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VIA ELECTRONIC TRANSMISSION

Honorable Stephen Raslavich
United States Bankruptcy Court
for the Eastern District of Pennsylvania
Robert N.C. Nix, Sr. Federal Courthouse
900 Market Street, Suite 204
Philadelphia, PA 19107

Re: **In re: Philadelphia Newspapers, LLC, et al.**
Case No. 09-11204

Dear Judge Raslavich:

We represent the Debtors in the above-referenced matter. Over one year ago on February 27, 2009, the Debtors filed an Application to retain the law firm of Elliott Greenleaf & Siedzikowski, P.C. ("Elliott Greenleaf") as Special Counsel in connection with incidents involving the admitted illegal recording of a meeting between the Debtors and their secured lenders, and the retaliation against the Debtors after they sought to properly report that illegal conduct. Since then, the issue of the retention of Elliott Greenleaf has been the subject of numerous motions and an appeal to the District Court, as well as an "investigation" by the Official Committee of Unsecured Creditors ("Committee"). This Court described that investigation as a "fine mess," and this Court stated that it was "puzzled" as to why proper depositions were not conducted by the Committee.

On August 18, 2009, this Court heard argument on the Debtors' Motion to Reconsider this Court's April 20, 2009 Order Denying Debtors' Request for its Special Counsel to Conduct an Investigation ("Motion to Reconsider"). Through that Motion, the Debtors sought to retain Elliott Greenleaf to conduct a limited investigation, including obtaining the crucial emails that the Steering Group failed to produce during the Committee's "investigation" and conducting a handful of depositions. After the argument, the Court took the Motion under advisement.

Thereafter, as part of the negotiated settlement regarding debtor-in-possession financing, the Debtors agreed that the investigation would be "suspended until the earlier of (i) January 2, 2010 and (ii) such time as all indebtedness under the Creditors DIP is paid in full." Consistently, the Debtors have not sought a ruling from the Court on their Motion to Reconsider. Now that the time for the suspension has run, the Debtors respectfully request that this Court promptly rule on their Motion to Reconsider.

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Dilworth Paxson LLP

To: Honorable Stephen Raslavich

Page 2

The *dispute* over the investigation has already consumed far more time, effort and expense than the actual investigation that the Debtors seek to conduct. If the Court were to grant the Motion to Reconsider, assuming cooperation of the parties, the Debtors will be able to then complete the investigation prior to confirmation. If there truly has been no retaliation by the Lenders, the investigation will put the matter to rest. On the other hand, if the evidence reveals improper conduct by one or more of the Lenders, the Debtors will be able to pursue any appropriate remedies in a timely manner.

Therefore, the Debtors respectfully request that Your Honor promptly grant the Debtors' Motion to Reconsider and permit Elliott Greenleaf to conduct an investigation of the taping incident by obtaining relevant documents and taking key depositions.

Respectfully,

A handwritten signature in black ink that reads "Lawrence G. McMichael /sm". The signature is written in a cursive, slightly slanted style.

Lawrence G. McMichael