

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF LOUISIANA
SHREVEPORT DIVISION**

In re	:	
	:	
COMMUNICATIONS CORPORATION :	:	Chapter 11 Case No. 06-50410
OF AMERICA AND	:	
WHITE KNIGHT HOLDINGS,	:	
INC., <i>et al.</i> ,	:	
	:	
	:	Jointly Administered
Debtors.	:	
	:	

**FIRST AMENDED JOINT DISCLOSURE STATEMENT FOR
(I) THE JOINT CHAPTER 11 PLAN OF REORGANIZATION FOR
COMMUNICATIONS CORPORATION OF AMERICA,
AND ITS DIRECT AND INDIRECT SUBSIDIARIES, AND
(II) THE JOINT CHAPTER 11 PLAN OF REORGANIZATION
FOR WHITE KNIGHT HOLDINGS, INC., AND ITS DIRECT AND
INDIRECT SUBSIDIARIES, BOTH AS OF JULY 11, 2007**

[THIS IS NOT A SOLICITATION OF ACCEPTANCE OR REJECTION OF THE PLANS. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT. THIS DISCLOSURE STATEMENT IS BEING SUBMITTED FOR APPROVAL BUT HAS NOT YET BEEN APPROVED BY THE BANKRUPTCY COURT. THERE WILL BE A HEARING ON THIS DISCLOSURE STATEMENT TO DETERMINE IF IT PROVIDES ADEQUATE INFORMATION. IF THE DISCLOSURE STATEMENT IS APPROVED BY THE BANKRUPTCY COURT, THERE WILL BE A SUBSEQUENT HEARING TO CONSIDER CONFIRMATION OF THE PLANS. ALL CREDITORS AND EQUITY INTEREST HOLDERS WILL BE NOTIFIED OF THE DATE OF SUCH CONFIRMATION HEARING.]

THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREIN.

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EXHIBITS TO DISCLOSURE STATEMENT

EXHIBIT D-1	JOINT CHAPTER 11 PLAN OF REORGANIZATION FOR COMMUNICATIONS CORPORATION OF AMERICA, AND ITS DIRECT AND INDIRECT SUBSIDIARIES
EXHIBIT D-2	JOINT CHAPTER 11 PLAN OF REORGANIZATION FOR WHITE KNIGHT HOLDINGS, INC. AND ITS DIRECT AND INDIRECT SUBSIDIARIES
EXHIBIT D-3	TERM SHEET FOR THE EXIT FACILITY
EXHIBIT D-4	CERTAIN LEASES
EXHIBIT D-5	REORGANIZED DEBTORS' PRO-FORMA ANALYSIS
EXHIBIT D-6	RETAINED CLAIMS AND CAUSES OF ACTION
EXHIBIT D-7	LIQUIDATION ANALYSIS

INTRODUCTION

Communications Corporation of America (the "CCA Parent"),¹ together with its direct and indirect subsidiaries (collectively, with the CCA Parent, the "CCA Debtors"),² have filed a Joint Chapter 11 Plan of Reorganization, dated as of July 11, 2007 (the "CCA Plan"). The CCA Plan is attached to this Disclosure Statement as Exhibit D-1. The CCA Debtors submit this First Amended Joint Disclosure Statement (this "Disclosure Statement"), pursuant to Section 1125 of title 11 of the United States Code (the "Bankruptcy Code"), to holders of Claims against and Interests in the CCA Debtors, in connection with (i) the solicitation of acceptances or rejections of the CCA Plan (together with any modification, amendment or supplement, of the CCA Plan), and (ii) the hearings to consider approval of the CCA Plan to be scheduled before the United States Bankruptcy Court for the Western District of Louisiana, Shreveport Division (the "Bankruptcy Court") on the date(s) set forth in the accompanying notice. On and after the Effective Date of the CCA Plan, the CCA Debtors shall be collectively referred to as the "Reorganized CCA Debtors" and the CCA Parent shall be referred to as the "Reorganized CCA Parent."

White Knight Holdings, Inc. (the "WKH Parent"),³ together with its direct and indirect subsidiaries (collectively, with the WKH Parent, the "WKH Debtors"),⁴ have filed a separate

¹Case No. 06-50410.

²ComCorp Holdings, Inc. (06-50411); ComCorp Broadcasting, Inc. (06-50412); ComCorp of Texas, Inc. (06-50413); ComCorp of Baton Rouge, Inc. (06-50414); ComCorp of Bryan, Inc. (06-50415); ComCorp of Lafayette, Inc. (06-50416); ComCorp of El Paso, Inc. (06-50417); ComCorp of Louisiana, Inc. (06-50418); ComCorp of Indiana, Inc. (06-50419); ComCorp of Tyler, Inc. (06-50420); ComCorp of Monroe, Inc. (06-50421); ComCorp of Baton Rouge License Corp. (07-11737); ComCorp of Bryan License Corp. (07-____); ComCorp of Lafayette License Corp. (07-____); ComCorp of El Paso License Corp. (07-____); ComCorp of Indiana License Corp. (07-____); ComCorp of Louisiana License Corp. (07-____); ComCorp of Texas License Corp. (07-____); ComCorp of Tyler License Corp. (07-____); and ComCorp of WB Baton Rouge, Inc. (07-____).

³Case No. 06-50422.

Joint Chapter 11 Plan of Reorganization, dated as of July 11, 2007 (the "WKH Plan"). The WKH Plan is attached to this Disclosure Statement as Exhibit D-2. The WKH Debtors submit this Disclosure Statement, pursuant to Section 1125 of the Bankruptcy Code, to holders of Claims against and Interests in the WKH Debtors in connection with (i) the solicitation of acceptances or rejections of the WKH Plan (together with any modification, amendment or supplement, of the WKH Plan), and (ii) the hearings to consider approval of the WKH Plan to be scheduled before the Bankruptcy Court on the date(s) set forth in the accompanying notice. On and after the Effective Date of the WKH Plan, the WKH Debtors shall be collectively referred to as the "Reorganized WKH Debtors" and WKH Parent shall be referred to as the "Reorganized WKH Parent."

Unless otherwise defined in this Disclosure Statement, all capitalized terms contained herein have the meanings ascribed to them in the CCA Plan or, if not defined in the CCA Plan, the WKH Plan.

The CCA Plan and the WKH Plan shall be collectively referred to as the "Plans." The CCA Debtors and the WKH Debtors shall be collectively referred to as the "Debtors" or, on and after the Effective Date of the CCA Plan and the WKH Plan, the "Reorganized Debtors." In the event of a conflict or difference between the definitions used, and provisions contained, in this Disclosure Statement and the Plans, the definitions and provisions contained in the Plans shall control.

⁴White Knight Broadcasting, Inc. (06-50423); White Knight Broadcasting of Shreveport, Inc. (06-50424); Knight Broadcasting of Baton Rouge, Inc. (06-50425); White Knight Broadcasting of Natchez, Inc. (06-50426); White Knight Broadcasting of Longview, Inc. (06-50427); White Knight Broadcasting of Shreveport License Corp. (07-____); Knight Broadcasting of Baton Rouge License Corp. (07-____); White Knight Broadcasting of Natchez License Corp. (07-____); White Knight Broadcasting of Longview License Corp. (07-____); and Warwick Communication, Inc. (07-____).

The First Lien Lenders have informed the Debtors that the First Lien Lenders intend to support the CCA Plan and the WKH Plan, each in the form attached to this Disclosure Statement, provided they are confirmed on the time schedule set forth in the amended final cash collateral order.

The Debtors are commencing this solicitation after extensive negotiations with the holders of the Claims with respect to the First Lien Credit Agreements and the First Lien Guaranty. These negotiations have resulted in, among other things, the formulation of the terms of a consensual restructuring of the Debtors, which terms are embodied in the Plans described in this Disclosure Statement.

The Debtors believe that the aggregate valuation of the Debtors is approximately \$220 million (as more fully set forth in Article IV, Section B of this Disclosure Statement), which is less than the total aggregate amount of the Claims with respect to the First Lien Credit Agreements and the First Lien Guaranty. The First Lien Lenders' Secured Claims are secured by substantially all of the assets of all of the Debtors and must be satisfied in full before any distribution may be made to the holders of Claims against, or Interests in, the Debtors that are junior to the First Lien Lenders. Based on the Debtors' estimate, assuming an Effective Date of October 15, 2007, the valuation required to provide a distribution to the holders of any Claims or Interests junior to the First Lien Lenders' Secured Claims according to the absolute priority rule would need to be in excess of \$267 million, considering the amount of the postpetition interest, fees, costs and expenses on the First Lien Lenders' Secured Claims. For each month beyond October 15, 2007 until the actual Effective Date, the valuation level required to provide a distribution to holders of any Claims or Interests that are junior to the First Lien Lenders'

Secured Claims increases by over \$4.0 million due to the continued accrual of postpetition interest, fees, costs and expenses on the First Lien Lenders' Secured Claims.

Because the First Lien Lenders have liens on all or substantially all of the assets of the Debtors and such assets are worth less than the aggregate amount of the First Lien Lenders' Secured Claims, the First Lien Lenders are entitled to receive the entire economic value of the Debtors. Although the First Lien Lenders are entitled to receive the entire economic value of the Debtors, the First Lien Lenders have agreed to support the Plans that provide for the payment in full, in Cash, of the Allowed Amount (without interest) of the Trade Claims.

In order for the holders of junior Claims or Interests to be entitled to any distribution from the Debtors pursuant to the Bankruptcy Code, the First Lien Lenders' Secured Claims, including the full amount of interest, fees, and other expenses accrued through the Effective Date, totaling in excess of \$267 million, would have to be paid. The Debtors' valuation of its business is substantially less than that amount.

I. PURPOSE AND SUMMARY OF THE PLANS

THE DESCRIPTIONS OF THE PLANS SET FORTH BELOW CONSTITUTE SUMMARIES ONLY. HOLDERS OF CLAIMS AND INTERESTS AND OTHER PARTIES IN INTEREST ARE URGED TO REVIEW AND ANALYZE THE PLANS IN THEIR ENTIRETY.

A. THE CCA PLAN

1. Debt and Capital Structure

Under the CCA Plan, in satisfaction of the First Lien Lenders' Secured Claims, the First Lien Lenders will receive (a) \$5.0 million in Cash, (b) the Secured Term Loan, and (c) 10.0 million shares of CCA New Common Stock (representing 100% of the CCA New Common Stock to be distributed pursuant to the CCA Plan; additional shares of CCA New Common Stock will be purchased by certain employees for Cash on the Effective Date). The holders of

Trade Claims will be paid the full Allowed Amount of their Trade Claims, without interest. The pre-petition CCA Parent Common Equity Interests and Preferred Interests and the General Unsecured Claims will be canceled. The holders of the General Unsecured Claims and of the pre-petition CCA Parent Common Equity Interests and Preferred Interests will receive no distributions under the CCA Plan on account of their Claims or Interests.

2. Exit Financing

The First Lien Lenders will provide a \$10 million or, in their discretion, a larger Exit Secured Revolver, as a component of the Exit Facility on the Effective Date. To the extent necessary after using an estimated \$7.5 million of the CCA Debtors' Cash on hand at the Effective Date, borrowings under the Exit Secured Revolver may be made to pay the Allowed Claims payable under the CCA Plan, and provide, after the Effective Date, working capital to the Reorganized CCA Debtors. The terms of the Exit Facility are set forth in the Term Sheet attached to this Disclosure Statement as Exhibit D-3.

3. Plan Supplement

The CCA Debtors will file the Plan Supplement to the CCA Plan, containing information to the extent then known and documents and term sheets to the extent then available, at least five (5) days before the deadline established by the Bankruptcy Court for voting to accept or reject the CCA Plan.

B. THE WKH PLAN

1. Debt and Capital Structure

Under the WKH Plan, in satisfaction of the First Lien Lenders' Secured Claims, the First Lien Lenders will be issued (a) 100% of the WKH New Common Stock and (b) the WKH Guaranty, whereby each of the Reorganized WKH Debtors shall guaranty the Reorganized

CCA Debtors' obligations under the Exit Facility. The First Lien Lenders shall thereafter immediately transfer the WKH New Common Stock to the WKH New Common Stockholder, a third party that is not a holder of any Claims against or Interest in any of the WKH Debtors or the CCA Debtors, and is not affiliated with any officers or directors of any of the WKH Debtors or the CCA Debtors. The holders of Trade Claims will be paid the full Allowed Amount of their Trade Claims, without interest. The pre-petition WKH Parent Common Equity Interests and the General Unsecured Claims will be canceled. The holders of the General Unsecured Claims and of the WKH Parent Common Equity Interests will receive no distributions on account of their General Unsecured Claims or Interests under the WKH Plan.

2. The WKH Guaranty

On the Effective Date, the WKH Debtors shall execute the WKH Guaranty, pursuant to which each of the Reorganized WKH Debtors shall guaranty the Reorganized CCA Debtors' obligations under the Exit Facility. The WKH Guaranty will be filed as part of the Plan Supplement, with any changes thereafter as agreed to by the First Lien Agent.

3. Plan Supplement

The WKH Debtors will file the Plan Supplement to the WKH Plan, containing information to the extent then known and documents and term sheets to the extent then available, at least five (5) days before the deadline established by the Bankruptcy Court for voting to accept or reject the WKH Plan.

II. SUMMARY OF CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLANS

A. CLAIMS UNDER THE PLANS

The following is a summary of the classification and treatment of Claims under each of the Plans, assuming an Effective Date of October 15, 2007:

CLASS	TREATMENT
<p>Unclassified. Allowed Administrative Expense Claims.</p> <p>The total estimate of aggregate outstanding unpaid Administrative Expense Claims under both Plans, as of the Effective Date, is approximately \$3.8 million.</p>	<p>Unimpaired. Not entitled to vote.</p> <p>Subject to section 2.1.2 of the Plans, each Allowed Administrative Expense Claim shall be paid in full, in Cash, by the applicable Reorganized Debtor on the applicable Effective Date or upon such other terms as may be agreed upon by the holder of such Allowed Administrative Expense Claim and the applicable Reorganized Debtor or otherwise established pursuant to an order of the Bankruptcy Court; <i>provided, however</i>, that Administrative Expense Claims representing liabilities incurred in the ordinary course of business by any Debtor in Possession shall be paid by the applicable Reorganized Debtor in accordance with the terms and conditions of the particular transactions and any agreements relating thereto.</p> <p>Pursuant to section 2.1.2 of the Plans, all Professionals seeking compensation for services rendered or reimbursement of expenses incurred through and including the applicable Effective Date shall (a) file their respective final applications for allowances of compensation for services rendered and reimbursement of expenses incurred through the applicable Effective Date by no later than the date that is forty five (45) days after the applicable Effective Date or such other date as may be fixed by the Bankruptcy Court and (b) if granted such an award by the Bankruptcy Court, be paid in full in such amounts as are Allowed by an order of the Bankruptcy Court (i) on the date such Administrative Expense Claim becomes an Allowed Administrative Expense Claim, or as soon thereafter as is practicable or (ii) upon such other terms as may be mutually agreed upon between such holder of an Administrative Expense Claim and the applicable Reorganized Debtor.</p> <p>Pursuant to section 2.1.3 of the Plans, to the extent any Entity is seeking an award of compensation for services rendered or reimbursement of expenses incurred during the Chapter 11 Cases under Section 503(b)(3)(D) of the Bankruptcy Code, such Entity shall file its application for such an award on or before the deadline established by the Bankruptcy Court for the filing of the objections to the confirmation of the Plan, and any such applications shall be determined at the Confirmation Hearing; otherwise, such application or request for compensation or reimbursement of expenses under Section 503(b)(3)(D) shall be forever barred from assertion against the applicable Debtors, their respective Estates, the Reorganized Debtors, and their respective properties.</p> <p>Estimated percentage recovery: 100%</p>
<p>Unclassified: Allowed Priority Tax Claims.</p> <p>The total estimate of Allowed Priority Tax Claims under both Plans, as of the Effective Date, is \$0.</p>	<p>Unimpaired. Not entitled to vote.</p> <p>Each holder of an Allowed Priority Tax Claim shall be paid the Allowed Amount of its Claim, at the option of the Reorganized Debtors, (a) in full, in Cash, on the applicable Effective Date, (b) upon such other terms as may be mutually agreed upon between such holder and the applicable Reorganized Debtor, or (c) in equal quarterly Cash payments commencing forty-five (45) days after the applicable Effective Date, amortized over five (5) years from the applicable 2006 Petition Date or 2007 Petition Date, and in an aggregate amount equal to such Allowed Priority Tax Claim, together with interest at such rates as required by Section 511 of the Bankruptcy Code.</p> <p>Estimated percentage recovery: 100%</p>

<p>Class 1. Allowed Priority Claims.</p> <p>The total estimate of Allowed Priority Claims under both Plans, as of the Effective Date, is \$0.</p>	<p>Unimpaired. Not entitled to vote.</p> <p>Each holder of an Allowed Priority Claim, unless agreed otherwise by the holder of such Allowed Priority Claim and the applicable Debtor (with the consent of the First Lien Agent), shall be paid the Allowed Amount of its Allowed Priority Claim, in full, in Cash, on the later of the applicable Effective Date or the date such Claim becomes an Allowed Claim.</p> <p>Estimated percentage recovery: 100%</p>
<p>Class 2. First Lien Lenders' Secured Claims.</p> <p>The total estimate of First Lien Lenders' Secured Claims under both Plans, as of the Effective Date, is over \$267 million.⁵</p>	<p>Impaired. Entitled to vote.</p> <p>Pursuant to section 3.2 of the CCA Plan, on the Effective Date of the CCA Plan, the First Lien Agent, for the benefit of the First Lien Lenders, shall receive (a) \$5.0 million in Cash, (b) the Secured Term Loan, and (c) 10.0 million shares of CCA New Common Stock (representing 100% of the CCA New Common Stock to be distributed pursuant to the CCA Plan; additional shares of CCA New Common Stock will be purchased by certain employees for cash on the Effective Date).</p> <p>Pursuant to section 3.2 of the WKH Plan, on the Effective Date of the WKH Plan, the First Lien Agent, for the benefit of the First Lien Lenders, shall receive, in full and final satisfaction of the First Lien Lenders' Secured Claim, (a) the WKH Guaranty, whereby each of the Reorganized WKH Debtors shall guaranty the Reorganized CCA Debtors' obligations under the Exit Facility, and (b) 100% of the WKH New Common Stock outstanding on the Effective Date (which shall be immediately transferred to the WKH New Common Stockholder).</p> <p>Estimated percentage recovery: Less than 100%</p>
<p>Class 3. Other Secured Claims.</p> <p>The total aggregate estimate of Other Secured Claims under both Plans, as of the Effective Date, is approximately \$10,000.</p>	<p>Unimpaired. Not entitled to vote.</p> <p>Except to the extent the holder of an Allowed Other Secured Claim agrees to a different treatment, at the sole option of the applicable Debtor (with the consent of the First Lien Agent), on the later of the applicable Effective Date and the date such Claim becomes an Allowed Claim, (a) each Other Secured Claim shall be reinstated and rendered Unimpaired in accordance with Section 1124(2) of the Bankruptcy Code, (b) each holder of an Allowed Other Secured Claim shall receive, in full and final satisfaction of such Claim, the collateral securing such Claim, or (c) such Claim shall receive any other treatment allowed under Section 1129 (b)(2) of the Bankruptcy Code.</p> <p>Estimated percentage recovery: 100%</p>
<p>Class 4. Trade Claims.</p> <p>The total estimate of Trade Claims under both Plans, as of the Effective Date, is approximately \$1.2 million.</p>	<p>Impaired. Entitled to vote.</p> <p>Each holder of an Allowed Trade Claim will be paid, in full, in Cash, the Allowed Amount (without interest) of its Trade Claim on the later of the applicable Effective Date and the date such Claim becomes an Allowed Claim. The distribution to the holders of the Allowed Trade Claims shall be in lieu of a pro rata direct distribution to the holders of the First Lien Lenders' Secured</p>

⁵The claims of the First Lien Lenders include, to the extent allowable under applicable bankruptcy law, the aggregate amount of postpetition interest, fees, costs and expenses that accrues through the Effective Date. To the extent applicable bankruptcy law allows such accrual, as of the anticipated Effective Date, the amount of the First Lien Lenders' Claims would be over \$267 million.

	Claims. Estimated percentage recovery: Less than 100%
Class 5. General Unsecured Claims. The total aggregate estimate of the General Unsecured Claims under both Plans, as of the 2006 Petition Date, was approximately \$167 million, which amount will be increased by any rejection damages claims and any deficiency claims of the First Lien Lenders.	Impaired. Conclusively presumed to have rejected the Plans and are not entitled to vote to accept or reject the Plans. The holders of General Unsecured Claims shall receive no distribution under the Plans, and such Claims shall be discharged as of the applicable Effective Date. Estimated percentage recovery: 0%

B. INTERESTS UNDER THE CCA PLAN

The following is a summary of the classification and treatment of Interests under the CCA Plan, assuming an Effective Date of October 15, 2007:

Class 6. Subsidiary Common Equity Interests.	Unimpaired. Not entitled to vote on the CCA Plan. The holders of Allowed Subsidiary Common Equity Interests in Class 6 of the CCA Plan shall retain their Subsidiary Common Equity Interests.
Class 7. Preferred Interests in the CCA Parent.	Impaired; conclusively presumed to have rejected the CCA Plan, and are not entitled to vote to accept or reject the CCA Plan. The Allowed Preferred Interest in the CCA Parent shall be cancelled as of the Effective Date, and the holders of the Interests in Class 7 of the CCA Plan shall receive no distribution on account of such Interests.
Class 8. CCA Parent Common Equity Interests.	Impaired; conclusively presumed to have rejected the CCA Plan, and are not entitled to vote to accept or reject the CCA Plan. The CCA Parent Common Equity Interests shall be cancelled as of the Effective Date, and the holders of the CCA Parent Common Equity Interests in Class 8 shall receive no distribution on account of such Interests.

C. INTERESTS UNDER THE WKH PLAN

The following is a summary of the classification and treatment of Interests under the WKH Plan, assuming an Effective Date of October 15, 2007:

Class 6. Subsidiary Common Equity Interests.	Unimpaired. Not entitled to vote. The holders of Allowed Subsidiary Common Equity Interests in Class 6 of the WKH Plan shall retain their Subsidiary Common Equity Interests.
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Class 7. WKH Parent Common Equity Interests.	<p>Impaired; conclusively presumed to have rejected the WKH Plan, and are not entitled to vote to accept or reject the WKH Plan.</p> <p>The WKH Parent Common Equity Interests shall be cancelled as of the Effective Date, and the holders of the WKH Parent Common Equity Interests in Class 7 shall receive no distribution on account of such Interests.</p>
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III. GENERAL OVERVIEW AND BACKGROUND INFORMATION

A. BACKGROUND AND GENERAL INFORMATION

1. Overview

The CCA Debtors are closely-held television broadcast and television license companies in small and medium-sized markets in Texas, Louisiana and Indiana. The CCA Debtors collectively own 15 television stations in 10 markets. Four of the markets are in Louisiana, five (5) are in Texas and one is in Indiana. The CCA Debtors own six (6) stations affiliated with the Fox Network, four (4) stations affiliated with NBC, one (1) station affiliated with CBS, two (2) stations primarily affiliated with MyNetwork (and two (2) of the Fox stations secondarily affiliated with MyNetwork), one (1) independent station, and one (1) station affiliated the CWNetwork.

The WKH Debtors are closely-held television broadcast and television license companies in small and medium-sized markets in Texas and Louisiana. The WKH Debtors own eight (8) television stations in four (4) markets. Three (3) of the markets are in Louisiana, and one (1) is in Texas. The WKH Debtors own three (3) stations affiliated with the Fox Network, one (1) station affiliated with NBC, three (3) stations primarily affiliated with MyNetwork (and one (1) of the Fox stations secondarily affiliated with MyNetwork), and one (1) independent station.

2. CCA Debtors' Corporate Structure

The CCA Parent is the sole owner of ComCorp Holdings, Inc., which, in turn, owns ComCorp Broadcasting, Inc. ("CCB"). CCB, in turn, owns the following operating subsidiaries,

each of which are Debtors (collectively, the "CCA Operating Subsidiaries" or, each separately, a "CCA Operating Subsidiary"): ComCorp of Monroe, Inc.; ComCorp of Baton Rouge, Inc.; ComCorp of Texas, Inc.; ComCorp of Lafayette, Inc.; ComCorp of Louisiana, Inc.; ComCorp of Bryan, Inc.; ComCorp of El Paso, Inc.; ComCorp of Indiana, Inc.; and ComCorp of Tyler, Inc. The CCA Parent, CCB and the CCA Operating Subsidiaries (collectively, the "CCA Initial Debtors") each filed their respective chapter 11 cases on June 6, 2006 (the "2006 Petition Date").

Each of the CCA Operating Subsidiaries (except ComCorp of Monroe, Inc.) owns one or more subsidiaries (collectively, the "CCA License Debtors") that currently holds or has previously held one or more broadcast licenses that was issued by the Federal Communications Commission ("FCC") with respect to the station(s) operated by the particular CCA Operating Subsidiary. The CCA License Subsidiaries include the following entities: ComCorp of Texas License Corp.; ComCorp of Baton Rouge License Corp.; ComCorp of WB Baton Rouge, Inc.; ComCorp of Bryan License Corp.; ComCorp of El Paso License Corp.; ComCorp of Louisiana License Corp.; ComCorp of Indiana License Corp.; ComCorp of Tyler License Corp.; and ComCorp of Lafayette License Corp. (which no longer owns any FCC licenses). The CCA License Debtors each filed their respective chapter 11 cases on July 11, 2007 (the "2007 Petition Date").

3. WKH Debtors' Corporate Structure

The WKH Parent owns White Knight Broadcasting, Inc. (the "WKB"), which, in turn, owns the following operating subsidiaries, each of which are Debtors (collectively, the "WKH Operating Subsidiaries" or, separately, a "WKH Operating Subsidiary"): White Knight Broadcasting of Shreveport, Inc.; Knight Broadcasting of Baton Rouge, Inc.; White Knight Broadcasting of Longview, Inc.; and White Knight Broadcasting of Natchez, Inc. As discussed more fully below, the WKH Parent, WKB and the WKH Operating Subsidiaries (collectively,

the "WKH Initial Debtors") each filed their respective chapter 11 cases on the 2006 Petition Date.

Each of the WKH Operating Subsidiaries owns one or more subsidiaries (collectively, the "WKH License Debtors") that currently holds or has previously held one or more broadcast licenses issued by the FCC with respect to the station(s) operated by the particular WKH Operating Subsidiary. The WKH License Debtors include the following entities: White Knight Broadcasting of Shreveport License Corp.; Knight Broadcasting of Baton Rouge License Corp.; White Knight Broadcasting of Natchez License Corp.; Warwick Communications, Inc.; and White Knight Broadcasting of Longview License Corp. (which no longer owns any FCC licenses). Each of the WKH License Debtors filed their respective chapter 11 cases on the 2007 Petition Date.

4. Relationship Between the CCA Debtors and the WKH Debtors

The WKH Operating Subsidiaries currently operate television stations under multiple agreements (collectively, the "Joint Agreements") with CCB, primarily related to advertising, sales, promotion services and administrative services. These stations are located in Shreveport, Louisiana (KSHV), Baton Rouge, Louisiana (WVLA and KZUP-CA), Tyler-Longview, Texas (KFXX, KFXL-LP, KTPN-LP, and KLPN-LP), and Alexandria, Louisiana (WNTZ) (markets where, with the exception of Alexandria, Louisiana, CCA entities also own and operate television stations). After the Effective Date of the Plans, the existing Joint Agreements will be terminated and replaced with new Joint Agreements.

Under the existing and future Joint Agreements, each WKH Operating Subsidiary maintains responsibility for and control over the operation of its station, including programming, finances and personnel. The CCA Operating Subsidiaries do not own or control any WKH Operating Subsidiaries or their television stations. The CCA Operating Subsidiaries have

guaranteed the repayment of a substantial portion of the pre-petition secured debt of the WKH Operating Subsidiaries and provide services to all of the stations operated by the WKH Operating Subsidiaries under the Joint Agreements.

Pursuant to section 7.13 of each of the Plans, on the Effective Date, (a) the equity interest in White Knight Broadcasting of Natchez, Inc. shall be deemed transferred to ComCorp Broadcasting Inc., and (b) the names of White Knight Broadcasting of Natchez, Inc. and of its wholly owned subsidiary, White Knight Broadcasting of Natchez License Corp., shall be changed, respectively, to ComCorp of Alexandria, Inc. and ComCorp of Alexandria License Corp.

B. THE DEBTORS' MANAGEMENT AND DIRECTORS

1. The CCA Debtors

The management of the CCA Debtors is as follows:

Thomas Galloway, Chairman
D. Wayne Elmore, Chief Executive Officer
Steve Pruett, President, Chief Financial Officer and Chief Operating Officer
Greg Boulanger, Controller

Mr. Galloway has been with the Debtors for 19 years, Mr. Elmore for 16 years, Mr. Pruett for 5 years, and Mr. Boulanger for 15 years. The members of the board of directors of the CCA Debtors are Thomas Galloway, D. Wayne Elmore and Warren Spector.

2. The WKH Debtors

The management of the WKH Debtors consists of Mr. Sheldon Galloway, President, who has been with the WKH Debtors for 13 years. John Redd was secretary, but he resigned and a replacement has not been appointed at this time. Mr. Sheldon Galloway is the sole director of the WKH Debtors.

C. FCC OVERVIEW

Television broadcasting is subject to the jurisdiction of the FCC under the Communications Act of 1934, as amended (the "Communications Act"). The Communications Act prohibits the operation of television broadcasting stations except under a license issued by the FCC. The FCC has the power, among other things, to issue, revoke and modify broadcasting licenses. The FCC must approve the transfer of any broadcasting license in connection with the sale of any television station.

D. THE DEBTORS' DEBT STRUCTURE

As of the 2006 Petition Date, the Debtors owed, as original borrowers or secured guarantors, approximately \$372 million in long-term debt, including approximately \$205 million to the First Lien Lenders, \$21 million to the Second Lien Lenders and \$146 million to the Third Lien Lenders. The total estimate of the First Lien Lenders' Secured Claims as of the assumed Effective Date of October 15, 2007, is over \$267 million. The Claims of the Second Lien Lenders and Third Lien Lenders (collectively, the "Junior Lenders") are treated as General Unsecured Claims in Class 5 of the Plans because the Debtors do not believe the value of their assets exceed the amounts due to the First Lien Lenders. The Debtors estimate the amount of Trade Claims in Class 4 of the Plans total approximately \$1.2 million in the aggregate.

E. EVENTS LEADING TO THESE CHAPTER 11 CASES

The Debtors have been in technical default of the loan agreements related to the approximately \$372 million in long-term loans (as of the 2006 Petition Date) with the First Lien Lenders and Junior Lenders since mid-2005. Various agreements and waivers of default were in place from 2005 until shortly before the 2006 Petition Date. The purpose of those agreements and waivers was to allow the Debtors to continue to operate their businesses and to use cash flow

(or re-borrow funds) from operations to pay their operating expenses, while the Debtors attempted to sell all of their assets or capital stock.

The Debtors engaged UBS Investment Bank to assist in the sales process. The anticipated proceeds from the sales of the Debtors' assets or capital stock were to be used to pay the Debtors' outstanding debt. The results of the sale process were disappointing and did not satisfy the various lenders' initial expectations. By early 2006, only Nexstar Broadcasting Group, Inc. ("Nexstar") had emerged as a potentially serious buyer. Although Nexstar's potential acquisition seemed likely for some period of time, by late spring of 2006 it appeared that a potential sale to Nexstar could not be concluded. The Debtors believe the reasons were principally twofold. The First Lien Lenders and the Junior Lenders could not reach an agreement on the distribution of the proceeds from any sale to Nexstar. As a result, the Junior Lenders would not agree to voluntarily cancel their contractually subordinated Liens to permit the transfer to Nexstar free and clear of those Liens. Second, the Debtors lost confidence that the proposed Nexstar transaction could be consummated because of potential financial and regulatory impediments.

1. The Initial Debtors' Chapter 11 Cases

The CCA Initial Debtors and the WKH Initial Debtors (collectively, the "Initial Debtors") each filed their respective chapter 11 cases on the 2006 Petition Date (collectively, the "Initial Debtors' Chapter 11 Cases"). The First Lien Agent at that time (the "Prior First Lien Agent")⁶ advised the Initial Debtors that (a) it was unwilling to negotiate any longer with the Junior Lenders over the distribution of the potential sale proceeds from the proposed sale to Nexstar,

⁶At that time, General Electric Capital Corporation acted as the First Lien Agent. Recently, upon information and belief, Silver Point Finance, LLC ("Silver Point") or one of its designees has become the First Lien Agent (the "Current First Lien Agent").

and (b) it would no longer allow the Initial Debtors to continue to “re-borrow” operating revenues to pay their normal, on-going operating expenses. At that time, all of the Initial Debtors' revenues were being deposited into an account controlled by the Prior First Lien Agent and the funds were being “swept” by the then First Lien Lenders and applied to the professional fees of the First Lien Lenders' attorneys and financial advisors, as well as to interest on the Initial Debtors' approximately \$205 million loan as of the 2006 Petition Date from the First Lien Lenders. At the time, the Initial Debtors did not believe that bankruptcy was the best way to resolve the financial issues among the Initial Debtors, the then First Lien Lenders (as represented by the Prior First Lien Agent) and the Junior Lenders. But the Initial Debtors were left with no option but to file the Initial Debtors' Chapter 11 Cases when the Prior First Lien Agent, on behalf of the then First Lien Lenders, froze their funds and refused to allow the Initial Debtors to use those funds to pay for the ongoing costs of their business operations. The Initial Debtors' Chapter 11 Cases were filed in order to obtain Bankruptcy Court approval for the continued use of the First Lien Lenders' cash collateral to operate their businesses, and in order to use the reorganization provisions of the Bankruptcy Code to restructure their balance sheets and satisfy their creditors under a plan of reorganization.

Recently, all of the Claims with respect to the First Lien Credit Agreements and the First Lien Guaranty were purchased by new holders, including affiliates of the Current First Lien Agent, which recently replaced the Prior First Lien Agent. The Debtors and the Current First Lien Agent have engaged in extensive plan negotiations. The results of these negotiations are embodied in the Plans.

2. The License Debtors' Chapter 11 Cases

On July 11, 2007, the 2007 Petition Date, the CCA License Debtors and WKH License Debtors filed their respective chapter 11 cases (collectively, the “License Debtors' Chapter 11”

Cases”). The License Debtors filed for chapter 11 relief because they were guarantors and pledgors under the same secured credit facilities as the Initial Debtors. Thereafter, by order entered on July [], 2007 [P-___], the Initial Debtors' Chapter 11 Cases were administratively consolidated with the License Debtors' Chapter 11 Cases (the Initial Debtors' Chapter 11 Cases and the License Debtors' Chapter 11 Cases, collectively, the “Chapter 11 Cases”).

F. SIGNIFICANT POST-PETITION EVENTS

On October 4, 2006, the Initial Debtors' Chapter 11 Cases were reassigned to the Honorable Chief Judge Steven Callaway of the Western District of Louisiana, Shreveport Division.

1. Certain "First Day" Pleadings filed by the Initial Debtors and the License Debtors

Shortly after the 2006 Petition Date, the Initial Debtors filed a number of "first day" pleadings and were granted relief in connection with those “first day” pleadings. On the 2007 Petition Date, the License Debtors filed an Ex Parte Motion for Order Under Fed. R. Bankr. P. 1015(b) Directing Joint Administration and Other Relief [P-___]. Pursuant to that motion, the License Debtors sought, among other things, an order from the Bankruptcy Court jointly administering the License Debtors' Chapter 11 Cases with the Initial Debtors' Chapter 11 Cases (the “Proposed License Debtors' Joint Administration Order”). If granted, the Proposed License Debtors' Joint Administration Order, a number of the orders entered in connection with the “first day” pleadings of the Initial Debtors would be adopted and made applicable in the License Debtors' Chapter 11 Cases. Below are some of the “first day” pleadings filed in the Initial Debtors' Chapter 11 Cases, many of which would be adopted in the License Debtors' Chapter 11 Cases if the Proposed License Debtors' Joint Administration Order is granted:

- (a) Motion for Order Under Fed. R. Bankr. P. 1015(b) Directing Joint Administration [P-4], which motion was granted with respect to the Initial Debtors [P-5],

and the relief obtained therein would be extended to the License Debtors pursuant to the Proposed License Debtors' Joint Administration Order;

(b) Application by the CCA Initial Debtors for Entry of an Order Authorizing the Employment and Retention of William H. Patrick, III and the Law Firm of Heller, Draper, Hayden, Patrick & Horn, L.L.C. as Counsel for the CCA Initial Debtors; Affidavit [P-56], which application was granted in the Initial Debtors' Chapter 11 Cases [P-78], and the relief obtained therein would be extended to the CCA License Debtors pursuant to the Proposed License Debtors' Joint Administration Order;

(c) Application by the WKH Initial Debtors for Entry of An Order Authorizing the Employment and Retention of R. Patrick Vance and the Law Firm of Jones, Walker, Waechter, Poitevent, Carrère & Denègre, L.L.P., as Counsel for the WKH Initial Debtors [P-57], which application was granted in the Initial Debtors' Chapter 11 Cases [P-81], and the relief obtained therein would be extended to the WKH License Debtors pursuant to the Proposed License Debtors' Joint Administration Order;

(d) Motion for Authority to Continue Engagement of Alvarez & Marshal as Financial Advisors for the Initial Debtors [P-58], which application was granted in the Initial Debtors' Chapter 11 Cases [P-119], and the relief obtained therein would be extended to the Proposed License Debtors pursuant to the License Debtors' Joint Administration Order;

(e) Motion Under Sections 105(a) and 331 of the Bankruptcy Code for Administrative Order Establishing Procedures for Interim Compensation and Reimbursement for Expenses of Professionals [P-59], which motion was granted in the Initial Debtors' Chapter 11 Cases [P-79], and the relief obtained therein would be extended to the License Debtors pursuant to the Proposed License Debtors' Joint Administration Order;

(f) Motion to Limit Notice [P-60], which motion was granted in the Initial Debtors' Chapter 11 Cases [P-80], and the relief obtained therein would be extended to the License Debtors pursuant to the Proposed License Debtors' Joint Administration Order;

(g) Motion for Authority to Pay Employees' Prepetition Wages, Related Expenses, Benefits and Taxes [P-61], which motion was granted in the Initial Debtors' Chapter 11 Cases [P-74], and the relief obtained therein would be extended to the License Debtors pursuant to the Proposed License Debtors' Joint Administration Order;

(h) Motion for Order Authorizing the Debtors to Pay Certain Prepetition Taxes [P-62], which motion was granted with respect to the Initial Debtors [P-75];

(i) Motion for Interim and Final Orders: (A) Prohibiting Utilities from Altering, Refusing or Discontinuing Services to, or Discriminating Against, the Debtors on Account of Prepetition Invoices; (B) Determining that the Utilities are Adequately

Assured of Future Payment; (C) Establishing Procedures for Determining Requests for Additional Assurance; and (D) Permitting Utility Companies to Opt Out of the Procedures Established Herein [P-63], which motion was granted in the Initial Debtors' Chapter 11 Cases [P-118], and the relief obtained therein would be extended to the License Debtors pursuant to the License Debtors' Joint Administration Order; and

(j) Motion of the Initial Debtors Pursuant to Sections 105(a) and 363(c) of the Bankruptcy Code for an Order Authorizing the Debtors to (I) Maintain Existing Bank Accounts, (II) Continue to Use Existing Cash Management System as Modified Herein and (III) Authorizing Financial Institutions to Honor and Process Related Checks and Transfers [P-64], which motion was granted in the Initial Debtors' Chapter 11 Cases [P-89], and the relief obtained therein would be extended to the License Debtors pursuant to the Proposed License Debtors' Joint Administration Order.

2. Applications to Employ Professionals

On June 14, 2006, the Bankruptcy Court entered an order approving the employment of Heller, Draper, Hayden, Patrick & Horn, L.L.C. [P-78] and Jones, Walker, Waechter, Poitevent, Carrère & Denègre, L.L.P. [P-81] as bankruptcy counsel for the Initial Debtors. These orders would be extended to the License Debtors pursuant to the Proposed License Debtors' Joint Administration Order. On June 21 and June 26, 2006, the Bankruptcy Court entered an order approving the employment of Fletcher, Heald & Hildreth, P.C. [P-96], as special counsel for the CCA Initial Debtors, and Pillsbury Winthrop Shaw Pittman, LLP [P-94], as special counsel for the WKH Initial Debtors. These orders would be extended to include the Proposed License Debtors pursuant to the License Debtors' Joint Administration Order.

On October 19, 2006, the Bankruptcy Court granted the Application to employ James S. Altenbach and Greenburg Traurig, LLP, to serve as special counsel to the Initial Debtors [P-306]. This order would be extended to include the License Debtors pursuant to the Proposed License Debtors' Joint Administration Order. On October 23, 2006, the Bankruptcy Court granted an order to employ Michael Nassif as special counsel for the CCA Initial Debtors [P-309]. This order would be extended to include the CCA License Debtors pursuant to the Proposed License Debtors' Joint Administration Order.

Pursuant to an order of the Bankruptcy Court entered on June 19, 2006 [P-119], and the License Debtors' Joint Administration Order, Alvarez & Marsal, L.L.C. is continuing to provide restructuring management services to the Debtors. Additionally, on August 28, 2006, the Bankruptcy Court entered an order allowing the employment of Ernest & Young as the Initial Debtors' auditor [P-226]. This order would be extended to include the License Debtors pursuant to the Proposed License Debtors' Joint Administration Order.

On October 10, 2006, the Initial Debtors filed an Application to Employ CobbCorp, L.L.C. ("CobbCorp.") to serve as broker for the Initial Debtors in the sale of certain television stations [P-288]. At a hearing held November 2, 2007, the Bankruptcy Court granted the application to employ CobbCorp., and an order was thereafter entered on February 8, 2007 [P-526].

On November 21, 2006, the Initial Debtors sought the Bankruptcy Court's approval of their Application to Employ John R. Redd, III of Arsement, Redd & Morell, L.L.C. to serve as the Initial Debtors' tax accountant and advisor [P-402]. That application was amended on December 12, 2006 [P-442]. At a hearing held December 15, 2006, the Bankruptcy Court granted the amended application and the order authorizing the retention of Arsement, Redd & Morell, L.L.C. was entered on December 20, 2006 [P-460]. These orders would be extended to include the License Debtors pursuant to the Proposed License Debtors' Joint Administration Order.

3. Certain Motions to Lift Automatic Stay⁷

On October 13, 2004, the Bankruptcy Court granted an Unopposed Motion to Lift the Automatic Stay filed by John Edwards and Ralph Edwards [P-285]. That order allowed the movers to proceed with mediation with the Initial Debtors' insurers in the matter, entitled "*John H. Edwards v. John Spain, et. al.*" Docket No. 2006-1544(G) in the 15th Judicial District Court of the State of Louisiana in Lafayette Parish, Louisiana. That litigation was subsequently resolved in the mediation, and the Initial Debtors received a release of all Claims by the Edwards' plaintiffs as a result of the insurer's settlement with the plaintiffs.

On November 21, 2006, Ben Harrison, Karyn Harrison, individually and on behalf of their minor children, Nathan Harrison and Mackenzie Harrison, filed an Amended Motion for Relief from Automatic Stay to Liquidate Personal Injury Claim [P-400]. An agreed order was entered allowing the stay to be lifted in the matter entitled, "*Ben Harrison, et. al. v. TWCS Baton Rouge, LLC, et. al.*," Docket No. 535,931-8 in the 19th JDC, Parish of East Baton Rouge, State of Louisiana, to be pursued in the state court [P-426].

On November 6, 2006, Hugh H. Dorian filed a Motion to Obtain Relief from Automatic Stay and Waiver of Thirty-Day Requirement [P-366] in order to pursue his claim against certain of the Debtors' insurer in the matter entitled, "*Hugh H. Dorian v. KTSM TV NewsChannel 9, et. al.*," Docket No. 2003-043, in the 41st JDC of El Paso County, State of Texas. In an order dated December 6, 2006, the Bankruptcy Court conditionally lifted the automatic stay to allow Mr. Dorian to pursue any recovery, settlement or judgment against the Debtors' insurer [P-425]. The

⁷The Motion for Modification of the Automatic Bankruptcy Stay to Allow Pending State Court Litigation to Proceed [P-652] filed by Pinnacle Towers LLC is discussed at Art. III, Section F.6 of this Disclosure Statement, entitled, "Litigation with Pinnacle."

Bankruptcy Court ordered the stay to remain in effect, however, with respect to Mr. Dorian's Claim against certain of the Debtors.

4. Cash Collateral Orders

Since the 2006 Petition Date, the Bankruptcy Court has entered a number of orders with respect to the Initial Debtors' Motion for (I) Interim and Final Orders (A) Authorizing Debtors' Use of Cash Collateral Pursuant to 11 U.S.C. § 363 and (B) Granting Adequate Protection to Prepetition Lenders Pursuant to 11 U.S.C. §§ 361 and 363, and (II) Scheduling Interim and Final Hearings on the Motion Pursuant to Bankruptcy Rule 4001(b)(2) [P-72, P-152, P-236, P-264]. An interim hearing on that Motion was held on June 8, 2006. As a result, the Initial Debtors were allowed to use cash collateral to pay their ongoing operating and administrative expenses (as detailed in a budget) on an interim basis until a final hearing. The date for the final hearing on the Motion was continued by agreement of the First Lien Lenders and the Initial Debtors, and there were agreed interim orders for the continued use of cash collateral until the final hearing.

There was a dispute between certain of the Initial Debtors and the previous First Lien Lenders regarding expenditures necessary to commence news programming at the Debtors' WVLA station in Baton Rouge, Louisiana. At the time, Baton Rouge was the largest market in the United States that did not have three local news programs. At a hearing held on September 25, 2006, the Bankruptcy Court overruled the previous First Lien Lenders' objection and approved the use of \$425,000 in cash collateral for expenditures related to the commencement of the news platform for WVLA in Baton Rouge, Louisiana. In January 2007, WVLA (an NBC affiliate) began broadcasting local news programming.

On November 2, 2006, the Bankruptcy Court held a hearing on the Final Motion Authorizing Debtors to Use Cash Collateral. The motion was granted and a final order was entered with respect to that motion on November 30, 2006 [P-412] (the "2006 Final Order").

The 2006 Final Order both (a) permitted the Initial Debtors to use cash to pay operating and other expenses in accordance with budgets submitted by the Initial Debtors, and (b) provided adequate protection to the First Lien Lenders.

On January 3, 2007, the Initial Debtors filed a Motion to Extend Use of Cash Collateral Under the Final Cash Collateral Order [P-465]. In an order dated February 7, 2007 [P-525] (the "February 2007 Final Order"), the Bankruptcy Court granted the Initial Debtors' Motion to Extend the Use of Cash Collateral [P-525] from January 17, 2007 until July 1, 2007, generally on the same terms and conditions as those set forth in the 2006 Final Order.

After entry of the February 2007 Final Order, the current First Lien Lenders purchased all of the Claims with respect to the First Lien Credit Agreements and the First Lien Guaranty and engaged in extensive plan negotiations. As described above, these negotiations have resulted in, among other things, (a) the formulation of the Plans described in this Disclosure Statement, (b) an agreed order regarding the Debtors' use of the First Lien Lenders' cash collateral, (c) an agreement by the current First Lien Lenders and the Current First Lien Agent to dismiss the motion to terminate exclusivity and support the Initial Debtors' motion to extend the exclusive period to obtain acceptances on the terms described in Section 5 below, and (d) an agreement to support the Plans, provided they are confirmed on the time schedule set forth in the Amended Final Cash Collateral Order (as defined below).

Before the expiration of the February 2007 Final Order, the Initial Debtors filed a Motion to Modify the Final Cash Collateral Order and Extend Use of Cash Collateral Thereunder [P-655] (the "Motion to Modify and Extend"). Pursuant to the Motion to Modify and Extend, the Debtors have requested that, among other things, the Bankruptcy Court modify the February 2007 Final Order on the terms and subject to the conditions set forth in the proposed order (the

“Amended Final Cash Collateral Order”) and pursuant to the Budget attached to the motion, which reflect the agreement between the Debtors and the current First Lien Lenders. On June 27, 2007, the Bankruptcy Court entered an Agreed Order Extending Use of Cash Collateral Under the Final Cash Collateral Order [P-658], for the interim period of July 1, 2007 through July 15, 2007. A hearing on the Motion to Modify and Extend is scheduled for July 13, 2007, at 9:00 a.m., or as soon thereafter as counsel may be heard [P-657]. Under the terms of the agreement by and among the Debtors and the current First Lien Lenders to authorize the Debtors to continue to use the First Lien Lenders’ cash collateral, such authorization may terminate if, among other things, (a) the Disclosure Statement has not been approved by [____], 2007, (b) the Plans have not been confirmed by [____], 2007, or (c) the Plans have not become effective by [____], 2007 (the “Cash Collateral Termination Events”).

5. Motions to Extend Exclusivity

Under the Bankruptcy Code, after a bankruptcy case is filed, a debtor in possession has the exclusive right to file a plan of reorganization for 120 days and the exclusive right to obtain acceptances of that plan for 60 days thereafter. This "exclusive period" can be extended (or shortened) by the Bankruptcy Court for cause. On September 14, 2006, the Initial Debtors filed a Motion for an Order to Extend the Time Period Within Which the Debtors Have the Exclusive Right to File a Plan of Reorganization [P-259]. On September 15, 2006, the Bankruptcy Court entered an order extending the Initial Debtors' exclusive period to file a plan until October 18, 2006. On October 16, 2006, the Bankruptcy Court entered a "bridge" order scheduling a hearing on the Motion to Extend Exclusivity for November 10, 2006, and continuing the Initial Debtors' exclusive period to file a plan until after that hearing.

After a contested hearing at which the Prior First Lien Agent, on behalf of the then First Lien Lenders, objected to the Initial Debtors' request for an extension, the Bankruptcy Court

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overruled the First Lien Lenders' objection, extended the time for the Initial Debtors to file their plan of reorganization until January 31, 2007, and extended the time for the Debtors to obtain acceptances for 60 days thereafter. On January 9, 2007, the Initial Debtors filed a Second Motion to Extend the Time Period Within Which the Debtors Have the Exclusive Right to File a Plan of Reorganization And Obtain Acceptances Thereof [P-474]. The Prior First Lien Agent, on behalf of the then First Lien Lenders, again objected to an extension of the Initial Debtors' exclusive periods to file a plan and obtain acceptances of the plan. The Bankruptcy Court subsequently extended the Initial Debtors' exclusive period to file a plan until March 14, 2007 with the consent of the First Lien Lenders, upon the agreement of the Initial Debtors that the Initial Debtors would request no further extensions of the Initial Debtors' exclusive time to file a plan, and would schedule a hearing on the Initial Debtors' request to extend the period of time in which the Initial Debtors may obtain acceptances of a plan.

On March 14, 2007, the Initial Debtors timely filed a Joint Chapter 11 Plan of Reorganization and an accompanying Joint Disclosure Statement, and the Bankruptcy Court initially set the hearing on the Initial Debtors' request to extend the exclusive period to obtain acceptances of the plan for April 13, 2007. Thereafter, the Initial Debtors and the Prior First Lien Agent, on behalf of the then First Lien Lenders, agreed to continue the hearing on that request, and each time extended the period of time within which the Initial Debtors may obtain acceptances of the plan until the Bankruptcy Court's ruling on the request. Presently, the hearing on the Initial Debtors' request to extend exclusivity is set for July 23, 2007, and the exclusive period is extended until the Bankruptcy Court has ruled on the request. In light of the Debtors' progress in developing the Plans supported by the current First Lien Lenders and the Current First Lien Agent, and subject to approval by the Bankruptcy Court, the Debtors anticipate that

the exclusivity periods to obtain acceptances will be extended through the earlier of the Effective Date of the Plans or the occurrence of a Cash Collateral Termination Date.

6. Bar Date for Filing Proofs of Claim

On January 8, 2007, the Initial Debtors filed an Ex Parte Motion for an Order (A) Establishing a Bar Date for Filing Proofs of Claim, (B) Approving the Bar Date Notice, and (C) Authorizing the Debtors to Provide Notice of the Bar Date [P-471]. In that motion, the Debtors requested that the Bar Date be set for March 5, 2007. The Bankruptcy Court granted the Initial Debtors' request in an Order dated January 10, 2007 [P-490], and set a bar date of March 5, 2007 for filing proofs of claims against the Initial Debtors.

On July [___], 2007, the License Debtors filed an Ex Parte Motion for an Order (A) Establishing a Bar Date for Filing Proofs of Claim, (B) Approving the Bar Date Notice, and (C) Authorizing the Debtors to Provide Notice of the Bar Date [P-____]. If granted, the Bankruptcy Court would, among other things, (a) establish a bar date for the creditors of the License Debtors other than governmental units to file proofs of claim against the License Debtors, (b) establish a bar date for governmental units to file proofs of claim against the License Debtors, and (c) authorize the current Collateral Agent for the First Lien Lenders to file a master proof of claim against the License Debtors.

7. Litigation with Pinnacle

On March 31, 2005, ComCorp of Baton Rouge, Inc., ComCorp of Texas, Inc., ComCorp of El Paso, Inc. and ComCorp of Indiana, Inc. filed a *Verified Petition for Declaratory Judgment, Temporary Restraining Order, Preliminary Injunction and Permanent Injunction* against Pinnacle Towers, L.L.C. ("Pinnacle") in the 15th Judicial District Court for the State of Louisiana, Parish of Lafayette (the "Lafayette Parish Litigation"). The case is entitled, "*ComCorp of Baton Rouge, Inc. et al v. Pinnacle Towers, LLC, a Global Digital Company,*" and

assigned civil action number 2005-1608. On that same date, Knight Broadcasting of Baton Rouge, Inc. filed a similar *Verified Petition for Declaratory Judgment, Temporary Restraining Order, Preliminary Injunction and Permanent Injunction* in the same court. That case is entitled, "*Knight Broadcasting of Baton Rouge v. Pinnacle Towers, LLC, a Global Digital Company*," and assigned civil action number 2005-1610. The cases have been consolidated. The verified petitions sought: (a) a declaratory judgment interpreting the Debtors' rights under the tower leases; (b) injunctive relief enjoining Pinnacle from restricting the Debtors' access to the leased premises; and (c) damages for Pinnacle's breach of the lease. The cases involve a dispute over the interpretation of certain tower leases between the Debtors and Pinnacle. The Debtors needed access to the towers leased from Pinnacle in order to install equipment that would permit the Debtors to broadcast digital television signals. Pinnacle denied the Debtors access to the leased premises, and sought to obtain additional rental payments. The Debtors installed the equipment on the towers, and continue to use the tower leases pursuant to the Debtors' understanding of the terms of the leases. There have been no further pleadings filed in the state court proceedings. The leases subject to this litigation were assumed on December 28, 2006. (See Section F.10 of this Disclosure Statement.)

On June 25, 2007, Pinnacle filed a Motion for Modification of the Automatic Bankruptcy Stay to Allow Pending State Court Litigation to Proceed [P-652]. In that motion, Pinnacle seeks an order modifying the stay so that it can proceed with the Lafayette Parish Litigation for the purpose of resolving certain lease issues and determining any additional rentals owed by one or more of the Debtors to Pinnacle. A hearing on the motion is scheduled for July 23, 2007.

8. Bid Procedures Order

On November 20, 2006, the Initial Debtors filed a Motion Pursuant to 11 U.S.C. Subsections 105, 363, 365 and 1146(c) and Fed. R. Bankr. P. 2002, 6004 and 6006 for an Order

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(A) Approving Bidding Procedures and Bidding Protections (including Break-Up Fee and Expense Reimbursements), and (B) Form of Asset Purchase Agreement [P-393]. In that motion, the Debtors sought the Bankruptcy Court's approval of certain bidding procedures and an Asset Purchase Agreement to be used in the sale of certain of the Debtors' television stations. Also, the motion requested the Bankruptcy Court's approval of a breakup fee and expense reimbursements to serve as bidding protections for a stalking horse bidder. At a hearing held on January 18, 2007, the Bankruptcy Court granted the Debtors' motion. Since some of the information in the Bid Procedures Order is confidential and sensitive, on March 2, 2007, the Initial Debtors filed an Ex Parte Motion to File Under Seal [P-551], requesting that the complete Bid Procedures Order be placed under seal and that a redacted version of the Bid Procedures Order be filed. The Bankruptcy Court granted that motion on March 7, 2007 [P-554]. The Debtors have discontinued the bidding process in view of, among other things, the First Lien Lenders' agreement to support the Plans that provide for the payment in full, in Cash, of the Allowed Amount (without interest) of the Trade Claims, and the likelihood that plans supported by the First Lien Lenders can be promptly confirmed and consummated.

9. Certain Motions Relating to Automobile Leases

Certain of the Initial Debtors lease a number of automobiles used in the operation of their businesses. During the course of the Chapter 11 Cases, motions for adequate protection have been filed by holders of Secured Claims with Liens on automobiles leased by certain of the Initial Debtors. On September 8, 2006 and September 11, 2006, the Bankruptcy Court entered three adequate protection orders [P-243, 248 and 249] in favor of Volvo Car Finance and one adequate protection order [P-250] in favor of Ford Motor Credit, to protect their Liens in several vehicles leased by the Debtors. On September 18, 2006, the Bankruptcy Court entered a fifth

adequate protection order in favor of GMAC, LLC, to protect its Liens in another vehicle that one of the Initial Debtors leased.

On November 20, 2006, American Honda Finance Corporation filed a Motion to Require Debtors to Assume or Reject Unexpired Lease or, in the Alternative, Relief from Automatic Stay for a lease on a 2004 Honda Element to the Debtors [P-394]. On December 5, 2006, the Initial Debtors filed an Opposition to the motion [P-419]. On January 31, 2007, the Bankruptcy Court entered a Consent Order, requiring payment of amounts due under leases with American Honda Finance Corporation, and otherwise denying the requested relief [P-511]. The lease of the 2004 Honda Element has expired and the Initial Debtors have returned the vehicle to American Honda Finance Corporation.

On December 11, 2006 Nissan-Infiniti LT filed two Motions to Require Assumption of Executory Contract or, in the Alternative Rejection Thereof and Relief from the Stay on a 2004 Nissan Xterra and a 2005 Nissan Xterra [P-430] [P-432]. On January 23, 2007, the Bankruptcy Court entered a consent order on both motions, requiring the payment of sums due under the lease and providing other limited relief to Nissan-Infiniti [P-496]. Both of these leases have expired on their terms and the vehicles have been returned to Nissan-Infiniti LT.

Additionally, on January 15, 2007 and January 17, 2007, both Ford Motor Credit Company and Volvo Car Finance filed Motions to Compel the Debtor to Assume or Reject Lease on three of the same leased vehicles referenced above [P-482, P-480]. On February 27, 2007, the Bankruptcy Court entered three separate orders [P-539, 541, 543]. All three orders allowed the Initial Debtors to assume the lease agreements and to cure the lease arrearages. Since then, one of the leases with Volvo Car Finance has expired on its own terms and the vehicle has been returned to Volvo Car Finance. The Initial Debtors continue to honor the other

lease with Volvo Car Finance. The lease with Ford Motor Credit Company has expired, and the vehicle has been returned to Ford Motor Credit.

10. Leases of Non-Residential Real Property

Under the Bankruptcy Code, after filing a chapter 11 case, a debtor must assume unexpired leases of non-residential real property within 120 days or such leases are automatically rejected, and the leased property must be immediately returned to the lessor. The 120 day period can be extended for an additional 90 days, but cannot be extended beyond 210 days (*i.e.* 120 days plus one 90 day extension) unless the lessor consents. The period of time for the Initial Debtors to assume unexpired leases of non-residential real property was extended in the Initial Debtors' Chapter 11 Cases to the maximum amount of time (210 days, until January 3, 2007) that the period can be extended without the lessor's consent. On November 22, 2006, the Initial Debtors filed a Motion Pursuant to Section 365(a) of the Bankruptcy Code Authorizing the Debtors to Assume Unexpired Leases of Nonresidential Real Property [P-406]. In the motion, the Initial Debtors sought to assume multiple non-residential leases of office space, studio space, towers, transmitters, satellite and microwave sites. The Bankruptcy Court granted the motion at a hearing held on December 15, 2006. The Bankruptcy Court entered an Order granting the assumption of the unexpired leases on December 28, 2006 [P-469].

As of the initial date of filing this Disclosure Statement, the only unexpired leases of non-residential real property of the Initial Debtors that have not been assumed are leases with companies owned by Messrs. Galloway and Elmore, who are insiders of the Debtors. Those leases include (a) office and studio space for four television stations in Baton Rouge, Louisiana, and (b) the CCA Debtor's and WKH Debtor's corporate headquarters in Lafayette, Louisiana. These leases are described on Exhibit D-4 to this Disclosure Statement. The landlords have consented to an extension of time for the Initial Debtors to assume these leases until August 2,

2007. If the leases are not assumed by August 2, 2007, or if no further extensions are obtained from the landlords, the leases will be automatically rejected in accordance with the Bankruptcy Code, and possession of the leased premises must be immediately turned over to the landlords. Such a rejection and turnover of the premises could cause serious disruption to the Debtors' operations and millions of dollars in relocation costs. The Debtors intend to seek an extension of the deadline for the Debtors to assume or reject these leases until the Effective Date of the Plans. In connection with the occurrence of the Effective Date of the Plans, the Debtors will enter into the New Leases.

The Debtors lease office and studio space for the two stations in Shreveport, Louisiana from companies owned by Messrs. Galloway and Elmore on a month-to-month basis. The original terms of those leases have already expired. These two leases are also described on Exhibit D-4. Upon the applicable Effective Date, the Reorganized Debtors will enter into the New Leases with the landlords for these premises. If no leases were obtained for these stations, and as a consequence the possession of the premises were returned to the landlords, the relocation of the stations would be expensive and could significantly disrupt the Debtors' business.

The results of the Debtors' Financial Operations during the Chapter 11 Cases are reflected in the Monthly Operating Reports filed by the Debtors. Due to the previously discussed cash sweep by the First Lien Lenders, the Initial Debtors were forced to file these Chapter 11 Cases on the 2006 Petition Date, with essentially no cash on hand.

The following is a comparison of the current assets of the Debtors on the 2006 Petition Date and as of May 31, 2007:

	<u>6/7/2006</u>	<u>5/31/2007</u>	<u>Variance</u>
CURRENT ASSETS:			
Cash	27,210	6,070,430	6,043,220
Accounts Receivable, Net	15,085,090	13,188,072	(1,897,018)
Other Receivables	1,544,874	715,320	(829,554)
Due To/From WKB	-	-	-
Intercompany Receivables	-	-	-
Interest Receivable -			
Intercompany	-	-	-
Prepaid Expenses & Deposits	1,367,675	1,228,002	(139,673)
TOTAL CURRENT ASSETS	<u>18,024,849</u>	<u>21,201,824</u>	<u>3,176,975</u>

From the 2006 Petition Date until June 30, 2007, the Initial Debtors collected cash receipts of \$71.6 million, and made \$65.4 million of disbursements, for a positive cash flow of \$6.2 million.

Throughout the Initial Debtors' Chapter 11 Cases, the Initial Debtors' net revenues have slightly exceeded the cash collateral budgets which were provided to and approved by the prior First Lien Lenders:

		Net Revenues		
	Budget	Actual	Variance	
Jun-06	\$ 4.7	5.2	0.5	
Jul-06	4.4	4.6	0.2	
Aug-06	5.0	5.2	0.2	
Sep-06	5.3	5.3	(0.0)	
Oct-06	5.7	5.8	0.1	
Nov-06	5.9	5.5	(0.4)	
Dec-06	5.4	5.1	(0.3)	
Jan-07	4.9	5.3	0.5	
Feb-07	5.1	4.9	(0.2)	
Mar-07	5.9	5.5	(0.4)	
Apr-07	5.4	5.3	(0.2)	
May-07	6.1	6.1	0.1	
Total	\$ 63.8	\$ 63.9	\$ 0.2	

The Initial Debtors have outperformed budgeted revenue by \$0.2 million since the 2006 Petition Date, as demonstrated from the preceding chart.

	Operating Expenses		
	Budget	Actual	Variance
Jun-06	\$ 3.6	\$ 3.1	\$ 0.5
Jul-06	3.7	3.4	0.3
Aug-06	3.5	3.5	(0.0)
Sep-06	3.7	3.4	0.3
Oct-06	3.5	3.4	0.1
Nov-06	4.0	4.1	(0.1)
Dec-06	3.7	3.9	(0.2)
Jan-07	3.8	4.1	(0.3)
Feb-07	4.1	4.0	0.1
Mar-07	3.9	3.7	0.3
Apr-07	3.8	3.7	0.1
May-07	4.2	4.1	0.1
Total	\$ 45.5	\$ 44.6	\$ 0.9

Since the 2006 Petition Date, the Debtors' operating expenses have been less than budgeted by approximately \$0.9 million.

IV. THE PLANS

The CCA Debtors have proposed the CCA Plan and believe that the classification and treatment of Claims and Interests provided in the CCA Plan are consistent with the requirements of the Bankruptcy Code. Under the Bankruptcy Code, holders of Allowed Claims against and Interests in the CCA Debtors that are Impaired and that receive distributions under the CCA Plan are entitled to vote on the CCA Plan. A copy of the CCA Plan accompanies this Disclosure Statement as Exhibit D-1. A summary of the classification and treatment of Claims and Interests under the CCA Plan is set forth below in this Disclosure Statement.

The WKH Debtors have proposed the WKH Plan and believe that the classification and treatment of Claims and Interests provided in the WKH Plan are consistent with the requirements of the Bankruptcy Code. Under the Bankruptcy Code, holders of Allowed Claims against and Interests in the WKH Debtors that are Impaired and that receive distributions under the WKH Plan are entitled to vote on the WKH Plan. A copy of the WKH Plan accompanies this

Disclosure Statement as Exhibit D-2. A summary of the classification and treatment of Claims and Interests under the WKH Plan is set forth below in this Disclosure Statement.

A. BUSINESS MODEL UNDER THE PLANS

Attached as Exhibit D-5 to this Disclosure Statement, entitled, "The Reorganized Debtors' Pro-Forma Analysis," is information reflecting the Reorganized Debtors' projected results of financial operations.

B. VALUATION OF THE DEBTORS

The Debtors operate television stations in 10 markets in Louisiana, Texas and Indiana. The Debtors compete in markets ranging in size from Nielson rank 80 to 175 and operate stations which are affiliated with the Fox Broadcast Network, NBC, CBS and MNTV. Historically, television stations have been valued based on Broadcast Cash Flow, which is the amount of cash profit generated by a station before corporate overhead, interest, taxes, depreciation and amortization. The multiple of Broadcast Cash Flow paid for a particular station is impacted by the growth potential of the Broadcast Cash Flow, including the cost increases required to support such growth and the risk of obtaining such growth. Historically, Broadcast Cash Flow multiples as a function of price have fluctuated between 8 to 14x when excluding the highest and the lowest of the multiples.

Management estimates that the Debtors' stations would trade in the lower to mid range of the Broadcast Cash Flow multiples because the growth in cash flow for these properties involves some risk. The stations tend to be the number 3 ranked or 4 ranked station in their individual markets, with market shares that have been primarily flat or downward trending. The future cash flow growth is dependent primarily on increasing their share of market revenue, which can be challenging for a number 3 ranked or 4 ranked station when competing with larger, more established stations with larger market shares. Nearly half of the Debtors' revenue comes from

NBC affiliated stations. The NBC network has suffered severe ratings declines since 2005 and many believe that the declines may continue. Without a clear turnaround of NBC, potential buyers may discount the multiples for these stations.

In 2006, the Debtors had news programming on their stations in only 2 of 10 markets. This effectively blocked the stations without news programming from competing for the approximately 40% of the marketing advertising revenue that is typically devoted strictly to news programming. While the Debtors have recently commenced news operations in 3 markets, and will soon commence news operations in 3 other markets, the news programming has significantly increased operating costs but has yet to prove its value from a ratings perspective, which may be challenging to accomplish given the established news operations of other stations in these markets. Until the Debtors' news programs have established clear competitive positions, advertisers may only pay below market rates for advertising time during these programs.

From August 2005 until May 2006, the Debtors and all of their stations were offered for sale pursuant to a broad auction process that was managed by UBS Investment Bank, a nationally known investment bank. While many potential buyers were approached regarding the transaction, the auction resulted in only one firm offer from Nexstar, a publicly traded broadcast company which itself is now for sale. While no sale was concluded for reasons discussed elsewhere in this Disclosure Statement,⁸ the Nexstar transaction, if consummated, would have resulted in net proceeds of between \$199 and \$202 million.

The Debtors are projected to earn approximately \$21 million in Broadcast Cash Flow in 2007. Management believes that the Debtors would be valued at approximately \$220 million at the midpoint of a valuation range of 10 to 11 times Broadcast Cash Flow.

⁸For a more in depth discussion of the Nexstar sales process, see Art. III, Section E of this Disclosure Statement, entitled, "Events Leading to These Chapter 11 Cases."

C. TREATMENT OF UNCLASSIFIED CLAIMS UNDER THE PLANS

The Plans provide for the payment of Claims against and Interests in each of the Debtors, including the treatment of unclassified Claims. As of October 15, 2007, the CCA Debtors estimate that there will be approximately \$2.8 million in Allowed Administrative Expense Claims, while the WKH Debtors estimate that there will be approximately \$1.0 million in Allowed Administrative Expense Claims. Section 2.1.1 of the Plans provides that unclassified Allowed Administrative Expense Claims shall be paid in full, in Cash by the applicable Reorganized Debtor, on the applicable Effective Date or upon such other terms as may be agreed upon by the holder of such Allowed Administrative Expense Claim and the applicable Reorganized Debtor or otherwise established pursuant to an order of the Bankruptcy Court; *provided, however*, that Administrative Expense Claims representing liabilities incurred in the ordinary course of business shall be paid by the applicable Debtor in Possession in accordance with the terms and conditions of the particular transactions and any agreements relating thereto.

Mr. Thomas Galloway and Mr. Wayne Elmore are each entitled to receive compensation in an amount equal to one and one-quarter percent (1.25%) of the Debtors' quarterly earnings before interest, taxes, depreciation and amortization (collectively, the "EBITDA Compensation") for the post-petition periods, which will be in the Allowed Amount of \$300,000 each. On the applicable Effective Date, in full and complete satisfaction of their Claims for EBITDA Compensation, which constitute Administrative Expense Claims, the Reorganized CCA Debtors will pay \$300,000 to Mr. Galloway and \$300,000 to Mr. Elmore.

Section 2.1.2 of the Plans provides that each Professional seeking compensation for services rendered or reimbursement of expenses incurred through and including the applicable Effective Date, shall (a) file their respective final applications for allowances of compensation for services rendered and reimbursement of expenses incurred through the applicable Effective

Date by no later than the date that is forty-five (45) days after the applicable Effective Date or such other date as may be fixed by the Bankruptcy Court, and (b) if granted such an award by the Bankruptcy Court, be paid in full in such amounts as are Allowed by an order of the Bankruptcy Court (i) on the date such Administrative Expense Claim becomes an Allowed Administrative Expense Claim, or as soon thereafter as is practicable, or (ii) upon such other terms as may be mutually agreed upon between such holder of an Administrative Expense Claim and the Reorganized Debtors. To the extent any Entity is seeking an award of compensation for services rendered or reimbursement of expenses incurred during the Chapter 11 Cases under Section 503(b)(3)(D) of the Bankruptcy Code, such Entity shall file its application for such an award on or before the deadline established by the Bankruptcy Court for the filing of the objections to the confirmation of the Plans, and any such applications shall be determined at the Confirmation Hearing.

Section 2.1.3 of the Plans provides that, to the extent any Entity is seeking an award of compensation for services rendered or reimbursement of expenses incurred during the Chapter 11 Cases under Section 503(b)(3)(D) of the Bankruptcy Code, such Entity shall file its application for such an award on or before the deadline established by the Bankruptcy Court for the filing of the objections to the confirmation of the Plan, and any such applications shall be determined at the Confirmation Hearing; otherwise, such application or request for compensation or reimbursement of expenses under Section 503(b)(3)(D) shall be forever barred from assertion against the Debtors, their respective Estates, the Reorganized Debtors, and their respective properties.

Section 2.2 of the Plans provides that each holder of an Allowed Priority Tax Claim, unless agreed otherwise by the holder of such Allowed Priority Tax Claim and the applicable

Debtor (with the consent of the First Lien Agent), shall be paid the Allowed Amount of its Claim, at the option of the Reorganized Debtors, (a) in full, in Cash, on the applicable Effective Date, (b) upon such other terms as may be mutually agreed upon between such holder and the applicable Reorganized Debtor, or (c) in equal quarterly Cash payments commencing 45 days after the applicable Effective Date, amortized over five (5) years from the applicable 2006 Petition Date or 2007 Petition Date, and in an aggregate amount equal to such Allowed Priority Tax Claim, together with interest at such rate as required by Section 511 of the Bankruptcy Code.

Both the CCA Debtors and the WKH Debtors believe that, after the Bankruptcy Court rules on objections that they intend to file to certain proofs of claim that were filed in the Chapter 11 Cases, there will be no Allowed Priority Tax Claims under either the CCA Plan or WKH Plan. There can be no assurance, however, that the Bankruptcy Court will disallow any proof of claim filed as a Priority Tax Claim in the Chapter 11 Cases.

D. TREATMENT OF CLASSIFIED CLAIMS UNDER THE PLANS

Each of the Plans has five (5) Classes of Claims.

1. Class 1 - Priority Claims

Priority Claims are treated in Class 1, in section 3.1.1 of the Plans. Each holder of an Allowed Priority Claim, unless agreed otherwise by the holder of such Allowed Priority Claim and the applicable Debtor (with the consent of the First Lien Agent), shall be paid the Allowed Amount of its Allowed Priority Claim, in full, in Cash, on the later of the applicable Effective Date or the date such Claim becomes an Allowed Claim. Because Priority Claims are Unimpaired under both Plans, the holders of Priority Claims are conclusively presumed to accept the applicable Plan and are not entitled to vote on either of the Plans with respect to their Priority Claims.

The Initial Debtors believe that, after the Bankruptcy Court rules on objections that they intend to file to certain proofs of claim that were filed in the Initial Debtors' Chapter 11 Cases, there will be no Allowed Priority Claims in the Initial Debtors' Chapter 11 Cases. There can be no assurance, however, that the Bankruptcy Court will disallow any proof of claim filed as a Priority Claim in the Chapter 11 Cases. The License Debtors do not believe that there are any Allowed Priority Tax Claims in their respective Chapter 11 Cases.

2. Class 2 - The First Lien Lenders' Secured Claims

The First Lien Lenders' Secured Claims are treated in Class 2 of each of the Plans. The First Lien Lenders' Secured Claims shall include Secured Claims in respect of, in connection with, or arising out of the First Lien Credit Agreements and the First Lien Guaranty in the aggregate Allowed Amount of at least \$205 million (comprised of outstanding principal and interest accrued through the Petition Date) plus unpaid prepetition fees, costs and expenses thereunder in an unliquidated amount. Assuming postpetition interest, fees, costs and expenses after the applicable Petition Date are added, the amount of the First Lien Lenders' Secured Claims would be approximately \$255 million as of the date of filing of this Disclosure Statement and, assuming an Effective Date of October 15, 2007, the amount of the First Lien Lenders' claims would be in excess of \$267 million as of the Effective Date. Because the First Lien Lenders' Secured Claims are Impaired under both Plans, the holders of the First Lien Lenders' Secured Claims are entitled to vote on the Plans with respect to their First Lien Lenders' Secured Claims.

On the Effective Date of the CCA Plan, the First Lien Agent, for the benefit of the First Lien Lenders in accordance with the terms of the First Lien Credit Agreements and the Intercreditor Agreement, shall receive (a) \$5.0 million in Cash, (b) the Secured Term Loan, and (c) 10.0 million shares of CCA New Common Stock (representing 100% of the CCA New

Common Stock to be distributed pursuant to the CCA Plan; additional shares of CCA New Common Stock will be purchased by certain employees for cash on the Effective Date).

Pursuant to section 3.2 of the WKH Plan, on the Effective Date of the WKH Plan, the First Lien Agent, for the benefit of the First Lien Lenders in accordance with the terms of the First Lien Credit Agreements and the Intercreditor Agreement, shall receive, in full and final satisfaction of the First Lien Lenders' Secured Claim, (a) the WKH Guaranty, whereby, each of the Reorganized WKH Debtors shall guaranty the Reorganized CCA Debtors' obligations under the Exit Facility, and (b) 100% of the WKH New Common Stock outstanding on the Effective Date (which shall be immediately transferred to the WKH New Common Stockholder, a third party that is not a holder of any Claims against or Interests in any of the WKH Debtors or the CCA Debtors). The WKH Guaranty will be filed as part of the Plan Supplement.

Although each holder of the First Lien Lenders' Secured Claims holds an Allowed Secured Claim against all the Debtors, each such holder shall receive only one recovery as set forth in section 3.2.2 of the Plans. The First Lien Lenders' Secured Claims (and all distributions on account thereof) are Allowed in full in the Plans, and shall not be subject to any counterclaim, avoidance, reduction, setoff, deduction, cross-claim, defense, re-characterization, recoupment, subordination (whether equitable, contractual or otherwise) or any other challenge of any manner whatsoever by any person or Entity.

3. Class 3 - Other Secured Claims

The Other Secured Claims are treated in Class 3, at section 3.3, of the Plans. The CCA Debtors estimate that the Other Secured Claims in Class 3 of the CCA Plan total approximately \$10,000. The WKH Debtors estimate that there are no Other Secured Claims in Class 3 of the WKH Plan. Because Other Secured Claims are Unimpaired under the Plans, the holders (if any)

of Other Secured Claims are not entitled to vote with respect to their Other Secured Claims on either of the Plans.

Except to the extent the holder of an Allowed Other Secured Claim agrees to a different treatment, at the sole option of the applicable Debtors (with the consent of the First Lien Agent), on the later of the applicable Effective Date and the date such Claim becomes an Allowed Claim, (a) each Other Secured Claim shall be reinstated and rendered Unimpaired in accordance with Section 1124(2) of the Bankruptcy Code, (b) each holder of an Allowed Other Secured Claim shall receive, in full and final satisfaction of such Claim, the collateral securing such Claim, or (c) such Claim shall receive any other treatment allowed under Section 1129 (b)(2) of the Bankruptcy Code. For purposes of voting, each holder (if any) of an Other Secured Claim in each of the Plans shall be considered to be the sole member of a separate Class.

4. Class 4 - Trade Claims

The Plans provide for the treatment of Trade Claims in Class 4. Trade Claims arose from the provision of goods or services to the Debtors prior to the 2006 Petition Date in the ordinary course of business from providers that are necessary for the ongoing business of the Reorganized Debtors, and will be listed on Schedules to the Plans that will be filed before the hearing on this Disclosure Statement. The Debtors estimate that there are approximately \$1.2 million in Trade Claims against the Debtors in the aggregate, consisting of approximately \$1.0 million in Trade Claims against the CCA Debtors and approximately \$200,000 in Trade Claims against the WKH Debtors. Because Trade Claims are Impaired under both Plans, the holders of Trade Claims are entitled to vote with respect to their Trade Claims on both Plans.

As provided in section 3.4 of the Plans, each holder of an Allowed Trade Claim will be paid, in full, in Cash, the Allowed Amount (without interest) of its Trade Claim on the later of the applicable Effective Date and the date such Claim becomes an Allowed Claim. The

distribution to the holders of Allowed Trade Claims shall be in lieu of a pro rata direct distribution to the holders of the First Lien Lenders' Secured Claims.

5. Class 5 - General Unsecured Claims

The Plans provide for the treatment of General Unsecured Claims in Class 5, at section 3.5 of the Plans. The Debtors estimate that the General Unsecured Claims in Class 5 of the Plans, as of the 2006 Petition Date, was approximately \$167 million, which amount would be increased by any rejection damage claims and any deficiency claims of the First Lien Lenders. The General Unsecured Claims are Impaired under both Plans and conclusively presumed to have rejected both Plans. Therefore, the holders of General Unsecured Claims are not entitled to vote with respect to their General Unsecured Claims on either of the Plans. The holders of General Unsecured Claims shall receive no distribution under either of the Plans, and such Claims shall be discharged as of the applicable Effective Date.

E. TREATMENT OF INTERESTS UNDER THE PLANS

1. The CCA Plan

The CCA Plan provides for the treatment of three (3) different Classes of Interests. The Allowed Subsidiary Common Equity Interests are treated in Class 6, at section 3.6 of the CCA Plan. The holders of the Allowed Subsidiary Common Equity Interests in Class 6 of the CCA Plan shall retain their Subsidiary Common Equity Interests, are Unimpaired under the CCA Plan, and are not entitled to vote on the CCA Plan. The Preferred Interests in the CCA Parent are treated in Class 7, at section 3.7 of the CCA Plan. The Allowed Preferred Interests in the CCA Parent shall be cancelled as of the Effective Date of the CCA Plan, and the holders of Preferred Interests in the CCA Parent shall receive no distribution on account of such Interests. The Preferred Interests in the CCA Parent are Impaired, are conclusively presumed to have rejected the CCA Plan, and are not entitled to vote to accept or reject the CCA Plan. Finally, the Allowed

CCA Parent Common Equity Interests are treated in Class 8, at section 3.8 of the CCA Plan. The Allowed CCA Parent Common Equity Interests shall be cancelled as of the Effective Date of the CCA Plan, and the holders of Interests in the CCA Parent Common Equity Interests shall receive no distribution on account of such Interests. The CCA Common Equity Interests are Impaired, are conclusively presumed to have rejected the CCA Plan, and are not entitled to vote to accept or reject the CCA Plan.

2. The WKH Plan

The WKH Plan provides for the treatment of two (2) different Classes of Interests. The Allowed Subsidiary Common Equity Interests are treated in Class 6, at section 3.6 of the WKH Plan. The holders of the Allowed Subsidiary Common Equity Interests in Class 6 of the WKH Plan shall retain their Subsidiary Common Equity Interests, are Unimpaired under the WKH Plan, and are not entitled to vote on the WKH Plan. Finally, the Allowed WKH Parent Common Equity Interests are treated in Class 7, at section 3.7 of the WKH Plan. The Allowed WKH Common Equity Interests shall be cancelled as of the Effective Date of the WKH Plan, and the holders of Interests in the WKH Common Equity Interests in Class 7 of the WKH Plan shall receive no distribution on account of such Interests. The WKH Common Equity Interests are Impaired, are conclusively presumed to have rejected the WKH Plan, and are not entitled to vote to accept or reject the WKH Plan.

F. IMPLEMENTATION OF THE PLANS

1. General Provisions

Upon confirmation of the applicable CCA Plan or WKH Plan, the applicable Debtors, and upon the occurrence of the applicable Effective Date, the applicable Reorganized Debtors shall be authorized to take all necessary steps, and perform all necessary acts, to consummate the transactions contemplated by the applicable CCA Plan or WKH Plan, including, without

limitation, the execution and filing of all documents required or contemplated by the applicable CCA Plan or WKH Plan. Upon the occurrence of the applicable Effective Date, the applicable Reorganized Debtors shall be authorized to execute, deliver, or record such contracts, instruments, releases, indentures, and other agreements or documents, and take such actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the applicable CCA Plan or WKH Plan. Without limiting the foregoing, in accordance with section 7.1 of the CCA Plan, the Reorganized CCA Debtors shall be authorized to enter, and shall enter, into the Exit Facility and the Exit Facility Collateral Documents (and incur indebtedness thereunder), the Call & Put Options, the Employment Agreements, and the New Leases. Without limiting the foregoing, in accordance with section 7.1 of the WKH Plan, the Reorganized WKH Debtors shall be authorized to enter, and shall enter, into the WKH Guaranty and the WKH Guaranty Collateral Documents (and to guaranty the Reorganized CCA Debtors' indebtedness under the Exit Facility), the Call & Put Options and the New Leases. All actions taken, or documents executed, in connection with or in furtherance of the Plans shall be in form and substance satisfactory to the First Lien Agent and the Reorganized Debtors, and, (i) in case of the Employment Agreements and the New Leases, to the non-Debtor signatories thereto, and (ii) in the case of the Management Incentive Plan and the D&O tail coverage policies described in section 7.12 of the WKH Plan and 7.8 of the CCA Plan, as applicable, to certain of the beneficiaries thereof.

2. Issuance of CCA New Common Stock and WKH New Common Stock

Pursuant to section 7.2 of the CCA Plan, the issuance of the CCA New Common Stock on the Effective Date by the Reorganized CCA Parent to the First Lien Lenders will be authorized without the need for any further corporate action and without any action by the holders of Claims or Interests. Pursuant to section 7.2 of the WKH Plan, the issuance of the

WKH New Common Stock on the Effective Date by the Reorganized WKH Parent to the First Lien Lenders will be authorized without the need for any further corporate action and without any action by the holders of Claims or Interests.

3. Transfer of WKH New Common Stock

On the Effective Date of the WKH Plan, pursuant to section 7.8 of the WKH Plan, immediately upon receipt of the WKH New Common Stock, the First Lien Lenders shall transfer the WKH New Common Stock to the WKH New Common Stockholder.

4. New Certificates and New By-Laws

As provided in section 7.3 of the Plans, on the Effective Date of the applicable CCA Plan and the WKH Plan, each Reorganized Debtor shall file the applicable New Certificate (in the form contained in the applicable Plan Supplement, or with such changes as agreed to by the First Lien Agent) with the applicable secretary of state. Each board of directors of the Reorganized Debtors shall be deemed to have adopted the applicable New By-Laws (in the form contained in the applicable Plan Supplement, or with such changes as agreed to by the First Lien Agent). The New Certificates shall prohibit the issuance of nonvoting equity securities, subject to further amendment of such New Certificates as permitted by applicable law.

Upon confirmation of the CCA Plan and the WKH Plan, the applicable Debtors will be authorized to take all necessary steps, and perform all necessary acts, to consummate the terms and conditions of the CCA Plan and the WKH Plan including, without limitation, the execution and filing of all documents required or contemplated by the applicable CCA Plan or WKH Plan. Upon the occurrence of the applicable Effective Date, the applicable Reorganized Debtor will be authorized to execute, deliver, or record such contracts, instruments, releases, indentures, and other agreements or documents, and take such actions as may be necessary or appropriate to

effectuate and further evidence the terms and conditions of the applicable CCA Plan or WKH Plan.

5. Other Corporate Action

As provided in section 7.4 of the Plans, all matters provided for involving the corporate structure of the Reorganized Debtors and any corporate action required by the Debtors and the Reorganized Debtors in connection with the CCA Plan or the WKH Plan, shall be deemed to have timely occurred in accordance with applicable state law and shall be in effect, without any requirement of further action by the holders of Interests in the Debtors or the Reorganized Debtors or the directors or officers of the Debtors or the Reorganized Debtors. Each of the officers of the Reorganized Debtors shall be authorized, in accordance with his or her authority under the resolutions of the applicable board of directors and New By-Laws, to execute, deliver, file, or record such contracts, instruments, releases, indentures, and other agreements or documents and to take such actions as may be necessary or appropriate, for and on behalf of the Reorganized Debtors, to effectuate and further evidence the terms and conditions of the applicable CCA Plan or WKH Plan and any notes or securities issued pursuant to the applicable CCA Plan or WKH Plan.

6. Cancellation of Existing Liens and Agreements

On the applicable Effective Date, pursuant to section 7.5 of the Plans, all documents and instruments evidencing all of the Claims or Interests dealt with by the applicable CCA Plan or WKH Plan, including, without limitation, the First Lien Credit Agreement, the Second Lien Note Agreement, the Third Lien Note Agreement, the Collateral Documents and any Liens granted by the Debtors thereunder, shall be deemed automatically canceled, terminated and of no further force or effect without further act or action under any applicable agreement, law, regulation, order, or rule, except that such cancellation shall not affect the rights to compensation or

indemnification of the respective Agent.

7. Directors and Officers of the Reorganized Debtors

On the applicable Effective Date, the term of each member of the current board of directors of each Debtor shall automatically expire. Pursuant to section 7.7 of the CCA Plan, the board of directors of the Reorganized CCA Parent shall consist of seven (7) members, each of whom will be appointed by Silver Point on the Effective Date and which will include the Chief Executive Officer of the Reorganized CCA Parent as of the Effective Date. Each board of directors of the other Reorganized CCA Debtors shall consist of three (3) members, all of which will be appointed by Silver Point on the Effective Date and which will include the Chief Executive Officer of the Reorganized CCA Parent as of the Effective Date. Each such director shall serve from and after the Effective Date of the CCA Plan pursuant to the terms of the respective CCA New Certificates and the applicable law of the state in which the Reorganized CCA Debtor is organized. The names and biographical information of the officers and directors of the Reorganized CCA Debtors will be disclosed prior to the commencement of the Confirmation Hearing.

Pursuant to section 7.7 of the WKH Plan, the board of directors of the Reorganized WKH Parent shall consist of one (1) member, the WKH New Common Stockholder. Each board of directors of the other Reorganized WKH Debtors shall consist of one (1) member, the WKH New Common Stockholder. Each such director shall serve from and after the Effective Date of the WKH Plan pursuant to the terms of the respective New Certificates and the applicable law of the state in which the Reorganized WKH Debtor is organized. The names and biographical information of the officers and director of the Reorganized WKH Debtors will be disclosed prior to the commencement of the Confirmation Hearing.

8. Call & Put Options

On the Effective Date of the CCA Plan and the WKH Plan, certain of the Reorganized CCA Debtors and certain of the Reorganized WKH Debtors shall execute the Call & Put Options, whereby (a) such Reorganized CCA Debtors shall be granted options to acquire the respective television station assets of such Reorganized WKH Debtors, and (b) certain of the Reorganized WKH Debtors shall be granted an option to require certain of the Reorganized CCA Debtors to acquire the television station assets of the applicable Reorganized WKH Debtors. On the Effective Date, the CCA Debtors shall pay the WKH Debtors an aggregate of \$1.5 million as consideration for the Call & Put Options.

9. Transfer of the Natchez TV Station

On the Effective Date of the WKH Plan, (a) the equity interest in White Knight Broadcasting of Natchez, Inc. shall be deemed transferred to ComCorp Broadcasting Inc., and (b) the names of White Knight Broadcasting of Natchez, Inc. and of its wholly owned subsidiary, White Knight Broadcasting of Natchez License Corp., shall be changed, respectively, to ComCorp of Alexandria, Inc. and ComCorp of Alexandria License Corp.

10. Employment Agreements

The Reorganized CCA Parent will enter into an employment agreement with Steven Pruett on, and becoming effective on, the Effective Date of the CCA Plan, with a term continuing through December 31, 2009. Pursuant to the agreement, Mr. Pruett will serve as the Chief Executive Officer of the Reorganized CCA Parent and a member of the boards of directors of the Reorganized CCA Debtors. The agreement will provide for an annual base salary of \$400,000, and an opportunity to earn an annual bonus of up to 100% of the base salary, based on the achievement of performance goals and other objectives established and evaluated by the board of directors of the Reorganized CCA Parent. Such bonus is payable in cash or in stock (or

in combination), as determined at the discretion of the board of directors of the Reorganized CCA Parent. For calendar 2008, the annual bonus will include the guaranteed payment of \$230,000, to be paid monthly in cash and subject to recapture if Mr. Pruett's employment terminates prior to December 31, 2008. Under the agreement, upon any termination of Mr. Pruett's employment "without cause" by the Reorganized CCA Parent, Mr. Pruett will receive severance payments equal to 1 year of base salary plus annual bonus (based on the average of the last two years of actual paid bonus), payable in twelve monthly installments; if such termination occurs prior to December 31, 2008, Mr. Pruett will receive the remaining payment of 2008 base salary and guaranteed bonus described above on the same schedule as provided in the agreement, and the severance payments described above will commence thereafter. Upon any termination of Mr. Pruett's employment by Mr. Pruett or "with cause" by the Reorganized CCA Parent, Mr. Pruett will not be entitled to further compensation or severance payments. Mr. Pruett will participate in the employee benefit plans provided by the Reorganized CCA Debtors, consistent with its general policies. Mr. Pruett will also receive stock options under the Management Incentive Plan to be established by the Reorganized CCA Parent, subject to vesting (as described below). Mr. Pruett's employment agreement will also include restrictive covenants, including provisions relating to confidentiality, proprietary rights, non-competition and non-solicitation. In addition, the agreement will provide for Mr. Pruett to make a cash purchase, on the Effective Date of the CCA Plan, of shares of the CCA New Common Stock with a value of \$500,000 (such value to be based on the implied equity valuation of the Reorganized CCA Debtors pursuant to the CCA Plan).

The Reorganized CCA Parent will also enter into identical employment agreements with each of Thomas R. Galloway, Sr. and D. Wayne Elmore (each, a "Vice Chairman"), on, and

becoming effective on, the Effective Date of the CCA Plan and continuing until the third anniversary thereof. Pursuant to each agreement, each Vice Chairman will serve with the title of Vice Chairman of the Reorganized CCA Parent. The agreements will provide for an annual base salary of \$300,000 and opportunity to earn an annual bonus of up to \$240,000. Under the agreements, upon any termination of a Vice Chairman's employment by such Vice Chairman or "with cause" by the Reorganized CCA Parent, such Vice Chairman will not be entitled to further compensation payments or severance. Each Vice Chairman will participate in the employee benefit plans provided by the Reorganized CCA Debtors, consistent with its general policies. Each Vice Chairman will also receive stock options under the Management Incentive Plan to be established by the Reorganized CCA Parent, subject to vesting (as described below). Each employment agreement will include restrictive covenants, including provisions relating to confidentiality, proprietary rights, non-competition and non-solicitation.

11. Management Incentive Plan

On the Effective Date of the CCA Plan, the Reorganized CCA Parent will establish a Management Incentive Plan which will provide for awards of stock options to employees to acquire up to 1.111 million shares of the CCA New Common Stock. The stock options will be allocated 25% to each of Thomas R. Galloway, Sr., D. Wayne Elmore and Steven Pruett, with the remaining 25% to be allocated to other employees of the Reorganized CCA Debtors. The option exercise price will be based upon the implied equity valuation of the Reorganized CCA Debtors pursuant to the CCA Plan. Mr. Galloway's and Mr. Elmore's options will be subject to 100% time-based vesting, with 1/3 vesting on each of the first three annual anniversaries of the Effective Date of the CCA Plan, based on continued employment. For all other participants, 50% of the options will be subject to time-based vesting, with 1/4 of such amount vesting on each of the first four anniversaries of the Effective Date of the CCA Plan, based on continued

employment. The remaining 50% will be subject to performance-based vesting, with $\frac{1}{4}$ of such amount vesting on each of the first four anniversaries of the Effective Date of the CCA Plan, based on continued employment and the achievement of performance goals established and evaluated by the Board of Directors of the Reorganized CCA Parent.

12. Distributions Under the Plans

All distributions required to be made under the Plans shall be made by the applicable Reorganized Debtors or any distribution agent the Reorganized Debtors may retain. Notwithstanding the foregoing, the distributions to the First Lien Lenders shall be made by the First Lien Agent.

a. Timing of Distributions

The applicable Reorganized Debtors (or their distribution agent) shall make all distributions required under the applicable CCA Plan or WKH Plan on the applicable Effective Date and, thereafter, with respect to Disputed Claims, on the Distribution Date next following the date on which such Claim has become an Allowed Claim (unless otherwise provided in the applicable CCA Plan or WKH Plan or ordered by the Bankruptcy Court). Distributions to be made on any Distribution Date shall be deemed made on such Distribution Date if made either on such Distribution Date or as soon as practicable thereafter. Whenever any distribution to be made under the applicable CCA Plan or WKH Plan shall be due on a day other than a Business Day, such distribution shall instead be made, without the accrual of any interest, on the immediately succeeding Business Day, but shall be deemed to have been made on the date due.

b. Record Date for Distributions

The transfer registers for each of the Classes of Claims and Interests as maintained by the applicable Debtors or any third party shall be deemed closed as of the date the Bankruptcy Court approves the Disclosure Statement (or, with respect to any Class, any later date to which the

Debtors agree with the consent of the First Lien Agent), and there shall be no further changes to reflect any new record holders of any Claims or Interests. The Debtors shall have no obligation to recognize any transfers of Claims or Interests occurring after such date.

c. Delivery of Distributions

Distributions to a holder of an Allowed Claim or Allowed Interest shall be made at the address of such holder as indicated on the applicable Debtors' records. In the event that any such distribution is returned as undeliverable, the Reorganized Debtors shall use reasonable efforts to determine the current address of the applicable holder, and no distribution to such holder shall be made unless and until the Reorganized Debtors have determined such then current address, *provided, however*, that if any distribution remains unclaimed until the first anniversary after distribution, such distribution shall be deemed unclaimed property pursuant to Section 347(b) of the Bankruptcy Code and shall become vested in the Reorganized Debtors. In such event, the Claim of the holder underlying such distribution shall no longer be deemed to be Allowed, and such holder shall be deemed to have waived its rights to such distribution under the applicable CCA Plan or WKH Plan pursuant to Section 1143 of the Bankruptcy Code, shall have no further claim or right thereto, and shall not participate in any further distributions under the applicable CCA Plan or WKH Plan with respect to such Claim. Checks issued by a Reorganized Debtor in respect of an Allowed Claim shall be null and void if not negotiated within 120 days after the date of issuance thereof.

d. Manner of Payments Under the Plans

At the option of the applicable Reorganized Debtor, any payment in Cash to be made under the applicable CCA Plan or WKH Plan may be made by check or wire transfer from a domestic bank or as otherwise required by applicable agreement.

e. No Fractional Distributions

No fractional shares of CCA New Common Stock or WKH New Common Stock and no fractional dollars shall be distributed under the applicable CCA Plan or WKH Plan. For purposes of distributions, (a) fractional shares of CCA New Common Stock or WKH New Common Stock shall be rounded up or down, as applicable, to the nearest whole number, and (b) Cash distributions shall be rounded up or down, as applicable, to the nearest whole dollar.

f. Withholding and Reporting

The Reorganized Debtors shall comply with all applicable withholding and reporting requirements imposed by federal, state, and local taxing authorities, and all distributions shall be subject to such withholding and reporting requirements.

g. Allocation of the Plan Distributions Between Principal and Interest

To the extent that any Allowed Claim entitled to a distribution under the applicable CCA Plan or WKH Plan is comprised of indebtedness and accrued but unpaid interest thereon, such distribution shall, for federal income tax purposes, be allocated to the principal amount of the Claim first and then, to the extent the consideration exceeds the principal amount of the Claim, to the accrued but unpaid interest.

h. Surrender of Instruments

As a condition to receiving any distribution under the applicable CCA Plan or WKH Plan, each holder of an Allowed Claim evidenced by a certificated instrument must either (a) surrender such instrument to the Reorganized Debtors (or, in the case of a First Lien Lenders' Claim, to the First Lien Agent) or (b) submit evidence satisfactory to the Reorganized Debtors or the applicable Agent, of the loss, theft, mutilation, or destruction of such instrument, as applicable. If any holder of an Allowed Claim fails to do either (a) or (b) before the one year

anniversary of the applicable Effective Date, such holder shall be deemed to have forfeited its Claim and all rights appurtenant thereto, including the right to receive any distributions under the applicable Plan. After the first anniversary of the Effective Date, all property not distributed pursuant to section 6.9 of the Plans shall be deemed to be unclaimed property pursuant to Section 347(b) of the Bankruptcy Code and shall become vested in the Reorganized Debtors.

13. Objections to Claims; Estimation of and Distributions on Disputed Claims

Section 8.1 of the Plans provides that the applicable Debtors (with the consent of the First Lien Agent) and after the applicable Effective Date, the Reorganized Debtors shall have the exclusive right to object to the allowance, amount or classification of Claims asserted in the Chapter 11 Cases, and such objections may be litigated to Final Order by the Debtors or Reorganized Debtors, as applicable, or compromised and settled in accordance with the business judgment of the Debtors (with the consent of the First Lien Agent) or Reorganized Debtors, as applicable. Unless otherwise provided in the Plans or ordered by the Bankruptcy Court, all objections by the Reorganized Debtors to Claims shall be filed no later than 270 days after the applicable Effective Date, subject to any extensions granted pursuant to a further order of the Bankruptcy Court. Such extensions may be obtained by the Reorganized Debtors upon ex parte motion.

Section 8.2 of the Plans provides that the Debtors (with the consent of the First Lien Agent) and after the applicable Effective Date, the Reorganized Debtors may, at any time, request that the Bankruptcy Court estimate any Disputed, contingent or unliquidated Claim pursuant to Section 502(c) of the Bankruptcy Code regardless of whether the Debtors or the Reorganized Debtors have previously objected to such Claim. The Bankruptcy Court shall retain

jurisdiction to estimate any such Claim at any time, including, without limitation, during the pendency of an appeal relating to such objection.

Section 8.3 of the Plans provides that no distribution shall be made with respect to all or any portion of any Disputed, contingent, or unliquidated Claim until the entire Claim becomes an Allowed Claim. The Reorganized Debtors shall set aside or reserve a portion of the consideration payable to the holders of Allowed Claims in a particular Class to be held in the Disputed Claims reserve for such Class in an amount sufficient to pay to the holders of all Disputed Claims in such Class the full distributions they may be entitled to if their respective Claims were allowed in full.

14. Administrative Consolidation for Purposes of the Plans

As provided in section 7.10 of the CCA Plan, subject to the occurrence of the Effective Date of the CCA Plan, solely for the purposes of voting and distribution under the CCA Plan, the CCA Debtors shall be administratively consolidated. As a result: (a) each and every Claim filed or to be filed against any of the CCA Debtors shall be deemed filed against the administratively consolidated CCA Debtors and shall be deemed one Claim against, and one obligation of, the CCA Debtors, (b) any and all guarantees executed by one or more of the CCA Debtors with respect to the obligation of any other CCA Debtor or CCA Debtors shall be of no force and effect, (c) all Intercompany Claims shall remain undisturbed, (d) all duplicative Claims (identical in amount and subject matter) filed against one or more of the CCA Debtors will be automatically expunged so that only one Claim survives against the consolidated CCA Debtors, and (e) the consolidated CCA Debtors will be deemed, for purposes of determining the availability of the right of set-off under Section 553 of the Bankruptcy Code, to be one entity, so that, subject to other provisions of Section 553 of the Bankruptcy Code, the debts due to a particular CCA Debtor may be offset against the Claims against other CCA Debtor or CCA

Debtors. Such administrative consolidation, however, shall not affect (a) the legal and organizational structure or control of the CCA Debtors, (b) any guarantees, Liens, and security interests that are required to be maintained in connection with executory contracts or unexpired leases that were entered into during the Chapter 11 Cases of the CCA Debtors, or that have been or will be assumed pursuant to the CCA Plan, or (c) distributions out of any insurance policies or proceeds of such policies.

As provided in section 7.10 of the WKH Plan, subject to the occurrence of the Effective Date of the WKH Plan, solely for the purposes of voting and distribution under the WKH Plan, the WKH Debtors shall be administratively consolidated. As a result, (a) each and every Claim filed or to be filed against any of the WKH Debtors shall be deemed filed against the administratively consolidated WKH Debtors and shall be deemed one Claim against, and one obligation of, the WKH Debtors, (b) any and all guarantees executed by one or more of the WKH Debtors with respect to the obligation of any other WKH Debtor or WKH Debtors shall be of no force and effect, (c) all Intercompany Claims shall remain undisturbed, (d) all duplicative Claims (identical in amount and subject matter) filed against one or more of the WKH Debtors will be automatically expunged so that only one Claim survives against the consolidated WKH Debtors, and (e) the consolidated WKH Debtors will be deemed, for purposes of determining the availability of the right of set-off under Section 553 of the Bankruptcy Code, to be one entity, so that, subject to other provisions of Section 553 of the Bankruptcy Code, the debts due to a particular WKH Debtor may be offset against the Claims against other WKH Debtor or WKH Debtors. Such administrative consolidation, however, shall not affect (a) the legal and organizational structure or control of the WKH Debtors, (b) any guarantees, Liens, and security interests that are required to be maintained in connection with executory contracts or unexpired

leases that were entered into during the Chapter 11 Cases of the WKH Debtors, or that have been or will be assumed pursuant to the WKH Plan, or (c) distributions out of any insurance policies or proceeds of such policies.

G. CONDITIONS TO CONFIRMATION AND EFFECTIVE DATE AND NOTICE OF EFFECTIVE DATE

1. Conditions to Confirmation

As provided in section 10.1 of the Plans, the Plans cannot be confirmed unless the condition set forth below is satisfied or waived by the applicable Debtors, with the written consent of the First Lien Agent, in its sole discretion, both the Confirmation Order regarding the CCA Plan (the “CCA Confirmation Order”) and the Confirmation Order regarding the WKH Plan (the “WKH Confirmation Order”), in form and substance satisfactory to the applicable Debtors and the First Lien Agent, shall have been entered by the Bankruptcy Court;

2. Conditions to Effectiveness

As provided in section 10.2 of the Plans, the Effective Date of the Plans cannot occur unless and until each of the conditions set forth below is satisfied or waived by the applicable Debtors with the written consent of the First Lien Agent (provided, however, that the condition of obtaining the FCC Consent cannot be waived):

- a) Each of the CCA Confirmation Order and the WKH Confirmation Order shall have become a Final Order; *provided, however*, that, at the option of the First Lien Agent, the Effective Date may occur at a point in time when the CCA Confirmation Order and the WKH Confirmation Order are not Final Orders, unless the effectiveness of such Orders (or any one of them) have been stayed or vacated, in which case the Effective Date may, at the option of the First Lien Agent, occur immediately upon the expiration or other termination of any stay of effectiveness of the Order;
- b) The Bankruptcy Court shall have made the findings of fact and/or conclusions of law in connection with the confirmation of both the CCA Plan and the WKH Plan satisfactory to the applicable Debtors and the First Lien Agent (including findings that each of the WKH New Common Stock and the CCA New Common Stock issued on the Effective Date is exempt from registration

under applicable securities laws pursuant to Section 1145 of the Bankruptcy Code) each of which findings and/or conclusions shall be expressly set forth in the CCA Confirmation Order and/or the WKH Confirmation Order, as applicable, or in findings of fact and conclusions of law entered in support of and contemporaneously with the entry of the CCA Confirmation Order and/or the WKH Confirmation Order, as applicable;

- c) As to the CCA Plan, the aggregate amount of (i) all Allowed Administrative Expense Claims (other than Allowed Claims of Professionals) is no more than \$2.0 million, (ii) all Allowed Priority Claims is \$0, (iii) all Allowed Priority Tax Claims is \$0, (iv) all Allowed Other Secured Claims in Class 3 is no more than \$20,000, (v) all Allowed Trade Claims in Class 4 is no more than \$1.0 million, (vi) all cure payments necessary to assume executory contracts and unexpired leases is no more than \$1.4 million, and (vii) Cash and Cash equivalents on hand as of the Effective Date of the CCA Plan will be at least \$7.5 million, *provided, however*, that any decrease in the amount set forth in any of the clauses (i) through and (v) may be utilized to offset any increase in any of the amounts of any of the other such clauses; and
- d) As to the WKH Plan, the aggregate amount of (i) all Allowed Administrative Expense Claims (other than Allowed Claims of Professionals) is no more than \$600,000, (ii) all Allowed Priority Claims is \$0, (iii) all Allowed Priority Tax Claims is \$0, (iv) all Allowed Other Secured Claims in Class 3 is \$0, (v) all Allowed Trade Claims in Class 4 is no more than \$200,000, and (vi) all cure payments necessary to assume executory contracts and unexpired leases is no more than \$600,000, *provided, however*, that any decrease in the amount set forth in any of the clauses (i) through (v) may be utilized to offset any increase in any of the amounts of any of the other such clauses;
- e) All actions, agreements and instruments, or other documents necessary to implement the terms and provisions of the CCA Plan and the WKH Plan, in form and substance satisfactory to the applicable Debtors and the First Lien Agent, have been executed and delivered;
- f) The FCC Consent shall have been obtained, without the imposition of any condition materially adverse (except those that are customary in the transfer of television station authorizations) to the CCA Debtors, the Reorganized CCA Debtors, the WKH Debtors, or the Reorganized WKH Debtors;
- g) Any federal, state, local and foreign governmental authorizations, consents and regulatory approvals, required for the consummation of each of the transactions contemplated in the CCA Plan and/or the WKH Plan shall have been obtained;
- h) All fees and expenses due to or incurred by Professionals through the applicable Effective Date not previously paid pursuant to interim or final

order shall have been paid into and shall be held in escrow, free and clear of liens, claims and encumbrances (other than the rights of Professionals), including those of the First Lien Agent and the First Lien Lenders, until due and payable in accordance with applicable court order;

- i) All payments required to be made on the applicable Effective Date shall have been made; and
- j) No Termination Date (as that term is defined in the Amended Final Cash Collateral Order) under the Amended Final Cash Collateral Order has occurred.

3. Filing Notice of the Effective Date

Within one (1) Business Day of the occurrence of the applicable Effective Date, the applicable Reorganized Debtors and the First Lien Agent shall file a notice of occurrence of the applicable Effective Date signed by the counsel for the applicable Debtors in Possession and the First Lien Agent in the record of the Bankruptcy Court reflecting (a) that the conditions to the occurrence of the applicable Effective Date have been satisfied or waived by the applicable Debtors, the First Lien Agent and any other person whose consent or waiver is required, (b) the date of the applicable Effective Date, and (c) acknowledging that the applicable Effective Date has occurred on and as of such date.

V. EFFECT OF CONFIRMATION

A. VESTING OF ASSETS AND RIGHTS OF ACTION

As provided in section 9.1 of the Plans, upon the applicable Effective Date, pursuant to Section 1141(b) of the Bankruptcy Code, all property of the Debtors in Possession and their respective Estates shall vest in the respective Reorganized Debtors free and clear of any and all Claims, Liens, Interests, and other interests and encumbrances, except as provided in the CCA Plan or the WKH Plan, the CCA Confirmation Order or the WKH Confirmation Order, or the Exit Facility, the Call & Put Options or the WKH Guaranty. From and after the applicable Effective Date, the Reorganized Debtors may operate their respective businesses and may own,

use, acquire and dispose of respective properties free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules and in all respects as if the Chapter 11 Cases had never been filed.

Except as otherwise provided in the Plans, all property of the Debtors and Debtors in Possession as of the applicable Effective Date including, without limitation, any rights, claims or Causes of Action pursuant to the Bankruptcy Code or pursuant to any statute or legal theory, including any and all Avoidance Claims, in favor of the Debtors and against any and all persons and non-debtor affiliates of Debtors, are reserved and are to be retained by the Reorganized Debtors as the duly appointed representatives of the Debtors. The Debtors and the Reorganized Debtors shall retain any and all Causes of Action against any Entity that has personal liability to any one or more of the Debtors arising from any contract or agreement with any Debtor in which such Entity is an obligor (*e.g.*, notes, loans and asset purchase agreements). As provided in section 7.9 of the Plans, the Debtors will not pursue any Avoidance Claims for affirmative recoveries, but the Plans reserve all Avoidance Claims for defensive purposes.

The retained claims and Causes of Action include, but are not limited to, those noted on the attached Exhibit D-6 to this Disclosure Statement.

B. BINDING EFFECT OF THE PLANS

Subject to the occurrence of the applicable Effective Date, on and after the occurrence of the applicable Confirmation Date, the provisions of the Plans shall bind any holder of a Claim against or an Interest in any of the Debtors and such holder's successors and assigns, whether or not such holder's Claim or Interest is Impaired under the Plans, whether or not such holder has accepted the Plan, and whether or not such holder is entitled to a distribution under the Plan.

C. DISCHARGE OF THE CCA DEBTORS AND THE WKH DEBTORS

Except as otherwise provided in the applicable CCA Plan or WKH Plan or in the applicable CCA Confirmation Order or the WKH Confirmation Order, the rights afforded in the

applicable CCA Plan or WKH Plan, and the treatment of the Claims and Interests in the applicable CCA Plan or WKH Plan shall be in exchange for and in complete satisfaction, discharge, and release of all Claims against and Interests in the applicable Debtors and the applicable Debtors in Possession, their assets, properties, or interests in property, of any nature whatsoever, including any interest or other costs accrued on any Claim from and after the applicable 2006 Petition Date or 2007 Petition Date. Except as expressly otherwise provided in the applicable CCA Plan or WKH Plan, or in the applicable CCA Confirmation Order or the WKH Confirmation Order, on the applicable Effective Date, all Claims arising before the applicable Effective Date (including those arising under Sections 502(g), 502(h) or 502(i) of the Bankruptcy Code) against the Debtors and the Debtors in Possession (including any based on acts or omissions that constituted or may have constituted ordinary or gross negligence or reckless, willful, or wanton misconduct of any of the Debtors, or any conduct for which any of the Debtors may be deemed to have strict liability under any applicable law), and all Interests shall be irrevocably satisfied, discharged, cancelled and released in full.

The Reorganized Debtors shall not be responsible for any Claims against or Interests in the Debtors or the Debtors in Possession except (a) those payments and distributions expressly provided for or due under the applicable CCA Plan or WKH Plan, and (b) Claims and Interests, if any, that pass through the CCA Plan or WKH Plan Unimpaired pursuant to specific and express provisions of the CCA Plan or WKH Plan. All Entities shall be precluded and forever barred from asserting against the Debtors, the Reorganized Debtors, or their assets, properties, or interests in property, any Claims based upon any act or omission, transaction, or other activity, event, or occurrence of any kind or nature that occurred prior to the applicable Effective Date, whether or not the facts of or legal bases therefor were known or existed prior to the applicable

Effective Date, except for (a) the payments and distributions expressly provided for or due under in the applicable CCA Plan or WKH Plan, and (b) Claims and Interests, if any, that pass through the applicable CCA Plan or WKH Plan Unimpaired pursuant to specific and express provisions of the applicable CCA Plan or WKH Plan.

D. INDEMNIFICATION OBLIGATIONS

Subject to the occurrence of the applicable Effective Date, pursuant to section 9.4 of the Plans, the obligations of the Debtors to indemnify, reimburse or limit liability of any person who is serving or has served as one of its directors, officers, employees or agents by reason of such person's prior or current service in such capacity as provided in the applicable certificates of incorporation or bylaws, by statutory law or by written or oral agreement, policies or procedures of or with the Debtors, are discharged by the applicable Plan, and any Claim resulting therefrom shall not be entitled to any distribution under the Plans. Nothing in the Plans shall be deemed to affect any rights of any director or officer against any insurer with respect to the Debtors' D&O insurance policies, including the D&O tail coverage policies provided for in section 7.8 of the CCA Plan and section 7.12 of the WKH Plan.

E. TERM OF CERTAIN INJUNCTIONS

Unless otherwise provided in the applicable CCA Plan or WKH Plan, or in the applicable CCA Confirmation Order or WKH Confirmation Order, all of the injunctions and/or stays provided for in, or in connection with, the Chapter 11 Cases, whether pursuant to Section 105, Section 362, or any other provision of the Bankruptcy Code or other applicable law, in existence on the Confirmation Date, shall remain in full force and effect through the applicable Effective Date.

F. RELEASES OF THE DEBTORS' CLAIMS

As of the applicable Effective Date, and subject to its occurrence, for the good and valuable consideration provided by each of the Released Parties, pursuant to section 9.6 of the Plans, any and all Claims of the applicable Debtors against any of the Released Parties based in whole or in part upon any act or omission, transaction, agreement, event or other occurrence taking place on or before the applicable Effective Date shall be forever released and discharged. The foregoing releases, however, shall not operate as a waiver or release for any borrowed money owed to the Debtors by any officer, director or employee.

G. RELEASES BY THE HOLDERS OF CLAIMS

Except as otherwise specifically provided in the applicable CCA Plan or WKH Plan, or the applicable CCA Confirmation Order or WKH Confirmation Order, on and after the applicable Effective Date, the Unsecured Creditors' Committee, each of its members, and each holder of a Claim who has voted to accept the applicable CCA Plan or WKH Plan shall be deemed to have unconditionally released the Released Parties from any and all Claims, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, that such Entity would have been legally entitled to assert (whether individually or collectively), based in whole or in part upon any act or omission, transaction, agreement, event, or other occurrence taking place on or before the applicable Effective Date.

H. EXCULPATION

Pursuant to section 9.8 of the Plans, none of the Released Parties or the Reorganized Debtors shall have any liability to any Entity for any act or omission in connection with or arising out of the negotiation of the Plans, the pursuit of approval of the Disclosure Statement, the pursuit of confirmation of the Plans, the consummation of the Plans, the transactions

contemplated and effectuated by the Plans, the administration of the Plans, or the property to be distributed under the Plans, or any other act or omission during the administration of the Chapter 11 Cases or the Debtors' Estates. In all respects, each of the foregoing shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plans.

I. NO SUCCESSOR LIABILITY

As provided in section 9.9 of the Plans, neither the applicable Debtors nor the applicable Reorganized Debtors will have any responsibilities, pursuant to the applicable CCA Plan or WKH Plan or otherwise, for any Claims against or liabilities or obligations of the CCA Debtors, the WKH Debtors, or any of the CCA Debtors' or WKH Debtors' former subsidiaries relating to or arising out of the operations of or assets of the CCA Debtors, the WKH Debtors, or any of their respective former subsidiaries, whether arising prior to, or resulting from actions, events, or circumstances occurring or existing at any time prior to the Confirmation Date; *provided, however*, that the applicable Reorganized Debtors shall have the obligations specifically and expressly provided in the applicable CCA Plan and/or WKH Plan.

VI. EXECUTORY CONTRACTS

A. ASSUMPTION AND REJECTION OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Except for the Rejected Programming Contracts and Tower Leases (i) listed on Schedules 5.1(a) attached to the CCA Plan or WKH Plan, which Schedules may be amended through the applicable Effective Date with the consent of the First Lien Agent, or (ii) that are subject to a rejection motion pending on the applicable Effective Date, all other programming contracts and tower leases to which any Debtor is a party not previously assumed during the Chapter 11 Cases shall be deemed to be assumed by the applicable Reorganized Debtor on the applicable Effective Date pursuant to Section 365 of the Bankruptcy Code (collectively, the "Assumed Programming

Contracts and Tower Leases”). All other executory contracts or unexpired leases to which any Debtor is a party shall be deemed to be rejected by the applicable Reorganized Debtor on the applicable Effective Date pursuant to Section 365 of the Bankruptcy Code (collectively, the “Rejected Other Contracts and Leases”). The Rejected Other Contracts and Leases shall not include any of the following (collectively, the “Assumed Other Contracts and Leases”): (a) those listed on Schedules 5.1(b) to the Plans, which Schedules may be amended through the Effective Date with the consent of the First Lien Agent; (b) all contracts with advertisers having a maturity of less than 45 days or cancellable at will by the applicable Debtor; and (c) executory contracts for which the applicable Debtor’s aggregate annual payment obligations do not exceed \$50,000. For the avoidance of doubt, all employment agreements between any of the Debtors and any individual current or former executive shall be Rejected Other Contracts or Leases. The CCA Plan and the WKH Plan shall constitute a motion to assume the Assumed Programming Contracts and Tower Leases and the Assumed Other Contracts and Leases and to reject the Rejected Programming Contracts and Tower Leases and the Rejected Other Contracts and Leases pursuant to Section 365 of the Bankruptcy Code as of the applicable Effective Date, and the CCA Confirmation Order and the WKH Confirmation Order, as applicable, shall constitute the approval, pursuant to Sections 365(a) and 1123(b)(2) of the Bankruptcy Code, of such assumption or rejection and a finding that the requirement of adequate assurance of future performance with respect to each such contract or lease to be assumed will have been satisfied.

B. CURE OF DEFAULTS

All cure payments that are required by Section 365(b)(1) of the Bankruptcy Code under any executory contract or unexpired lease that is being assumed under the Plans, unless disputed by the Debtors, shall be made by the applicable Reorganized Debtor on the applicable Effective Date. Any non-Debtor party to any executory contract or unexpired lease to be assumed under

the Plans that believes that the cure amount it is owed in connection with such assumption is different from the amount set forth on the Notice of Cure Payments for the applicable contract or lease must file its request for such different cure payment at least ten (10) days before the commencement of the Confirmation Hearing, unless the amount of such cure payment have been previously agreed to in writing by the applicable Debtor (with the consent of the First Lien Agent). Any Claims for cure payments not filed within such time will be forever barred from assertion against the Debtors, their respective Estates, the Reorganized Debtors, and their respective properties. In the event of a dispute regarding the amount of any cure payment or the ability of the applicable Reorganized Debtor to provide adequate assurance of future performance or any other matter pertaining to assumption, in the discretion of the Debtors (with the consent of the First Lien Agent), (a) the Bankruptcy Court will hear and determine such dispute at the Confirmation Hearing, and (b) the applicable Debtor (i) may assume such executory contract or unexpired lease by curing any default or providing adequate assurance in the manner determined by the Bankruptcy Court, or (ii) reject the applicable contract or lease as of the applicable Effective Date. The applicable Reorganized Debtor shall make the payment with respect to a disputed cure payment, if any, with respect to any applicable assumed contract or lease on the later of the applicable Effective Date and the date such Claim becomes an Allowed Claim.

All executory contracts and unexpired leases assumed under the Plans or during the Chapter 11 Cases constitute valid contracts and leases, as applicable, enforceable by the Reorganized Debtors against the respective non-Debtor counterparties regardless of any cross-default or change of control provisions in any contracts or leases assumed or rejected under the Plans or during the Chapter 11 Cases.

C. COMPENSATION AND BENEFITS PROGRAM

As provided in section 5.3 of the Plans, although the Debtors' obligations under employment and severance policies, and compensation and benefit plans, policies, and programs do not constitute executory contracts, to the extent the Bankruptcy Court deems them to constitute executory contracts, all such policies, plans and programs are rejected in each of the Plans, and the Reorganized Debtors shall not assume any of the Debtors' severance obligations to employees incurred prior to the applicable 2006 or 2007 Petition Date, which obligations shall constitute General Unsecured Claims. The Reorganized Debtors shall, however, honor the Debtors' obligations with respect to vacation time and contributions to benefit plans accrued through the Effective Date. The employment and severance policies, and compensation and benefit plans, policies, and programs shall be supplemented by new policies, plans and programs to be adopted by the new boards of the respective Reorganized Debtors.

VII. CERTAIN MISCELLANEOUS AND OTHER PROVISIONS

A. PENSION PLANS

As provided in section 11.3 of the Plans, on and after the applicable Effective Date, pursuant to Section 1129(a)(13) of the Bankruptcy Code, the applicable Reorganized Debtors shall continue to pay all retiree benefits of the applicable Debtors (within meaning of Section 1114 of the Bankruptcy Code), if any, at the level established in accordance with Section 1114 of the Bankruptcy Code, at any time prior to the applicable Confirmation Date, for the duration of the period for which such Debtors had obligated themselves to provide such benefits.

B. THIRD PARTY AGREEMENTS

The distributions to the various Classes of Claims and Interests under the Plans will not affect the right of any Entity to levy, garnish, attach, or employ any other legal process with respect to such distributions by reason of any claimed subordination rights or otherwise. As

provided in section 7.6 of the Plans, all of such rights and any agreements relating thereto will remain in full force and effect. All subordination agreements entered into by any parties in interest shall be enforceable to the extent applicable under bankruptcy and applicable non-bankruptcy laws and all distributions and payments made pursuant to the Plans shall be subject to such laws.

C. D&O TAIL COVERAGE POLICIES

As provided in section 7.8 of the CCA Plan and section 7.12 of the WKH Plan, the applicable Reorganized Debtors will obtain a directors' and officers' insurance policy with tail coverage for a period of three (3) years for the officers and directors of the applicable Debtors immediately prior to the applicable Effective Date; *provided, however*, that the CCA directors' and officers' insurance policy shall have an aggregate cost of no more than \$75,000, and WKH directors' and officers' insurance policy shall have an aggregate cost of no more than \$20,000.

D. RETENTION OF JURISDICTION

Pursuant to Sections 105(a) and 1142 of the Bankruptcy Code, the Bankruptcy Court shall retain and shall have jurisdiction to the fullest extent provided by applicable law over any matter arising under the Bankruptcy Code or arising in or related to the Chapter 11 Cases or the Plans, as provided in Article 12 of the Plans.

E. PAYMENT OF STATUTORY FEES

All fees payable pursuant to Section 1930 of title 28 of the United States Code shall be paid after the applicable Effective Date by the applicable Reorganized Debtors, as, when and in the amount as required by applicable law.

F. DISSOLUTION OF THE UNSECURED CREDITORS COMMITTEE

As provided in section 11.1 of the Plans, on the applicable Effective Date, the Unsecured Creditors Committee and its Professionals shall be released and discharged of and from all

further authority, duties, responsibilities, and obligations relating to or arising from or in connection with the Chapter 11 Cases, and shall be deemed dissolved; *provided, however*, that in the event that the applicable Effective Date occurs prior to the entry of an order with respect to final fee applications of Professionals for the Unsecured Creditors Committee, the Unsecured Creditors Committee and its Professionals may seek compensation in connection with the preparation, filing and prosecution of such applications.

**G. MODIFICATION AND AMENDMENT OF THE PLANS;
WITHDRAWALS OF THE PLANS**

Subject to the restrictions on modifications set forth in Section 1127 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3019, the Plans may be amended or modified by the Debtors (with the consent of the First Lien Agent in its sole discretion) before or after the Confirmation Date. The applicable Debtors reserve the right (upon consent of the First Lien Agent) to withdraw the applicable CCA Plan or WKH Plan at any time prior to the Confirmation Date upon filing a Notice of Withdrawal in the record of the Bankruptcy Court.

H. FURTHER ASSURANCES

As provided in section 11.8 of the WKH Plan and section 11.9 of the CCA Plan, the CCA Debtors, the Reorganized CCA Debtors, the WKH Debtors, the Reorganized WKH Debtors, all holders of Claims and Interests receiving distributions under the applicable CCA Plan or WKH Plan, and all other parties in interest shall, from time to time, upon the request or demand of the applicable Reorganized Debtors, prepare, execute, and deliver any agreements or documents and take any other action consistent with the terms of the applicable CCA Plan or WKH Plan as may be reasonably necessary to effectuate the provisions and intent of the applicable CCA Plan or WKH Plan, with each such Entity to bear its own costs incurred in connection therewith.

I. SUCCESSORS AND ASSIGNS

As provided in section 11.10 of the Plans, the rights, benefits and obligations of any Entity named or referred to in the applicable CCA Plan or WKH Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, personal representative, successor or assign of such Entity.

VIII. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES

The following discussion summarizes certain U.S. federal income tax consequences of the implementation of the Plans to the Debtors and certain U.S. holders of Claims and Interests.

The following summary is based on the Internal Revenue Code of 1986, as amended (the "Tax Code"), Treasury Regulations promulgated thereunder, judicial decisions, and published administrative rules and pronouncements of the Internal Revenue Service (the "IRS"), all as in effect on the date hereof. Changes in such rules or new interpretations thereof may have retroactive effect and could significantly affect the tax consequences described below.

The U.S. federal income tax consequences of the Plans are complex and are subject to significant uncertainties. No assurance can be given that legislative or administrative changes or court decisions may not be forthcoming which would require significant modification of the statements expressed in this section. Certain tax aspects of the Plans are uncertain due to the lack of applicable regulations and other tax precedent. The Debtors have not requested a ruling from the IRS or an opinion of counsel with respect to any of the tax aspects of the Plans. Thus, no assurance can be given as to the interpretation that the IRS will adopt.

TO ENSURE COMPLIANCE WITH IRS CIRCULAR 230, HOLDERS OF CLAIMS AND ANY INTERESTS ARE HEREBY NOTIFIED THAT (a) ANY DISCUSSION OF TAX ISSUES CONTAINED OR REFERRED TO IN THIS DISCLOSURE STATEMENT IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE

OF AVOIDING PENALTIES THAT MAY BE IMPOSED UNDER THE TAX CODE, AND
 (b) THIS DISCUSSION WAS WRITTEN IN CONNECTION WITH THE PROMOTION OF
 THE PLANS.

A. TAX CONSEQUENCES TO THE DEBTORS

Under the Tax Code, taxpayers in bankruptcy do not recognize income on account of cancellation of indebtedness ("COD") but are generally required to reduce certain tax attributes--such as net operating loss ("NOLs") carryforwards and current year losses, tax credits, and the tax basis in assets--by the amount of COD. In general, COD is the amount by which the indebtedness discharged exceeds the amount of cash and the fair market value of any other consideration given in exchange therefor. Complex statutory rules and Treasury Regulations may apply to limit the amount of COD and attribute reduction in certain circumstances.

The required reduction in tax attributes occurs after the determination of tax for the taxable year that includes the COD. Thus, COD that arises in bankruptcy generally does not limit a debtor's ability to use its tax attributes to reduce tax liabilities relating to the tax year of the debtor that includes the applicable Effective Date as well as prior tax years. Any reduction in NOLs will occur on the first day of the next taxable year following the applicable Effective Date. While a debtor is generally required to reduce its NOLs first, the debtor may elect to reduce the tax basis of its depreciable assets (including the tax basis in the stock of its subsidiaries) prior to any reduction in its NOL carryforwards or other tax attributes. In general, reduction in the tax basis of any subsidiary stock requires a corresponding reduction in that subsidiary's tax basis in its assets. The Debtors expect to realize a significant amount of COD as a result of the discharge of Claims pursuant to the Plans. As a result, the Debtors will be required to reduce their tax attributes by the amount of the COD.

B. LIMITATIONS ON THE USE OF NOLS AND OTHER TAX ATTRIBUTES

In addition to attribute reduction, the implementation of the Plans is expected to cause the Debtors to undergo an ownership change for purposes of Section 382 of the Tax Code, which generally limits a corporation's ability to use NOL carryforwards and other tax attributes such as built-in losses following an ownership change. These limitations apply from and after the applicable Effective Date, in addition to the attribute reduction discussed above on account of COD.

C. TAX CONSEQUENCES TO CERTAIN HOLDERS OF CLAIMS AND INTERESTS

HOLDERS OF CLAIMS AND INTERESTS SHOULD CONSULT THEIR TAX ADVISOR TO DETERMINE THE AMOUNT AND TIMING OF ANY INCOME OR LOSS SUFFERED AS A RESULT OF THE CANCELLATION OF THE CLAIMS OR STOCK OPTIONS HELD BY SUCH PERSON, WHETHER SUCH INCOME OR LOSS IS ORDINARY OR CAPITAL AND THE TAX EFFECT OF ANY RIGHT TO, AND RECEIPT OF DEFERRED PAYMENT.

THE ABOVE DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. THE TAX CONSEQUENCES ARE IN MANY CASES UNCERTAIN AND MAY VARY DEPENDING ON A HOLDER'S INDIVIDUAL CIRCUMSTANCES. ACCORDINGLY, ALL HOLDERS SHOULD CONSULT THEIR TAX ADVISORS ABOUT THE U.S. FEDERAL, STATE, LOCAL AND NON-U.S. INCOME AND OTHER TAX CONSEQUENCES OF THE PLANS.

IX. SECURITIES LAW CONSIDERATIONS

Section 1145(a) of the Bankruptcy Code generally exempts from registration under the Securities Act of 1933 (as amended, the "Securities Act") any offer or sale of a debtor's

securities under a chapter 11 plan if such securities are offered or sold in exchange for a claim against, or an equity interest in, such debtor, and in the case of options issued under a chapter 11 plan, also generally exempts the issuance of the securities upon exercise of such options. Based upon this exemption, the CCA New Common Stock, the WKH New Common Stock, and the options issued under the Management Incentive Plan will be exempt from the registration requirements of the Securities Act.

X. LIQUIDATION ANALYSIS UNDER CHAPTER 7

Under the Bankruptcy Code, in order for a plan to be confirmed, each creditor must receive or retain under the Plan a recovery that has a value at least equal to the value of the distribution that such creditor would receive if the debtors were liquidated under chapter 7 of the Bankruptcy Code.

In these Chapter 11 Cases, the value of the Debtors' assets is less than the aggregate value of First Lien Lenders' Secured Claims. Accordingly, because the First Lien Lenders' Secured Claims are secured by first priority liens on all or substantially all of the assets of the Debtors, no holders of Claims junior to the First Lien Lenders' Secured Claims would receive any distributions in a chapter 7 liquidation of the Debtors on account of such Claims.

Under the terms of the Plans, creditors holding Administrative Claims and Priority Claims will be paid in full on account of such Claims, which is a better treatment than the holders of such Claims would receive in a chapter 7 liquidation since there are no unencumbered assets to pay the Administrative Claims and Priority Claims in a chapter 7 liquidation. Pursuant to section 3.3 of each of the Plans, holders of Other Secured Claims will have their Other Secured Claims reinstated (or be treated in another manner as specified in section 3.3 of the Plans, which is the same or better treatment than such holders would receive in a chapter 7

liquidation). Pursuant to section 3.4 of each of the Plans, holders of Trade Claims will receive payment in full in Cash of the Allowed Amount (without interest) of their Trade Claims, which provides a greater recovery to the holders of the Trade Claims than they would receive in a chapter 7 liquidation. Holders of General Unsecured Claims against the Debtors will receive no distribution on account of such Claims, which is the same treatment that holders of such Claims would receive in a chapter 7 liquidation.

Accordingly, each holder of a Claim will receive or retain under the Plans a recovery that has a value at least equal to the value of the distribution that such creditor would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code.

In addition, if these Chapter 11 Cases were converted to chapter 7 cases, a trustee would be appointed to liquidate the assets of the Debtors. In liquidation under chapter 7, before creditors receive any distributions, additional administrative expenses involved in the appointment of a trustee, including the statutory fee to a chapter 7 trustee under Section 326(a) of the Bankruptcy Code, and attorneys, accountants and other professionals to assist a trustee, would cause a substantial increase in the administrative expenses of the Debtors' Estates. The Debtors' assets available for distribution to creditors would be further reduced by such additional expenses and by Claims, some of which would be entitled to priority status, which would arise by reason of the chapter 7 liquidation of the Debtors.

The Debtors estimate that if they were forced to liquidate under chapter 7, the liquidation of the Debtors' assets would produce less value for distribution to all creditors than is recoverable under the Plans. Accordingly, the Plans provide for distributions to all holders of Claims and Interest of at least as much as such holders would receive if the Debtors were

liquidated under chapter 7 of the Bankruptcy Code. A Liquidation Analysis is attached as Exhibit D-7 to this Disclosure Statement.

XI. CONFIRMATION PROCEDURE

Under the Bankruptcy Code, the following steps must be taken to confirm the Plan:

A. VOTING AND OTHER PROCEDURES

A Ballot for the acceptance or rejection of the Plans is enclosed with the Disclosure Statement submitted to the holders of Claims that are entitled to vote to accept or reject the Plans. Under each of the Plans, holders of First Lien Lenders' Secured Claims in Class 2 and holders of Trade Claims in Class 4 are the only classes of Creditors entitled to vote on the respective Plans. No classes of Interests are entitled to vote on the respective Plans.

Pursuant to the provisions of the Bankruptcy Code, only holders of claims in classes of claims that are impaired under the terms and provisions of a chapter 11 plan and are to receive distributions thereunder are entitled to vote to accept or reject the plan. Classes of claims in which the holders of claims and interests will not receive or retain any property under a chapter 11 plan are deemed to have rejected the plan and are not entitled to vote to accept or reject the plan. Classes of claims in which the holders of claims or interests are Unimpaired under a Chapter 11 plan are deemed to have accepted the plan and also are not entitled to vote to accept or reject the plan.

The Bankruptcy Code defines "acceptance" of a plan by a class of: (i) claims, as acceptance by creditors actually voting in that class that hold at least two-thirds in dollar amount and more than one-half in number of the claims; and (ii) Interests, as acceptance by interest holders in that class actually voting that hold at least two-thirds in number of the shares of the common stock of a debtor.

A vote may be disregarded if the Bankruptcy Court determines, after notice and a hearing, that such acceptance or rejection was not solicited or procured in good faith or otherwise in accordance with the provisions of the Bankruptcy Code.

With respect to the Plans, any holder of a Claim in an Impaired Class (i) whose Claim has been listed by the Debtors in the Schedules filed with the Bankruptcy Court (provided that such Claim has not been scheduled as disputed, contingent or unliquidated), or (ii) who filed a proof of claim on or before the applicable bar date (or, if not filed by such date, any proof of claim filed within any other applicable period of limitations or with leave of the Bankruptcy Court), which Claim has not been disallowed and is not the subject of an objection, is entitled to vote. Holders of Claims that are disputed, contingent and/or unliquidated are entitled to vote their Claims only to the extent that such Claims are Allowed for the purpose of voting pursuant to an order of the Bankruptcy Court. The Debtors may seek a determination that any Class of Claims that is entitled to vote to accept or reject the CCA Plan and/or WKH Plan that does not vote to accept or reject the CCA Plan and/or WKH Plan be deemed to accept the CCA Plan and/or WKH Plan, as applicable.

After carefully reviewing this Disclosure Statement, including any exhibits, each holder of an Allowed Claim entitled to vote may vote whether to accept or reject the CCA Plan and/or the WKH Plan. A Ballot for voting on the CCA Plan and the WKH Plan accompanies this Disclosure Statement. If you hold a Claim in more than one Class and you are entitled to vote Claims in more than one Class, you may receive a Ballot or Ballots, which will permit you to vote in all appropriate Classes of Claims. Please vote and return your Ballot to the Voting Agent as follows:

By U.S. Mail:	By Delivery or Courier:
Kurtzman Carson Consultants LLC Attention: CCA/WK Ballot Processing 2335 Alaska Ave. El Segundo, CA 90245	Kurtzman Carson Consultants LLC Attention: CCA/WK Ballot Processing 2335 Alaska Ave. El Segundo, CA 90245

ANY EXECUTED BALLOT THAT FAILS TO INDICATE AN ACCEPTANCE OR REJECTION OF THE PLAN WILL NOT BE COUNTED. BALLOTS RETURNED TO THE CCA/WKH VOTING AGENT BY FACSIMILE TRANSMISSION OR ANY OTHER ELECTRONIC MEANS WILL NOT BE COUNTED BY THE CCA/WKH VOTING AGENT.

THE VOTING DEADLINE TO ACCEPT OR
REJECT THE PLAN IS 5:00 P.M.,
_____ TIME, ON
_____, 2007.

APPROVAL OF THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE, HOWEVER, A DETERMINATION BY THE BANKRUPTCY COURT AS TO THE FAIRNESS OR MERITS OF THE PLANS. ALL CREDITORS THAT ARE ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLANS SHOULD READ THIS DISCLOSURE STATEMENT AND THE PLANS IN THEIR ENTIRETY BEFORE VOTING ON THE PLANS.

Ballots must be *received* by the Voting Agent by the Voting Deadline. If a Ballot is received after the Voting Deadline, it will not be counted. Complete the Ballot by providing all the information requested, and sign, date and return the Ballot by mail, overnight courier or personal delivery to the CCA/WKH Voting Agent at the address set forth above.

TO BE COUNTED, YOUR BALLOT INDICATING ACCEPTANCE OR REJECTION OF THE CCA PLAN AND/OR THE WKH PLAN MUST BE RECEIVED NO LATER THAN THE TIME AND DATE SET FORTH IN THE ACCOMPANYING NOTICE.

ANY OBJECTIONS TO THE CONFIRMATION OF THE CCA PLAN AND/OR THE WKH PLAN MUST BE FILED IN ACCORDANCE WITH AND NO LATER THAN THE TIME AND DATE SET FORTH IN THE ACCOMPANYING NOTICE.

If you are entitled to vote on the CCA Plan and/or WKH Plan and you did not receive a Ballot, received a damaged Ballot or lost your Ballot, or if you have any questions concerning the procedures for voting on the CCA Plan and/or WKH Plan, please telephone the Voting Agent at the following telephone number: **1-866-381-9100**.

B. DISCLAIMERS AND ENDORSEMENTS

This Disclosure Statement contains information about the CCA Plan and the WKH Plan. Holders of Claims and Interests are urged to study the text of the CCA Plan and the WKH Plan carefully to determine the impact of the CCA Plan and/or the WKH Plan on their Claims or Interests and to consult with their financial, tax and legal advisors.

Nothing contained in this Disclosure Statement or the CCA Plan and/or the WKH Plan will be deemed an admission or statement against interest that can be used against the Debtors in any pending or future litigation. Any reference to a creditors or Claims in this Disclosure Statement is not an admission that such creditors hold Allowed Claims, or will be an admission with respect to the validity, priority, or extent of any alleged Lien, Claim, Priority or encumbrance.

Certain statements and assertions in this Disclosure Statement may be subject to dispute by parties in interest.

C. THE CONFIRMATION HEARING

The Bankruptcy Code requires the Bankruptcy Court, after notice, to hold a Confirmation Hearing with respect to the CCA Plan and the WKH Plan. The Confirmation Hearing in respect of the CCA Plan and the WKH Plan has been scheduled for the date and time set forth in the accompanying notice before the Honorable Stephen V. Callaway, United States Bankruptcy Judge, at the United States Bankruptcy Court for the Western District of Louisiana, 300 Fannin St., Shreveport, LA 71101. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice other than an announcement of the adjourned date made at the Confirmation Hearing or posted at the courthouse at the Confirmation Hearing or at an adjournment thereof. Any objection to confirmation (i) must be made in writing, (ii) must specify in detail the name and address of the objector, all grounds for the objection and the amount of the Claim or a description of the interest in the Debtors held by the objector, and (iii) must be made in accordance with any pre-trial or scheduling orders entered by the Bankruptcy Court. Any such objections must be filed with the Bankruptcy Court and served so that they are received by the Bankruptcy Court, and the following counsel, on or before the date and time set forth in the accompanying notice:

Counsel to the CCA Debtors:

Heller, Draper, Hayden, Patrick, & Horn, LLC
William H. Patrick, III, La. Bar Roll No. 10359
Tristan Manthey, La. Bar Roll No. 24539
650 Poydras Street, Suite 2500
New Orleans, LA 70130-6103
Telephone: (504) 299-3300
Fax: (504) 299-3399

Counsel to the WKH Debtors:

Jones, Walker, Waechter, Poitevent,
Carrère & Denègre, L.L.P.
R. Patrick Vance
Elizabeth J. Futrell
201 St. Charles Avenue
New Orleans, LA 70170-5100
Phone: (504) 582-8000
Fax: (504) 582-8011

Counsel to the First Lien Agent:

Milbank, Tweed, Hadley & McCloy LLP
One Chase Manhattan Plaza
New York, NY 10005-1413
212-530-5000 (phone)
212-530-5219 (fax)
Attn.: Dennis F. Dunne, Esq.
Email: ddunne@milbank.com

D. CONFIRMATION

At the Confirmation Hearing, the Bankruptcy Court will confirm the CCA Plan and the WKH Plan if the requirements of Section 1129 of the Bankruptcy Code are met. Among the requirements for confirmation of a plan are that the plan is (i) accepted by all Impaired Classes of Claims or, if rejected by an Impaired Class, that the plan "does not discriminate unfairly" and is "fair and equitable" as to such Class, (ii) feasible, and (iii) in the "best interests" of creditors that are Impaired under the Plans.

E. UNFAIR DISCRIMINATION AND FAIR AND EQUITABLE TESTS

Under the Bankruptcy Code, a plan does not have to be accepted by every class of creditors or interest holders to be confirmed. If a class of claims rejects a plan or is deemed to reject a plan, the plan proponent has the right to request confirmation of the plan pursuant to Section 1129(b) of the Bankruptcy Code -- the so-called "cramdown" provision of the Bankruptcy Code. Section 1129(b) permits the confirmation of a plan notwithstanding the non-

acceptance of such plan by one or more impaired classes of claims and interests. Under that section, a plan may be confirmed by a bankruptcy court if it does not “discriminate unfairly” and is “fair and equitable” with respect to each non-accepting class, and meets the other legal criteria for confirmation.

Accordingly, to obtain nonconsensual confirmation of the CCA Plan and/or the WKH Plan, it must be demonstrated to the Bankruptcy Court that the Plans do not “discriminate unfairly” and are “fair and equitable” with respect to each Impaired, non-accepting Class. The Bankruptcy Code provides a non-exclusive definition of the phrase “fair and equitable.” The Bankruptcy Code establishes “cram down” tests for Classes of Secured Claims, unsecured Claims and Interests that do not accept the plan, as follows:

1. Secured Creditors

Either (a) each Impaired Secured creditor retains the Liens securing its Secured Claim and receives on account of its Secured Claim deferred cash payments (x) totaling at least the Allowed Amount of the Secured Claim and (y) having a present value at least equal to the value of the Secured creditor’s collateral, (b) each Impaired Secured creditor realizes the “indubitable equivalent” of its Allowed Secured Claim, or (c) the property securing the Claim is sold free and clear of Liens with the Secured creditor’s Lien to attach to the proceeds of the sale and such Lien on proceeds is treated in accordance with clause (a) or (b) of this subparagraph.

2. Unsecured Creditors

Either (a) each Impaired unsecured creditor receives or retains under the plan property of a value equal to the amount of its Allowed Claim, or (b) the holders of Claims and Interests that are junior to the Claims of the dissenting Class will not receive any property under the plan, and the “best interest” test is met so that each Impaired unsecured creditor recovers at least what that creditor would receive if the case was converted to a chapter 7 case.

3. Holders of Interests

Either (a) each Impaired Interests receives or retains under the plan property of a value equal to the greatest of the Allowed Amount of any fixed liquidation preference to which such holder is entitled, any fixed redemption price to which such holder is entitled, or the value of such interest, or (b) no junior interest receives or retains any property, and the “best interest” test is met so that each Impaired Interest holder recovers at least what that interest holder would receive if the case was converted to a chapter 7 case.

4. No Unfair Discrimination

In addition, the “cram down” standards of the Bankruptcy Code prohibit “unfair discrimination” with respect to the claims of any impaired, non-accepting class. While the “unfair discrimination” determination depends upon the particular facts of a case and the nature of the claims at issue, in general, courts have interpreted the standard to mean that the impaired, non-accepting class must receive treatment under a plan of reorganization which allocates value to such class in a manner that is consistent with the treatment given to other classes with claims against the debtor of equal or junior status.

Holders of General Unsecured Claims in Class 5, holders of Preferred Interests in the CCA Parent in Class 7 and holders of CCA Parent Common Equity Interests in Class 8 will receive no distributions under the CCA Plan and are conclusively presumed to have rejected the CCA Plan. Notwithstanding these classes’ status as Impaired, non-accepting Classes under the CCA Plan, the CCA Debtors believe that the treatment of all Classes of Claims and Interests under the CCA Plan satisfies the “no unfair discrimination” requirement for nonconsensual confirmation of the CCA Plan under section 1129(b) of the Bankruptcy Code. With respect to each such Impaired, non-accepting Class, there is no Class of equal priority receiving more favorable treatment under the CCA Plan, and no Class that is junior to such Impaired, non-

accepting Class will receive or retain any property under the Plan on account of the Claims or Interests in such Class.

Under the WKH Plan, holders of General Unsecured Claims in Class 5 and holders of WKH Parent Common Equity Interests in Class 7 will receive no distributions under the WKH Plan and are conclusively presumed to have rejected the WKH Plan. Notwithstanding these classes' status as Impaired, non-accepting Classes under the CCA Plan, the WKH Debtors believe that the treatment of all Classes of Claims and Interests under the WKH Plan the "no unfair discrimination" requirement for nonconsensual confirmation of WKH Plan. With respect to each such Impaired, non-accepting Class, there is no Class of equal priority receiving more favorable treatment under the WKH Plan, and no Class that is junior to such Impaired, non-accepting Class will receive or retain any property under the Plan on account of the Claims or Interests in such Class.

F. FEASIBILITY

The Bankruptcy Code requires that confirmation of a plan is not likely to be followed by liquidation or the need for further financial reorganization unless the liquidation of the debtor is provided for in the plan. It is not likely that the confirmation will be followed by liquidation or the need for further financial reorganization of the Debtors. Attached as Exhibit D-5 to this Disclosure Statement, entitled, "The Reorganized Debtors' Pro-Forma Analysis," is information reflecting the Reorganized Debtors' projected results of financial operations.

G. BEST INTEREST TEST

In order to confirm a plan of reorganization, the Bankruptcy Court must determine that the plan is in the best interests of all classes of creditors and equity security holders impaired under that plan. The "best interest" test requires that the Bankruptcy Court find that the plan provides to each member of each impaired class of claims and interests (unless each such

member has accepted the plan) a recovery which has a value at least equal to the value of the distribution that each creditor or interest holder would receive if the debtor was liquidated under chapter 7 of the Bankruptcy Code.

With respect to the CCA Plan, holders of General Unsecured Claims in Class 5, holders of Preferred Interests in the CCA Parent in Class 7 and holders of CCA Parent Common Equity Interests in Class 8 are conclusively presumed to have rejected the CCA Plan. The CCA Debtors request confirmation of the CCA Plan over the rejection of such Classes. In so doing, the CCA Debtors seek to establish that the CCA Plan complies with the best interest of creditors test with respect to any such Class or Classes, and satisfies all other legal criteria for confirmation. Likewise, with respect to the WKH Plan, holders of General Unsecured Claims in Class 5 and holders of WKH Parent Common Equity Interests in Class 7 are conclusively presumed to have rejected the WKH Plan. Accordingly, the WKH Debtors intend to request confirmation of the WKH Plan over the rejection of such Classes. In so doing, the WKH Debtors seek to establish that the WKH Plan complies with the best interest of creditors test with respect to any such Class or Classes, and satisfies all other legal criteria for confirmation

As reflected in the discussion above, and as demonstrated in the Liquidation Analysis attached to this Disclosure Statement as Exhibit D-7, the Debtors believe that the Plans provide to each holder of a Claim and Interest holder a value at least equal to the value of the distribution that each holder would receive if the applicable Debtor were liquidated under chapter 7 of the Bankruptcy Code.

H. CERTAIN RISK FACTORS TO BE CONSIDERED

HOLDERS OF CLAIMS AGAINST AND INTERESTS IN THE DEBTORS SHOULD READ AND CONSIDER CAREFULLY THE INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT, THE PLANS (AND ANY DOCUMENTS DELIVERED

TOGETHER HERewith AND/OR INCORPORATED BY REFERENCE), BEFORE VOTING TO ACCEPT OR REJECT THE PLANS. THESE RISK FACTORS SHOULD NOT BE REGARDED AS CONSTITUTING THE ONLY RISKS INVOLVED IN CONNECTION WITH THE PLANS AND THE IMPLEMENTATION OF THE PLANS.

I. CERTAIN BANKRUPTCY CONSIDERATIONS

1. Risk of Liquidation of the Debtors' Estates

If the Plans are not confirmed and consummated, there can be no assurance that the Debtors' Chapter 11 Cases will continue as chapter 11 reorganization cases rather than be converted to liquidations, or that any alternative plan of reorganization would be on terms as favorable or more favorable to holders of Claims and Interests as the terms of the Plans. If a liquidation or different reorganization were to occur, the distributions to certain holders of Allowed Claims, including holders of the Trade Claims, may be reduced, or possibly completely eliminated. As previously noted, the Debtors believe that in a liquidation under chapter 7, additional administrative expenses of a chapter 7 trustee and such trustee's attorneys, accountants, and other professionals, would cause a diminution in the value of Debtors' Estates. In addition, certain additional Claims may arise in a chapter 7 liquidation and from the rejection of unexpired leases and other executory contracts in connection with any cessation of the Debtors' operations. As described above, this might negatively impact the amount of distributions under the Plans, if any, to holders of Allowed Claims or Allowed Interests, including holders of Trade Claims. The Debtors have prepared a Liquidation Analysis that is premised on a hypothetical liquidation of the Debtors in a chapter 7 case. The Liquidation Analysis is attached as Exhibit D-7.

2. Risk of Non-Occurrence of the Effective Date

The occurrence of the Effective Date in each of the Plans is conditioned upon the happening of certain events. There can be no assurance that all of these events will occur or that those that do not occur will be waived. Accordingly, even if the Plans are confirmed, there can be no assurance that the Effective Date will occur.

3. Uncertainty Regarding Objections to Claims

The Plans provide that certain objections to Claims can be filed with the Bankruptcy Court after the Effective Date. A creditor may not know that its Claim will be objected to until after the Effective Date.

4. Performance of Obligations by the Reorganized Debtors under the Plans

Although the CCA Debtors believe that the Reorganized CCA Debtors can successfully perform all of their obligations under the CCA Plan, there can be no assurance that the Reorganization CCA Debtors will do so. This could result in a subsequent bankruptcy, and possible liquidation, of the Reorganized CCA Debtors. Similarly, although the WKH Debtors believe that the Reorganized WKH Debtors can successfully perform all of their obligations under the WKH Plan, there can be no assurance that the Reorganization WKH Debtors will do so. This could result in a subsequent bankruptcy, and possible liquidation, of the Reorganized WKH Debtors.

5. Government Regulation

The broadcasting industry is extensively regulated by the FCC. There can be no assurance the FCC will renew, or permit the transfer or assignment of, the respective Debtors' broadcast licenses. Moreover, because of the transfers or assignments of broadcast licenses under the Plan, the FCC must approve any such transfer or assignment. A loss of the respective

Debtors' broadcast licenses, or the failure of the FCC to approve the transfer or assignment of licenses pursuant to the Plans would have a material adverse effect on the Debtors.

XII. CONCLUSION AND RECOMMENDATION

The Debtors believe that confirmation and implementation of the Plans are preferable to any alternative because the Plans are supported by the First Lien Lenders, management and each member of the Board of directors, in each of their capacities, provide the best alternative for the Debtors to emerge from the Chapter 11 Cases and for resolving the Debtors' financial difficulties. The accommodations and concessions made by the parties supporting the Plans may not be available under any alternative plan of reorganization, which may make any alternative plan difficult, if not impossible, to confirm. In addition, any other alternative would involve significant delay, litigation, uncertainty, substantial additional administrative costs, and will very likely result in the Debtors' relocation and/or their liquidation through the sale of their assets. The CCA Debtors urge holders of Impaired Claims against the CCA Debtors to vote in favor of the CCA Plan. The WKH Debtors urge holders of Impaired Claims against the WKH Debtors to vote in favor of the WKH Plan.

Dated: July 11, 2007

FIRST AMENDED DISCLOSURE STATEMENT
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