

SETTLEMENT AGREEMENT

1. PARTIES

The parties to this Agreement are the Public Employees Retirement System ("PERS"), Oregonian Publishing Company LLC ("Oregonian"), and Multimedia Holdings Corporation, dba Statesman Journal and Statesman Journal Media ("Statesman").

2. RECITALS

2.1 In August 2010, Oregonian submitted a request to PERS under the Public Records Law, ORS 192.410 to 192.505, for an electronic copy of the following records for every PERS covered retiree whose annual retirement benefits exceed \$100,000: name, retirement date, employer, years of service, job classification or job, final average salary, regular monthly payment, any other monthly benefit, and any other benefit from PERS, monthly or annual. PERS denied that request in August 2010. On October 1, 2010, acting on Oregonian's petition under ORS 192.450, the Attorney General issued a Public Records Order, in which he ruled that the records requested by Oregonian are not exempt from disclosure and ordered PERS to release the requested records subject to Oregonian's payment of fees to PERS or to a waiver of fees.

2.2 In October 2010, PERS filed an action in Marion County Circuit Court against Oregonian, entitled "*Public Employees Retirement System, etc., Plaintiff, v. Oregonian Publishing Company LLC, a domestic limited liability company, Defendant,*" Marion County Circuit Court No. 10C21981 (hereafter, "the Oregonian Action"). In its complaint in the Oregonian Action, PERS alleged that the records requested by Oregonian are exempt from disclosure under the Public Records Law, and prayed for a judgment so declaring.

2.3 In November 2010, Oregonian filed an answer to the complaint in the Oregonian Action, in which it prayed for an injunction requiring PERS to disclose the records that the Attorney General ordered PERS to release, and for an award of costs, disbursements, and attorney fees. Oregonian also filed a summary judgment motion, which is pending in Marion County Circuit Court.

2.4 In August 2010, Statesman submitted a request to PERS under the Public Records Law, ORS 192.410 to 192.505, for the following information for each retiree in the PERS system: name, employer at time of retirement, annual pay at time of retirement, monthly retirement benefits they now receive, which PERS plan they retired under, the formula used to calculate their retirement, whether they receive health benefits through PERS, and accrued sick leave or vacation time applied to their benefit level. PERS denied that request in August 2010. On December 1, 2010, acting on Statesman's petition under ORS 192.450, the Attorney General issued a Public Records Order, in which he ruled that a retiree's annual pay at the time of retirement is unconditionally exempt from disclosure under ORS 192.502(12), but that all of the other records requested by Statesman are not exempt from disclosure.

2.5 In December 2010, PERS filed an action in Marion County Circuit Court against Statesman, entitled "*Public Employees Retirement System, etc., Plaintiff, v. Multimedia Holdings Corporation, a South Carolina corporation, dba Statesman Journal and Statesman Journal Media, Defendant,*" Marion County Circuit Court No. 10C24673 (hereafter, "the Statesman

Action”). In its complaint in the Statesman Action, PERS alleged that the records requested by Statesman are exempt from disclosure under the Public Records Law, and prayed for a judgment so declaring.

2.6 In January 2011, Statesman filed an answer to the complaint in the Statesman Action, in which it prayed for an injunction requiring PERS to disclose the records that the Attorney General ordered PERS to release, and for an award of costs, disbursements, and attorney fees. Statesman also filed a summary judgment motion, which is pending in Marion County Circuit Court.

2.7 PERS, Oregonian, and Statesman wish to avoid additional costs, expenses, and attorney fees in connection with the Oregonian Action and the Statesman Action.

3. AGREEMENT

In consideration of the mutual promises and agreements set out below, PERS, Oregonian, and Statesman agree as follows:

3.1 PERS will disclose to both Oregonian and Statesman on November 21, 2011 the name of every retired member receiving a service or disability retirement allowance from the Public Employee Retirement System and the amount of that allowance. PERS will not charge for this release.

3.1.1 Unless otherwise commanded by law, PERS will disclose on March 9, 2012, to both Oregonian and Statesman records containing the following individually-identified information for every retired member receiving a service or disability retirement allowance from the Public Employee Retirement System, to the extent that PERS has such information available for retrieval from its electronic databases:

- (a) the method used to calculate the member’s retirement allowance;
- (b) The member’s “final salary”;
- (c) The identity of the Public Employee System Retirement plan under which the member retired;
- (d) The member’s retirement date; and
- (e) The member’s years of service.

3.1.2 Fees for disclosure to be made on March 9, 2012. PERS will not charge Oregonian or Statesman for the records to be disclosed on March 9, 2012 pursuant to paragraph 3.1.1.

3.1.3 Fees for disclosures after March 9, 2012 and relating directly to information disclosed pursuant to 3.1.1 on March 9, 2012. In the amount provided in paragraph 3.4(c), PERS may charge fees for disclosures after March 9, 2012 and

relating to information disclosed pursuant to 3.1.1 on March 9, 2012. If Oregonian or Statesman requests, PERS may waive or reduce the amount of the fee it would be entitled to charge pursuant to 3.4(c).

3.2 Subject to Paragraph 3.2.1, and unless otherwise commanded by law, PERS will disclose on March 9, 2012, records containing the following information for every person receiving service or disability retirement allowances as an alternate payee or survivor beneficiary, to the extent that PERS has such information available for retrieval from its electronic databases:

- (a) The characterization of the payments to the anonymous individual according to two categories: Alternate payee and Survivor beneficiary, and,
- (b) The amount of payment distributed to the person.

3.2.1 In connection with the disclosure required by 3.2, PERS shall not disclose the anonymous recipient's name or other information identifying the anonymous individual.

3.3 In the exercise of its rulemaking authority under law, and not as an obligation or condition of this agreement, PERS plans to initiate and complete rulemaking proceedings pursuant to the Oregon Administrative Procedures Act. PERS intends to adopt rules facilitating the execution of this agreement.

3.4 Credits and other fee-related provisions.

- (a) As to the records required to be disclosed to Defendants pursuant to Paragraph 3.1.1 and 3.2, PERS will waive all costs PERS otherwise might require a public records requester to pay.
- (b) As to the records required to be disclosed to Defendants pursuant to Paragraphs 3.1.3, PERS retains its authority under the Public Records Law, and as provided in the Attorney General's Public Records Orders dated October 1, 2010 (Oregonian) and December 1, 2010 (Statesman), to impose or waive any fees that Oregonian and Statesman would otherwise be required to pay for the records required to be disclosed pursuant to Paragraphs 3.1.3.
- (c) PERS credits each defendant with the sum of \$25,000 against the costs of fees that Oregonian and Statesman might otherwise have been required to pay for the records required to be disclosed pursuant to Paragraphs 3.1.3. PERS agrees that its actual costs of collecting and disclosing information pursuant to Paragraph 3.1.1 and 3.1.3 shall not exceed \$28.67 per hour per employee. PERS agrees that it will not charge any cost for systems development, including staff time. Two years from the date of this Agreement, the parties will revisit the hourly rate, make adjustments to the hourly rate, and revisit the waiver of further costs.
- (d) PERS, Oregonian, and Statesman will continue direct discussion at a technical level with the aim of reaching common understanding of the nature and completeness of the

records to be disclosed and the need for additional records that impose time and cost-related limitations because of PERS' record and data systems.

3.5 At no time will PERS ask the Legislature to exempt from disclosure the records required to be disclosed under this Agreement, but PERS may ask the Legislature to codify this agreement.

3.6 Nothing in this agreement precludes Oregonian or Statesman from making public records requests to PERS in the future.

3.7 Each party to this Agreement has been advised by independent counsel with respect to this Agreement.

3.8 This Agreement may be executed in triplicate. Each executed copy shall be deemed an original and the copies taken together shall constitute a single agreement.

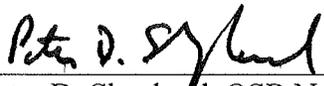
3.9 The parties agree that the terms of this Agreement shall be presented as a Stipulated General Judgment to the Honorable Joseph Guimond, without costs or attorney fees to any party.

Public Employees Retirement System


Paul Cleary, Director

DATED: September 7, 2011

Approved as to form:


Peter D. Shepherd, OSB No. 801066
Attorney for Public Employee Retirement System

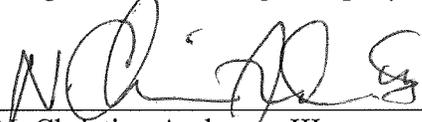
DATED: September 7th, 2011

Multimedia Holdings Corporation


Bill Church

DATED: September 7, 2011

Oregonian Publishing Company, LLC


N. Christian Anderson III

DATED: September __, 2011

Approved as to form:


Charles F. Hinkle, OSB No. 710839
Beverly C. Pearman, OSB No. 994524
Of Attorneys for Multimedia Holdings Corporation and Oregonian Publishing Company LLC

DATED: August 31, 2011