

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2009 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009	
A	This return/report is for: ☐ a multiemployer plan; ☒ a single-employer plan; ☐ a multiple-employer plan; or ☐ a DFE (specify) ____
B	This return/report is: ☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C	If the plan is a collectively-bargained plan, check here. ☐
D	Check box if filing under: ☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information—enter all requested information
1a	Name of plan JOURNAL COMMUNICATIONS, INC. 401(K) PLAN
1b	Three-digit plan number (PN) ▶ 003
1c	Effective date of plan 12/05/1972
2a	Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) JOURNAL COMMUNICATIONS, INC. PO BOX 661 MILWAUKEE, WI 53201 333 W. STATE STREET MILWAUKEE, WI MILWAUKEE, WI 53201
2b	Employer Identification Number (EIN) 20-0020198
2c	Sponsor's telephone number 414-224-2914
2d	Business code (see instructions) 511110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2010	KAREN TRICKLE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2010	ANDRE FERNANDEZ
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") JOURNAL COMMUNICATIONS RETIREMENT PLAN COMMITTEE 333 WEST STATE STREET MILWAUKEE, WI 53203	3b Administrator's EIN 20-0020198 3c Administrator's telephone number 414-224-2914
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	4245
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	2802
b Retired or separated participants receiving benefits.....	6b	66
c Other retired or separated participants entitled to future benefits.....	6c	902
d Subtotal. Add lines 6a , 6b , and 6c	6d	3770
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	9
f Total. Add lines 6d and 6e	6f	3779
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	3372
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	145

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 2E 2G 2J 2K 2S 2T

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)
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SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection.
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan JOURNAL COMMUNICATIONS, INC. 401(K) PLAN	B Three-digit plan number (PN) ▶	003
C Plan sponsor's name as shown on line 2a of Form 5500 JOURNAL COMMUNICATIONS, INC.	D Employer Identification Number (EIN) 20-0020198	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FIDELITY INV INST OPS CO
04-2647786

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
STATE STREET GLOBAL ADVISORS
04-1867445

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64 37 65 60	RECORDKEEPER	54633	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

FRIESS ASSOC

83-0334121

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 28	OTHER SERVICES	28116	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
AF EUROPAC GROWTH R5 - AMERICAN FUN 95-2566717	0.05%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
BRANDYWINE BLUE FUND - US BANCORP F 39-0281260	0.15%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
HARBOR CAP APPR INST - HARBOR SERVI 34-1953399	0.10%	

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
MSIF EMERGING MKTS I - MORGAN STANL 13-3799749	0.10%

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
VICTORY CAPITAL MGT 127 PUBLIC SQUARE CLEVELAND, OH 44114	0.20%

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection
For calendar plan year 2009 or fiscal plan year beginning <u>01/01/2009</u> and ending <u>12/31/2009</u>		
A Name of plan <u>JOURNAL COMMUNICATIONS, INC. 401(K) PLAN</u>	B Three-digit plan number (PN) ►	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>JOURNAL COMMUNICATIONS, INC.</u>	D Employer Identification Number (EIN) <u>20-0020198</u>	

	Part I Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1	Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
	Assets			
a	Total noninterest-bearing cash	1a	0	7
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	2235087	950649
	(2) Participant contributions	1b(2)	0	171713
	(3) Other	1b(3)	12614	57162
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	192408	33634
	(2) U.S. Government securities	1c(2)		
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)		
	(B) All other	1c(3)(B)		
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)		
	(B) Common	1c(4)(B)	2636406	2507497
	(5) Partnership/joint venture interests	1c(5)		
	(6) Real estate (other than employer real property)	1c(6)		
	(7) Loans (other than to participants)	1c(7)		
	(8) Participant loans	1c(8)	2811410	2429575
	(9) Value of interest in common/collective trusts	1c(9)		
	(10) Value of interest in pooled separate accounts	1c(10)		
	(11) Value of interest in master trust investment accounts	1c(11)		
	(12) Value of interest in 103-12 investment entities	1c(12)		
	(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	96282487	114335794
	(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
	(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	104170412	120486031

Liabilities

g Benefit claims payable	1g	0	90
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	62817	13218
k Total liabilities (add all amounts in lines 1g through 1j)	1k	62817	13308

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	104107595	120472723
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	1305086	
(B) Participants	2a(1)(B)	6089740	
(C) Others (including rollovers)	2a(1)(C)	515012	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		7909838

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	584	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	150635	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		151219
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	10965	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	3093600	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		3104565
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	6106457	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	6227495	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		-121038

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	342518	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		342518
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		20909461
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		32296563

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	15823722	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		15823722
f Corrective distributions (see instructions)	2f		13218
g Certain deemed distributions of participant loans (see instructions).....	2g		10253
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	29649	
(4) Other	2i(4)	54593	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		84242
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		15931435

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		16365128
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified **(2)** ☐ Qualified **(3)** ☒ Disclaimer **(4)** ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: GRANT THORNTON LLP

(2) EIN: 36-6055558

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. **(2)** ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....		X	
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection.
---	--	--

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan <u>JOURNAL COMMUNICATIONS, INC. 401(K) PLAN</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>JOURNAL COMMUNICATIONS, INC.</u>	D Employer Identification Number (EIN) <u>20-0020198</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>04-6568107</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2009
v.092308.1

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

Report of Independent Certified Public Accountants

Retirement Plan Committee
Journal Communications, Inc. 401(k) Plan

We were engaged to audit the financial statements of Journal Communications, Inc. 401(k) **Plan (the "Plan") as of December 31, 2009** and 2008 and for the year ended December 31, 2009, and the supplemental schedule as of December 31, 2009, as listed in the accompanying table of contents. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note I, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the **plan administrator that the trustee holds the Plan's** investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2009 and 2008 and for the year ended December 31, 2009, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America as established by the American Institute of Certified Public Accountants **and, in our opinion, are presented in compliance with the Department of Labor's** Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



GRANT THORNTON LLP
Milwaukee, Wisconsin
October 7, 2010



Financial Statements and Report of Independent Certified
Public Accountants

Journal Communications, Inc. 401(k) Plan

December 31, 2009 and 2008

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Report of Independent Certified Public Accountants

Retirement Plan Committee
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GRANT THORNTON LLP
Milwaukee, Wisconsin
October 7, 2010

JOURNAL COMMUNICATIONS, INC. 401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31,

	<u>2009</u>	<u>2008</u>
Investments, at fair value		
Mutual funds	\$ 107,220,217	\$ 87,916,730
Collective trust fund	9,700,569	11,144,368
Participant loans	<u>2,429,575</u>	<u>2,811,410</u>
Total investments	119,350,361	101,872,508
Receivables		
Employee contributions receivable	171,713	-
Employer contributions receivable	<u>950,649</u>	<u>2,235,087</u>
Total receivables	<u>1,122,362</u>	<u>2,235,087</u>
Net assets available for benefits, at fair value	120,472,723	104,107,595
Adjustment from fair value to contract value for interest in collective trust fund relating to fully benefit-responsive investment contracts	<u>49,436</u>	<u>722,553</u>
Net assets available for benefits	<u><u>\$ 120,522,159</u></u>	<u><u>\$ 104,830,148</u></u>

The accompanying notes are an integral part of these financial statements.

JOURNAL COMMUNICATIONS, INC. 401(k) PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Year ended December 31, 2009

Additions	
Investment income	
Net appreciation in value of investments	\$ 20,519,098
Interest and dividends	3,234,604
Total investment income	<u>23,753,702</u>
Contributions	
Company	1,305,086
Employee	6,089,740
Rollover	515,012
Total additions	<u>7,909,838</u>
Deductions	
Benefits paid to participants	15,886,449
Administrative expenses	85,080
Total deductions	<u>15,971,529</u>
Increase in net assets available for benefits	15,692,011
Net assets available for benefits, beginning of year	<u>104,830,148</u>
Net assets available for benefits, end of year	<u><u>\$ 120,522,159</u></u>

The accompanying notes are an integral part of this financial statement.

JOURNAL COMMUNICATIONS, INC. 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE A - DESCRIPTION OF THE PLAN

The following description of Journal Communications, Inc. 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

1. General

The Plan is a defined-contribution benefit plan covering substantially all employees of Journal Communications, Inc. and its subsidiaries (the "Company"). Eligible employees must have attained age 21. Effective April 1, 2008, full-time employees are eligible to participate in the Plan as soon as administratively feasible. Part-time employees are eligible to participate after completion of at least 1,000 hours of part-time service during their first twelve months of employment or any subsequent plan year. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Plan investments are held in trust by Fidelity Management Trust Company ("Trustee").

2. Contributions

Employees may elect to defer up to 50% of their base compensation (as defined) on a pre-tax basis, subject to regulatory limitations. In addition, employees can contribute up to 50% of their after tax base compensation. The maximum combined total of employee contributions may not exceed 50% of gross base compensation.

The Company may make discretionary matching contributions equal to 50% of eligible employee contributions, not to exceed 2.5% of participants' base compensation, as defined by the Plan.

Effective February 12, 2009, the Company suspended the Company's matching employer contribution.

JOURNAL COMMUNICATIONS, INC. 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE A - DESCRIPTION OF THE PLAN - Continued

2. Contributions - continued

Effective April 1, 2008, eligible employees hired on or after this date will automatically be enrolled in the Plan to make pre-tax contributions at a rate of 2% of eligible pay. If the participant was automatically enrolled into the Plan at the pre-tax contribution rate of 2% and did not change the automatic rate, for the next three years, contributions will automatically increase by 1% each year on the anniversary of the automatic enrollment date until they reach a maximum of 5%. As participation is voluntary, those who do not wish to contribute to the Plan can change their contribution rate by contacting the Trustee directly via telephone or internet.

The Company makes additional annual contributions to the Plan on behalf of certain employees of participating employers which are not covered by the Company's defined-benefit pension plan. These additional annual contributions equal 2% to 3% of the employees' base compensation.

Effective March 26, 2009, the Company suspended the annual employer contribution to the Plan for eighteen months beginning July 1, 2009.

Employee contributions are 100% vested. If the participant was employed prior to May 1, 2006, annual employer contributions are 100% vested. If employed on or after May 1, 2006, annual employer contributions and matching contributions are vested as follows:

<u>Years of Service</u>	<u>Vested Percentage</u>
Less than 1	0%
1 but less than 2	20%
2 but less than 3	40%
3 but less than 4	60%
4 but less than 5	80%
5 or more	100%

Forfeitures resulting from employer contributions are used to reduce future employer contributions. Forfeitures totaled approximately \$53,000 in 2009.

3. Participant Accounts

Each participant's account is credited with the employee's voluntary contributions, Company matching contribution, annual employer contribution, and Plan earnings. Allocations of earnings are based upon the participants' account balances, as defined. Participants may direct contributions in 1% increments in one or a combination of various investment options. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account balance. Rollovers are allowed under the Plan document.

JOURNAL COMMUNICATIONS, INC. 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE A - DESCRIPTION OF THE PLAN - Continued

4. Investments

Upon enrollment in the Plan, a participant may direct employee contributions and Company contributions plus actual earnings thereon in any of the investment options offered by the Plan.

5. Benefits Paid to Participants

Upon retirement, death, disablement or termination of employment, payment of benefits can only be made by a lump-sum distribution of the participant's account balance. Participants who elected installment distributions prior to January 1, 2002, may continue to receive such installment distributions.

If a terminating participant's vested account balance does not exceed \$1,000, the Plan will distribute the benefit in a lump sum as soon as administratively practicable. Vested account balances between \$1,000 and \$5,000 are rolled over into an IRA account in the employee's name if they have not provided direction for distribution. Vested account balances exceeding \$5,000 are paid at the participant's discretion, or can be left in the Plan until such time the participant wishes to withdraw it, with the account continuing to share in the Plan income and losses.

Participants may be eligible to withdraw a portion of their separate account balances upon reaching age 59-1/2, demonstrating a financial hardship, or by meeting the requirements of other permitted withdrawals specified under the terms of the Plan document.

6. Participant Loans

Participants are eligible to borrow from their accounts up to a maximum of the lesser of \$50,000 or 50% of their account balances. Individual loan amounts must be at least \$1,000. Loan terms range from one to five years, and participants may take out two loans per year up to a maximum of six loans at any time. The loans are secured by the balance in the participant's account. Interest on the loans is set at the prime rate in effect on the date the loan was taken out. Active employee loans are repaid by periodic payroll deductions, with the interest and principal paid being credited to the participant's account. Interest rates range from 4.00% to 8.50% as of December 31, 2009.

JOURNAL COMMUNICATIONS, INC. 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE A - DESCRIPTION OF THE PLAN - Continued

6. Participant Loans - continued

If a participant has not repaid the entire loan by the time employment is terminated, if permitted by the Trustee, the participant may continue to make loan repayments directly to the Trustee until the date the participant receives a distribution. If the participant does not elect to continue to make loan payments, receives a distribution, or is not permitted to make loan repayments, the account shall be reduced by the participant's account in the following order:

- i. Participant contributions
- ii. Amounts rolled over to this Plan pursuant to the Plan document
- iii. Matching employer contributions
- iv. Annual employer contributions
- v. Salary deferral contributions
- vi. Earnings

7. Administrative Expenses

Substantially all administrative expenses of the Plan are paid by the Plan except for certain legal and audit fees which are paid by the Company.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting and in conformity with accounting principles generally accepted in the United States of America.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in investment contracts through a collective trust fund. As required, the Statements of Net Assets Available for Benefits presents the fair value of the investment in the collective trust fund as well as the adjustment of the investment in the collective trust fund from fair value to contract value relating to the investment contracts. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

JOURNAL COMMUNICATIONS, INC. 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

2. Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions to net assets and deductions from net assets during the reporting period. Actual results could differ from those estimates.

3. Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See note D for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

4. Payment of Benefits

Benefits are recorded when paid.

5. New Accounting Pronouncements

In June 2009, the Financial Accounting Standards Board ("FASB") issued the FASB Accounting Standards Codification (the "ASC" or "Codification"). The Codification will become the single source for all authoritative generally accepted accounting principles ("GAAP") recognized by the FASB to be applied for financial statements issued for periods ending after September 15, 2009. The Codification does not change GAAP and did not have an impact on the Plan's statement of changes or statement of net assets.

In May 2009, new accounting and disclosure requirements for subsequent events were incorporated into accounting principles generally accepted in the United States of America. These requirements introduce new terminology, define a date through which management must evaluate subsequent events, and list the circumstances under which an entity must recognize and disclose events or transactions occurring after the statement of financial position date. See note K for the expanded disclosure related to this standard.

JOURNAL COMMUNICATIONS, INC. 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE C - INVESTMENTS

The Trustee of the Plan holds the Plan's investments and executes transactions therein. Participants can change investment elections throughout the year.

Following are the Plan's investments that represent five percent or more of the Plan's net assets as of December 31,:

	<u>2009</u>	<u>2008</u>
Fidelity Freedom 2020	\$11,078,418	\$9,538,445
Fidelity Freedom 2030	7,011,171	5,596,808
Fidelity Freedom 2015	8,392,464	8,116,049
Fidelity Freedom 2025	11,960,166	9,698,955
MSI Emerging Markets A	9,319,675	*
Victory Capital Management Fund**	9,750,005	11,866,921
PIMCO Total Return Institutional	14,430,381	11,795,285
AF Europac Growth R5	7,025,383	*

* Below five percent of net assets.

** Represents contract value which differs from the fair value (\$9,700,569 and \$11,144,368 at December 31, 2009 and 2008, respectively).

The Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value as follows for the year ended December 31, 2009:

	<u>Investments</u>
Mutual funds	\$20,237,808
Collective trust fund	<u>281,290</u>
Net appreciation in fair value of investments	<u>\$20,519,098</u>

JOURNAL COMMUNICATIONS, INC. 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE D - FAIR VALUE MEASUREMENTS

FASB ASC 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

Mutual funds: Valued at quoted market prices in active markets.

Collective trust fund: Valued using audited financial statements and derived net asset value per share of the collective trust at year-end.

Participant loans: Valued at unpaid principal balances, which approximates fair value.

JOURNAL COMMUNICATIONS, INC. 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE D - FAIR VALUE MEASUREMENTS - Continued

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of:

	December 31, 2009			
	Level 1	Level 2	Level 3	Total
Mutual funds				
Target date	\$ 54,817,197	\$ -	\$ -	\$ 54,817,197
Fixed income	18,108,588	-	-	18,108,588
Index	16,382,492	-	-	16,382,492
Growth	13,523,079	-	-	13,523,079
Value	4,388,861	-	-	4,388,861
Total	107,220,217	-	-	107,220,217
Collective trust fund	-	9,700,569	-	9,700,569
Participant loans	-	-	2,429,575	2,429,575
Total assets at fair value	\$ 107,220,217	\$ 9,700,569	\$ 2,429,575	\$ 119,350,361

	December 31, 2008			
	Level 1	Level 2	Level 3	Total
Mutual funds				
Target date	\$ 45,917,303	\$ -	\$ -	\$ 45,917,303
Fixed income	15,743,796	-	-	15,743,796
Index	10,130,739	-	-	10,130,739
Growth	12,275,991	-	-	12,275,991
Value	3,848,901	-	-	3,848,901
Total	87,916,730	-	-	87,916,730
Collective trust fund	-	11,144,368	-	11,144,368
Participant loans	-	-	2,811,410	2,811,410
Total assets at fair value	\$ 87,916,730	\$ 11,144,368	\$ 2,811,410	\$ 101,872,508

JOURNAL COMMUNICATIONS, INC. 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE D - FAIR VALUE MEASUREMENTS - Continued

The following table sets forth a summary of changes in the fair value of the Plan's level 3 assets for the year ended December 31, 2009.

	<u>Participant loans</u>
Balance, beginning of year	\$ 2,811,410
Purchases, sales, issuances and settlements, net	<u>(381,835)</u>
Balance, end of year	<u><u>\$ 2,429,575</u></u>

The following table sets forth additional disclosures for the fair value measurement of investments in certain entities that calculate net asset value per share (or its equivalent) as of December 31, 2009:

<u>Investment type</u>	<u>Fair value</u>	<u>Unfunded commitments</u>	<u>Redemption frequency</u>	<u>Redemption notice period</u>
Collective trust fund	\$ 9,700,569	\$ -	Daily	Daily

The collective trust fund's objective is to maintain principal value, protect against market price volatility, obtain consistent income return and provide liquidity for benefit payments and withdrawals. To achieve this, the fund invests in instruments which are not expected to experience significant price fluctuation in most economic or interest rate environments. However, there is no assurance that this objective can be achieved.

Gains and losses (realized and unrealized) included in the statement of changes in net assets available for benefits for the year ended December 31, 2009 are reported in net appreciation in fair value of investments.

NOTE E - INCOME TAX STATUS

The Internal Revenue Service has determined and informed the Company, by a letter dated July 19, 2002, that the Plan is designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the determination letter. However, the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC.

NOTE F - PARTY-IN-INTEREST TRANSACTIONS

The Plan invests in mutual fund investments that are managed by an affiliate of Fidelity Management Trust Company, the trustee of the Plan. Additionally, the Plan provides loans to participants. These transactions are not prohibited by Department of Labor regulations.

JOURNAL COMMUNICATIONS, INC. 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE G - RISKS AND UNCERTAINTIES

The Plan utilizes various investment instruments, including mutual funds and a collective trust fund. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect participants' account balances and the amounts reported in the financial statements.

NOTE H - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right to discontinue its contributions at any time and terminate the Plan subject to the provisions of ERISA.

NOTE I - INFORMATION CERTIFIED BY THE PLAN'S TRUSTEE

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the Trustee has certified that the following data included in the accompanying financial statements and supplemental schedule is complete and accurate.

- a. Investments as shown in the accompanying statements of net assets available for benefits as of December 31, 2009 and 2008.
- b. Net appreciation in value of investments and interest and dividends as shown in the accompanying statement of changes in net assets available for benefits for the year ended December 31, 2009.
- c. Schedule of Assets (Held at End of Year) as of December 31, 2009, as shown on Schedule H-Line 4(i).

NOTE J - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements as of December 31, 2009 and 2008 to Form 5500:

	<u>2009</u>	<u>2008</u>
Net assets available for benefits per the financial statements	\$120,522,159	\$104,830,148
Adjustment from contract value to fair value	<u>(49,436)</u>	<u>(722,553)</u>
Net assets available for benefits per the Form 5500	<u>\$120,472,723</u>	<u>\$104,107,595</u>

JOURNAL COMMUNICATIONS, INC. 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE J - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 - Continued

The following is a reconciliation of the increase in net assets available for benefits per the financial statements for the year ended December 31, 2009 to Form 5500:

Increase in net assets available for benefits per the financial statements	\$ 15,692,011
Less: adjustment from fair value to contract value for fully benefit-responsive investment contracts	(49,436)
Plus: prior year adjustment from fair value to contract value for fully benefit-responsive investment contracts	<u>722,553</u>
Net income per the Form 5500	<u>\$ 16,365,128</u>

NOTE K - SUBSEQUENT EVENTS

The Plan evaluated subsequent events through October 7, 2010, the date that the financial statements were available to be issued. The Plan is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

SUPPLEMENTAL SCHEDULE

JOURNAL COMMUNICATIONS, INC. 401(k) Plan
Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)
Employer ID# 20-0020198 Plan# 003
December 31, 2009

(a)	(b) Identity of Issue	(c) Description of Investment	Number of Shares	(e) Fair value
*	Fidelity Freedom Income	Mutual fund	342,477.392	\$ 3,678,207
*	Fidelity Freedom 2005	Mutual fund	131,613.630	1,320,085
*	Fidelity Freedom 2010	Mutual fund	394,492.409	4,935,100
*	Fidelity Freedom 2015	Mutual fund	805,418.835	8,392,464
*	Fidelity Freedom 2020	Mutual fund	882,742.484	11,078,418
*	Fidelity Freedom 2025	Mutual fund	1,151,122.832	11,960,166
*	Fidelity Freedom 2030	Mutual fund	565,873.402	7,011,171
*	Fidelity Freedom 2035	Mutual fund	566,236.668	5,809,588
*	Fidelity Freedom 2040	Mutual fund	431,033.547	3,086,200
*	Fidelity Freedom 2045	Mutual fund	79,484.501	673,234
*	Fidelity Freedom 2050	Mutual fund	65,960.586	550,771
	Spartan US EQ Index	Mutual fund	112,488.261	4,435,412
	PIMCO Total Return Institutional	Mutual fund	1,336,146.357	14,430,381
	MSI Emerging Markets A	Mutual fund	403,623.844	9,319,675
	Brandywine Blue Fund	Mutual fund	181,227.497	3,912,702
	Victory Capital Management Fund	Collective trust fund	461,599.913	9,700,569
	Vanguard Small Cap Index Institutional	Mutual fund	95,542.017	2,627,405
	AF Europac Growth R5	Mutual fund	183,526.204	7,025,383
	LSV Value Equity	Mutual fund	360,926.104	4,388,861
	Friess SM CAP Growth	Mutual fund	25,854.736	2,584,994
*	Participant loans	4% to 8.5%		2,429,575
	Total			<u>\$ 119,350,361</u>

* Represents a party-in-interest to the Plan

JOURNAL COMMUNICATIONS, INC. 401(k) Plan
Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)
Employer ID# 20-0020198 Plan# 003
December 31, 2009

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	Friess SM CAP Growth	Mutual fund	25,854.736	2,584,994
*	Participant loans	4% to 8.5%		2,429,575
	Total			<u>\$ 119,350,361</u>

* Represents a party-in-interest to the Plan