

## **EXHIBIT B**



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

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

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

(d) It has established to the satisfaction of the Court that it will exercise independent business judgment in publishing, producing, distributing, and circulating on a stand-alone basis separately from the *Honolulu Advertiser*, the *Honolulu Star-Bulletin* as a daily English-language newspaper of general circulation at least on the Island of Oahu;

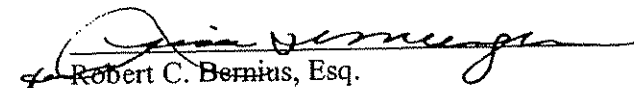
(e) It has agreed to assume some, but not all of the contracts and agreements set forth in Schedule 11 to Exhibit A attached to the Stipulation Permitting Sale and Order.


4. The sale of the assets of Liberty Newspapers related to the *Honolulu Star Bulletin* in accordance with the attached Asset Purchase Agreement between the Successful Qualified Bidder and Liberty Newspapers, dated November 9, 2000, is approved. The sale of the certain assets of HNA related to the *Honolulu Star Bulletin* in accordance with the Asset Purchase Agreement between the Successful Qualified Bidder and HNA and/or GPC, dated November 9, 2000, is approved.

5. This Stipulation and Order approving the Asset Purchase Agreements identified in paragraph 4 constitutes the "Court-approved Sale" as that term is defined in the Stipulation Approving Sale and Order.

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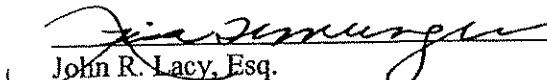
DATED: Honolulu, Hawaii, \_\_\_\_\_

  
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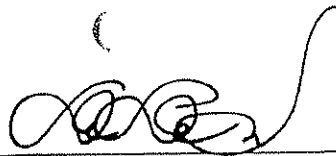
  
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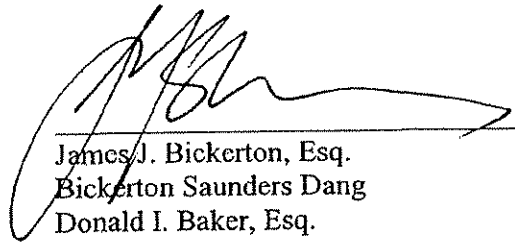
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APPROVED AND SO ORDERED:

**ALAN C. KAY**

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

\_\_\_\_\_  
Barry M. Kurren  
United States Magistrate Judge

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

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

Dated: November 9, 2000

**EXHIBIT "A"**

## ASSET PURCHASE AGREEMENT

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

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

### ARTICLE I. Sale of Assets and Terms of Payment

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

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

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

1.3 Liabilities.

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

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

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

(ii) any liability under any contract of insurance;

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

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

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

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

(vii) any liability not described in this Agreement.

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

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

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

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

## ARTICLE II. The Closing

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

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



## EXHIBIT A

### 1. Star-Bulletin Names

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

### 2. Subscriber List

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

### 3. Advertiser List

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

### 4. Editorial Department

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

5. Web Site

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

6. Office Furniture and Leases

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

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

7. Employees

All employee records for those employees hired by Buyer.

8. Research

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