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*Proposed Counsel to the Debtors
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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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:
In re: :
: **Chapter 11 Case No.**
:
STAR TRIBUNE HOLDINGS : **09-10244 (___)**
CORPORATION, et al., :
: **(Jointly Administered)**
:
Debtors.¹ :
----- X

**DEBTORS' MOTION PURSUANT TO SECTIONS 105(a) AND 362 OF THE
BANKRUPTCY CODE FOR AN ORDER ESTABLISHING NOTIFICATION
PROCEDURES AND APPROVING RESTRICTIONS ON CERTAIN
TRANSFERS OF INTERESTS IN THE DEBTORS' ESTATES**

Star Tribune Holdings Corporation (“**Star Tribune Holdings**”) and The Star
Tribune Company (“**Star Tribune**” and, together with Star Tribune Holdings, the
“**Debtors**”) respectfully represent:

Background and Jurisdiction

1. On the date hereof (the “**Petition Date**”), each Debtor commenced with
this Court a voluntary case under chapter 11 of title 11 of the United States Code (the

¹ The Debtors are Star Tribune Holdings Corporation and The Star Tribune Company. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors’ chapter 11 petitions.

“**Bankruptcy Code**”). The Debtors are authorized to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors have filed a motion seeking joint administration of these chapter 11 cases pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”).

2. Additional information about the Debtors’ businesses and the events leading up to the Petition Date can be found in the Affidavit of David W. Montgomery, Chief Financial Officer of Star Tribune, which is incorporated herein by reference.

3. The Court has subject matter jurisdiction to consider this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and may be determined by the Bankruptcy Court. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

Relief Requested

4. By this motion (the “**Motion**”), the Debtors seek entry of an order, substantially in the form attached hereto as Exhibit A, enforcing the automatic stay by implementing court-ordered procedures (the “**Procedures**”) designed to protect the Debtors’ estates against inadvertent stay violations and the possible loss of valuable tax benefits that could flow therefrom. Pursuant to sections 105(a) and 362 of the Bankruptcy Code, the Debtors request authorization (a) to establish and implement restrictions and notification requirements, substantially in the form of Exhibits D, E and F attached hereto, regarding the (i) Ownership (as defined in paragraph 7 below) of the common stock of Star Tribune Holdings (the “**Stock**”), (ii) certain transfers of Stock and

(iii) the taking of a Worthless Stock Deduction (as defined in paragraph 8 below) by any 50-percent shareholder of any Stock and (b) to notify Owners (as defined below) of Stock of the restrictions and notification requirements. The Debtors also seek approval of the form of notice attached hereto as Exhibit C, which will notify holders of Stock whose actions could adversely affect the Debtors' tax assets that the Procedures have been established by order of this Court.

The Debtors' Net Operating Loss and Tax Credit Carryforwards

5. The Debtors file a consolidated U.S. income tax return, and estimate that, as of December 28, 2008, the Debtors have a consolidated net operating loss (“**NOL**”) for U.S. federal income tax purposes of at least \$27.2 million.² Because the Internal Revenue Code permits corporations to carry forward NOL and unused tax credits to offset future income, the Debtors' consolidated NOL and tax credit carryforwards are valuable assets of their estates. *See* I.R.C. § 172.

6. The ability of the Debtors to use their NOL and tax credit carryforwards is subject to certain statutory limitations. One limitation is contained in section 382 of the Internal Revenue Code (“**section 382**”), which, in the case of a corporation that undergoes a change of ownership, limits that corporation's ability to use its NOL and certain other tax attributes to offset future income. For purposes of section 382, a change of ownership occurs when the percentage of a company's equity held by one or more “5-percent shareholders” (as defined in section 382 and the Treasury regulations

² For more information on the Debtors' tax position and the reasons they seek the relief requested herein, please see the Declaration of David Montgomery in support of this Motion, attached hereto as Exhibit B.

promulgated thereunder) increases by more than 50 percentage points over the lowest percentage of stock owned by those shareholders at any time during a three-year rolling period. For example, if a 10-percent holder of the stock of a debtor purchased additional stock and became a 61-percent shareholder, the percentage of stock owned by 5-percent shareholders would have increased by 51 percentage points, thereby causing an “ownership change.”³ *See also* I.R.C. § 383 (extending section 382 to tax credits).

7. For the reasons discussed below, and consistent with the automatic stay, the Debtors need the ability to enforce the stay to preclude certain transfers and to monitor and possibly object to other changes in the ownership of Stock. (For purposes of this Motion, ownership of Stock or an interest in Stock (“**Ownership**”) shall be determined in accordance with applicable rules under section 382 of the Internal Revenue Code and thus shall include, but not be limited to, direct and indirect ownership (*e.g.*, the partners in a partnership would be considered to own their proportionate share of shares held by the partnership), ownership by members of a person’s family and persons acting in concert and, in certain cases, the creation or issuance of an option (in any form). Any variation of the term Ownership (*e.g.*, “Own” or “Owner”)⁴ shall have the same meaning, and an “option” to acquire stock shall include any contingent purchase, warrant,

³ For purposes of section 382, a sale of shares owned by a 5-percent shareholder is treated as creating a new 5-percent shareholder, even if none of the buyers of the shares individually acquires a 5-percent block of shares. *See* Treas. Reg. § 1.382-2T(j)(3)(i). For example, if a 61-percent shareholder sold stock to the public such that his percentage ownership in the corporation was reduced to 5 percent, the public group that purchased the stock would be treated as increasing its ownership in the corporation by 56 percentage points, thereby causing an “ownership change” even if no single person acquired a 5-percent interest in the corporation.

⁴ Currently, the Debtors believe that the Owners of Stock consist solely of Avista Capital Partners, L.P., Avista Capital Partners (Offshore), L.P. and The Christopher M. Harte 1992 Family Trust, and any of their respective transferees.

convertible debt, put, stock subject to risk of forfeiture, contract to acquire stock or similar interest, regardless of whether it is contingent or otherwise not currently exercisable.) Specifically, trading of Stock during the pendency of the case could adversely affect the Debtors' ability to utilize their NOL and other tax attributes described above if too many 5-percent or greater blocks of equity securities are created through purchases, sales or issuances, or if too many shares are added to or sold from such blocks, such that, together with the previous trading by 5-percent shareholders during the preceding three-year period, a section 382 ownership change is triggered prior to the consummation of a confirmed chapter 11 plan ("**Plan of Reorganization**").

8. For purposes of section 382, if a 50-percent shareholder treats any Stock as worthless for federal income tax purposes, and certain other conditions apply (a "**Worthless Stock Deduction**"), that Stock is considered transferred to a new 5-percent shareholder. *See* I.R.C. § 382(g)(4)(D). Therefore, if a 50-percent shareholder were to take a Worthless Stock Deduction with respect to more than 50 percent of the Stock, an ownership change would occur.

9. A section 382 ownership change generally results in an annual limitation on the amount of NOL and certain other tax attributes that can be utilized to offset future income. Subject to a number of potentially applicable adjustments, this limitation is generally equal to the product of (a) the equity value of the debtor immediately before the change in ownership multiplied by (b) a long-term tax-exempt rate prescribed by the U.S. Treasury (5.49 percent for the month of January 2009). If Star Tribune Holdings were to undergo an ownership change at a time prior to reorganization, the resulting annual

limitation could effectively eliminate the potential value of its NOL to offset income or gain generated during the pendency of the case (including any gain on the disposition of assets).

Trading Restrictions and Notification Requirements

10. In light of the above, the Debtors seek to implement the following trading restrictions and notification requirements:

(a) **Star Tribune Holdings Stock Ownership, Acquisition and Disposition.**

(i) **Notice of Substantial Ownership of Stock.** Any person or entity who is or becomes an Owner of at least 4.75 percent of the issued and outstanding Stock as of the Petition Date (approximately 52,012 shares) (a “**Substantial Equityholder**”) must, on or before the later of (A) 15 days after the Court’s entry of an order approving these Procedures or (B) 10 days after that person or entity becomes a Substantial Equityholder, serve on the Debtors and their attorneys a notice containing the ownership information substantially in the form of Exhibit D attached hereto.

(ii) **Advance Notice of Certain Proposed Acquisitions of Stock.** Prior to any person or entity purchasing, acquiring or otherwise obtaining Ownership of Stock (including an option to acquire Stock) that would either (A) result in an increase in the amount of Stock Owned by a Substantial Equityholder or (B) result in a person or entity becoming a Substantial Equityholder (a “**Stock Acquisition Transaction**”), such

person or entity must file with this Court and serve on the Debtors and their attorneys a notice in the form of Exhibit E attached hereto.

(iii) Advance Notice of Certain Proposed Dispositions of Stock.

Prior to any person or entity who is a Substantial Equityholder selling, exchanging or otherwise disposing of an Ownership interest in Stock (including an option to acquire Stock) (a “**Stock Disposition Transaction**” and, together with Stock Acquisition Transactions, “**Stock Transactions**”) such person or entity must file with this Court and serve on the Debtors and their attorneys a notice in the form of Exhibit F attached hereto. For purposes of this notice, a Stock Disposition Transaction shall include the treatment by any person who is a “50-percent shareholder” (within the meaning of Section 382(g)(4)(D) of the Internal Revenue Code) of any Stock as worthless for federal income tax purposes (a “**Worthless Stock Deduction**”) for any taxable year prior to the taxable year in which a Plan of Reorganization is confirmed.

(iv) The Debtors shall have 15 days after receipt of any notice described in sub-paragraph (ii) or (iii) above to object to the Stock Transaction on the grounds that the transfer may adversely affect the Debtors’ ability to utilize their NOL and other tax attributes. If the Debtors file an objection to the Stock Transaction, such Stock Transaction may not be consummated and, if consummated in violation of this Court’s order, will not be deemed effective, unless approved by a final and

nonappealable order of this Court. If the Debtors do not object within the 15-day period, the Stock Transaction may proceed solely as set forth in the notice. Further Stock Transactions within the scope of sub-paragraph (ii) above must be the subject of additional notices as set forth herein with an additional 15-day waiting period. If the Debtors voluntarily advise the party proposing to acquire or dispose of Stock, in writing before the fifteenth day, that they do not object, the party may proceed to acquire or dispose of the subject Stock.

(b) Debtors' Right to Waive. The Debtors may waive, in writing, any and all restrictions, stays and notification procedures contained in this Motion.

(c) Rule 3001(e) of the Federal Rules of Bankruptcy Procedure. The application of Rule 3001(e) of the Federal Rules of Bankruptcy Procedure shall be unaffected by these trading restriction and notification requirements.

**Ample Support Exists for the Proposed
Restrictions and Notification Requirements**

11. It is well-established that a debtor's NOL carryforwards are property of its estate that is protected by section 362 of the Bankruptcy Code. The Court of Appeals for the Second Circuit, in its seminal decision *Official Committee of Unsecured Creditors v. PSS Steamship Co. (In re Prudential Lines Inc.)*, 928 F.2d 565 (2d Cir. 1991), affirmed the application of the automatic stay and upheld a permanent injunction against a parent corporation that sought to take a Worthless Stock Deduction with regard to the stock of its subsidiary—the debtor in that case. Because taking the Worthless Stock Deduction would have adversely affected the subsidiary's ability to use its NOL carryforwards post-

bankruptcy, the Second Circuit held that the debtor's NOL carryforwards were property of the estate under the broad language of section 541 of the Bankruptcy Code:

Including NOL carryforwards as property of a corporate debtor's estate is consistent with Congress' intention to "bring anything of value that the debtors have into the estate." Moreover, "[a] paramount and important goal of Chapter 11 is the rehabilitation of the debtor by offering breathing space and an opportunity to rehabilitate its business and eventually generate revenue." Including the right to a NOL carryforward as property of [the debtor's] bankruptcy estate furthers the purpose of facilitating the reorganization of [the debtor].

Id. at 573 (citations omitted); *see also Gibson v. United States (In re Russell)*, 927 F.2d 413, 417 (8th Cir. 1991) (stating that the "right to carry forward the [debtor's] NOLs" was "property interest" of the estate); *Nisselson v. Drew Indus., Inc. (In re White Metal Rolling & Stamping Corp.)*, 222 B.R. 417, 424 (Bankr. S.D.N.Y. 1998) ("It is beyond peradventure that NOL carrybacks and carryovers are property of the estate of the loss corporation that generated them."). In *Prudential Lines*, the Second Circuit held that the parent corporation's attempt to claim a worthless stock deduction in stock of its debtor subsidiary would effectively eliminate the value of the debtor's NOL carryforwards and thus would be an act to exercise control over estate property in violation of the automatic stay under section 362 of the Bankruptcy Code.

12. Section 362(a) of the Bankruptcy Code operates as a stay of, among other things, "any act to obtain possession of property of the estate or of property from the estate or to exercise control over property of the estate." 11 U.S.C. § 362(a)(3). Accordingly, "where a non-debtor's action with respect to an interest that is intertwined with that of a bankrupt debtor would have the legal effect of diminishing or eliminating

property of the bankrupt estate, such action is barred by the automatic stay.” *Prudential Lines*, 928 F.2d at 574 (quoting *48th St. Steakhouse v. Rockefeller Group, Inc. (In re 48th St. Steakhouse, Inc.)*, 835 F.2d 427, 431 (2d Cir. 1987)). The Second Circuit therefore opined that, “despite the fact that the [parent corporation’s] action is not directed specifically at [the debtor subsidiary], it is barred by the automatic stay as an attempt to exercise control over property of the estate.” *Id.*

13. The Second Circuit also held that the permanent injunction was supported by the court’s equitable powers pursuant to section 105(a) of the Bankruptcy Code, and refused to disturb the bankruptcy court’s finding that elimination of the debtor’s ability to apply its NOL to offset income on future tax returns would impede its reorganization. *Id.*

14. Similarly, in *In re Phar-Mor, Inc.*, 152 B.R. 924 (Bankr. N.D. Ohio 1993), chapter 11 debtors moved to prohibit any transfer of the debtors’ stock that could have triggered the section 382 limitation. The court held that the NOL qualified as property of the estate, and issued an injunctive order to protect those assets and enforce the automatic stay. Significantly, the court granted the relief requested even though the stockholders did not state any intent to sell their stock and even though the debtors did not show that a sale was pending that would trigger the section 382 change in ownership. *See id.* at 927. The court observed that “[w]hat is certain is that the *NOL has a potential value, as yet undetermined*, which will be of benefit to creditors and will assist [d]ebtors in their reorganization process. This asset is entitled to protection while [d]ebtors move forward toward reorganization.” *Id.* (emphasis added). The court also concluded that, because

the debtors were seeking to enforce the stay, they did not have to meet the more stringent requirements for a grant of preliminary injunctive relief:

The requirements for enforcing an automatic stay under 11 U.S.C. § 362(a)(3) do not involve such factors as lack of an adequate remedy at law, or irreparable injury, or loss and a likelihood of success on the merits. The key elements for a stay . . . are the existence of property of the estate and the enjoining of all efforts by others to obtain possession or control of property of the estate.

Id. at 926 (quoting *In re Golden Distributions, Inc.*, 122 B.R. 15, 19 (Bankr. S.D.N.Y. 1990)).

15. Numerous courts in this and other districts have either prohibited or otherwise restricted equity trading to protect a debtor against the possible loss of its NOL carryovers. See, e.g., *In re Frontier Airlines Holdings, Inc.*, Case No. 08-11298 (RDD) (Bankr. S.D.N.Y. June 3, 2008) (establishing notification and hearing procedures for trading in equity securities); *In re Wellman, Inc.*, Case No. 08-10595 (SMB) (Bankr. S.D.N.Y. Apr. 10, 2008) (same); *In re Ampex Corp.*, Case No. 08-11094 (AJG) (Bankr. S.D.N.Y. Apr. 8, 2008) (same); *In re DJK Residential LLC*, Case No. 08-10375 (JMP) (Bankr. S.D.N.Y. Feb. 25, 2008) (same); *In re Dana Corporation*, Case No. 06-10354 (Bankr. S.D.N.Y. Aug. 9, 2006) (same); *In re WorldCom, Inc.*, Case No. 02-13533 (AJG) (Bankr. S.D.N.Y. Mar. 5, 2003) (restricting acquisitions of stock above a certain threshold and establishing notification requirements for certain acquisitions of claims); *In re Ames Dept's Stores, Inc.*, Case No. 01-42217 (REG) (Bankr. S.D.N.Y. Aug. 21, 2001) (enjoining trading of certain senior notes and common stock, and establishing notice and hearing procedures for certain acquisitions of general unsecured claims); *In re Casual Male Corp.*, Case No. 01-41404 (REG) (Bankr. S.D.N.Y. May 18, 2001) (same);

In re UAL Corporation, Case No. 02-B-48191 (ERW) (Bankr. E.D. Ill. Feb. 21, 2003) (establishing notification procedures for certain transfers of claims or equity securities); *In re US Airways Group, Inc.*, Case No. 02-83984 (SSM) (Bankr. E.D. Va. Oct. 2, 2002) (establishing notification and hearing procedures for trading in claims or equity securities). *But see In re UAL Corp.*, 412 F.3d 775 (7th Cir. 2005) (disapproving in dicta the bankruptcy court's reliance on sections 105(a) and 362(a)(3) to enforce automatic stay restricting equity trading that could jeopardize debtor's ability to use NOL).

16. In short, it is well-settled by courts in this and other circuits that section 362(a)(3) stays actions that could adversely affect a debtor's NOL carryforwards.

**The Proposed Notice and Approval Procedures Are Necessary
and in the Best Interests of the Debtors, Their Estates and Their Creditors**

17. The proposed restrictions and notice and approval Procedures are necessary to protect the Debtors' NOL and tax credit carryforwards, which are valuable assets of the Debtors' estates. The Debtors' ability to meet the requirements of the tax laws to protect their NOL and tax credit carryforwards may be seriously jeopardized unless procedures are established to ensure that certain trading in Stock and certain Worthless Stock Deductions are either precluded or closely monitored and made subject to Court approval. The Procedures are also, however, narrowly tailored (to the extent the law and the Debtors' circumstances allow); they provide appropriate latitude for trading in Stock below specified levels and allow shareholders who are not "50-percent shareholders" for purposes of the Internal Revenue Code to take Worthless Stock Deductions.

18. The relief requested herein is tailored as narrowly as is reasonable to permit certain Stock trading to continue, subject only to Rule 3001(e) of the Federal Rules of Bankruptcy Procedure and applicable securities, corporate and other laws. The proposed restrictions on trading of Stock are crucial because once Stock is transferred, the transaction arguably might not be reversible for tax purposes, though it should be null and void under section 362 of the Bankruptcy Code. Furthermore, it is unclear to what extent a Worthless Stock Deduction can ever be undone by means of an amended return or even through court action. The relief requested is, therefore, critical to prevent what may be an irrevocable loss of the Debtors' NOL and tax credit carryforwards.

Interim Order

19. The Debtors seek the relief requested in this Motion in the form of the interim order (the "**Interim Order**") attached hereto. Within five business days of the entry of the Interim Order, the Debtors shall serve a notice in substantially the form of Exhibit C attached to the Motion describing the authorized transfer restrictions and notification requirements on (a) the Office of the United States Trustee for the Southern District of New York, (b) the holders of record of the common stock of Star Tribune Holdings, (c) those creditors holding the five largest secured claims against the Debtors' estates on a consolidated basis, (d) those creditors holding the 30 largest unsecured claims against the Debtors' estates on a consolidated basis, (e) the Internal Revenue Service, (f) attorneys to the agent for the Debtors' first lien pre-petition lenders, (g) attorneys to an ad hoc committee of the Debtors' second-lien pre-petition lenders and (h) Avista Capital Partners (collectively, the "**Notice Parties**").

20. The deadline to file an objection (“**Objection**”) to the Motion shall be 4:00 p.m. (prevailing Eastern Time) on the date set forth in the Order (the “**Objection Deadline**”). An Objection shall be considered timely if it is (i) filed with the Court, One Bowling Green, New York, New York 10004 and (ii) actually received on or before the Objection Deadline by (a) the Office of the U.S. Trustee, 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Brian Masumoto, (b) attorneys for the Debtors, Davis Polk & Wardwell, 450 Lexington Avenue, New York, New York 10017, Attn: Marshall S. Huebner and Timothy E. Graulich, (c) attorneys for any official committee then-appointed in these cases and (d) attorneys to the agent for the Debtors’ first lien pre-petition lenders, Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, Attn: Mark A. Broude.

21. Unless otherwise ordered by the Court, a reply to an Objection may be filed with the Court and served on or before 12:00 p.m. (prevailing Eastern Time) on the day that is at least two business days before the date of the applicable hearing.

22. If no Objections are timely filed and served, as set forth herein, the Debtors shall, on or after the Objection Deadline, submit to the Court a final order granting the relief requested herein, which order shall be submitted and may be entered with no further notice or opportunity to be heard afforded to any party, and the Motion shall be approved *nunc pro tunc* to the date of the commencement of these chapter 11 cases. If an Objection is timely filed, a hearing will be held at the U.S. Bankruptcy Court for the Southern District of New York, Alexander Hamilton Custom House, One Bowling Green, New York, NY 10004, at a date and time to be established by the Court.

23. Until the Court enters a final order, any acquisition or disposition of Stock by an Owner after the Petition Date in violation of the Procedures set forth above shall be null and void *ab initio* as an act in violation of the automatic stay prescribed by section 362 of the Bankruptcy Code and pursuant to this Court's equitable power prescribed in section 105(a) of the Bankruptcy Code.

24. The foregoing notice procedures satisfy due process and the strictures of Bankruptcy Rule 9014 by providing the counterparties with a notice and an opportunity to object and be heard at a hearing. *See, e.g., Harada v. DBL Liquidating Trust (In re Drexel Burnham Lambert Group, Inc.)*, 160 B.R. 729, 733 (S.D.N.Y. 1993) (indicating that opportunity to present objections satisfies due process); *Flynn v. Eley (In re Colo. Mountain Cellars, Inc.)*, 226 B.R. 244, 246 (D. Colo. 1998) (noting that hearing is not required to satisfy Bankruptcy Rule 9014). Furthermore, the proposed notice procedures protect the due process rights of the parties in interest without unnecessarily exposing the Debtors' estates to unwarranted administrative expenses.

25. The Debtors believe that the above measures constitute a sufficient and cost-effective way of providing notice of the Procedures described above.

Notice

26. No trustee, examiner, or creditors' committee has been appointed in these chapter 11 cases. The Debtors have served notice of this Motion on the Notice Parties.

No Previous Request

27. No previous request for the relief sought herein has been made by the Debtors to this or any other court.

WHEREFORE, the Debtors respectfully request that the Court grant the relief requested herein and such other and further relief as is just and proper.

New York, New York
Dated: January 15, 2009

By: /s/ Marshall S. Huebner
Marshall S. Huebner
Timothy E. Graulich
Lynn I. Poss

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*Proposed Counsel to the Debtors
and Debtors in Possession*

EXHIBIT A

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

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:
In re: :
: **Chapter 11 Case No.**
:
STAR TRIBUNE HOLDINGS : **09-10244 (___)**
CORPORATION, et al., :
: **(Jointly Administered)**
:
Debtors.¹ :
----- X

**INTERIM ORDER PURSUANT TO SECTIONS 105(a) AND 362 OF
THE BANKRUPTCY CODE ESTABLISHING NOTIFICATION
PROCEDURES AND APPROVING RESTRICTIONS ON CERTAIN
TRANSFERS OF INTERESTS IN THE DEBTORS' ESTATES**

Upon the motion (the “**Motion**”)² of Star Tribune Holdings Corporation (“**Star Tribune Holdings**”) and The Star Tribune Company (“**Star Tribune**” and, together with Star Tribune Holdings, the “**Debtors**”), for an order (the “**Interim Order**”) pursuant to sections 105(a) and 362 of the Bankruptcy Code establishing notification procedures and approving restrictions on certain transfers of interests in the Debtors’ estates, as more fully described in the Motion; and upon consideration of the Affidavit of David W. Montgomery filed in support of the Debtors’ first-day pleadings; and the Court having subject matter jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § 1334 and the Standing Order of Referral of Cases to Bankruptcy Court Judges of the District Court for the Southern District of New York dated July 10,

¹ The Debtors are Star Tribune Holdings Corporation and The Star Tribune Company. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors’ chapter 11 petitions.

² Unless otherwise defined herein, each capitalized term shall have the meaning ascribed to such term in the Motion.

1984 (Ward, Acting C.J.); and consideration of the Motion and the requested relief being a core proceeding the Bankruptcy Court can determine pursuant to 28 U.S.C. § 157(b)(2); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to (a) the Office of the United States Trustee for the Southern District of New York, (b) the holders of record of the common stock of Star Tribune Holdings (the “**Stock**”), (c) those creditors holding the five largest secured claims against the Debtors’ estates on a consolidated basis, (d) those creditors holding the 30 largest unsecured claims against the Debtors’ estates on a consolidated basis, (e) the Internal Revenue Service, (f) attorneys to the agent for the Debtors’ first lien pre-petition lenders, (g) attorneys to an ad hoc committee of the Debtors’ second-lien pre-petition lenders and (h) Avista Capital Partners and it appearing that no other or further notice need be provided; and the relief requested in the Motion being in the best interest of the Debtors and their estates and creditors; and the Court having reviewed the Motion and having held a hearing with appearances of parties in interest noted in the transcript thereof (the “**Hearing**”); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted; and it is further

ORDERED that until further order of this Court to the contrary, any sale or other transfer, including a Worthless Stock Deduction (as defined below), in violation of the procedures set forth below shall be null and void *ab initio* as an act in violation of the automatic stay prescribed in section 362 of the Bankruptcy Code and pursuant to this

Court's equitable power prescribed in section 105(a) of the Bankruptcy Code; and it is further

ORDERED that the following procedures and restrictions are imposed and approved:

- (a) Star Tribune Stock Ownership, Acquisition and Disposition.
 - (i) Notice of Substantial Ownership of Stock. Any person or entity who is or becomes an Owner of at least (i) 4.75 percent of the issued and outstanding Stock as of the Petition Date (approximately 52,012 shares) (a "**Substantial Equityholder**,") must, on or before the later of (A) 15 days after the Court's entry of an order approving these Procedures or (B) 10 days after that person or entity becomes a Substantial Equityholder, serve on the Debtors and their attorneys a notice containing the ownership information substantially in the form of Exhibit D attached to the Motion.
 - (ii) Advance Notice of Certain Proposed Acquisitions of Stock. Prior to any person or entity purchasing, acquiring or otherwise obtaining Ownership of Stock (including an option to acquire Stock) that would either (i) result in an increase in the amount of Stock Owned by a Substantial Equityholder or (ii) result in a person or entity becoming a Substantial Equityholder (a "**Stock Acquisition Transaction**"), such person or entity must file with this Court and serve on the Debtors and their attorneys a notice in the form of Exhibit E attached to the Motion.

(iii) Advance Notice of Certain Proposed Dispositions of Stock.

Prior to any person or entity who is a Substantial Equityholder selling, exchanging or otherwise disposing of an Ownership interest in Stock (including an option to acquire Stock) (a “**Stock Disposition Transaction**” and together with Stock Acquisition Transactions, “**Stock Transactions**”) such person or entity must file with this Court and serve on the Debtors and their attorneys a notice in the form of Exhibit F attached to the Motion. For purposes of this Order, a Stock Disposition Transaction shall include the treatment by any person who is a “50-percent shareholder” (within the meaning of Section 382(g)(4)(D) of the Internal Revenue Code) of any Stock as worthless for federal income tax purposes (a “**Worthless Stock Deduction**”) for any taxable year prior to the taxable year in which a Plan of Reorganization is confirmed.

(iv) The Debtors shall have 15 days after receipt of any notice described in paragraph (ii) or (iii) above to object to the Stock Transaction on the grounds that the transfer may adversely affect the Debtors’ ability to utilize their NOL and other tax attributes. If the Debtors file an objection to the Stock Transaction, it may not be consummated, and, if consummated in violation of this Court’s order, will not be deemed effective, unless approved by a final and nonappealable order of this Court. If the Debtors do not object within the 15-day period, the Stock Transaction may proceed solely as set forth in the notice. Further Stock Transactions within the scope of paragraph (ii) above must be the subject

of additional notices as set forth herein with an additional 15-day waiting period. If the Debtors voluntarily advise the party proposing to acquire or dispose of Stock, in writing before the fifteenth day, that they do not object, the party may proceed to acquire or dispose of the subject Stock.

(b) For purposes of this Interim Order, “**Ownership**” of Stock or an interest in Stock shall be determined in accordance with applicable rules under section 382 of the Internal Revenue Code and thus shall include, but not be limited to, direct and indirect ownership (*e.g.*, the partners in a partnership would be considered to Own their proportionate share of shares held by the partnership), ownership by members of a person’s family and persons acting in concert and, in certain cases, the creation or issuance of an option (in any form). Any variation of the term Ownership (*e.g.*, “Own” or “Owner”) shall have the same meaning, and an “option” to acquire Stock shall include any contingent purchase, warrant, convertible debt, put, Stock subject to risk of forfeiture, contract to acquire stock or similar interest, regardless of whether it is contingent or otherwise not currently exercisable.

(c) Debtors’ Right to Waive. The Debtors may waive, in writing, any and all restrictions, stays and notification procedures contained in this Motion.

(d) Rule 3001(e) of the Federal Rules of Bankruptcy Procedure. The application of Rule 3001(e) of the Federal Rules of Bankruptcy Procedure shall be unaffected by these trading restriction and notification requirements.

And it is further

ORDERED that within five (5) business days of the entry of this Interim Order, the Debtors shall send to (i) the Office of the United States Trustee for the Southern District of New York and (ii) the holders of record of the Stock of Star Tribune a notice in substantially the form of Exhibit C attached to the Motion describing the authorized transfer restrictions and notification requirements; and it is further

ORDERED that any objection to the relief requested in the Motion on a permanent basis must, by 4:00 p.m. (prevailing Eastern Time) on _____, 2009, be: (i) filed with the Court, One Bowling Green, New York, New York 10004-1408 and (ii) actually received on or before the objection deadline by (a) the Office of the U.S. Trustee, 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Brian Masumoto, (b) attorneys for the Debtors, Davis Polk & Wardwell, 450 Lexington Avenue, New York, New York 10017, Attn: Marshall S. Huebner and Timothy E. Graulich, (c) attorneys for any official committee then-appointed in these cases, (d) attorneys to the agent for the Debtors' first lien pre-petition lenders, Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, Attn: Mark A. Broude; and it is further

ORDERED that a reply to an Objection may be filed with the Court and served on or before 12:00 p.m. (prevailing Eastern Time) on the day that is at least two business days before the date of the applicable hearing; and it is further

ORDERED that if timely objections are received there shall be a hearing held on _____, 2009, at ____:____.m. to consider the timely objections to the Motion; and it is further

ORDERED that if no objections to the Motion are timely filed and served as set forth herein, the Debtors shall, on or after the Objection Deadline, submit to the Court a final order substantially in the form of this Interim Order, which Order shall be submitted and may be entered with no further notice or opportunity to be heard afforded to any party, and the Motion shall be approved *nunc pro tunc* to the date of the commencement of these chapter 11 cases; and it is further

ORDERED that notice of the Motion as provided therein shall be deemed good and sufficient notice of the Motion; and it is further

ORDERED that the requirements set forth in this Interim Order are in addition to the requirements of Rule 3001(e) of the Federal Rules of Bankruptcy Procedure and applicable securities, corporate and other laws, and do not excuse compliance therewith.

New York, New York
Dated: January __, 2009

UNITED STATES BANKRUPTCY JUDGE

EXHIBIT B

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

----- X
:
In re: :
: **Chapter 11 Case No.**
:
STAR TRIBUNE HOLDINGS : **09-10244 (___)**
CORPORATION, et al., :
: **(Jointly Administered)**
:
Debtors.¹ :
----- X

**DECLARATION OF DAVID W. MONTGOMERY IN SUPPORT OF
DEBTORS’ MOTION PURSUANT TO SECTIONS 105(a) AND 362
OF THE BANKRUPTCY CODE FOR AN ORDER ESTABLISHING
NOTIFICATION PROCEDURES AND APPROVING RESTRICTIONS
ON CERTAIN TRANSFERS OF INTERESTS IN THE DEBTORS’ ESTATES**

David W. Montgomery, being duly sworn, hereby deposes and says:

1. I am the Chief Financial Officer of The Star Tribune Company (“**Star Tribune**” and, together with Star Tribune Holdings Corporation (“**Star Tribune Holdings**”), the “**Debtors**”) a debtor and debtor in possession in the above captioned chapter 11 cases. In that capacity, I am familiar with the Debtors’ businesses and financial affairs. I submit this declaration in support of the Debtors’ motion, dated January 15, 2009, for an order pursuant to sections 105(a) and 362 of title 11 of the United States Code (the “**Bankruptcy Code**”) establishing notification procedures and approving restrictions on certain transfers of interests in the Debtors and their estates (the “**Motion**”). Except as otherwise indicated, all facts set forth in this declaration are based upon personal knowledge, my review of relevant documents, discussions with

¹ The Debtors are Star Tribune Holdings Corporation and The Star Tribune Company. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors’ chapter 11 petitions.

appropriate personnel or my opinion based upon experience, knowledge and information about the operations of the Debtors and the newspaper and publishing industry as a whole. If called upon to testify, I would testify competently to the facts set forth in this declaration. The facts set forth from documents would come from business records made in the ordinary course and contemporaneously with the business activity recorded. Unless otherwise indicated, the financial information contained herein is unaudited and provided on a consolidated basis for the Debtors. I have reviewed the Motion and am familiar with it.

The Debtors' Net Operating Losses and Tax Credits

2. As a result of past operating losses, the Debtors have, as of December 28, 2008, consolidated net operating loss (“**NOL**”) carryforwards for U.S. federal income tax purposes estimated to be at least \$27.2 million and no material tax credit carryforwards.

3. Under section 382 of the Internal Revenue Code (“**section 382**”), the Debtors’ ability to use their NOL carryforwards and tax credit carryforwards could be severely limited were they to undergo an ownership change within the meaning of that section (an “**Ownership Change**”) before emergence from chapter 11. Thus, the value of a significant asset of the Debtors could be dramatically reduced if the Debtors’ NOL and tax credit carryforwards were subject to limitation under section 382 due to an Ownership Change taking place in advance of the effective date of a confirmed chapter 11 plan. While the severity of an Ownership Change on the Debtors’ ability to utilize their NOL and tax credit carryforwards might be mitigated by other provisions of section 382, I have been advised that both the law and the facts are sufficiently unclear in this regard. Given this uncertainty, the Debtors believe that it is necessary to avoid an Ownership Change in order to protect a valuable asset of the Debtors’ estates.

4. In general, an Ownership Change of the Debtors would occur if and when a more than 50-percentage point change in the stock ownership of the Debtors occurs (ignoring trading among less than 5-percent shareholders) measured over any three-year period. The Debtors do not believe an Ownership Change has occurred.

The Ability to Use the Debtors' NOL Carryforwards and Tax Credit Carryforwards Fully Is a Valuable Asset of the Debtors' Estates That Will Facilitate Their Reorganization Efforts

5. The Debtors' ability to use their NOL and tax credits may be seriously jeopardized if the Debtors were to undergo an Ownership Change because of certain trading in the common stock of Star Tribune Holdings or the treatment, by 50-percent shareholders, of the common stock of Star Tribune Holdings as worthless before emergence from chapter 11. These tax assets, in the absence of an ownership change, would be available to offset income generated during the pendency of these chapter 11 cases and to offset any gain recognized on the disposition of assets of the Debtors' estates.

6. Accordingly, the Debtors need to obtain the full benefit of the automatic stay to preclude certain transfers, to monitor and possibly object to other changes in the ownership of stock and claims, to protect property of their estates and to avail themselves of the special relief provided by the Internal Revenue Code.

I, the undersigned officer of Star Tribune, declare under penalty of perjury that the foregoing is true and correct.

Dated: January 15, 2009

/s/ David W. Montgomery

Name: David W. Montgomery

Title: Chief Financial Officer

EXHIBIT C

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

----- X
:
In re: :
: **Chapter 11 Case No.**
:
STAR TRIBUNE HOLDINGS : **09-10244 (___)**
CORPORATION, et al., :
: **(Jointly Administered)**
:
Debtors. :
----- X

**NOTICE OF ORDER ESTABLISHING NOTIFICATION
PROCEDURES AND APPROVING RESTRICTIONS ON
CERTAIN TRANSFERS OF INTERESTS IN DEBTORS' ESTATES**

**TO ALL PERSONS OR ENTITIES WITH EQUITY INTERESTS IN ANY OF
THE DEBTOR ENTITIES LISTED IN THE ATTACHED SCHEDULE A:**

PLEASE TAKE NOTICE that on January 15, 2009, Star Tribune Holdings Corporation and The Star Tribune Company (together, the “**Debtors**”) each commenced a case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”). Upon the commencement of a chapter 11 case, section 362(a) of the Bankruptcy Code operates as a stay of any act to obtain possession of property of the Debtors’ estates or of property from the Debtors’ estates or to exercise control over property of the Debtors’ estates.

PLEASE TAKE FURTHER NOTICE that on January 15, 2009, the Debtors filed a motion seeking entry of an order pursuant to sections 105(a) and 362 of the Bankruptcy Code establishing notification procedures and approving restrictions on certain transfers of interests in the Debtors and their estates (the “**Motion**”).

PLEASE TAKE FURTHER NOTICE that on January __, 2009, the United States Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”)

having jurisdiction over these chapter 11 cases entered an order (a) finding that the Debtors' net operating loss ("NOL") carryforwards and tax credit carryforwards are property of the Debtors' estates and are protected by section 362(a) of the Bankruptcy Code; (b) that (i) unrestricted trading of the common stock (the "**Stock**") of Star Tribune Holdings Corporation before the Debtors' emergence from chapter 11 and (ii) the treatment by any 50-percent shareholder of any Stock as worthless for federal income tax purposes for any taxable year prior to the taxable year in which a chapter 11 plan ("**Plan of Reorganization**") is confirmed could severely limit the Debtors' ability to use their NOL and tax credit carryforwards for U.S. federal income tax purposes and (iii) approving the procedures (the "**Procedures**") set forth below to preserve the Debtors' NOL and tax credit carryforwards pursuant to sections 105(a) and 362(a) of the Bankruptcy Code (the "**Order**").

Any sale or other transfer in violation of the Procedures set forth below shall be null and void *ab initio* as an act in violation of the automatic stay under sections 105(a) and 362 of the Bankruptcy Code.

PLEASE TAKE FURTHER NOTICE that the following procedures and restrictions have been approved by the Bankruptcy Court:

- (a) Star Tribune Stock Ownership, Acquisition and Disposition.
 - (i) Notice of Substantial Ownership of Stock. Any person or entity who is or becomes an Owner of at least (i) 4.75 percent of the issued and outstanding Stock as of the Petition Date (approximately 52,012 shares) (a "**Substantial Equityholder**,")) must, on or before the later of (A) 15 days after the Court's entry of an order approving these Procedures

or (B) 10 days after that person or entity becomes a Substantial Equityholder, serve on the Debtors and their attorneys a notice containing the ownership information substantially in the form of Exhibit D attached to the Motion.

(ii) Advance Notice of Certain Proposed Acquisitions of Stock.

Prior to any person or entity purchasing, acquiring or otherwise obtaining Ownership of Stock (including an option to acquire Stock) that would either (A) result in an increase in the amount of Stock Owned by a Substantial Equityholder or (B) result in a person or entity becoming a Substantial Equityholder (a “**Stock Acquisition Transaction**”), such person or entity must file with this Court and serve on the Debtors and their attorneys a notice in the form of Exhibit E attached to the Motion.

(iii) Advance Notice of Certain Proposed Dispositions of Stock.

Prior to any person or entity who is a Substantial Equityholder selling, exchanging or otherwise disposing of an Ownership interest in Stock (including an option to acquire Stock) (a “**Stock Disposition Transaction**” and together with Stock Acquisition Transactions, “**Stock Transactions**”) such person or entity must file with this Court and serve on the Debtors and their attorneys a notice in the form of Exhibit F attached to the Motion. For purposes of this Notice, a Stock Disposition Transaction shall include the treatment by any person who is a “50-percent shareholder” (within the meaning of Section 382(g)(4)(D) of the Internal Revenue Code) of any Stock as worthless for federal income tax purposes

(a “**Worthless Stock Deduction**”) for any taxable year prior to the taxable year in which a Plan of Reorganization is confirmed.

(iv) The Debtors shall have 15 days after receipt of any notice described in sub-paragraphs (ii) or (iii) above to object to the Stock Transaction on the grounds that the transfer may adversely affect the Debtors’ ability to utilize their NOL and other tax attributes. If the Debtors file an objection to the Stock Transaction, it may not be consummated, and, if consummated in violation of this Court’s order, will not be deemed effective, unless approved by a final and nonappealable order of this Court. If the Debtors do not object within the 15-day period, the Stock Transaction may proceed solely as set forth in the notice. Further Stock Transactions within the scope of paragraph (ii) above must be the subject of additional notices as set forth herein with an additional 15-day waiting period. If the Debtors voluntarily advise the party proposing to acquire or dispose of Stock, in writing before the fifteenth day, that they do not object, the party may proceed to acquire or dispose of the subject Stock.

(b) For purposes of this Notice, “**Ownership**” of Stock or an interest in Stock shall be determined in accordance with applicable rules under section 382 of the Internal Revenue Code and thus shall include, but not be limited to, direct and indirect ownership (*e.g.*, the partners in a partnership would be considered to Own their proportionate share of shares held by the partnership), ownership by members of a person’s family and persons acting in concert and, in

certain cases, the creation or issuance of an option (in any form). Any variation of the term Ownership (*e.g.*, “Own” or “Owner”) shall have the same meaning and an “option” to acquire stock shall include any contingent purchase, warrant, convertible debt, put, stock subject to risk of forfeiture, contract to acquire stock or similar interest, regardless of whether it is contingent or otherwise not currently exercisable.

(c) Debtors’ Right to Waive. The Debtors may waive, in writing, any and all restrictions, stays and notification procedures contained in this Motion.

(d) Rule 3001(e) of the Federal Rules of Bankruptcy Procedure. The application of Rule 3001(e) of the Federal Rules of Bankruptcy Procedure shall be unaffected by these trading restriction and notification requirements.

FAILURE TO FOLLOW THE PROCEDURES SET FORTH IN THIS NOTICE WILL CONSTITUTE A VIOLATION OF THE AUTOMATIC STAY PRESCRIBED BY SECTION 362 OF THE BANKRUPTCY CODE.

ANY PROHIBITED SALE, TRADE OR OTHER TRANSFER OF THE STOCK IN VIOLATION OF THE ORDER WILL BE NULL AND VOID *AB INITIO* AND MAY LEAD TO CONTEMPT, COMPENSATORY DAMAGES, PUNITIVE DAMAGES OR SANCTIONS BEING IMPOSED BY THE BANKRUPTCY COURT.

PLEASE TAKE FURTHER NOTICE that the deadline to file an objection (“**Objection**”) to the Motion shall be 4:00 p.m. (prevailing Eastern Time) on _____, ____ 2009 (the “**Objection Deadline**”). An Objection shall be considered timely if it is (a) filed with the Court, One Bowling Green, New York, New York 10004 and (b) actually received on or before the Objection Deadline by (i) the Office of the U.S. Trustee,

33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Brian Masumoto, (ii) attorneys for the Debtors, Davis Polk & Wardwell, 450 Lexington Avenue, New York, New York 10017, Attn: Marshall S. Huebner and Timothy E. Graulich, (iii) attorneys for any official committee then-appointed in these cases and (iv) attorneys to the agent for the Debtors' first lien pre-petition lenders, Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, Attn: Mark A. Broude.

PLEASE TAKE FURTHER NOTICE that if timely objections are received there shall be a hearing held on _____, 2009, at ____:____.m. to consider the timely Objections to the Motion.

PLEASE TAKE FURTHER NOTICE that if no Objections are timely filed and served, as set forth herein, the Debtors shall, on or after the Objection Deadline, submit to the Court a final order granting the relief requested herein, which order shall be submitted and may be entered with no further notice or opportunity to be heard afforded to any party, and the Motion shall be approved *nunc pro tunc* to the date of the commencement.

PLEASE TAKE FURTHER NOTICE that the requirements set forth in this Notice are in addition to the requirements of Rule 3001(e) of the Federal Rules of Bankruptcy Procedure and applicable securities, corporate and other laws, and do not excuse compliance therewith.

New York, New York
Dated: January __, 2009

By: _____

Marshall S. Huebner
Timothy E. Graulich
Lynn I. Poss

DAVIS POLK & WARDWELL
450 Lexington Avenue
New York, New York 10017
Telephone: (212) 450-4000
Facsimile: (212) 701-6001

*Proposed Counsel to the Debtors
and Debtors in Possession*

EXHIBIT D

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

----- X
:
In re: :
: **Chapter 11 Case No.**
:
STAR TRIBUNE HOLDINGS : **09-10244 (___)**
CORPORATION, et al., :
: **(Jointly Administered)**
:
Debtors.¹ :
----- X

NOTICE OF SUBSTANTIAL OWNERSHIP OF STOCK

PLEASE TAKE NOTICE that, as of _____, 2009, [Name of Shareholder] Owns _____ shares of the common stock of Star Tribune Holdings Corporation (the “**Stock**”).

PLEASE TAKE FURTHER NOTICE that this Notice is being served upon (a) Star Tribune Holdings Corporation, 425 Portland Avenue, Minneapolis, MN 55488, Attn: Randy Lebedoff and (b) Davis Polk & Wardwell, 450 Lexington Avenue, New York, New York 10017, Attn: Marshall S. Huebner and Timothy E. Graulich, pursuant to that certain Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors’ Estates (the “**Order**”).

For purposes of this Notice, (a) “**Ownership**” of Stock shall be determined in accordance with applicable rules under section 382 of the Internal Revenue Code and thus shall include, but not be limited to, direct and indirect ownership (*e.g.*, partners in a partnership would be considered to Own their proportionate share of shares held by the

¹ The Debtors are Star Tribune Holdings Corporation and The Star Tribune Company. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors’ chapter 11 petitions.

partnership), ownership by members of a person's family and persons acting in concert and, in certain cases, the creation or issuance of an option (in any form), (b) any variation of the term Ownership (*e.g.*, "Own" or "Owner") shall have the same meaning and (c) an "option" to acquire stock shall include any contingent purchase, warrant, convertible debt, put, stock subject to risk of forfeiture, contract to acquire stock or similar interest, regardless of whether it is contingent or otherwise not currently exercisable.

This Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

Respectfully submitted,

[Name of Stockholder]
[Address of Stockholder]
[Telephone of Stockholder]
[Facsimile of Stockholder]

[City, state]

Dated: _____, 2009

EXHIBIT E

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

----- X
:
In re: :
: **Chapter 11 Case No.**
:
STAR TRIBUNE HOLDINGS : **09-10244 (___)**
CORPORATION, et al., :
: **(Jointly Administered)**
:
Debtors.¹ :
----- X

**NOTICE OF INTENT TO PURCHASE, ACQUIRE OR OTHERWISE
OBTAIN OWNERSHIP OF STOCK**

PLEASE TAKE NOTICE that [Acquiror] intends to purchase, acquire or otherwise obtain _____ shares of the common stock of Star Tribune Holdings Corporation (the “**Proposed Transaction**” and the “**Stock**”).

PLEASE TAKE FURTHER NOTICE that, prior to giving effect to the Proposed Transaction, [Acquiror] Owns _____ shares of the Stock.

PLEASE TAKE FURTHER NOTICE that, after giving effect to the Proposed Transaction, [Acquiror] would Own _____ shares of the Stock.

PLEASE TAKE FURTHER NOTICE that this Notice is being filed with the Bankruptcy Court and served upon (a) Star Tribune Holdings Corporation, 425 Portland Avenue, Minneapolis, MN 55488, Attn: Randy Lebedoff and (b) Davis Polk & Wardwell, 450 Lexington Avenue, New York, New York 10017, Attn: Marshall S. Huebner and Timothy E. Graulich, pursuant to that certain Order Establishing

¹ The Debtors are Star Tribune Holdings Corporation and The Star Tribune Company. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors’ chapter 11 petitions.

Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors' Estates (the "**Order**").

PLEASE TAKE FURTHER NOTICE that the Debtors shall have 15 days from receipt of this Notice to object to the Proposed Transaction. If the Debtors file an objection, then the Proposed Transaction may not be consummated, and, if consummated in violation of this Court's Order, will not be deemed effective, until approved by a final and nonappealable order of this Court. If the Debtors do not object, then the Proposed Transaction cannot become effective before the end of the Debtors' 15-day period to object to such transaction.

PLEASE TAKE FURTHER NOTICE that certain further transactions contemplated by [Acquiror] that may result in [Acquiror] purchasing, acquiring or otherwise obtaining Ownership of additional Stock may require an additional notice with the Bankruptcy Court to be served in the same manner as this Notice.

For purposes of this Notice, (a) "**Ownership**" of Stock shall be determined in accordance with applicable rules under section 382 of the Internal Revenue Code and thus shall include, but not be limited to, direct and indirect ownership (*e.g.*, partners in a partnership would be considered to Own their proportionate share of shares held by the partnership), ownership by members of such person's family and persons acting in concert and, in certain cases, the creation or issuance of an option (in any form), (b) any variation of the term Ownership (*e.g.*, "Own" or "Owner") shall have the same meaning and (c) an "option" to acquire Stock shall include any contingent purchase, warrant, put, contract or similar interest, regardless of whether it is contingent or otherwise not currently exercisable.

This Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

Respectfully submitted,

[Name of Acquiror]
[Address of Acquiror]
[Telephone of Acquiror]
[Facsimile of Acquiror]

[City, state]

Dated: _____, 2009

EXHIBIT F

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

----- X
:
In re: :
: **Chapter 11 Case No.**
:
STAR TRIBUNE HOLDINGS : **09-10244 (___)**
CORPORATION, et al., :
: **(Jointly Administered)**
:
Debtors.¹ :
----- X

**NOTICE OF INTENT TO SELL, EXCHANGE OR OTHERWISE
DISPOSE OF OWNERSHIP OF STOCK**

PLEASE TAKE NOTICE that [Transferor] intends to sell, exchange, treat as worthless or otherwise dispose of _____ shares of the common stock of Star Tribune Holdings Corporation (the “**Proposed Transaction**” and the “**Stock**”).

PLEASE TAKE FURTHER NOTICE that, before giving effect to the Proposed Transaction, [Transferor] Owns _____ shares of the Stock.

PLEASE TAKE FURTHER NOTICE that, after giving effect to the Proposed Transaction, [Transferor] would Own _____ shares of the Stock.

PLEASE TAKE FURTHER NOTICE that this Notice is being filed with the Bankruptcy Court and served upon (a) Star Tribune Holdings Corporation, 425 Portland Avenue, Minneapolis, MN 55488, Attn: Randy Lebedoff and (b) Davis Polk & Wardwell, 450 Lexington Avenue, New York, New York 10017, Attn: Marshall S.

¹ The Debtors are Star Tribune Holdings Corporation and The Star Tribune Company. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors’ chapter 11 petitions.

Huebner and Timothy E. Graulich, pursuant to that certain Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors' Estates (the "**Order**").

PLEASE TAKE FURTHER NOTICE that the Debtors shall have 15 days from receipt of this Notice to object to the Proposed Transaction. If the Debtors file an objection, then the Proposed Transaction may not be consummated, and, if consummated in violation of this Court's Order, will not be deemed effective, until approved by a final and nonappealable order of this Court. If the Debtors do not object, then the Proposed Transaction cannot become effective before the end of the Debtors' 15-day period to object to such transaction.

PLEASE TAKE FURTHER NOTICE that certain further transactions contemplated by [Transferor] that may result in [Transferor] selling, exchanging, treating as worthless or otherwise disposing of Ownership of additional Stock may require an additional notice with the Bankruptcy Court to be served in the same manner as this Notice.

For purposes of this Notice, (a) "**Ownership**" of Stock shall be determined in accordance with applicable rules under section 382 of the Internal Revenue Code and thus shall include, but not be limited to, direct and indirect ownership (*e.g.*, partners in a partnership would be considered to Own their proportionate share of shares held by the partnership), ownership by members of such person's family and persons acting in concert and, in certain cases, the creation or issuance of an option (in any form), (b) any variation of the term Ownership (*e.g.*, "Own" or "Owner") shall have the same meaning and (c) an "option" to acquire Stock shall include any contingent purchase, warrant, put,

contract or similar interest, regardless of whether it is contingent or otherwise not currently exercisable.

This Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

Respectfully submitted,

[Name of Stockholder]
[Address of Stockholder]
[Telephone of Stockholder]
[Facsimile of Stockholder]

[City, state]

Dated: _____, 2009