or provisions of any note, bond, mortgage or other instrument or obligation relating to the business of the Newspaper and to which any of the Assets may be subject and which default or conflict would have a Material Adverse Effect, except

for any orders issued by the U.S. District Court for the District of Hawaii in the case of State of Hawaii v. Gannett Pacific Corporation, et al. "Material Adverse Effect" as used in this Agreement means an effect (including but not limited to any debt, liability or claim) that is determined by Magistrate Judge Barry Kurren to be materially adverse to the business of the Newspaper as a whole.

3.4 Nature of Title to Assets. The Assets will be sold on an as is, where is basis, except, at Closing, that the same shall be in substantially the same condition as they were in at the date of this Agreement, ordinary wear and tear excepted, and the Sellers represent that they hold adequate title to the Assets in order to use such Assets in the conduct of the business of the Newspaper as currently being conducted.

3.5 Brokers. There is no broker or finder or other person who would have any valid claim against Buyer for a commission or brokerage in connection with this Agreement or the transactions contemplated hereby as a result of any agreement, understanding or action by Sellers.

ARTICLE IV. Representations and Warranties of Buyer

Buyer represents and warrants to Sellers as follows:

4.1 Organization. Buyer is a corporation duly organized, validly existing and in good standing under the laws of British Columbia, Canada.

4.2 Authority Relative to this Agreement. Buyer has the full corporate power, authority and legal right to execute and deliver this Agreement and to consummate the transactions and perform its obligations as contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate and shareholders action, and this Agreement has been duly and validly executed and delivered by Buyer and constitutes a legal, valid and binding obligation of Buyer enforceable against Buyer

in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency or similar law affecting the rights of creditors generally.

4.3 No Defaults. The execution, delivery and performance of this Agreement by Buyer will not conflict with or result in any breach of any provision of its Articles of Incorporation or bylaws.

4.4 Brokers. There is no broker or finder or other person who would have any valid claim against Sellers for a commission or brokerage in connection with this Agreement or the transactions contemplated hereby as a result of any agreement, understanding or action by Buyer.

4.5 Operation of Newspaper. Buyer will operate the Star-Bulletin as an English language daily newspaper published at least on the island of Oahu. Buyer acknowledges that Sellers make no representation concerning the financial or operating performance of the Newspaper, HNA, Liberty Newspapers, or Gannett Pacific, since prior costs and revenues of the combined operation will not be applicable to future operations of separate newspapers. Buyer shall be responsible for making its own estimates concerning future revenues and expenses of the Newspaper on a stand-alone basis.

ARTICLE V. Covenants of Sellers Pending the Closing Date.

Sellers covenant and agree that from the date hereof to and including the Closing Date:

5.1 Maintenance of Business. Sellers will not, other than in the ordinary course of business:

(a) Sell, lease, transfer or agree to sell, lease or transfer any of the Assets without replacement thereof with an asset of substantially equivalent kind, condition and value;

(b) Enter into or amend any contract or commitment with respect to the

Newspaper involving annual consideration of more than \$50,000, respectively, or waive any right or enter into any other transaction, other than as permitted by other provisions of this Agreement or with the consent of Buyer.

5.2 Representations and Warranties. Sellers shall give detailed written notice to Buyer promptly upon the occurrence of or becoming aware of the impending or threatened occurrence of any event which would cause or constitute a breach, or would have caused a breach had such event occurred or been known to Sellers prior to the date hereof, of any of Sellers' representations or warranties contained in this Agreement or in any Schedule hereto.

5.3 Corporate Action. Subject to the provisions of this Agreement, Sellers will take all necessary partnership or corporate procedural action, as the case may be, to carry out the transactions contemplated by this Agreement.

5.4 Confidential Information. If for any reason the transactions contemplated in this Agreement are not consummated, Sellers shall not disclose to third parties any information designated as confidential and received from Buyer or its agents in the course of investigating, negotiating and completing the transactions contemplated by this Agreement. Nothing shall be deemed to be confidential information which: (a) is known to Sellers at the time of its disclosure to it; (b) becomes publicly known or available other than through disclosure by Sellers; (c) is rightfully received by Sellers from a third party; or (d) is independently developed by Sellers.

5.5 Consummation of Agreement. Sellers shall use all reasonable efforts to fulfill and perform all conditions and obligations on their part to be fulfilled and performed under this Agreement and to cause the transactions contemplated by this Agreement to be fully carried out.

5.6 Notice of Proceedings. Sellers will promptly notify Buyer in writing upon

becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the transactions contemplated hereunder, or upon receiving any notice from any governmental department, court, agency or commission of its intention to institute an investigation into, or institute any action or proceeding to restrain or enjoin consummation of this Agreement or such transactions, or to nullify or render ineffective this Agreement or such transactions if consummated.

5.7 Hart-Scott-Rodino Act. As soon as possible after the execution of this Agreement, but in no event later than 10 business days thereafter, Sellers shall prepare and file all documents with the Federal Trade Commission and the United States Department of Justice as may be required of them to comply with the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, if such filing is required.

ARTICLE VI. Covenants of Buyer Pending the Closing Date

Buyer covenants and agrees that from the date hereof to and including the Closing Date:

6.1 Representations and Warranties. Buyer shall give detailed written notice to Sellers promptly upon the occurrence of or becoming aware of the impending or threatened occurrence of any event which would cause or constitute a breach, or would have caused a breach had such event occurred or been known to Buyer prior to the date hereof, of any of the representations and warranties of Buyer contained in this Agreement.

6.2 Corporate Action. Subject to the provisions of this Agreement, Buyer will take all necessary corporate procedural action required of it to carry out the transactions contemplated by this Agreement.

6.3 Confidential Information. If for any reason the transactions contemplated in

this Agreement are not consummated, Buyer will return to Sellers all materials previously made available to it by Sellers, shall not thereafter use the information contained in such materials for any purpose, and shall not disclose to third parties any information designated as confidential and received from Sellers or their agents in the course of investigating, negotiating and completing the transactions contemplated by this Agreement. Nothing shall be deemed to be confidential information which: (a) is known to Buyer at the time of its disclosure to it; (b) becomes publicly known or available other than through disclosure by Buyer; (c) is rightfully received by Buyer from a third party; or (d) is independently developed by Buyer.

6.4 Consummation of Agreement. Buyer shall use all reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement and to cause the transactions contemplated by this Agreement to be fully carried out.

6.5 Notice of Proceedings. Buyer will promptly notify Sellers in writing upon becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the transactions contemplated hereunder, or upon receiving any notice from any governmental department, court, agency or commission of its intention to institute an investigation into, or institute any action or proceeding to restrain or enjoin the consummation of this Agreement or such transactions, or to nullify or render ineffective this Agreement or such transactions if consummated.

6.6 Hart-Scott-Rodino Act. As soon as possible after the execution of this Agreement, but in no event later than 10 business days thereafter, Buyer shall prepare and file all documents with the Federal Trade Commission and the United States Department of Justice as are required of it to comply with the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, if such filing is required.

ARTICLE VII. Conditions to the Obligations of Sellers

The obligations of Sellers under this Agreement are subject to the fulfillment of the following conditions prior to or at the Closing Date, at the Sellers' option and subject to the determination of Magistrate Judge Barry Kurren that any such condition has not been fulfilled:

7.1 Representations, Warranties, Covenants.

(a) Each of the representations and warranties of Buyer contained in this Agreement and in any statement, certificate, schedule or other document delivered by Buyer pursuant hereto or in connection with the transactions contemplated hereby, shall have been true and accurate in all material respects as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall then be true and accurate in all material respects;

(b) Buyer shall have performed and complied in all material respects with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or at the Closing Date, other than the delivery by Buyer of the Purchase Price; and

(c) Buyer shall have delivered to Sellers a certificate of an officer of Buyer, dated the Closing Date, certifying to the fulfillment of the conditions set forth in Sections 7.1(a) and 7.1(b) above.

7.2 Proceedings.

(a) No action or proceeding shall have been instituted before any court or governmental body to restrain or prohibit, or to obtain substantial damages in respect of, the consummation of this Agreement or any other transaction predicate, necessary or related thereto which, in the reasonable opinion of Sellers, may reasonably be expected to result in a preliminary or permanent injunction against such consummation or an award of such substantial damages; and

(b) None of the parties to this Agreement shall have received written notice from

any governmental body of (i) its intent to institute any action or proceeding to restrain or enjoin or nullify this Agreement or the transactions contemplated hereby or any other transaction predicate, necessary or related thereto, or to commence any investigation (other than a routine letter of inquiry, including a routine Civil Investigative Demand) into the consummation of this Agreement or any such other transaction, or (ii) the actual commencement of such an investigation.

(c) In the event such a notice of intent is received or such an investigation is commenced, this Agreement may not be abandoned by Sellers for a period of 120 days from the date of such notice of intent or notice of commencement, but Closing shall be delayed during such period. This Agreement may be abandoned after this 120 day period if, in the reasonable opinion of Sellers, there is a likely probability that an investigation will result in an action or proceeding of the type described in clause (a) of this Section 7.2.

7.3 Hart-Scott-Rodino. Any waiting period under the Hart-Scott-Rodino Act for the transactions contemplated by this Agreement, and any other transactions predicate, necessary or related thereto, shall have expired, and no order of a court restraining the transactions contemplated by this Agreement or any other transaction predicate, necessary or related thereto shall be outstanding.

7.4 Court Approval. The purchase and sale transaction contemplated by this Agreement shall have received approval of the United States District Court for the District of Hawaii, no later than November 9, 2000.

7.5 Extension of Termination and Sale Agreement. Gannett Pacific and Liberty Newspapers Limited Partnership will have entered into an extension of the Termination and Sale Agreement dated as of May 19, 2000, on terms satisfactory to Gannett Pacific, no later than November 15, 2000.

7.6 Liberty Closing. The closing under the Asset Purchase Agreement between Liberty Newspapers Limited Partnership and Black Press Ltd. of even date herewith shall have occurred concurrently with Closing under this Agreement.

7.7 Hawaii Newspaper Guild. Buyer will have become a successor employer and will hire at least a majority of the employees represented by the Hawaii Newspaper Guild (“Guild”).

ARTICLE VIII. Conditions to the Obligations of Buyer

The obligations of Buyer under this Agreement are subject to the fulfillment of the following conditions prior to or at the Closing Date, at its option and subject to the determination of Magistrate Judge Barry Kurren that any such condition has not been fulfilled.

8.1 Representations, Warranties, Covenants.

(a) Each of the representations and warranties of Sellers contained in this Agreement and in any statement, deed, certificate, schedule or other document delivered pursuant to this Agreement or in connection with the transactions contemplated hereby, shall have been true and accurate as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall then be true and accurate, except in each case for untrue or inaccurate representations or warranties which would not, in the aggregate, have a Material Adverse Effect;

(b) Sellers shall have performed and complied in all material respects with each and every covenant and agreement required by this Agreement to be performed or complied with by them prior to or at the Closing Date, other than delivery to Buyer of the instruments conveying the Assets to Buyer; and

(c) Sellers shall have delivered to Buyer a certificate of an officer of Sellers, dated the Closing Date, certifying to the fulfillment of the conditions set forth in Sections 8.1(a) and 8.1(b) above.

8.2 Proceedings.

(a) No action or proceeding shall have been instituted before any court or governmental body to restrain or prohibit, or to obtain substantial damages in respect of, the consummation of this Agreement or any other transaction predicate, necessary or related thereto which, in the reasonable opinion of Buyer, may reasonably be expected to result in a preliminary or permanent injunction against such consummation or an award of such substantial damages; and

(b) None of the parties to this Agreement shall have received written notice from any governmental body of (i) its intent to institute any action or proceeding to restrain or enjoin or nullify this Agreement or the transactions contemplated hereby, or any other transaction predicate, necessary or related thereto, or to commence any investigation (other than a routine letter of inquiry, including a routine Civil Investigative Demand) into the consummation of this Agreement or any such other transaction or (ii) the actual commencement of such an investigation.

(c) In the event such a notice of intent is received or such an investigation is commenced, this Agreement may not be abandoned by Buyer for a period of 120 days from the date of such notice of intent or notice of commencement, but Closing shall be delayed during such period. This Agreement may be abandoned after the 120 day period if, in the reasonable option of Buyer, there is a likely probability that an investigation will result in an action or proceeding of the type described in clause (a) of this Section 8.2.

8.3 Hart-Scott-Rodino. Any waiting period under the Hart-Scott-Rodino Act for the transactions contemplated by this Agreement, and any other transactions predicate, necessary or related thereto, shall have expired, and no order of a court restraining the transactions contemplated by this Agreement or any other transaction predicate, necessary or related thereto shall be outstanding.

8.4 Court Approval. The purchase and sale transaction contemplated by this

Agreement shall have received approval of the United States District Court for the District of Hawaii, no later than November 9, 2000.

8.5 Liberty Closing. The closing under the Asset Purchase Agreement between Liberty Newspapers Limited Partnership and Black Press Ltd. of even date herewith shall have occurred concurrently with Closing under this Agreement.

ARTICLE IX. Indemnification

9.1 Survival; Limitations.

(a) The several representations, warranties, covenants and agreements of the parties contained in or made pursuant to this Agreement (except with respect to paragraph 1 of Exhibit A) shall be deemed to have been made on the Closing Date, shall survive the Closing Date and shall remain operative and in full force and effect for a period of two years after the Closing Date.

(b) Sellers' maximum aggregate liability to Buyer for indemnification claims under this Agreement shall be \$300,000.

9.2 Indemnification of Buyer. Sellers agree that they shall indemnify, defend and hold Buyer harmless from and against any and all damages, claims, losses, expenses, costs, obligations and liabilities, including without limitation, liabilities for reasonable attorneys' fees and disbursements ("Loss and Expense"), suffered directly or indirectly by Buyer by reason of, or arising out of:

(a) any material breach of representation or warranty made by Sellers pursuant to this Agreement,

(b) any material failure by Sellers to perform or fulfill any of their covenants or agreements set forth in this Agreement,

(c) any material failure by Sellers to pay or perform when due any of their liabilities or obligations arising out of or related to the business of the Newspaper which have not been assumed by Buyer hereunder, or

(d) any litigation, proceeding or claim by any third party relating to the business or operations of the Newspaper prior to the Closing Date.

9.3 Indemnification of Sellers. Buyer agrees that that it shall indemnify, defend and hold Sellers harmless from and against any and all Loss and Expense suffered directly or indirectly by Sellers by reason of, or arising out of:

(a) any material breach of representation or warranty made by Buyer pursuant to this Agreement,

(b) any material failure by Buyer to perform or fulfill any of its covenants or agreements set forth in this Agreement,

(c) any material failure by Buyer to pay or discharge on or subsequent to the Closing Date any liabilities or obligations assumed by Buyer hereunder or incurred or first required to be performed by Buyer on or after the Closing Date, including without limitation, claims from prepaid subscribers or advertisers whose pre-paid balances are transferred to Buyer.

(d) any litigation, proceeding or claim by any third party relating to the business or operation of the Newspaper on or after the Closing Date,

(e) any claims of wrongful termination or discrimination by Newspaper employees (including any employee of the Newspaper whether before or after Closing) arising out of Buyer's acts or omissions,

(f) any severance claims by union-represented Newspaper employees (including any union-represented employee of the Newspaper whether before or after Closing) (subject to Sellers' payment obligation set forth in the last sentence of Section 10.4).

9.4 Notice of Claims. If Sellers or Buyer believes that they have suffered or incurred any Loss and Expense, such party shall notify the other party promptly in writing and within the applicable time period specified in Section 9.1, describing such Loss and Expense, the amount thereof, if known, and the method of computation of such

Loss and Expense, all with reasonable particularity and containing a reference to the provisions of this Agreement in respect of which such Loss and Expense shall have occurred. The amount of the Loss and Expense set forth in the notice shall not be a limitation on any claim for the actual amount of such Loss and Expense, however.

9.5 Defense of Third Party Claims. If any action at law or suit in equity is instituted by a third party (a "Claim") with respect to which any of the parties intends to claim a Loss and Expense under this Article IX such party shall promptly notify the indemnifying party of such action or suit. The indemnifying party shall have the right to conduct and control any Claim through counsel of its own choosing, but the indemnified party may, at its election, participate in the defense of any such Claim at its sole cost and expense. If the indemnifying party does not notify the indemnified party within 30 days after receipt of the notice specified in this Section 9.5 that it is defending any such Claim, then the indemnified party may defend such Claim and settle such Claim, through counsel of its own choosing, and recover from the indemnifying party the amount of such settlement or of any judgment and the costs and expenses of such defense, including, but not limited to, reasonable attorneys' fees and disbursements.

Notwithstanding the foregoing, the failure by a party to abide by these terms and conditions shall not affect the other party's obligations to indemnify such party against Loss and Expense under this Article IX.

ARTICLE X. Miscellaneous Provisions

10.1 Risk of Loss. The risk of any loss, damage or destruction to any of the Assets to be transferred to Buyer hereunder from fire or other casualty or cause shall be borne by the Sellers at all times prior to the Closing Date hereunder.

10.2 Abandonment of Agreement. This Agreement may be terminated by Sellers or Buyer at any time prior to the Closing Date:

- (a) by the mutual consent of all parties hereto; or
- (b) by Sellers if any of the conditions provided in Article VII hereof has

not been fulfilled by the time required and has not been waived, subject to the determination of Magistrate Judge Barry Kurren that any such condition has not been fulfilled; or

- (c) by Buyer if any of the conditions provided in Article VIII hereof has not been fulfilled by the time required and has not been waived, subject to the determination of Magistrate Judge Barry Kurren that any such condition has not been fulfilled; or
- (d) by Buyer, if Buyer has not obtained and secured a supply of newsprint on terms and conditions satisfactory to it to carry on the publication of the Newspaper by November 30, 2000; or
- (e) by Buyer, if Buyer has not entered into an agreement with the Guild dealing with the terms and conditions of employment of those employees who are members of the Guild by November 30, 2000;
- (f) by any party hereto, if Buyer has not obtained the Guild's written consent, in form satisfactory to the parties, to Sellers' retention of the Retirement Plan for Bargaining Unit Employees of *Honolulu Star-Bulletin* (the "Plan"), the Plan assets, and all obligations under the Plan by November 30, 2000.
- (g) by any party hereto, if Buyer, the Guild and Liberty Newspapers Limited Partnership ("Liberty"), have not executed an agreement, in form satisfactory to the parties, pursuant to which the Guild waives as against Buyer and Liberty any severance claim in favor of its employees arising solely out of the purchase and sale transaction contemplated by this Agreement by November 30, 2000.
- (h) by any party hereto if the Closing has not been fully completed by March 15, 2001, subject to the provisions of Section 10.3.

10.3 Liabilities Upon Abandonment. In the event this Agreement is terminated pursuant to Section 10.2 above, no party hereto shall have any liability to the other party for costs, expenses, damages, loss of anticipated profits or otherwise, unless the termination occurs because of any material misrepresentation or material breach of warranty by a party hereto or the failure of substantial performance of, or substantial compliance with, any covenant or agreement contained in this Agreement such as would prevent Closing hereunder. In the event either party fails to close when required to do so

under the terms of this Agreement, the other party shall have the right to seek specific performance of this Agreement.

10.4 Expenses. Except as otherwise provided herein, all costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby will be paid by the party incurring such costs and expenses. Sellers shall pay one-half of the first \$100,000 incurred by Buyer for severance payments made by Buyer to Newspaper employees (including any employee of the Newspaper whether before or after Closing) within two (2) years after Closing. The amount of Sellers' reimbursement payments to Buyer shall not be applied towards Sellers' maximum aggregate liability set forth in Section 9.1(b).

10.5 [Intentionally Omitted]

10.6 Waiver of Compliance. Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement or condition herein may be waived by the other party only by a written instrument signed by the party granting the waiver. Any such waiver or failure to insist upon strict compliance with a term of this Agreement shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure to comply.

10.7 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given when delivered by hand or by facsimile transmission or mailed by registered or certified mail (return receipt requested), postage prepaid, to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

(a) If to Sellers, to:

Gannett Pacific Corporation
605 Kapiolani Boulevard
Honolulu, Hawaii 96801

Hawaii Newspaper Agency Limited Partnership
605 Kapiolani Boulevard
Honolulu, Hawaii

Attn: Publisher
Fax: 808-525-8685

with a copy to:

General Counsel
Gannett Co., Inc.
1100 Wilson Boulevard
Arlington, VA 22234
Fax: 703-558-3897

(b) If to Buyer, to:

David Black
3175 Beach Drive
Victoria, British Columbia
Canada V8R 6L7
Fax No. 250-370-2294

with a copy to:

Les Jamieson
Patterson Adams
707 Fort Street
Fourth Floor
Victoria, BC V8W 2T6
Fax No.: 250-360-2979

DDW
AND PERMITTED ASSIGNMENT
JMM

10.8 Assignment. This Agreement and all of its terms shall be binding upon and inure to the benefit of the parties and their respective successors. This Agreement shall not be assigned by any party hereto and any purported assignment shall be void, except that Buyer may assign its rights and obligations under this Agreement to an affiliate of Buyer, provided that Buyer remains liable for all of its obligations under this Agreement.

10.9 Governing Law. This Agreement shall be governed by, construed and

enforced in accordance with the laws of the State of Hawaii.

10.10 Public Announcements. No public announcement (including an announcement to employees) or press release concerning the transactions provided for herein shall be made by any party without the prior written approval of the other party, except as may be required by law.

10.11 No Third Party Rights. Nothing in this Agreement shall be deemed to create any right on the part of any person or entity not a party to this Agreement.

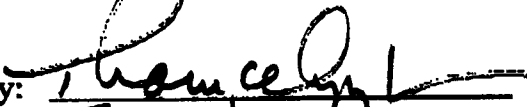
10.12 Waiver of Jury Trial. Sellers and Buyer specifically waive any right to trial by jury in any court with respect to any contractual, tortious or statutory claim, counterclaim or crossclaim against the other arising out of or connected in any way to this Agreement because the parties hereto, all of whom are represented by counsel, believe that the complex commercial aspects of their dealing with one another make a jury determination neither desirable nor appropriate.

10.13 Counterparts. This Agreement may be executed in identical counterparts and each counterpart hereof shall be deemed to be an original instrument, but all counterparts hereof taken together shall constitute a single document.

10.14 Entire Agreement; Amendments. This Agreement, including the Exhibits and Schedules hereto and the documents delivered hereunder, embodies the entire agreement and understanding of the parties in respect of the subject matter hereof, and supersedes all prior agreements and understandings among the parties. This Agreement may not be amended except in a writing signed by all parties.


The parties have caused this Agreement to be signed of the date first above written.

GANNETT PACIFIC CORPORATION

By: 
Title: Secretary

HAWAII NEWSPAPER AGENCY LIMITED PARTNERSHIP

By: Gannett Pacific Corporation, General Partner

By: 
Title: Secretary

BLACK PRESS LTD.

By: _____
Title: _____

The parties have caused this Agreement to be signed of the date first above written.

GANNETT PACIFIC CORPORATION

By: _____
Title: _____

HAWAII NEWSPAPER AGENCY LIMITED PARTNERSHIP

By: Gannett Pacific Corporation, General Partner

By: _____
Title: _____

BLACK PRESS LTD.

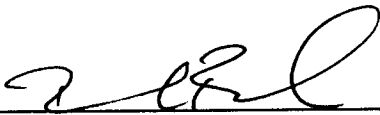
By:  _____
Title: PRESIDENT

EXHIBIT A

1. Morgue

For a period of four years after Closing, at Buyer's request and cost, Buyer may make copies, using Buyer's personnel under the supervision of Seller's personnel, of Seller's *Honolulu Star-Bulletin* materials that are maintained in HNA's morgue for Buyer's use solely in continuing publication of the *Honolulu Star-Bulletin* as a daily newspaper and purposes related thereto, whether in print, Internet or other media. Requested materials will be made available to Buyer's employees at the premises during hours when the morgue librarians are present and will be signed out and returned as soon as practicable.

2. Distribution Records

Sellers will provide truck routing, truck manifests and route map (in electronic form, if available) to Buyer twenty-one (21) calendar days before Closing.

3. Newspaper Boxes and Newsstand Locations

Sellers will provide schedules of *Honolulu Star-Bulletin* newsrack locations and single copy outlets (including names, addresses, and phone numbers, if available) twenty-one (21) calendar days before Closing.

4. Carrier Records

Sellers will provide the names, business addresses, and phone numbers of carriers contracted by HNA to deliver the Honolulu Star-Bulletin to Buyer twenty-one (21) calendar days before Closing.

5. Subscriber List

Sellers will provide the then-current *Honolulu Star-Bulletin* subscription list, including names, complete addresses, phone numbers, account balances, route numbers, and frequency of delivery (in electronic form, if available) to Buyer twenty-one (21) calendar days before Closing.

6. Advertiser List

Sellers will provide the list of contract advertisers that have advertised in the *Honolulu Star-Bulletin* within the last year and copies of the *Honolulu Star-Bulletin* only advertising contracts (with pricing information redacted) to Buyer twenty-one (21) calendar days before Closing.

7. Telephone Numbers

Sellers will cooperate in transferring the telephone numbers for the *Honolulu Star-Bulletin* newsroom to Buyer.

8. Permits

Sellers will cooperate with Buyer to transfer (i) any *Honolulu Star-Bulletin* permits/licenses for dispensing racks in the Waikiki special district and Kalakaua Avenue District to the extent such permits have not expired by Closing and (ii) any pending applications for *Honolulu Star-Bulletin* permits/licenses which have not been issued by Closing. As to permits which expire before closing, Seller and Buyer shall be free to compete for those licenses and Seller agrees not to object to Buyer's bid on the grounds that it has not yet closed on the purchase of the Star-Bulletin.

9. Fixed Assets (identified to HSB as of December 31, 1999)

FURNITURE-STAR BULLETIN
3 MACINTOSH WRKSTNS SR ED/MG E
1994 HONDA ACCORD-PUBLISHER
PWR MAC 7600
QUARK
PC/MONITOR/ACCESS
KODAK FILM SCAN/LIC/TAX
POWER MAC 7500
POWER MAC 8500
DELL DIM PENTIUM PC WORKSTATION
POWER MAC 8500
SEAGATE HD/PERIPHERALS (HSB)
MAC 9659/350 (HSB)
POWER MAC 9600/300/DISPLAY 1
POWER MAC 9600/300/DISPLAY 2
POWER MAC 9600/300/DISPLAY 3
SYSTEM UPGRADES
800 (approx.) NEWSRACKS
TWO NEWSROOM VANS
ONE WEB SERVER

Any software licenses owned by Seller used in connection with the above-listed Assets to the extent assignable.

Any carrier bags imprinted with the *Honolulu Star-Bulletin* logo.