

1 RANDALL S. FARRIMOND (CSB No. 95281)
FARRIMOND LAW OFFICES,
2 a Professional Corporation
44 Montgomery Street, Suite 3850
3 San Francisco, CA 94104
Telephone: 415-362-4900
4 Facsimile: 415-362-4901
5 Attorneys for Defendants
6 New Times Media, et al.

8 SUPERIOR COURT FOR THE STATE OF CALIFORNIA
9 COUNTY OF SAN FRANCISCO
10 UNLIMITED CIVIL CASE
11

12 BAY GUARDIAN, etc.)
13 Plaintiff,) Case No. CGC-04-435584
14 vs.) DECLARATION OF JOSH FROMSON IN
15 NEW TIMES MEDIA, et al.) SUPPORT OF APPLICATION FOR TRO
16 Defendants.) Date: March 16, 2010
17) Time: 11:30 a.m.
18) Dept.: 610
19) **DISCOVERY**
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21 I, Randall S. Farrimond, declare:

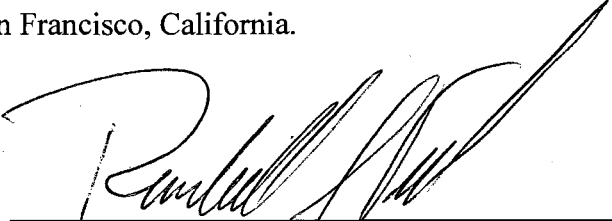
22 1. I am an attorney licensed to practice law in the State of California and a principal in
23 Farrimond Law Offices, a Professional Corporation, attorneys for defendants New Times Media, LLC,
24 SF Weekly, LP and East Bay Express, LP in this action. The facts set forth herein are personally known
25 to me, except where indicated otherwise, and if called as a witness I could and would competently
26 testify thereto as follows:

27 2. Attached hereto as Exhibit A is true and complete copy of the Declaration of Josh Fromson in
28 Support of Application for TRO.

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I declare under penalty of perjury under the laws of the United States and the State of California that the foregoing is true and correct.

Executed this 16th day of March, 2010 at San Francisco, California.



RANDALL S. FARRIMOND

EXHIBIT A

EXHIBIT A

1 copy of a Notice of Order Assigning Rights to Payment (“Notice”) signed by Jay D. Adkisson,
2 Attorney for Judgment Creditor Bay Guardian Company, Inc. Some of these advertisers have
3 also sent me a copy this Notice. A true and complete copy of this Notice is attached hereto as
4 Exhibit A.

5 4. As of Friday March 12, 2010, more than ten of our advertisers, some of them our
6 largest accounts, had told us they had received this Notice. The calls from advertisers continued
7 through the day on Monday March 15, 2010. The advertisers who received this Notice have
8 advised me that they are confused by this Notice. Several have told us that they are angry about
9 the Notice because they just want to advertise with us without being caught up in legal
10 proceedings about who and how to pay their invoices. Some have advised us that they will not
11 pay anybody for the time being until they have some clear direction about who they should pay.

12 5. Several of these advertisers have told me that they are considering reducing their
13 advertising with us, or ending their advertising with us altogether, as a result of this Notice. I am
14 sure that we have already lost advertising revenue as a result of this Notice and that we will
15 continue to lose a substantial amount of our advertising revenue unless and until our advertisers
16 are advised in clear terms that they do not have to pay the Bay Guardian for advertising placed
17 with SF Weekly.

18 6. I have also received a copy of a Notice of Default dated March 12, 2010, issued
19 by the Bank of Montreal as a result of the actions taken by Bay Guardian to collect payments
20 directly from SF Weekly advertisers. A true and correct copy of this letter (without the full
21 distribution list referenced in the letter) is attached hereto as Exhibit B.

22 7. In addition, I have received a copy of a letter sent by Bank of Montreal to SF
23 Weekly advertisers on March 12, 2010 (“Bank Letter”). I understand that the letters are
24 individually addressed, but that the contents of this letter are the same with respect to each
25 advertiser to whom it has been sent. A true and correct copy of one such letter is attached hereto
26 as Exhibit C. This Bank Letter instructs our advertisers to pay their invoices directly to the Bank

1 of Montreal. However, this Bank Letter, unlike the Bay Guardian Notice, also explains that the
2 Bank's actions will not in any way compromise the ability of SF Weekly to continue to operate
3 and makes it clear to our advertisers that they can pay the Bank of Montreal as simply and easily
4 as they would have been able to pay SF Weekly directly.

5 8. I am confident that as long as our advertisers do not continue to receive
6 conflicting instructions from Bay Guardian, we will be able to explain adequately the situation
7 with the Bank to our advertisers and keep most, and perhaps all, of their advertising business.
8 However, if we do not obtain some relief from this Court to prevent Bay Guardian from
9 continuing to harass our advertisers with conflicting, confusing instructions to pay money
10 directly to Bay Guardian, I believe, based upon my many years of experience with SF Weekly
11 and in the newspaper industry, as well as upon the conversations I have already had with our
12 advertisers, that SF Weekly will incur a serious, even devastating, loss of advertising revenues.
13 In addition, once word gets out that advertising with SF Weekly means that the advertiser will
14 find itself caught up in a direct legal conflict between the Bay Guardian and Bank of Montreal,
15 SF Weekly will have extreme difficulty attracting new advertising business. This will, quite
16 literally and without exaggeration, threaten the survival of SF Weekly.

17 I declare under penalty of perjury under the laws of the United States and of the State of
18 California that the foregoing is true and correct.

19 Executed this 15th day of March, 2010, at San Francisco, California.

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JOSH FROMSON

EXHIBIT A

EXHIBIT A

1 COUNSEL FOR THE
2 PLAINTIFF/CREDITOR:

3 Jay D. Adkisson, SBN# 249061
4 RISER ADKISSON LLP
5 100 Bayview Circle, Suite 210
6 Newport Beach, CA 92660
7 Direct: 949-200-7773
8 Fax: 877-698-0678
9 jay@risad.com

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SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN FRANCISCO
UNLIMITED CIVIL JURISDICTION: DISCOVERY

Bay Guardian Company, Inc.,

Judgment Creditor,

Case No. CGC-04-435584

v.

**NOTICE OF ORDER ASSIGNING
RIGHTS TO PAYMENT**

*New Times Media, LLC, SF Weekly LP,
and East Bay Express Publishing LP,*

Judgment Debtors.

TO JUDGMENT DEBTOR SF WEEKLY, LP

NOTICE IS HEREBY GIVEN that, pursuant to the Assignment Order, entered on 9
19 March 2010, a copy of which is attached hereto as Exhibit "A", the following rights to payment
20 of SF WEEKLY, LP, have been assigned to Plaintiff BAY GUARDIAN COMPANY, INC., in
21 care of RISER ADKISSON LLP, Attn: Jay D. Adkisson, 100 Bayview Circle, Suite 210,
22 Newport Beach, California 92660, until such time as the judgment herein is fully satisfied or this
23 order is amended per California Code of Civil Procedure Section §708.560. The rights that have
24 been assigned are:
25

26 ///

1 1. "Fifty percent (50%) of any and all rights to any interest or payment now due or to
2 become due in the future to Defendant SF WEEKLY, LP in any money or property
3 due it from any future payments on accounts receivables, including but not limited
4 to revenue generated from the sale of advertisements from all of its advertisers";
5 and,

6 2. "One hundred percent (100%) of any and all rights to any interest or payment now
7 due or to become due in the future to Defendant SF WEEKLY, LP in any money or
8 property due it from it from American Express Company and/or SF WEEKLY,
9 LP's American Express Merchant Account, and all other Credit Card Merchant
10 Accounts that SF WEEKLY, LP has an interest in, including but not limited to
11 monies direct deposited into SF WEEKLY LP's bank account."

12 **PLEASE TAKE FURTHER NOTICE** that Defendant/Judgment Debtor SF
13 WEEKLY, LP, along with third parties who are served with notice, shall pay any and all
14 monies due and owing under this order to: "RISER ADKISSON LLP, Client Trust Account"
15 at 100 Bayview Circle Suite #210, Newport Beach, California 92660 to be applied to this
16 judgment herein until such judgment is fully satisfied or this order is amended.

17 **PLEASE TAKE FURTHER NOTICE** that pursuant to the attached Order, SF
18 Weekly must provide a list of the names and addresses of all the SF Weekly's advertisers,
19 including the amounts currently due and payable by said advertisers on their accounts to
20 Counsel for Plaintiff Jay D. Adkisson at 100 Bayview Circle, Suite 210, Newport Beach, CA
21 92660 by no later than 17 March 2010.

22 **NOTICE IS HEREBY GIVEN THAT FAILURE BY JUDGMENT DEBTOR SF**
23 **WEEKLY OR ANY OTHER OF THE NOTICED THIRD PARTIES TO COMPLY**
24 **WITH THIS ORDER MAY SUBJECT THE DEFENDANT/JUDGMENT DEBTOR OR**
25 **NOTICED THIRD PARTY TO BEING SANCTIONED AND/OR HELD IN**
26 **CONTEMPT OF COURT.**

1
2 PLEASE TAKE FURTHER NOTICE that the amount necessary to satisfy this Court's
3 Judgment is presently \$21,078,349. This amount continues to accrue post-judgment interest on
4 the unpaid principal balance of this judgment at the rate of 10 percent (10%) per annum plus
5 post-judgment costs.

6 PLEASE TAKE FURTHER NOTICE THAT IF YOU MAKE PAYMENTS TO
7 THE JUDGMENT DEBTOR AFTER YOU RECEIVE THIS NOTICE THAT SUCH
8 PROPERTY HAS BEEN ASSIGNED TO THE JUDGMENT CREDITOR NAMED
9 ABOVE, YOU WILL NOT SATISFY THE OBLIGATION WHICH HAS BEEN
10 ASSIGNED AND ARE LIABLE FOR FULL PAYMENT TO THE JUDGMENT
11 CREDITOR.
12

13 Dated: March 10, 2010

14 Respectfully submitted,

15 RISER ADKISSON LLP

16 By: 

17 Jay D. Adkisson
18 Attorney for Judgment Creditor
19 Bay Guardian Company, Inc.
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Exhibit - A

ASSIGNMENT ORDER

IMAGED

MAR - 9 2010

FILED
San Francisco County Superior Court

MAR - 9 2010

GORDON PARK-LI, Clerk
BY: M. Valley / Deputy Clerk

1 COUNSEL FOR THE
PLAINTIFF/CREDITOR:

2 Jay D. Adkisson, SBN# 249061
3 RISER ADKISSON LLP
100 Bayview Circle, Suite 210
4 Newport Beach, CA 92660
Direct: 949-200-7773
5 Fax: 877-698-0678
jay@risad.com

7 SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN FRANCISCO
8 UNLIMITED CIVIL JURISDICTION

9 *Bay Guardian Company, Inc.,*
10
11 Judgment Creditor,

DISCOVERY

Case No. CGC-04-435584

12 v.

~~PROPOSED~~ ASSIGNMENT ORDER

13
14 *New Times Media, LLC, SF Weekly LP,*
and East Bay Express Publishing LP,

DATE: February 11, 2010
TIME: 10:30 A.M.
DEPT.: 610

15 Judgment Debtors.
16

17 The Motion of Plaintiff/Judgment Creditor BAY GUARDIAN COMPANY, INC. for
18 an order assigning Defendant/Judgment Debtor SF WEEKLY, LP's right to receive payments
19 from advertising revenue and American Express came before this Court on the above date, the
20 Honorable ~~EVERETT A. HEWLETT, JR.~~ presiding. The Court having
21 considered the pleadings filed in connection with this motion, the pleadings and records on
22 file in this matter, oral argument at the hearing and good cause appearing; *therefore,*
23

24 **IT IS HEREBY ORDERED** that the following rights to payment of SF WEEKLY,
25 LP, be and hereby are, assigned to Plaintiff BAY GUARDIAN COMPANY, INC., in care of
26 RISER ADKISSON LLP, attn: Jay D. Adkisson, 100 Bayview Circle, Suite 210, Newport

1 Beach, California 92660, until such time as the judgment herein is fully satisfied or this order
2 is amended per California Code of Civil Procedure Section §708.560. This assignment covers:

- 3 1. "Fifty percent (50%) of any and all rights to any interest or payment now due or to
4 become due in the future to Defendant SF WEEKLY, LP in any money or property
5 due it from any future payments on accounts receivables, including but not limited
6 to revenue generated from the sale of advertisements from all of its advertisers";;
7 and,
8 2. "One hundred percent (100%) of any and all rights to any interest or payment now
9 due or to become due in the future to Defendant SF WEEKLY, LP in any money or
10 property due it from it from American Express Company and/or SF WEEKLY,
11 LP's American Express Merchant Account, and all other Credit Card Merchant
12 Accounts that SF WEEKLY, LP has an interest in, including but not limited to
13 monies direct deposited into SF WEEKLY LP's bank account."

14 **IT IS HEREBY FURTHER ORDERED** that Defendant/Judgment Debtor SF
15 WEEKLY, LP, along with third parties who are served with notice, shall pay any and all
16 monies due and owing under this order to: "RISER ADKISSON LLP, Client Trust Account"
17 at 100 Bayview Circle Suite #210, Newport Beach, California 92660 to be applied to this
18 judgment herein until such judgment is fully satisfied or this order is amended.

19 SF Weekly shall within five (5) business days of the date of this Order provide a list of
20 the names and addresses of all the SF Weekly's advertisers, including the amounts currently
21 due and payable by said advertisers on their accounts to Counsel for Plaintiff Jay D. Adkisson
22 at 100 Bayview Circle, Suite 210, Newport Beach, CA 92660.

23 **NOTICE IS HEREBY GIVEN THAT FAILURE BY JUDGMENT DEBTOR SF**
24 **WEEKLY OR ANY OTHER OF THE NOTICED THIRD PARTIES TO COMPLY**
25 **WITH THIS ORDER MAY SUBJECT THE DEFENDANT/JUDGMENT DEBTOR OR**
26 **NOTICED THIRD PARTY TO BEING SANCTIONED AND/OR HELD IN**
CONTEMPT OF COURT.

IT IS SO ORDERED

Dated: MARCH 9, 2010

Hon. *[Signature]*
Judicial Officer, Department 610

435584

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EXHIBIT B

EXHIBIT B

March 12, 2010



HOUSTON AGENCY

700 Louisiana Street Suite 4400
Houston, Texas 77002 (713) 223-4400

**Via Facsimile and
Certified Mail Return Receipt Requested**

Village Voice Media Holdings, LLC,
and its Affiliated Entities
1201 E. Jefferson
Phoenix, AZ 85034

Attention: Jed E. Brunst
Facsimile: 602.229.8401

ADDITIONAL RECIPIENTS AS PROVIDED
ON THE ATTACHED DISTRIBUTION LIST

Re: Declaration of an Event of Default

Dear Mr. Brunst:

Reference is made to (i) that certain Amended and Restated Credit Agreement, dated as of January 31, 2006, among Village Voice Media Holdings, LLC, as Borrower; Various Financial Institutions from Time to Time Parties Thereto, as the Lenders; U.S. Bank National Association and Wells Fargo Bank, N.A., as the Co-Syndication Agents; BNP Paribas and WestLB AG, New York Branch, as the Co-Documentation Agents, and Bank of Montreal, Chicago Branch, as the Administrative Agent (the "**Administrative Agent**" or "**BMO**") for the Lenders; and Harris Nesbitt, as Sole Lead Arranger and Sole and Exclusive Lead Bookrunner (as amended from time to time, the "**Credit Agreement**") and (ii) that certain letter dated February 2, 2010, from BMO to you regarding the Administrative Agent's reservation of rights in connection with an Event of Default ("**Default Notice**"). Defined terms used herein have the meanings provided in the Credit Agreement.

As you are aware, given the nature of the Borrower's and the Guarantors' business and the absence of physical assets, the most valuable Collateral securing the Borrower's Obligations comprise advertising revenue streams generated by the Guarantors. The recent economic downturn and the resulting financial difficulties of the Borrower brought such fact into the foreground, as the Borrower was unable to meet its amortization payments pursuant to Section 3.1.1 of the Credit Agreement and requested relief from the Lenders. Under the Fourth Amendment to the Credit Agreement executed as of June 30, 2009 (the "**Fourth Amendment**"), the Lender agreed to defer such payments. However, because of the unsecure nature of the Collateral and the Lenders' reliance on the Obligor's accounts receivable for repayment of the Loan, the Lenders insisted that a cash sweep be built into the Credit Agreement, requiring that the Borrower turn over all revenue above its costs, plus a minimal operating cushion, thereby providing the Borrower the flexibility it required while insuring that the Lenders minimized their risk exposure and collected payment from revenues of the Borrower and its Affiliated Entities.

Bank of Montreal

As more fully discussed in the Default Notice, on or about November 30, 2009, Bay Guardian Company, Inc. ("**Bay Guardian**" or "**Judgment Creditor**") took action which resulted in the creation of a Lien (the "**Notice Lien**") against the assignable rights and/or equity interests' entitlement to distributions that New Times Media LLC holds in certain operating subsidiaries. Subsequently, on January 6, 2010, the Superior Court of California, County of San Francisco, entered the requested Charging Order (the "**Charging Order**") confirming the Notice Lien. Section 7.2.3 of the Credit Agreement prohibits the creation, incurrence and existence of Liens against the assets of the Borrower and its Subsidiaries and, as such the Notice Lien breaches the covenants and obligations of the Borrower under the Credit Agreement, constitutes an immediate Event of Default pursuant to Section 8.3 of the Credit Agreement. Please be advised that other actions by Bay Guardian, as well as other events, have given rise to additional Events of Default. In the Default Notice, the Administrative Agent provided notice to the Borrower of such Event(s) of Default, but declined to declare an Event of Default at that time, opting to reserve all its rights related thereto to protect the rights, interest or collateral of the Lenders and the Administrative Agent.

The Judgment Creditor has made further efforts to collect on its judgment at the expense of the Secured Parties, culminating in an Assignment Order entered March 9, 2010, assigning 50% to 100% of SF Weekly's advertising revenue to the Judgment Creditor ("**SFW Revenue Order**"), as well as an Order After Hearing on Motion for Assignment Order entered December 22, 2009, which has resulted in the payment of contractual proceeds from certain sub-leases due to the Borrower and in which the Lenders have a first priority secured interest to the Judgment Creditor. Such actions constitute additional Events of Default and significantly compromise the Lenders' collateral package, as such diversions of any Guarantor's revenue streams directly affect the amount available for the cash sweep, a key component of the Borrower's repayment plan of its Obligations. Further, the implementation of the SFW Revenue Order will have the ridiculous effect of forcing the Borrower to funnel money lent under the Credit Agreement by the Lenders to SF Weekly in order to compensate for the shortfall created by the assignment of all or substantially all of its advertising revenue, such revenue constituting part of the collateral package in which the Lenders have a first priority security interest.

Given such facts and in order to protect the interests of the Secured Parties, the Administrative Agent hereby provides notice to the Borrower that it is declaring such breach of Section 7.2.3 of the Credit Agreement an Event of Default. As permitted pursuant to Section 6.1(c)(ii) of that certain Subsidiary Pledge and Security Agreement dated as of November 21, 2002, among the Borrower and each Subsidiary of the Borrower, the Administrative Agent further provides notice that it is exercising its right to receive payment on any and all of the Collateral owed to SF Weekly by third parties it determines in order to restore the Lenders to the position to which they negotiated and agreed with the Borrower and as evidenced by the Fourth Amendment.

Please be advised that in connection herewith, the Administrative Agent shall, at its discretion, send notices of such exercise of its remedies to any and all creditors of SF Weekly advising such creditors that all such monies owed to and accounts receivable of SF Weekly shall be paid to Bank of Montreal, Chicago Branch, as Administrative Agent for the Lenders, to be delivered as follows: SF Weekly, LP, c/o Agent Bank, Bank of Montreal, Chicago Branch, 39914 Treasury Center, Chicago, Illinois 60694-9900. Further, in connection herewith, the

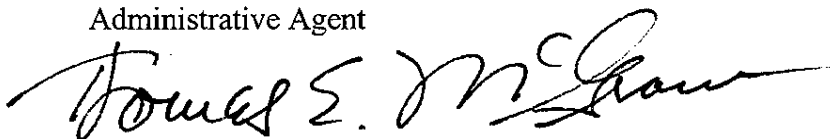
Bank of Montreal

Administrative Agent shall issue a notice to Wells Fargo (regarding Account No. 4121747992) and U.S. Bank (regarding Account No. 1-535-9262-8488) advising them of this Event of Default and asserting its control, on behalf of the Lenders, over such accounts, as permitted by those certain Account Control Agreements among the Borrower, the Administrative Agent and such bank, as appropriate.

Please be advised that the Administrative Agent and the Lenders hereby reserve all of their additional rights, powers, privileges, and remedies under the Credit Agreement and the other Loan Documents and under applicable law, including, without limitation, all such rights, powers, privileges and remedies with respect to any Obligor in connection with any existing or future Event of Default. This letter does not constitute and should not be construed as, a waiver of any rights or remedies available to the Lenders and the Administrative Agent as a result of the failure of Borrower or Holding to perform any obligation under the Credit Agreement or any other Loan Document. Further, please note that this letter is not intended to be an exhaustive list of the Borrower's defaults or breaches of the Credit Agreement or Loan Documents.

Very truly yours,

Bank of Montreal, as
Administrative Agent



Thomas E. McGraw
Managing Director

cc: Susan Boswell
One South Church Avenue
Suite 1700
Tucson, Arizona 85701-1621
Fax: (520) 770-2222
Susan.Boswell@quarles.com

EXHIBIT C

EXHIBIT C

March 12, 2010

RUXTON CAMEL IMAGE
STE A225
PHOENIX, AZ 85034



HOUSTON AGENCY

700 Louisiana Street Suite 4400
Houston, Texas 77002 (713) 223-4400

NOTICE OF CHANGE IN PAYMENT TO SF WEEKLY

Dear Madam and/or Sir,

This letter is a formal notice to you that you are required to pay to the Lenders (defined below) of SF Weekly any and all monies due and owing by you to SF Weekly as set forth herein.

This letter is sent on behalf of Bank of Montreal, Chicago Branch, in its capacity as the Administrative Agent bank (the "Agent") for the syndicated group of lenders (the "Lenders") to SF Weekly, LP and its affiliated entities. On behalf of such Lenders, the Agent holds a senior, first-in-time lien on all assets of SF Weekly, LP. SF Weekly and its affiliated entities are in default under their agreement with their Lenders. On March 10, 2010, the Agent was provided a copy of an Assignment Order entered on or around March 9, 2010, in an action called *Bay Guardian Company, Inc. v. New Times Media LLC, SF Weekly LP, and East Bay Express Publishing LP*, Case No. CGC – 04-435584, in the Superior Court of California, County of San Francisco, which purports to grant certain rights to Bay Guardian (the "Assignment Order"). You may have seen a notice of this order or received correspondence related to it. This is a second-in-time or junior interest to that of the Agent and Lenders. Thus, on March 12, 2010, the Agent provided notice to SF Weekly and exercised the Lenders' rights as the senior lienholders to collect all of SF Weekly's receivables.

Because SF Weekly, LP has identified you as party which currently does or may owe it payments in the future, you are receiving this notice. This letter is to advise you that all payments that you would pay directly to SF Weekly should now be addressed and delivered to:

**SF Weekly, LP
c/o Agent Bank, Bank of Montreal, Chicago Branch
39914 Treasury Center
Chicago, IL 60694-9900.**

Please rest assured, the Agent shall track and report to the accounting department at SF Weekly all payments received so that you will be properly credited for all payments made and to ensure that the amounts due from you shall be properly monitored and collected. We have been informed that such redirection of amounts owed will in no way compromise SF Weekly's ability to continue to operate in the normal course and provide you services or goods as agreed between you and it, uninterrupted. The Agent requires that all future payments due to SF Weekly shall be made by you to the Agent as set forth herein.

Bank of Montreal

Several years prior to the California Superior Court's entry of the Assignment Order, the Agent properly filed a UCC-1 in SF Weekly's state of formation, Delaware, to fully perfect its secured interest in, among other things, all receivables due to SF Weekly. (A copy of a UCC-1 filed by the Agent is attached hereto.) Because no other person had previously filed a UCC Financing Statement, BMO's security interest was and is the first priority secured interest to all of SF Weekly's "personal property, whether now owned or hereafter acquired or coming into existence, wherever located", which includes all accounts receivable, thereby covering any such monies owed by you to SF Weekly.


As you are probably aware, SF Weekly is currently engaged in litigation with the Bay Guardian. As a result of the Bay Guardian's various attempts to collect on an initial judgment against SF Weekly (which such judgment is currently under review by an appeals court), the interests of the Lenders are now being jeopardized and an event of default exists under the credit agreement. The Lenders have chosen to exercise certain remedies granted to them under the security and pledge agreement allowing them to redirect money owed to SF Weekly to the Agent to apply against the outstanding debt due under the Loan.

This notice informs you of the Lenders' exercising of their right to (and instructs you to) direct any money owed to SF Weekly to Bank of Montreal, Chicago Branch, at the address provided above in this letter. Notwithstanding this notice, if you inadvertently pay any monies to SF Weekly, please advise us promptly via email below, as the Agent has certain rights which will enable it to collect such monies from SF Weekly. If in the event you pay any such money to any other person or entity other than Bank of Montreal, Chicago Branch as instructed herein (or through an inadvertent payment to SF Weekly), your account will not be credited and you may be required to pay such amounts due again to the Agent.

If you should have any questions regarding this notice, please feel free to contact Thomas McGraw or Mary Lee Latta, at Bank of Montreal, who may be reached via email at thomas.mcgraw@bmo.com or mary.latta@bmo.com, or via telephone at 713.546.9712. In the event you have legal counsel who has any questions, you may direct them to counsel for the Agent at ckelley@mayerbrown.com. If you should have any questions specific to your account or seek to verify any factual information contained in this letter, please contact your account representative at SF Weekly.

Very truly yours,

Bank of Montreal, as
Administrative Agent

By 

Name: Thomas E. McGraw
Its Managing Director

cc: SF Weekly, LP c/o Jed E. Brunst

SRV: 080609340

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (Print and Read) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILING OFFICE
 Suzanne B. Snow (713) 238-2600

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Valerie Pell
 CT Corporation System
 Dallas UCC Team I
 350 N. St. Paul Street, Suite 2900
 Dallas, Texas 75201

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - Insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME
 SF Weekly, LP
 OR
 1b. INDIVIDUAL'S LAST NAME

1c. MAILING ADDRESS
 1201 East Jefferson Street
 CITY: Phoenix STATE: AZ POSTAL CODE: 85034 COUNTRY: USA

1d. USE INSTRUCTIONS: ADDL. INFO. RE. ORGANIZATION: Debtor No. TYPE OF ORGANIZATION: Limited Partnership No. JURISDICTION OF ORGANIZATION: Delaware No. ORGANIZATIONAL ID #, if any: 3310441 NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - Insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME
 OR
 2b. INDIVIDUAL'S LAST NAME

2c. MAILING ADDRESS
 CITY: STATE: POSTAL CODE: COUNTRY: NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNOR of ASSIGNOR, if any) - Insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME
 Bank of Montreal, Chicago Branch, as Administrative Agent
 OR
 3b. INDIVIDUAL'S LAST NAME

3c. MAILING ADDRESS
 115 South LaSalle Street
 CITY: Chicago STATE: IL POSTAL CODE: 60603 COUNTRY: USA

4. THIS FINANCING STATEMENT covers the following collateral:
 ALL OF DEBTOR'S PERSONAL PROPERTY, WHETHER NOW OWNED OR HEREAFTER ACQUIRED OR COMING INTO EXISTENCE, AND WHEREVER LOCATED.

5. ALTERNATIVE DESIGNATION (if applicable): LESSOR COMMERCE DOCUMENTOR BILLETENDE BELIEVER JOINT JOINT FILER
 6. This FINANCING STATEMENT is to be filed (or record) (or recorded) in the REAL ESTATE RECORDS, Book # _____
 7. Check to REQUEST SEARCH REPORT(s) on: All debtors Debtor 1 Debtor 2
 8. OPTIONAL FILER REFERENCE DATA: If available If not available If not available

File in Delaware - Secretary of State

7251359-80