



The McClatchy Company

401(k) PLAN

SUMMARY PLAN DESCRIPTION

JUNE 29, 2009




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INTRODUCTION

The McClatchy Company is pleased to provide you with the opportunity to participate in The McClatchy Company 401(k) Plan (“Plan”). The Plan offers you an excellent way to set aside money for your future.

The Plan was effective on January 1, 1985. It was amended effective January 1, 1999 to reflect the merging of the McClatchy Newspapers Deferred Compensation and Investment Plan for The News and Observer Publishing Company into this Plan. Additional changes were made to the Plan effective August 1, 2002.

On June 26, 2006, Knight Ridder, Inc. (“Knight Ridder”) was acquired by The McClatchy Company. McClatchy continued to maintain the Knight Ridder 401k Plan for the employees of Knight Ridder businesses retained by McClatchy (hereinafter “Knight Ridder businesses”). Employees of the legacy Knight Ridder businesses were ineligible to participate in the McClatchy Plan, which was maintained exclusively for the benefit of employees of legacy McClatchy businesses.

As of June 29, 2009, the Knight Ridder 401k Plan was merged with and into this Plan. On that date, all active participants under the Knight Ridder 401k Plan and employees of the legacy Knight Ridder businesses that were eligible to participate under the Knight Ridder 401k Plan became eligible to participate in this Plan. Employees of Knight Ridder businesses who become eligible in the future also may participate in this Plan. Effective June 29, 2009, the Plan has been renamed The McClatchy Company 401(k) Plan.

This booklet contains a description of The McClatchy Company 401(k) Plan and a discussion of how it works. This booklet is neither a contract nor a guarantee of employment. Nothing contained in this booklet gives a Plan participant any rights to employment. Plan participants employed by the Company are subject to its policies on discharge, discipline or layoff. Examples in this booklet are for the purposes of illustration only, and are not representations that such salary or amounts will be paid. If you terminate your employment, your benefit will be based on the provisions of the Plan in effect when you terminate.

Because of laws, government regulations and a wide variety of possible exceptions to the situations described in this booklet, the information provided here is a summary of the most important provisions and most common situations associated with your participation in the Plan. While this booklet highlights the main features of The McClatchy Company 401(k) Plan as of the publication date, it is not a comprehensive description. The administration of the Plan and the payment of all benefits are governed by the official plan document. The official plan document will govern in case of any omission or conflict between this booklet and the official plan text.

You are welcome to read the more detailed legal plan document that governs The McClatchy Company 401(k) Plan. Simply contact the Plan Administrator to make your request.

It is also important to remember that many things change during the course of running our business. In any given year, changes to The McClatchy Company 401(k) Plan can range from minor administrative revisions to larger strategic revisions. While no major

revisions are planned at this time, we would be remiss if we did not remind you that changes might occur at some point during your employment and that the Company retains the right to amend or terminate the Plan at any time for any reason.

You should know that the Retirement Committee (the “Committee”) appointed by the Board of Directors of The McClatchy Company has full power, authority and discretion to interpret the provisions of the Plan. Its determinations, reached in good faith, of any issue of fact or law under the Plan are final and binding.

PLAN HIGHLIGHTS

Here are some of the highlights of The McClatchy Company 401(k) Plan. The Plan:

- Offers a voluntary retirement savings plan with tax advantages for all eligible employees. You can contribute up to 50% of your eligible compensation, subject to limits required by government regulations (see page 10). Your contributions can be made on a before-tax and/or an after-tax basis.
- Will provide a Company matching contribution equal to 66.67% of the first 6% of your **before-tax contributions** in most years. However, currently, the matching contribution has been suspended. Before-tax catch-up contributions and after-tax contributions are not eligible to be matched. Matching contributions are made after each payroll, if and when the suspension of the match has been lifted, and are earned subject to a three-year vesting schedule.
- Will provide for supplemental Company contributions to your account in years the Company meets certain financial goals. These supplemental Company contributions also are subject to a three-year vesting schedule.
- Allows special “catch-up” contributions above the legal limits for participants age 50 or older.
- Gives you a choice of investments for your before-tax, after-tax, Company matching, Company supplemental, before-tax rollover and after-tax rollover contributions.
- Offers savings through convenient payroll deductions.
- Allows you to have up to two outstanding loans against your account at the same time, provided that you can take only one new loan per calendar year. You pay yourself back with interest through convenient payroll deductions.
- Pays out your account at death, Social Security-approved disability, or at termination of employment.
- Allows in-service withdrawal of your before-tax account in the event of financial hardship or after you have reached age 59½ .
- Allows withdrawal of your after-tax contributions even while you are still an employee (see page 16).
- Offers instant and easy access to information about your account through a Vanguard Participant Services Associate, by calling Vanguard's automated VOICE Network, or by accessing the website at Vanguard.com.

ELIGIBILITY AND ENROLLMENT

Enrolling to Make Contributions

You are eligible to enroll in the Plan after you satisfy a service requirement, provided you are an eligible employee of one of the participating employers in the Plan.

You will satisfy the service requirement after you are credited with 375 hours of service in a six-month period. You can begin participating in the Plan as early as the first day of the next full pay period following initial eligibility qualification, provided you complete the enrollment material sufficiently in advance of that date.

To determine whether you have the necessary 375 credited hours, hours of service include all regular, paid time off (PTO), vacation, holiday and sick leave hours, as well as certain other leave hours for which you are paid. They do not include overtime hours.

Any employee of the Company or a participating employer is an eligible employee, except an employee who is:

- Covered by the terms of a collective bargaining agreement where retirement benefits are the subject of good faith bargaining, and the agreement does not specifically provide for participation in this Plan, or
- A non-resident alien of the United States and who is not receiving any United States source income, or
- A “leased” employee, or
- A person who is not classified as an employee, such as an “independent contractor,” or
- A person who is subject to a written agreement that provides that he or she is not eligible to participate in the Plan.

Your decision to make contributions to the Plan is entirely voluntary. To make contributions, you must enroll through a Vanguard Participant Services Associate, by calling Vanguard's automated VOICE Network, or by accessing the website at Vanguard.com. If you do not enroll when first eligible, you may join the Plan in order to make contributions prior to any subsequent pay period.

Supplemental Company Contributions

If you are an eligible employee, you may be entitled to receive a supplemental Company contribution made to the Plan starting with the calendar year after the year in which you became an employee of the Company or another participating employer. If this is the case, and you are not yet enrolled in the Plan when you become entitled to receive such a contribution, a Plan account automatically will be established for you and you will become a Plan participant at that time.

Rollover Contributions

You may roll over a prior plan balance at any time that you are an eligible employee, but you must still satisfy the service requirement before you can begin making payroll contributions (see the “ROLLOVER CONTRIBUTIONS” section on page 11).

Naming a Beneficiary

When you enroll in the Plan, you must name a primary beneficiary to receive payment from your account if you die. If you are married and want to name someone other than your spouse as your primary beneficiary, your spouse must consent in writing in the presence of a notary public. You may change your beneficiary at any time. (See “Death Benefits” section on page 21 for more information if you die without a beneficiary designation or if your beneficiary predeceases before you.)

CONTRIBUTIONS TO YOUR ACCOUNT

Your Contributions

Your contributions to The McClatchy Company 401(k) Plan are made by payroll deduction and are withheld each paycheck. You may authorize the Company to deduct a combined before- and after-tax contribution from 1% to 50%, in whole percentages, of your eligible compensation, subject to any lower limit that the law applies (see the “LEGAL CONTRIBUTION LIMITS” section on page 10 for more detail).

Eligible compensation is your base salary paid for the payroll period and it includes base pay and direct sales commission, if applicable. It also includes any lump sum “merit” payments made in lieu of wage increases. It does not include overtime pay, bonuses, incentives or any other types of extra pay.

You may choose the type of contributions you make to the Plan:

- **Before-tax.** You can contribute to the Plan before federal and state (where applicable) income taxes are withheld. Before-tax contributions lower your current taxable income. Taxes are reduced to the extent your taxable income is reduced.
- **After-tax.** You can contribute to the Plan after federal and state (where applicable) income taxes are withheld.
- **Combination.** You can contribute to the Plan a combination of before-tax and after-tax amounts, up to a combined maximum of 50% of your eligible compensation, subject to other contribution limitations under the Plan.
- **Rollover Contributions.** For information on rollover contributions, see page 11.

Before-Tax Contributions

When you designate your before-tax contribution percentage upon enrollment, you are authorizing the Company to “redirect” that portion of your eligible compensation to the Plan instead of being paid directly to you as cash. Your before-tax contributions are 100% vested and non-forfeitable at all times, and are credited to your before-tax account after each pay period.

Because your before-tax contributions are made before income taxes are withheld, your total taxable income will be reduced by the amount you contribute to your account. At the end of the year, for income tax purposes, the total taxable income reported on your annual W-2 form will not include your before-tax contributions to the Plan. Funds placed in your account will continue to be free of current income taxes for as long as they remain in the account.

Your before-tax contributions are subject to FICA (Social Security) taxes. Your contributions will have no impact on the amount of FICA tax withheld, or on your future entitlement to Social Security benefits.

Before-tax contributions can offer you some real tax advantages. The following chart illustrates the tax savings under the Plan compared with after-tax savings outside of the Plan, such as under a bank account or money market mutual fund. The example assumes that you are single and that you are saving 20% of your compensation. The 2009 federal income tax table was used to calculate the taxes and does not take into consideration any applicable state tax withholdings.

	The McClatchy Company 401(k) Plan	Savings Account
	(Before-Tax)	(After-Tax)
Annual Pay	\$30,000	\$30,000
Before-Tax Savings	\$6,000	\$0
Taxable Pay	\$24,000	\$30,000
Federal Income Taxes	\$1,815	\$2,715
After-Tax Take-Home Pay	\$22,185	\$27,285
After-Tax Savings	\$0	\$6,000
Net Take-Home Pay	\$22,185	\$21,285

In return for current tax savings, the government places limits on when you can withdraw your before-tax contributions while you are still an active employee. There are, however, some in-service withdrawal options available (see *“Post Age 59 ½ Withdrawals”* and *“Hardship Withdrawals”* on page 17, and *“TAKING A LOAN FROM YOUR ACCOUNT”* on page 18).

After-Tax Contributions

The Voluntary Investment Account under The McClatchy Company Retirement Plan included employee after-tax contributions. The Voluntary Investment Account became part of The McClatchy Company 401(k) Plan effective October 1, 1991, and is now known as the “after-tax” provision.

Currently, under this provision, you can make after-tax contributions to the Plan. These contributions are deducted from your compensation through payroll deduction after your federal and state (where applicable) income taxes are withheld, and do not reduce your taxable income. Your after-tax contributions are 100% vested and non-forfeitable at all times, and are credited to your after-tax account after each pay period. The earnings on your after-tax account are tax-deferred until you take them out of the plan.

Your after-tax contributions are subject to FICA (Social Security) taxes. Your contributions will have no impact on the amount of FICA tax withheld or on your future entitlement to Social Security benefits.

You can withdraw your after-tax contributions for any reason and at any time. Partial after-tax withdrawals are restricted to a maximum of two per year (see the *“After-Tax Withdrawals”* section on page 16).

Special Catch-Up Contributions

You may elect to make an extra before-tax contribution from your compensation for any plan year in which you are an active participant and are 50 years of age or older by the end of the applicable year. In 2009, the maximum amount that you may contribute is \$5,500. The federal catch-up contribution limit may change each year. This contribution is known as a “special catch-up contribution” and is designed to provide participants who are nearing retirement with the opportunity to “catch-up” for previous years in which they might not have saved. To make catch-up contributions, you must designate a percentage of your eligible pay for catch-up contributions. This is a separate election from your election to make before-tax contributions.

Company Matching Contributions

Because the matching contribution under the Plan has been suspended, no matching contribution currently is provided under the Plan. However, if and when the matching contribution suspension is lifted, the Company will match a portion of your before-tax contributions, other than a before-tax contribution that is a special catch-up contribution. The Company matching contributions are made after each payroll. You become vested in Company matching contributions according to a three-year vesting schedule (see page 16).

If and when the suspension is lifted, the Company matching contribution generally will be 66.67% of the first 6% of the before-tax contributions you make each payroll cycle. For example, if your before-tax contribution is 3% of compensation, the Company matching amount would be 2%. If you contribute 8%, the Company matching amount would be 4% (66.67% of the first 6%; there is no match above 6%). After-tax and special catch-up contributions are not eligible to receive the Company matching contribution.

After the suspension is lifted, the Company match for employees who are covered by collectively bargained agreements may differ from the amount described above and will be determined by the applicable collective bargaining agreement. However, under all such agreements as currently written, the match would be the same as for those participants not covered under collectively bargained agreements. If you are covered by such an agreement and would like a copy of it, you may request one from your union chairperson or your local human resources department.

Even after the current suspension of the Company matching contribution is reinstated, the Company reserves the right again to suspend matching contributions, and will notify participants of any such suspensions and reinstatements.

Special Top-Up Contributions

As described above, the Company will match 66.67% of the first 6% of your contributions. In some cases, an employee may contribute more than 6% of his or her compensation for part of the year and less than 6% of his compensation for part of the year. The result would be that the employee would not have received the full amount of Company match over the course of the year. In this situation, the Company will make a special top-up contribution after the end of the year to ensure that each employee receives the full amount of Company match legally allowed. The full amount of

Company match may be prorated if the Company match is reinstated mid-year and paid for only a partial Plan year.

To be eligible for the special top-up contribution, you must be actively employed as an eligible employee on the last business day of the Plan year unless your termination was on or after attainment of age 55 with 5 years of vesting service, or due to death.

If you terminate employment during the year, but you are otherwise eligible to receive a special top-up contribution, you will only be entitled to receive the contribution if you maintain a McClatchy Company 401(k) Plan account at the time the contribution is paid. In other words, if you are not an employee on the last day of the Plan year and you take a distribution thereby closing your account, you become ineligible to receive the special top-up contribution.

Supplemental Company Contributions

The Plan also provides for a supplemental Company contribution. McClatchy plans to make the supplemental contribution to the Plan for each year that the Company meets certain financial goals. In order to receive a supplemental contribution, you must work at least 750 hours during the calendar year and generally be an active eligible employee for the entire year. As a result, newly hired eligible employees will not be eligible to receive any supplemental contribution that is made by the Company for the employee's first calendar year of employment. Certain exceptions may apply to rehired employees.

In addition, in the year you terminate employment you will not be eligible to receive a supplemental Company contribution for that year, unless your termination was on or after attainment of age 55 with 5 years of vesting service, or due to death. If eligible for a contribution in the year of employment termination, the year will count as a year of service for purposes of determining the amount of contribution you are eligible to receive as further described below.

If you terminate employment during the year, but you are otherwise eligible to receive an approved supplemental Company contribution, you will only be entitled to receive the contribution if you maintain a McClatchy Company 401(k) Plan account at the time the contribution is paid. In other words, if you are not an employee on the last day of the Plan year and you take a distribution thereby closing your account, you become ineligible to receive the contribution.

If you are entitled to receive the Company's supplemental contribution, your contribution amount will be based on your years of service counting only complete calendar years from your most recent date of hire:

Years of Service	Percentage of Eligible Pay
1–9	2%
10–19	3%
20 or more	4%

For this purpose also, only those calendar years in which you work at least 750 hours will count as a year of service. However, for plan years beginning prior to January 1, 2009, employees of the legacy Knight Ridder businesses will receive credit only for those

years in which they were paid for 1,000 hours and credited with a year of service under the Knight Ridder 401k Plan.

You become vested in your supplemental Company contribution according to a three-year vesting schedule (see page 16).

CHANGING OR SUSPENDING YOUR CONTRIBUTION LEVELS

You may change the amount of your before-tax or after-tax contributions, suspend your before-tax and after-tax contributions, or resume contributions at any time. Your request will be effective the next practicable pay period.

You may also elect to automatically increase your before-tax savings rate each year by signing up for the automatic payroll deduction increase. You can choose the amount of your increase (one to two percentage points) and the month you want it to occur. Your increases will continue until you reach 12 percent of your pay or the IRS limit.

Your request to change, suspend or resume your contributions should be made through a Vanguard Participant Services Associate, by calling Vanguard's automated VOICE Network, or by going to the website, Vanguard.com.

A confirmation statement will be sent to your home via regular U.S. mail confirming the contribution change that was requested.

If an error is made, such as an incorrect contribution amount or a contribution made at a time when you were not eligible to participate, the portion of your contribution that was made in error will be refunded to you as soon as practicable. Participants are responsible for notifying Human Resources of any discrepancies.

LEGAL CONTRIBUTION LIMITS

401(k) Before-Tax Contributions Annual Dollar Limit

The IRS sets an annual calendar-year maximum on the amount of before-tax contributions you can make. This limit is subject to change each year by the IRS. The limit for calendar year 2009 is \$16,500. Your before-tax contributions will automatically stop when your before-tax contributions during the year reach the annual limit.

This limit also applies to all before-tax contributions you have made to other 401(k) plans and tax-sheltered annuity plans. For example, if you joined The McClatchy Company 401(k) Plan in 2009 and you contributed \$10,500 to another employer's 401(k) savings plan earlier in that year, your contributions to The McClatchy Company 401(k) Plan for 2009 would be limited to \$6,000, given the \$16,500 overall limit for 2009. You are responsible for assuring that your contributions to another plan do not cause you to exceed the annual limit.

If the limit is exceeded because of your participation in another plan, you must decide from which plan you will receive the excess contributions. If you want The McClatchy Company 401(k) Plan to return the excess, you must notify your Human Resources department no later than April 1 following the year of contribution. The excess contributions will then be distributed by April 15. The excess amounts are considered

taxable income for the year in which they were contributed. In addition, the Plan must refund all investment earnings accrued on the excess contributions. These earnings will be taxable income for the distribution year. If the excess amounts are not distributed to you, you will be taxed on them for the year in which they were contributed, and you will be taxed on them again when you receive them as a post age 59½ withdrawal, hardship withdrawal, or as a distribution after termination of employment. Excess contributions will be refunded first from unmatched before-tax contributions and then from matched before-tax contributions. Any matching contributions attributable to refunded excess contributions will be forfeited along with those matching contributions' investment earnings.

As described above, certain individuals ages 50 and older are permitted to make catch-up contributions in excess of the generally applicable contribution limits. As of 2009, the allowable amount of the catch-up contribution increased to \$5,500. These catch-up contributions DO NOT count against the before-tax contribution limit described earlier. As a result, the maximum before-tax contribution in 2009 permitted after taking into account the special catch-up contribution would increase from \$16,500 to \$22,000. After 2009, the catch up contribution amount will be indexed to inflation.

You should be aware that the maximum contribution amounts may be reduced by the Company as a result of non-discrimination testing (see the section titled "*Non-Discrimination Testing*" on page 25).

Maximum Recognizable Compensation

Beginning January 1, 2009, the Plan cannot take into account more than \$245,000 of compensation for any one participant. This means if you make more than \$245,000 annually, your before-tax and after-tax contributions will be based on a maximum annual pay of \$245,000. The maximum compensation level is determined by the IRS and increases from time to time.

Section 415 Benefit Limits

The IRS also has established an annual limit on the amount that can be contributed by you, or on your behalf, into plans such as The McClatchy Company 401(k) Plan or any other qualified defined contribution plan sponsored by the Company or its affiliates. This limit excludes any rollover contributions (see "ROLLOVER CONTRIBUTIONS" below) and excludes the special catch-up contributions described on page 8 under "CONTRIBUTIONS TO YOUR ACCOUNT." The total of your before-tax and after-tax contributions, plus any Company matching contributions, cannot exceed an annual IRS limit equal to the lesser of \$40,000 indexed to \$46,000 in 2009 or 100% of your total annual earnings. However, any special "catch-up" contributions that you make, at age 50 or older, are not subject to this limit. Contributions made to the Company's Health Insurance Premium Pass-through Plan and Flexible Spending Accounts (both Dependent Care Assistance Plan and Health Care Reimbursement Plan Accounts) will not be counted towards the Section 415 benefit limit. If your contributions are affected by this limit, you will be notified by your Human Resources department to change your contribution percentage, and your excess contributions will be refunded to you. These limits are subject to change annually.

ROLLOVER CONTRIBUTIONS

If you are eligible to receive a before-tax lump sum distribution from another employer's qualified retirement plan, you may be able to roll over all or part of that distribution into your Plan account. After-tax contributions made to another qualified plan also are eligible for rollover to The McClatchy Company 401(k) Plan. Rollovers must comply with IRS regulations. This Plan does not accept rollovers from 403(b) or 457 plans.

You may make a rollover contribution to the Plan if you are an eligible employee working one of the McClatchy participating employers, even if you have not yet met the service requirement or are not contributing to the Plan.

You can make a rollover contribution in one of two ways:

- Direct rollover contributions are eligible distributions from another qualified plan or from a conduit IRA that are made payable directly to the trustee of The McClatchy Company 401(k) Plan.
- Indirect or personal rollover contributions are eligible distributions from another qualified plan or a conduit IRA that are made payable directly to the participant. The transfer of personal rollover funds into The McClatchy Company 401(k) Plan must be completed within 60 days after payment is received from the other plan. The payment plus any taxes withheld must be deposited into The McClatchy Company 401(k) Plan in order to avoid paying any current taxes or penalties on the rollover.

To make a rollover contribution, you must contact Vanguard to request a Rollover Contribution Form. You must complete the form, attach any appropriate documentation and forward the completed form and documentation to Vanguard. Once the rollover is approved, your funds may be deposited into our Plan. If you want a direct rollover, you should contact your prior plan administrator and request that a check, made payable to the Trustee, Vanguard, on your behalf, be sent to our Plan. If it is an indirect or personal rollover, you must send a check equal to the rollover amount plus any taxes withheld.

Rollovers will be placed in a separate account for you and will have no impact on the amount you can contribute into the Plan. Your rollover account will be invested according to your instructions. The investment allocation for your rollover contributions can differ from the one you may have specified for your future contributions.

Funds placed in your rollover account will continue to be free of current income tax withholdings as long as they remain in the Plan. Because the Plan is a long-term savings and investment program, access to your rollover account while you are an active employee is restricted just like any new contributions to the Plan (see "*Post Age 59 ½ Withdrawals*" and "*Hardship Withdrawals*" on page 17, and "*TAKING A LOAN FROM YOUR ACCOUNT*" on page 18).

Funds in your rollover account are 100% vested and non-forfeitable. The value of your rollover account will be paid, in addition to any other benefits available under The McClatchy Company 401(k) Plan, according to the rules on Plan distributions.

YOUR INVESTMENT CHOICES

Plan Contributions

The McClatchy Company 401(k) Plan offers a diverse selection of core investment funds, ranging from funds characterized as conservative to funds characterized as aggressive. More information about the funds, the fund managers, and the funds' performances are available through Vanguard.com. The investment funds currently offered include the following types of investments:

- Money Market
- Fixed Income/Bond
- Large-Cap Stock
- Large-Cap Growth Stock
- Large-Cap Value Stock
- Small-Cap Stock
- International Stock

The McClatchy Company 401(k) Plan also offers date-specific Target Retirement Funds from which employees may choose based on stated retirement years. Each fund is a complete portfolio in itself and currently holds up to seven other Vanguard equity and fixed income funds. The fund automatically adjusts to decrease risk as you approach the stated retirement year.

You determine separately how your before-tax and after-tax contributions are invested in the funds in 1% increments. You may invest in any or all of the core funds or the Target Retirement Funds. This investment decision will determine how the Company match and supplemental contributions are invested. The Company match and supplemental contribution will be allocated between the funds in the same percentages as your current before-tax contribution allocation. You may invest your rollover account in any of the core investment funds or Target Retirement Funds, also in 1% increments. Your initial rollover account investment choices do not have to be the same as your before-tax investment designations.

Your age-appropriate Target Retirement Fund is also the Plan's qualified default investment alternative (QDIA). Contributions made to your account will be invested in this fund if you have not made any investment elections.

Vanguard offers a suite of investment advice services designed to provide investment advice and recommendations to help you make informed investment choices. The array of advice services allow you to find an advice service that is appropriate for your level and complexity of assets and whether or not you want Vanguard to implement your investment strategy for you. You can find more information about the various advice services on www.Vanguard.com. Apart from Vanguard's investment advice services, no employee of the Company, representative of the Plan, or investment or fund manager for the Plan is authorized to make investment recommendations. You are the ultimate decision-maker on how your contributions are invested.

Although the Company cannot provide investment advice, it does provide you with information about your investment choices so you can make informed decisions. More details about the investments, including prospectuses and historical performance, are

available through Vanguard.com. You should review this additional information carefully before making an investment decision. The Company does not guarantee the performance of the investments and does not make up any losses.

How you decide to invest your account depends on your investment strategy. Generally, the level of return is tied to the level of risk. Statistically, over time, higher returns are associated with the assumption of more risk. You need to allocate your contributions among the investment funds in a manner that makes you comfortable with the level of risk versus return.

With the safest and most conservative investments, such as the money market fund, you have a lower risk of losing your principal or money. However, historically these funds also have the lowest return over time, and may not give you the earnings growth you need to offset inflation and accumulate the savings you will need for retirement. The more aggressive funds, such as stocks, historically have provided a much better return over time, although they are riskier and more volatile. Volatile means the value will vary more up and down. With stocks, your potential to lose the value of your money is greater, yet the potential to increase the value of your money is greater as well.

The length of time you have to invest is important. If you are many years away from retirement, you may be able to afford to take more risk. If retirement is only a few years away, you may want to put a larger portion of your contributions in the more conservative funds. These concepts are built into Vanguard's Target Retirement Funds as they automatically rebalance to an appropriate mix as you get closer to the stated retirement year. When you have 20 to 40 years until retirement, the large majority of your money will be invested in stocks. As you get closer to the fund's stated retirement age – usually assumed to be age 65 – more bonds are added to the fund and some of the stocks are removed to help mitigate risk and generate income.

If you choose to invest in the core funds, the best way to minimize your risk is to diversify, or spread your money over several types of funds. By doing so, your overall return will be a weighted average, or a mixture of the returns of those investment funds. If one fund does poorly, the others may do better, thereby improving your overall return.

If you choose a Target Retirement Fund, you will be investing in a fully diversified investment portfolio in one fund. These funds are designed to be used as the single investment for your entire account under the Plan.

CHANGING OR TRANSFERRING INVESTMENTS

You may change your selection of investment funds for your future contributions daily, subject to the individual fund prospectus. You also may change how your existing account balances are invested on a daily basis. Changing investment fund elections for your future contributions is separate from changing those for your existing account balances.

Future Contributions

You may change how your future contributions, which include any before-tax, Company matching, Company supplemental, special catch-up and after-tax contributions, are

invested each day, subject to any restrictions described in the individual fund prospectus. The investment allocation you select for your before-tax contributions will also apply to your Company matching, Company supplemental and special catch-up contributions. You may specify a different investment allocation for your after-tax contributions, if you desire. Your allocation between the funds must be made in 1% increments.

You may change your investment fund elections through a Vanguard Participant Services Associate, by calling Vanguard's automated VOICE Network, or by accessing the website, Vanguard.com. Vanguard may impose administrative deadlines to facilitate processing. Changes requested by 4:00 p.m. ET will be processed by the close of that business day; requests made after 4:00 p.m. ET will be processed the next business day.

Fund Reallocation

You may reallocate your existing before-tax and after-tax account balances daily by transferring them between the funds, subject to any restrictions described in the individual fund prospectus¹. Your before-tax balances include your before-tax, Company matching, Company supplemental, special catch-up, and rollover contributions. A new fund reallocation of your before-tax accounts will apply to all of these contributions. Independently, your after-tax account balances, which include your after-tax contributions and after-tax rollover funds, also may be transferred between the funds each day, subject to any restrictions described in the individual fund prospectus. Transfers between the funds may be made in 1% increments.

Although you may reallocate your account balances on a daily basis, there may be some trading restrictions on when you can re-invest in the same fund. Currently, none of the investment funds charge a redemption fee. For more information about the trading restrictions, please refer to the individual fund prospectus.

You may transfer your existing account balances through a Vanguard Participant Services Associate, by calling Vanguard's automated VOICE Network, or by accessing the website, Vanguard.com. Changes requested by 4:00 p.m. ET will be processed by the close of that business day; requests made after 4:00 p.m. ET will be processed the next business day. Transferring your existing balances is a separate request from changing the investment elections for your future contributions.

PARTICIPANT ACCOUNTS

Your contributions (and investment gains and losses) will be recorded in the following separate accounts:

- Before-tax
- After-tax
- Company matching
- Before-tax rollover
- After-tax rollover

¹ Some funds limit how often you can move your money into and out of the fund. Please review the applicable prospectus carefully before making and fund reallocations.

- Special catch-up
- Company supplemental

Your Account Value

After the end of each calendar quarter you will receive an account statement. It will show the value of your account on the last business day of that quarter, including the before-tax, after-tax, special catch-up, Company matching, and rollover contributions you and the Company have made, and the earnings on those investments. For years that the supplemental contribution is made, the contribution amount will be reflected in the first quarter statement of the following year.

You can also see the value of your account balance at any time online by logging into your account at www.vanguard.com.

Vesting

Vesting refers to your non-forfeitable ownership to the money in your account. You are always 100% vested in your own contributions and their earnings. You become vested in the Company's matching contributions and any Company supplemental contributions to your account after three years of service, based on at least 750 hours of service for each calendar year. If you were an employee before June 29, 2009, special vesting rules may apply. If you have questions regarding your vesting, call a Vanguard Participant Services Associate at 800-523-1188.

You become 100% vested in the Company's matching contributions and any Company supplemental contributions if, while still an employee, you 1) turn age 65; 2) die; or 3) become approved for Social Security disability and you notify the Company within 180 days of such determination.

Forfeitures

If you terminate employment before your account is fully vested, you will forfeit the value of any company contributions and related earnings that are not vested.

If you forfeited amounts in your Company matching or Company supplemental contribution accounts and are rehired within five years, the amount that was forfeited will be restored to your accounts, but without earnings.

WITHDRAWALS WHILE EMPLOYED

After-Tax Withdrawals

The Plan will permit you to take a withdrawal from your after-tax account and your after-tax rollover account while you are still employed.

A partial withdrawal from your after-tax account must be a minimum of \$500, or the balance of your account, if less. You are limited to two partial after-tax withdrawals in any Plan year.

A withdrawal request can be made through a Vanguard Participant Services Associate, by calling Vanguard's automated VOICE Network, or through the website,

Vanguard.com. Once you have modeled the withdrawal and confirmed it, a withdrawal check will be generated and mailed to you the next business day.

Any withdrawal you make while employed is reported to the IRS and the taxable portion is subject to income tax in the year received. You have already paid taxes on your after-tax contributions before they go into the Plan so no tax is due when they are distributed to you. However, taxes are due on the interest and earnings attributable to the contributions when you withdraw these funds.

If you receive an after-tax distribution before you are age 59½, the taxable portion of the distribution (i.e., the earnings) may be subject to a 10% federal early withdrawal tax. State penalties may also apply. (Please refer to the "TAXATION OF BENEFITS" section on page 21.)

Post Age 59½

The Plan also allows you to make a post age 59½ withdrawal while you are still employed if you are over age 59½. This withdrawal can come from any or all of your accounts - before-tax, after-tax, Company matching, Company supplemental and/or rollover accounts. The minimum amount for a post age 59½ withdrawal is \$500 or, if less, your vested account balance. A maximum of two post age 59½ partial withdrawals is permitted in any Plan year.

Your post age 59½ withdrawal will be paid in the form of a single lump sum. You may choose to have all or a portion of your withdrawal that is eligible for rollover to be made payable directly to an IRA or another employer's qualified plan. Alternatively, you can have the rollover-eligible portion of the withdrawal made payable directly to you. Any before-tax withdrawal amounts eligible for rollover that are paid directly to you will have 20% withheld for federal income taxes. State taxes may also apply.

A withdrawal request can be made through a Vanguard Participant Services Associate, by calling Vanguard's automated VOICE Network, or through the website, Vanguard.com. Once you have modeled the withdrawal and confirmed it, a withdrawal check will be generated and mailed to you the next business day.

Post age 59½ withdrawals are not subject to the 10% early withdrawal tax penalty. However, as with all withdrawals, you should refer to the "TAXATION OF BENEFITS" section on page 21 and/or consult a tax adviser on the tax implications of this withdrawal.

Hardship Withdrawals

The Plan is designed as a tax-deferred long-term savings and investment program to help you save towards your retirement. However, under certain circumstances, the Plan will permit you to take a withdrawal from your before-tax rollover account and your before-tax account while you are still employed.

According to IRS rules, you must face a severe financial hardship as recognized by IRS to qualify for such a withdrawal. You are limited to two hardship distributions for the same hardship reason per calendar year.

A hardship withdrawal may be granted to satisfy a severe financial hardship only if the need cannot be satisfied from any other resources reasonably available to you. Before

you will qualify for a hardship withdrawal you must obtain all possible distributions, other than hardship withdrawals, and all nontaxable loans currently available from the Plan and all other plans maintained by certain related companies. However, you are not required to obtain a loan if, in consideration of the need prompting your request, obtaining the loan would increase the amount of your need. For example, you will not be required to obtain a loan if your severe financial hardship stems from the purchase of a primary residence and obtaining the loan would disqualify you from obtaining a home mortgage.

Currently, approved IRS hardship reasons are:

- Purchase of primary residence
- Medical expenses not covered under insurance
- Tuition and related fees for the next 12 months of post secondary education
- Prevention of foreclosure or eviction of principal residence
- Burial or funeral expenses (including deceased parents)
- Expenses to repair damage to principal residence

The minimum amount for a hardship withdrawal is the lesser of 1) \$500; 2) the amount necessary to satisfy the need plus any amount necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the withdrawal; or 3) the amount available for withdrawal.

In addition, you will be required to certify that the amount being withdrawn is no greater than the amount you need to meet the hardship. Your hardship request, however, may include amounts to cover federal, state, local and penalty taxes. Upon making a hardship withdrawal, you may not make any before-tax contribution, special catch-up contribution, or after-tax contribution (or any contribution to any other qualified or nonqualified plan of deferred compensation or any stock option or stock purchase plan maintained by certain related companies) for a period of six months from the date the hardship withdrawal payment is made.

Any before-tax withdrawals you make while employed are reported to the IRS and are subject to federal and state (where applicable) income tax for the year in which they are received. If you receive a distribution due to hardship before you are age 59½, the distribution may be subject to a 10% federal early withdrawal tax. State penalties may also apply. (Please see the "TAXATION OF BENEFITS" section on page 21.)

You may call a Vanguard Participant Services or the VOICE Network to explore withdrawal options within the plan. If you choose to initiate a hardship withdrawal request, Vanguard will forward an application to you. You will then complete the withdrawal application, attach any appropriate documentation and forward the application to Vanguard for processing. Vanguard will review the attached documentation compared to the request and determine if you are eligible for the hardship withdrawal. If the application and documentation are approved, a check will be forwarded to you ordinarily within five business days.

TAKING A LOAN FROM YOUR ACCOUNT

Borrowing from Your Account

If you are an active employee, you may take a loan against the value of your before-tax rollover account and your before-tax contribution account. You may not borrow against the Company matching, Company supplemental, after-tax rollover or after-tax contributions. These rules will apply:

- You can have a maximum of two loans outstanding at any time.
- You can have one new loan per calendar year.
- You can borrow for a maximum term of five years.
- You must repay your loan through after-tax payroll deductions.
- You will be charged a loan application fee, which will be deducted from your account.
- When loans are funded, monies come first from your before-tax rollover account, followed by your before-tax contribution account.

How Much You Can Borrow

The minimum loan amount is \$500.

The maximum amount you can borrow is the lowest of the following amounts:

- The combination of your before-tax and before-tax rollover account balances (as of the most recent account valuation before your Loan Application form is filed).
- 50% of your vested balance not to exceed \$50,000 less your highest outstanding loan balance in the last 12 months.
- \$50,000 less the highest outstanding loan balance in the last 12 months.

Interest Rate

The Company will determine a fixed reasonable rate of interest at the time of the loan origination for each loan issued. The Company may change the rate of interest applicable to future loans from time to time. The rate in effect at the time of the origination of a loan will provide your Plan loan account a rate of return commensurate with the prevailing interest rate charged by persons in the business of lending money for loans that would be made under similar circumstances.

Currently, the loan interest rate is the Reuters prime rate. The same interest rate will extend for the life of the loan.

Repaying Your Loan

Loans may be requested for a minimum term of one month and a maximum term of five years. The minimum loan repayment is \$50 bi-weekly. Both the principal and interest repaid will be credited to the before-tax account first, and then to the before-tax rollover account.

Loan repayments will be made through payroll deductions in equal amounts each pay period. You may pay off your loan at any time. Early loan payoffs must be for the total outstanding balance; no partial payoffs are allowed. Loan payoffs must be made with a cashier's check or money order.

Taking a loan from your account will not affect your regular before-tax contributions to the Plan. Your contributions will continue unless you request via Vanguard.com or a Vanguard Participant Services Associate that they be changed or suspended.

If you take an unpaid leave of absence of one year or less while a loan is outstanding, you may continue to make manual loan payments or you can suspend loan payments during the leave. If your loan payments are suspended, your loan may be re-amortized when you return from leave and your payment amount increased so that your loan is paid off within 5 years of the original loan term.

If you take a military leave, you can suspend payments for the length of your leave and begin making regular payment amounts when you return from leave even if your loan term extends beyond the 5-year maximum.

If your employment with the Company is terminated before your loan is repaid, the remaining balance will become due and payable immediately. If the loan is not repaid within 90 days from the date of termination, it will be defaulted. This means it will be treated as a distribution or benefit payment from the Plan, and you will be required to pay taxes and possible penalties on the defaulted amount.

Loan Request Procedures

You can request a loan by calling Vanguard's automated VOICE Network, or by accessing the website, Vanguard.com. Once you have modeled the loan and confirmed it, a loan check is generated and mailed to you the next business day. By signing the check, you are agreeing to the terms of the loan as outlined in the loan documentation, confirmation letter and Truth-In-Lending document. There is a \$50 loan application fee for loans initiated through Vanguard.com or the automated VOICE Network.

You can also request a loan by calling a Vanguard Participant Services Associate. He or she can assist you with your loan modeling and send you loan documents. There is a \$100 loan application fee for loans initiated through the Participant Services Associates.

PLAN PAYOUTS OR DISTRIBUTIONS

Distributions Following Termination of Employment

When you retire or otherwise terminate your employment with the Company, you are entitled to withdraw the balance in your Plan account. Distributions are paid as a lump sum approximately 45 days after your termination date.

For Plan payouts, the value of your Plan accounts will be determined on the valuation date that coincides with the processing of your distribution. Plan accounts are valued each day that the New York Stock Exchange is open. Your accounts will not be credited with any investment earnings or losses from the time your accounts are valued for distribution until the benefit payment date. Your benefit will be paid as described immediately below.

If the value of your Plan account is \$1,000 or less, your benefit will be distributed to you as a single lump sum without your consent.

If the value of your Plan account is greater than \$1,000 and less than \$5,000, your benefit will be rolled over to a Vanguard IRA and invested in a Vanguard Prime Money Market Fund unless you notify Vanguard.

If the value of your Plan account is greater than \$5,000 and you terminate employment prior to the year in which you turn age 70½, you generally may choose when to receive your lump sum distribution. You may elect to receive it as soon as practicable after your termination, or you may defer it to a later date. However, in no event may you defer your distribution to a date beyond April 1 of the calendar year following the calendar year in which you reach age 70½. The Plan automatically will distribute your account to you on or prior to that date.

If the value of your account is greater than \$5,000 and you terminate employment in the year in which you turn age 70½ or a subsequent year, the Plan automatically will distribute your account to you prior to April 1 of the calendar year following your termination.

Death Benefits

If you die before your Plan account has been distributed to you, your beneficiary will receive the distribution of your Plan account as a lump sum payment. In general, this payment will be made as soon as administratively practicable after your death but no later than the end of the calendar year that contains the fifth anniversary of your death. However, if the value of your Plan account exceeds \$5,000 and your beneficiary is your surviving spouse, he/she can elect to defer benefits until any date up to April 1 of the year following the date you would have attained age 70½. If benefit payment is deferred, your Plan account will continue to be credited with investment earnings and losses.

If you die before your account has been distributed to you and you do not have a valid beneficiary designation on file or your designated beneficiaries have all predeceased you, your benefits will be paid in a single lump sum in the order listed, as follows to:

- Your spouse or Domestic Partner under Company policy; or
- Your estate.

If your beneficiary outlives you but dies before receiving payment from your 401(k) Plan account, the full value of your account is paid to your beneficiary's heirs or estate.

TAXATION OF BENEFITS

The Plan has been designed to take advantage of special tax treatment for qualified plans by meeting certain Internal Revenue Service Code requirements. This means that the Company matching and supplemental contributions, your rollover contributions (other than your after-tax rollover contributions), your before-tax contributions and any investment earnings will not be taxable to you as long as they remain in the Plan. You will be taxed on these contributions and earnings only when you actually receive them from the Plan. Since you already paid taxes on your after-tax contributions and your after-tax rollover contributions before they went into the Plan, no tax is due on these contributions when they are paid out to you. However, taxes are due on the investment earnings attributable to these contributions when they are distributed to you.

Tax laws affect people in different ways. You should get professional tax advice before you request a payment from your account. The general tax guidelines presented in this section are subject to change and are not to be considered tax advice. You may qualify for special tax treatments. You should review the IRS Special Tax Notice that the Plan is required to provide to you in advance of any withdrawal or distribution. For more information, consult a tax adviser.

10% Tax Penalty

With limited exceptions, the federal government imposes a 10% tax penalty if you receive a taxable withdrawal or lump sum distribution from the Plan. This is in addition to any income tax you owe on the withdrawal or distribution. Some states also have tax penalties. For example, the tax penalty in California is currently 2.5%.

The penalty generally does not apply to any taxable payout if:

- You receive it after age 59½ .
- You receive it after you ceased to be an employee, and you ceased to be an employee in or after the year in which you attain age 55.
- You receive it after becoming disabled.
- It is paid following your death.
- The amount of the withdrawal does not exceed the amount you could deduct on your income taxes for medical expenses.
- It is paid as required by a Qualified Domestic Relations Order (QDRO).
- You roll over the taxable amount to a traditional IRA or to another employer's qualified retirement plan. (The IRS has special rules for rollovers; see section titled "Rollovers" below.)

Tax laws have made the treatment of distributions from plans such as this one quite complex. You should consult a tax advisor regarding the treatment of payments that will be made to you.

20% Mandatory Federal Tax Withholding

The Internal Revenue Service requires federal income tax withholding equal to 20% of the taxable portion of your withdrawal or distribution that is eligible for rollover if it is paid directly to you.

Rollovers

When it is time to take a distribution from the Plan, you will have to decide whether to have the distribution paid directly to you or to have the distribution made as a "direct rollover." A "direct rollover" occurs when you decide to have the eligible portion of your distribution paid directly to your traditional IRA, Roth IRA, or to another employer's qualified plan that accepts the rollover. All distributions from the Plan, other than a portion of distributions made to a Participant in the year of turning 70½ or older, are eligible rollover distributions. However, you should be aware that some traditional IRAs, Roth IRAs, and employer plans may not accept a direct rollover of any after-tax portion of your distribution. As a result, the after-tax portion of your distribution may have to be paid directly to you, even if you choose to directly roll over the taxable portion of your distribution. You should also be aware that if you roll over the after-tax portion of your

account into a traditional IRA or Roth IRA that accepts rollovers of after-tax amounts, those amounts CANNOT later be rolled over into an employer plan.

If you make a direct rollover of the eligible amount into a traditional IRA, Roth IRA, or another employer plan, you will not be taxed on the taxable portion of the rollover until the amount is ultimately taken out of the traditional IRA or the employer plan. No taxes will be withheld from the rollover amount.

If you have the distribution paid directly to you, the taxable amount will be subject to 20% withholding for federal income tax purposes (state withholding may also apply). If you make the decision in a timely manner, you still can transact a rollover, and, as a result, continue to defer the payment of taxes on your distribution after the payment is made directly to you. This type of rollover is called an “indirect rollover.” (The Company cannot repay you the amount it withheld for taxes, but you might become entitled to a tax refund when you file your income tax return for that year.) To have a valid indirect rollover, you must roll over at least the taxable portion of the distribution into a traditional IRA or another employer plan within 60 days of the distribution to you. You may roll over 100% of the taxable amount that was distributed to you. In order to do this, you must make up the 20% that was withheld from your distribution. If you do not make up the 20% that was withheld, you will be taxed on the 20% as if it was a distribution to you.

Example: The taxable portion of your payment that can be rolled over is \$10,000, and you choose to have it paid to you. You will receive \$8,000 and \$2,000 will be sent to the IRS as income tax withholding. Within 60 days after receiving the \$8,000, you may roll over the entire \$10,000 to a traditional IRA or an eligible employer plan. To do this, you roll over the \$8,000 you received from the plan, and you will have to find \$2,000 from other sources (your savings, a loan, etc.). In this case, the entire \$10,000 is not taxed until you take it out of the traditional IRA or eligible employer plan. If you roll over the entire \$10,000, when you file your income tax return you may get a refund of part or all of the \$2,000 that was withheld.

If, on the other hand, you roll over only the \$8,000 that was distributed to you, the \$2,000 you did not roll over is taxed in the year it was withheld. When you file your income tax return, you may get a refund of part or all of the \$2,000 withheld. (However, any refund is likely to be larger if you roll over the entire \$10,000.)

CHANGES IN EMPLOYMENT STATUS

Rehired Employees

If you leave the Company and are rehired, your prior service may count under the Plan for eligibility and vesting, depending on your vested status when you left the Company, your years of service before you left, and how long you were gone. You can obtain information about your prior employment and vesting service by calling a Vanguard Participant Services Associate.

Transferred Employees

If you transfer to another McClatchy-affiliated paper that offers this Plan, your participation in the Plan continues without interruption, unless you transfer to a position in which you are not eligible for the Plan.

If you transfer to a McClatchy-affiliated paper that does not offer the Plan, or to a position in which you are not eligible for the Plan (e.g., you become covered by a collective bargaining agreement that does not specifically provide for coverage under this Plan), you no longer may contribute to the Plan or receive Company contributions. However, your account remains in the Plan and continues to share in the investment performance of the funds you select. Your service with the other company or in the non-eligible position counts for vesting purposes under the Plan. You continue to have the right to change your investments, request an in-service withdrawal, apply for a Plan loan, and change your beneficiary, subject to the same Plan rules as those for active participants.

APPLYING FOR THE MCCLATCHY COMPANY 401(K) PLAN BENEFITS

You may make account transactions or request forms through a Vanguard Participant Services Associate, by calling Vanguard's automated VOICE Network, or by accessing the website, Vanguard.com. Forms will be sent to you, along with instructions on where to send them when completed. You should contact the Plan Administrator in order to submit a claim for benefits if processing of your transaction is denied.

If a Claim for Benefits is Denied

If your claim for benefits is denied, the Committee will notify you in writing of the specific reasons for the denial within 90 days after your claim for benefits was filed. (However, if special circumstances require a delay, you will be notified that the review may take up to 180 days.) The notice will indicate specific provisions in the Plan supporting the reasons for denial of the claim. A denial might include a request for additional information. Any additional material or data requested by the Committee will be accompanied by an explanation of why such material or data is being requested. If you have not received a written denial of your claim or a notice of a delay of the decision within 90 days after you file your claim, you may assume it has been denied.

If a claim is denied by the Committee, you or your authorized representative may request that:

- The Committee undertake a review of the claim denial.
- Pertinent documents related to this specific request be made available to you for review.

Your request for review must be in writing. You or your authorized representative will have a 60-day period to request a review after your claim is denied. This written request must contain:

- A statement of the grounds on which the request for review is based.

- The reasons or arguments in favor of the claim and the evidence supporting those reasons.
- Any other relevant documents or comments to support the request for review.

This request for review should be sent to the Committee at the address of the Plan Administrator specified on page 28 in the “PLAN ADMINISTRATION” section of this SPD.

Generally, the Committee reviews the decision within 60 days after receiving a request for review. However, if special circumstances require a delay, you will be notified that the review may take up to 120 days. You will receive a written notice of the Committee’s decision that explains the reasons for the decision by specifically referring to the Plan provisions upon which it is based.

No person may take legal action against the Plan until all administrative remedies provided under the Plan are exhausted.

OTHER THINGS YOU SHOULD KNOW

Non-Discrimination Testing

In exchange for favorable tax treatment, the IRS requires plans such as The McClatchy Company 401(k) Plan to pass certain fairness tests. The tests are designed to assure a fair mix of participation in the Plan among employees at various income levels. If these tests are not met, and you are a highly compensated employee, it may be necessary for the Company to reduce or stop your before-tax contributions and/or your after-tax contributions or to refund contributions to you. The Company may also reduce the amount of Company matching contributions that are contributed to your account. The Company has the authority to determine how to remedy any failure to pass the fairness tests. Alternatively, the Company may make an additional contribution to certain non-highly compensated participants in order to pass the fairness tests. These are called non-elective supplemental contributions.

In any case, if you are affected, the Company will inform you. By way of example, for 2009, you will be considered highly compensated if you received compensation from the Company or an affiliate in excess of \$105,000 in 2008.

How Your Benefits Payout Can be Reduced or Lost

The current value of your contributions in The McClatchy Company 401(k) Plan is always fully vested and non-forfeitable. However, matching contributions and supplemental contributions generally are subject to a three-year service vesting requirement. If you terminate employment before becoming fully vested, you will not be entitled to receive payment of the non-vested amounts and those amounts likely will be forfeited.

There are some other situations that can reduce your payout as follows:

- If stock values, bond prices, interest rates, or the value of other assets in which your accounts are invested fall, the value of your accounts will diminish.
- If you have made a withdrawal from your account while employed, your payout at termination will not include the amount you withdrew.

- If you have a loan outstanding at the time of your termination, it will immediately become due and payable. If it is not repaid within 90 days, the outstanding loan balance will be deducted from your account balance as a distribution and will not be eligible for a direct rollover from the Plan. However, you may be able to make an indirect or personal rollover from other resources, of an amount up to the defaulted loan balance, within 60 days of the distribution date to an IRA or another employer's qualified plan.
- If a Qualified Domestic Relations Order ("QDRO") is issued with respect to your account, we will be required to comply with it and establish and account for, or make distributions from your account to, the beneficiary named by the QDRO. Your account will be reduced by the amount assigned to the beneficiary under the QDRO.
- If the Company is unable to locate you (or your beneficiary) in order to make the payout. It is essential that you keep your beneficiary designation up-to-date and keep current addresses on file at all times.

Plan Expenses

Unless paid by the Company, the administrative expenses of the Plan and investment management expenses, if any, will be paid by the Plan and Plan participants. Plan administration and Investment management fees are subtracted from the investment funds' returns before the earnings are allocated to the participant accounts. In addition, participants must pay a loan application fee when they apply for a new loan.

Future of the Plan

The Company reserves the right to amend, modify, revoke, or terminate the Plan, in whole or in part, at any time. You will be notified of material changes as required by federal law.

The Company may make such modifications or amendments retroactive in order to bring the Plan into conformity with applicable laws.

If the Plan were to be terminated, its funds would be used solely for the benefit of the participants and their beneficiaries, and any administrative expenses charged to the Plan, all as prescribed by law.

Plan Administration

The Plan is administered by the Retirement Committee ("Committee"), which is appointed by the Company's Board of Directors. The Pension and Savings Plans Committee, a Board committee, provides oversight and reviews investment decisions and exercises any other powers as allowed under the law. The Committee has the authority to select investment funds, and interpret the Plan's provisions on eligibility, loans, withdrawals, and benefit payments. Under a delegation from the Pension and Savings Plans Committee, the Committee also is charged with appointing Plan trustees and investment advisors.

Mergers, Consolidations, or Transfers

If the Plan is merged or consolidated, or Plan assets are transferred to another plan, your current account balance will be protected. Under the new plan, your account

balance immediately after the change will be at least equal to the amount you would have been entitled to if the Plan had been terminated just before the change.

If the Company consolidates or merges with or into another corporation, or sells all of its assets, the successor company may, by action of its Board of Directors, adopt the Plan. If it does not do so, the Plan will be terminated and its funds used solely for the benefit of participants and their beneficiaries.

If the Plan Should Become Top-Heavy

A federal law requires that the Plan be tested periodically to see if certain owners and executives of the Company have earned more than 60 percent of the aggregate benefits provided by the Plan. If so, the Plan is considered to be “top-heavy.” The Plan is not top-heavy at the current time. However, if it becomes top-heavy in the future, “non-key employees” (as defined by the tax laws) could be entitled to minimum benefits under the Plan.

Federal Insurance (PBGC) Protection

The McClatchy Company 401(k) Plan is fully funded at all times through contributions to individual participants’ accounts. For this reason, the Plan benefits are not insured by the Pension Benefit Guaranty Corporation, a federal agency that insures certain benefits provided by other types of plans. Plan benefits are not insured against investment loss.

Assignment of Benefits

You cannot use the value of your Plan accounts as collateral for a loan other than as provided by the Plan, nor can it be pledged to another person or organization in any way. In addition, your benefit is generally protected from claims by your creditors while it is in the Plan.

However, the Plan Administrator will comply with a Qualified Domestic Relations Order (“QDRO”), a claim that requires payment of all or part of your benefits to another person. A QDRO is a judicial decree, judgment or order relating to child support, alimony payments or marital property rights under state domestic law that meets certain requirements. You may obtain, without charge, a copy of the Plan’s QDRO Procedures and model QDRO from the Plan Administrator.

You should also be aware that, under the Plan’s QDRO procedures, the Company will suspend distribution, withdrawal and loan transactions from your account if there is a pending or draft QDRO affecting your Account and when it has reason to anticipate that a QDRO affecting your Account will be submitted for review by the Plan.

Right of Recovery

Every effort is made to ensure that benefit payments are correct. If a mistake is made when your account is distributed, the Committee, as Plan Administrator, reserves the right to correct the error.

Military Service

The Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) protects veterans’ reemployment rights. Effective January 1, 2009, these veterans’

rights were expanded with respect to Plan distributions and differential wage payments under the Heroes Earnings Assistance and Relief Tax Act of 2008 (HEART). These laws apply to employees who go on a qualified military leave of absence. If you expect to take a leave from the Company due to military service, contact Vanguard for more information on your Plan benefits while on leave and when you return from leave.

YOUR ERISA RIGHTS

In 1974, the Employee Retirement Income Security Act (ERISA) was enacted to safeguard the interests of participants and beneficiaries in employee benefit plans. As a member of The McClatchy Company 401(k) Plan, you have certain rights and protections under ERISA, as outlined in the following statement adapted from regulations of the U.S. Department of Labor.

ERISA provides that all Plan members are entitled to:

- Examine without charge at the Plan Administrator's principal office, 2100 Q Street, Sacramento, CA 95816, all Plan documents and insurance contracts; copies of all documents filed with the U.S. Department of Labor, such as detailed annual reports and Plan descriptions; and a list of all affiliated employers participating in the Plan.
- Obtain copies of all documents and other Plan information by writing to the Plan Administrator. There may be a reasonable charge for the copies.
- Receive copies of the Plan's annual financial report ("Summary Annual Report"). The Plan Administrator is required by law to furnish each Plan member with a copy of this report.
- Obtain a statement telling you whether you have a right to receive a benefit from the Plan and, if so, what your benefits would be if you stop participating in the Plan. The statement must be requested in writing and is not required to be given more than once a year. The Plan must provide the statement free of charge.

In addition to creating rights for Plan members, ERISA imposes obligations on the people responsible for the operation of your Plan. These people, called "fiduciaries," have a duty to operate your Plan prudently and in the interest of all Plan members and beneficiaries.

No one - your employer or any other person - may terminate you or otherwise discriminate against you in any way for the purpose of preventing you from obtaining a benefit or exercising your rights under ERISA. However, this rule neither guarantees continued employment nor affects your employer's right to terminate your employment for other reasons.

If your claim for a benefit is denied in whole or in part, you will receive a written explanation of the reasons for the denial. You have the right to have the Plan Administrator review and reconsider your claim.

Under ERISA, there are steps you can take to enforce the rights listed above.

For instance, if you request Plan materials and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive them, unless they were not sent because of reasons beyond the Administrator's control.

If your claim for benefits is denied or ignored, and you have been through the Plan's appeal procedure, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in a federal court.

If you believe that Plan fiduciaries are misusing Plan money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court.

The court will decide who should pay court costs and legal fees. If you win, the court may order the party you sued to pay these legal expenses. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim frivolous.

If you have any questions about the Plan, you should contact your Human Resources department. If you have any questions about this statement or your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Administration of the U.S. Department of Labor, which is listed in your telephone directory; or the Division of Technical Assistance and Inquiries of the Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration at 1-800-998-7542.

PLAN ADMINISTRATION

<i>Name of Plan</i>	The McClatchy Company 401(k) Plan
<i>Plan Sponsor:</i>	The McClatchy Company (the "Company") 2100 Q Street P.O. Box 15779 Sacramento, CA 95852-0779
<i>Employer Identification Number:</i>	52-2080478 (The McClatchy Company)
<i>Plan Number:</i>	004
<i>Plan Administrator:</i>	Retirement Committee (the "Committee") 2100 Q Street P.O. Box 15779 Sacramento, CA 95852-0779 (916) 321-1961 The Retirement Committee is appointed by the Company's Board of Directors, and interprets Plan provisions and authorizes all benefit payments.
<i>Agent for Service of Legal</i>	Corporate Secretary The McClatchy Company

Process: 2100 Q Street
P.O. Box 15779
Sacramento, CA 95852-0779

Type of Plan: Defined Contribution Profit-Sharing Plan. This Plan is intended to comply with the requirements of ERISA section 404(c) and the Section 404(c) regulations.

Plan Year: January 1 through December 31

Valuation Dates: Each day that the New York Stock Exchange is open.

Plan Funding: The Plan is funded solely through participant and employer contributions and the earnings on the investments made with such contributions. The assets accumulated for the provision of Plan benefits are held in a Trust.

Plan Amendments: The Company is the entity that has the authority to amend The McClatchy Company 401(k) Plan.

Plan's Normal Retirement Age: 65

Third-Party Record-keeper: The Vanguard Group

Record-keeper Plan Number: 098630

Plan Trustee: The Vanguard Fiduciary Trust Company
Vanguard Financial Center
Valley Forge, PA 19482

Voice Response System: 1-800-523-1188

Web site: www.Vanguard.com

Date of SPD: June 29, 2009

Appendix A Participating Employers

Legacy McClatchy Entities:

Business Entity	Newspapers
McClatchy Newspapers, Inc.	McClatchy Corporate The Sacramento Bee The Modesto Bee The Fresno Bee, Vida en el Valle, Oakhurst Sierra Star Merced Sun Star, Livingston Chronicle, Atwater Signal, Los Banos Enterprise, Chowchilla News The Tri-City Herald
Anchorage Daily News, Inc.	Anchorage Daily News
Tacoma News, Inc.	The News Tribune
Olympic-Cascade Publishing, Inc.	Peninsula Gateway, The Herald
East Coast Newspapers, Inc.	The Herald (Rock Hill), Lake Wylie Pilot, Fort Mills Times, The Beaufort Gazette, and The Island Packet
The News and Observer Publishing Company	The News & Observer, The Cary News, The Chapel Hill News, The Durham News, The Smithfield Herald, Eastern Wake News McClatchy Interactive

Former Knight Ridder Entities:

Business Entity	Newspapers
Bellingham Herald Publishing, LLC	The Bellingham Herald
Belton Publishing Company, Inc.	The Star Herald
Biscayne Bay Publishing, Inc.	Aboard Custom Publishing
The Bradenton Herald, Inc.	Bradenton Herald

Business Entity	Newspapers
Cass County Publishing Company	Cass County Democrat-Missourian
Charlotte Observer Publishing Company	Charlotte Observer
Columbia State, Inc.	The State (Columbia)
Columbus Ledger-Enquirer, Inc.	Columbus Ledger-Enquirer
Cypress Media LLC	The Kansas City Star, Belleville News-Democrat, Highland News Leader, O'Fallon Progress, Command Post, The Legal Reporter, The Midwest Weekender
Gulf Publishing Company, Inc.	The Sun Herald (Biloxi)
Idaho Statesman Publishing, LLC	The Idaho Statesman
Keltatim Publishing Company	Olathe Daily News
Keynoter Publishing Company, Inc.	Florida Keys Keynoter, The Key West Keynoter
Lee's Summit Journal, Inc.	Lee's Summit Journal
Lexington H-L Services, Inc.	Lexington Herald-Leader
The Macon Telegraph Publishing Company	The Telegraph (Macon)
McClatchy News Services	McClatchy Tribune Information Service
McClatchy Property, Inc.	The Reporter
McClatchy Shared Service Center	Shared Service Center
Miami Herald Media Company	The Miami Herald, el Nuevo Herald
Nittany Printing and Publishing Company	Centre Daily Times (State College)
NorTex Publishing, Inc.	Mansfield News Mirror
Olympian Publishing, LLC	The Olympian
Quad County Publishing, Inc.	Pinckneyville Democrat, Sparta News-Plaindealer, The Journal-Messenger
San Luis Obispo Tribune, LLC	The Tribune, The Cambrian, The Central Coast Sun Bulletin

Business Entity	Newspapers
Star-Telegram, Inc.	Fort Worth Star-Telegram, La Estrella, Weatherford Telegram, The Trophy Club Times, The Colleyville Courier, The Flower Mound Messenger, The Grapevine Courier, The Haslet Harbinger, Justin Journal, The Keller Citizen, The Roanoke Register, The Southlake Journal, The Westlake First News, Eagle Citizen
The State Media Company	The State
The Sun Publishing Company, Inc.	The Sun News (Myrtle Beach)
Wichita Eagle and Beacon Publishing Company, Inc.	The Wichita Eagle