



FREEDOM
COMMUNICATIONS, INC.

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Burl Osborne
Interim Chief Executive Officer

MEMORANDUM

Dear Colleagues:

As you know, 2009 has presented us with many challenges and I am very appreciative of the efforts all associates have made to ensure the continued viability of our company.

We have experienced severe revenue shortfalls that require us to continue aggressive cost reductions. The measures we have implemented have been difficult for everyone. As we begin the third quarter of this very difficult year our objective remains unchanged: to successfully weather this storm through the combination of strategic cost initiatives and a renewed focus on revenue while continuing to serve our customers. We had hoped that the economy would start to improve and our ability to build revenue would gain traction in the second quarter. Unfortunately, the challenges we face have not eased during the second quarter and the outlook for the remainder of the year is in question. As a result, I am announcing a Freedom-wide base pay reduction of 5%.

The salary change will be effective July 13, 2009 and you will see it on your paycheck dated July 31, 2009. This will apply to all levels of the organization.

The executive team did not make this decision lightly. As a group we have looked at all of the alternatives available to achieve the results to which we have committed and to stay compliant with our debt covenants. We considered the impact of a furlough in Q3 and Q4 and deeper associate reductions in force. We felt that taking this action provided the best opportunity to maintain an organization that will meet the needs of our advertisers, readers and viewers. Most importantly, it will help us to deliver on our financial commitments in 2009 and set us up for a stronger 2010.

We will exempt those hired in the last 6 months (hired after January 1, 2009) and we will work with the handful of Company associates with personal service or representation contracts regarding their participation in the salary reduction.

In light of the continuing economic and industry conditions, we will continue to evaluate our business as the year progresses and make the decisions that will best position us for survival. As in the past, we will keep all of you informed as our strategy and important decisions unfold.

We realize and understand that this may provide a financial hardship for you. Thank you in advance for continuing to work together on our quest to keep Freedom healthy through these difficult times.

BURL