

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

Medley LLC,¹

Debtor.

Chapter 11

Case No. 21-10526 (KBO)

Obj. Deadline: April 20, 2021 at 4:00 p.m. (ET)
Hearing Date: May 19, 2021 at 11:00 a.m. (ET)

**APPLICATION OF THE DEBTOR FOR AN ORDER AUTHORIZING THE
RETENTION AND EMPLOYMENT OF EVERSHEDES SUTHERLAND (US) LLP AS
SPECIAL COUNSEL FOR THE DEBTOR EFFECTIVE AS OF THE PETITION DATE**

Medley LLC (the “Debtor”), the debtor and debtor-in-possession in the above-captioned chapter 11 bankruptcy case (the “Chapter 11 Case”), hereby files this application (the “Application”) to employ Eversheds Sutherland US LLP (“Eversheds”) as special counsel pursuant to Section 327(e) of title 11 of the United States Code (the “Bankruptcy Code”), and states as follows in support of the Application:

RELIEF REQUESTED

1. By this Application, the Debtor seeks entry of an order substantially in the form attached hereto as **Exhibit A** (the “Proposed Retention Order”) pursuant to sections 327(e) and 329 of the Bankruptcy Code, authorizing the retention of Eversheds as special counsel to the Debtor effective as of the Petition Date (as defined below). In support of the Application, the Debtor submits the *Declaration of Mark D. Sherrill in Support of the Application of the Debtor for an Order Authorizing the Retention of Eversheds Sutherland (US) LLP as Special Counsel to the Debtor as of the Petition Date* (the “Sherrill Declaration”), a copy of which is attached hereto

¹ The last four digits of the Debtor’s taxpayer identification number are 7343. The Debtor’s principal executive office is located at 280 Park Avenue, 6th Floor East, New York, New York 10017.



as **Exhibit B**.

JURISDICTION AND VENUE

2. The United States Bankruptcy Court for the District of Delaware (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b).

3. Venue of this Chapter 11 Case and this Application is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The statutory bases for the relief requested herein are Sections 327(e) and 329 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 2014-1 of the Local Bankruptcy Rules of Bankruptcy Procedure (the “Bankruptcy Local Rules”).

BACKGROUND

5. On March 15, 2021 (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. A detailed description of the facts and circumstances leading to this Chapter 11 Case is set forth in the *Declaration of Richard T. Allorto, Jr. in Support of Chapter 11 Petition and First Day Pleadings* (the “First Day Declaration”) [Dkt. No. 5], and incorporated herein by reference.

6. The Debtor continues to operate its business and manage its property as a debtor-in-possession pursuant to section 1107(a) and 1108 of the Bankruptcy Code. As of the date hereof, no trustee, examiner, or statutory committee has been appointed in this Chapter 11 Case.

QUALIFICATIONS OF EVERSHEDES

7. The Debtor believes that it will be beneficial and cost effective to retain Eversheds as special counsel. Eversheds has recognized expertise and experience in securities regulation law and related litigation. Eversheds has provided services in the substantive areas above in the prepetition period.

8. The issues presented in this Chapter 11 Case are complex and will require counsel with extensive experience, knowledge and expertise. The Debtor has already requested, or substantially contemporaneously herewith will request, authorization to retain Lowenstein Sandler LLP ("Lowenstein") as bankruptcy counsel. Nevertheless, the Debtor has requested that Eversheds continue to represent it in connection with the above-referenced Section 327(e) matters to ensure the continuing availability of Eversheds's experience and expertise in handling the Debtor's particular needs for counsel. The Debtor further submits that the employment of Eversheds as special counsel will not be duplicative of, but rather will augment, the services to be provided by Lowenstein.

SERVICES

9. The legal services that Eversheds may provide for the Debtor include, but are not limited to, securities law and related litigation and regulatory matters (the "Scope of Services") and are essential for the Debtor to administer its estate.

COMPENSATION

10. In the prepetition period, Eversheds was compensated for its work within the Scope of Services by two insurers. Initially, Eversheds was paid by Berkshire Hathaway pursuant to a policy issued to Medley Management Inc., an affiliate of the Debtor. More recently, Eversheds has been paid by Starr Indemnity & Liability Company (the "Insurer") pursuant to a separate policy

(the “Policy”). Subject to any applicable limits (the “Policy Limits”) under the Policy, Eversheds anticipates that it will continue to be compensated by the Insurer and will not need to charge the Debtor for its legal services. Eversheds understands and acknowledges that under section 329 of the Bankruptcy Code, it must disclose any payments made by the Insurer, even if it is not paid directly by the estate.

11. In the event that the Insurer’s payments exceed the Policy Limits, and subject to this Court’s approval, Eversheds would charge for its legal services on an hourly basis in accordance with its ordinary and customary hourly rates in effect on the date such services are rendered, subject to Bankruptcy Code sections 328, 330, and 331. The current hourly rates charged by Eversheds for professionals and paraprofessionals employed in its offices are provided below:

Professionals	Rates (Per Hour)
Partners	\$555 - \$1,295
Senior Counsel	\$395-1,335
Counsel	\$620 - \$1,025
Associates	\$290 - \$770
Paraprofessionals	\$220-\$475

These hourly rates are subject to periodic adjustments to reflect economic and other conditions.

12. Eversheds has advised the Debtor that it is its policy to charge its clients in all areas of practice for expenses incurred in connection with the client’s case. The expenses charged to clients include, among other things, photocopying charges, travel expenses, expenses for “working meals” and computerized research. Eversheds will maintain detailed records of actual and necessary costs and expenses incurred in connection with the legal services described above and will comply with the applicable Local Rules.

13. Eversheds has advised the Debtor that, if it has exceeded any applicable Policy Limits, it will apply for compensation and reimbursement of expenses in accordance with the procedures set forth in Bankruptcy Code sections 330 and 331, the applicable Bankruptcy Rules, and the applicable Local Rules.

14. The Debtor submits that the engagement and retention of Eversheds on the terms and conditions set forth herein is necessary and in the best interests of the Debtor, its estate, its creditors, and other parties in interest, and should be approved.

NO DUPLICATION OF SERVICES

15. By separate applications, the Debtor is also seeking to employ other estate professionals. The Debtor is committed to minimizing duplication of services. To that end, Eversheds and the Debtor's other professionals will coordinate their efforts to avoid the duplication of services.

ARGUMENTS AND AUTHORITIES

16. The proposed retention of Eversheds as special counsel to the Debtor is appropriate under Bankruptcy Code section 327(e). Specifically, pursuant to section 327(e) of the Bankruptcy Code, the Debtor may:

employ, for a specified special purpose, other than to represent the trustee in conducting the case, an attorney that has represented the debtor, if in the best interest of the estate, and if such attorney does not represent or hold any interest adverse to the debtor or to the estate with respect to the matter on which such attorney is to be employed.

Section 327(e) of the Bankruptcy Code does not require that Eversheds be a "disinterested person" as defined in Bankruptcy Code section 101(14), but only that Eversheds not hold any interests adverse to the Debtor or its estate with respect to the Scope of Services. The Debtor submits that Eversheds's proposed retention meets the prerequisites for retention of special counsel under

section 327(e) of the Bankruptcy Code for four reasons. First, the proposed retention is for the specific purpose of representing the Debtor as set forth in the Scope of Services and the proposed retention of Eversheds does not involve conducting the Chapter 11 Case for the Debtor. Second, Eversheds has previously represented the Debtor. Third, the proposed retention is in the best interests of the Debtor's estate because Eversheds is well-qualified to represent the Debtor in these matters, has previously represented the Debtor in these matters, and it would waste significant time, effort and money for the Debtor to have to seek replacement counsel to represent it. Fourth, Eversheds does not hold or represent any interest adverse to the Debtor or its estate with respect to the Scope of Services for which retention is sought.

17. Attorneys retained pursuant to section 327(e) of the Bankruptcy Code are not required to meet the "disinterested" standard set forth in section 327(a) of the Bankruptcy Code. The Bankruptcy Code does not define what it means to represent or hold any interest adverse to the debtor or to the estate, but "many courts have discussed and adopted the definition that an adverse interest is 'to possess or assert any economic interest that would tend to lessen the value of the bankruptcy estate or that would create either an actual or potential dispute in which the estate is a rival claimant' or 'to possess a predisposition under circumstances that render such a bias against the estate.'" *In re NNN 400 Capital Ctr. 16, LLC*, 619 B.R. 802, 814 (citations omitted).

18. To the best of the Debtor's knowledge, the partners, counsel and associates of Eversheds do not hold or represent any interest adverse to the Debtor or its estate with respect to the matters for which Eversheds will be retained. As set forth in the Sherrill Declaration, Eversheds has represented in the past, currently represents and likely in the future will represent certain parties in interest in this Chapter 11 Case in matters unrelated to the Debtor, the Debtor's

Chapter 11 Case, or such entities' claims against or interests in the Debtor. A list of those connections is set forth at Schedule 2 to the Sherrill Declaration.

19. Here, the retention of Eversheds as special counsel for the Debtor pursuant to section 327(e) of the Bankruptcy Code is important to ensuring the success of the Chapter 11 Case. In light of Eversheds's experience, Eversheds is well-positioned to represent the Debtor with respect to the Scope of Services. Therefore, the Debtor believes that the Eversheds retention is in the best interests of the Debtor's estate, and satisfies all other applicable standards for retention under the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules.

NOTICE

20. The Debtor will provide notice of this Motion to: (a) the Office of the United States Trustee for the District of Delaware; (b) U.S. Bank National Association as indenture trustee for the Debtor's 7.25% Senior Notes (due 2024) and 6.875% Senior Notes (due 2026); (c) the U.S. Securities and Exchange Commission; (d) the New York Stock Exchange; (e) all individuals or entities that have requested notice in this Chapter 11 Case pursuant to Bankruptcy Rule 2002; (f) the District Director of Internal Revenue for the District of Delaware and all other taxing authorities for the jurisdictions in which the Debtor conducts business; (g) all relevant state attorneys general; (h) the Co-Plan sponsor, Medley Management Inc.; (i) Strategic Capital Advisory Services; (j) MOF II GP; (k) Vornado Realty Trust; (l) the holders of the twenty largest unsecured claims against the Debtor; and (m) pursuant to Local Rule 2002-1(e), counsel to any of the foregoing, if known. In light of the nature of the relief requested herein, the Debtor submits that no other or further notice is required. The Debtor submits that, in light of the nature of the relief requested, no other or further notice need be given.

CONCLUSION

WHEREFORE, the Debtor respectfully requests that the Court grant the relief requested herein and such other and further relief as the Court may deem just and proper.

Dated: April 6, 2021

Medley, LLC
Chapter 11 Debtor and Debtor-in-Possession

By: /s/ Richard T. Allorto, Jr.
Richard T. Allorto, Jr.
Chief Financial Officer

Exhibit A

Proposed Retention Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

Medley LLC,¹

Debtor.

Chapter 11

Case No. 21-10526 (KBO)

Re Docket No. ____

**ORDER GRANTING DEBTOR'S APPLICATION FOR AN ORDER
AUTHORIZING THE RETENTION AND EMPLOYMENT OF EVERSHEDES
SUTHERLAND (US) LLP AS SPECIAL COUNSEL FOR THE DEBTOR
EFFECTIVE AS OF THE PETITION DATE**

Upon consideration of the *Application of the Debtor for an Order Authorizing the Retention and Employment of Eversheds Sutherland (US) LLP as Special Counsel to the Debtor Effective as of the Petition Date* (the "Application"),² which was filed by the above-referenced debtor and debtor-in-possession (the "Debtor"), and as more fully set forth in the Application, this Court finds that it has jurisdiction over this matter pursuant to 28 U. S. C. §§ 157 and 1334; that consideration of the Application is a core proceeding pursuant to 28 U. S. C. §157(b); that venue is proper before this Court pursuant to 28 U. S. C. §§ 1408 and 1409; that due and proper notice of the Application has been provided to the necessary parties; that no other or further notice need be provided; that the relief sought in the Application is in the best interests of the Debtor, its creditors, and all parties in interest; that the Debtor has established just cause for the relief requested in the Application; and that, upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefore, it is hereby:

¹ The last four digits of the Debtor's taxpayer identification number are 7343. The Debtor's principal executive office is located at 280 Park Avenue, 6th Floor East, New York, New York 10017.

² All capitalized terms used but not otherwise defined in this Order shall have the meanings ascribed to them in the Application.

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Application is **GRANTED** as set forth herein.
2. To the extent that there may be any inconsistency between the terms of the Application and this Order, the terms of this Order shall govern.
3. Pursuant to Bankruptcy Code sections 327(e) and 328(a), the Debtor, as debtor and debtor in possession, is authorized to employ and retain Eversheds Sutherland (US) LLP ("Eversheds") as its special counsel as of the Petition Date, upon the terms and for the purposes set forth in the Application to perform the professional services set forth in the Application.
4. Eversheds shall be compensated in accordance with the Application, applicable provisions of the Bankruptcy Code, Bankruptcy Rules, the Local Rules, U.S. Trustee Guidelines and any orders entered in this Chapter 11 Case governing professional compensation and reimbursement for services rendered and charges and disbursements incurred.
5. The Debtor is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order.
6. Notwithstanding any Bankruptcy Rule to the contrary, this Order shall be immediately effective and enforceable upon its entry.
7. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation or interpretation of this Order.

Exhibit B

Sherrill Declaration

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

Medley LLC,¹

Debtor.

Chapter 11

Case No. 21-10526 (KBO)

**DECLARATION OF MARK D. SHERRILL IN SUPPORT OF THE DEBTOR'S
APPLICATION FOR AN ORDER AUTHORIZING THE RETENTION AND
EMPLOYMENT OF EVERSHEDES SUTHERLAND (US) LLP AS SPECIAL COUNSEL
FOR THE DEBTOR EFFECTIVE AS OF THE PETITION DATE**

Pursuant to 28 U.S.C. § 1746, I, Mark D. Sherrill, declares as follows:

1. I am a Partner at the firm of Eversheds Sutherland (US) LLP ("Eversheds"), which maintains offices for the practice of law at, among other places, 1000 Louisiana Street, Suite 2000, Houston, TX 77002. I am an attorney at law, duly admitted in good standing to practice in the State of Texas, the Commonwealth of Virginia, the District of Columbia, and the State of Ohio.

2. I submit this declaration pursuant to sections 327(e), 328(a) and 329 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and the rules of this Court (the "Local Rules") on behalf of Eversheds in support of the *Application of the Debtor for an Order Authorizing the Retention and Employment of Eversheds Sutherland (US) LLP as Special Counsel for the Debtor Effective as of the Petition Date* (the "Application"), which was filed by the above-referenced debtor and debtor-in-possession (the "Debtor"). Except as otherwise noted, I have personal knowledge of the matters

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set forth herein.²

QUALIFICATIONS OF EVERSHEDES

3. Eversheds is a full-service law firm with over 400 lawyers in eight offices domestically. With its international affiliates, Eversheds has access to over 3,000 lawyers in 69 offices and in 32 countries. Eversheds provides client services in nearly every major practice area, including corporate, finance, tax, energy, intellectual property, litigation and real estate. Eversheds has several attorneys with practices centered on bankruptcy and reorganization, as well as bankruptcy litigation and other related matters.

4. The Debtor previously retained and desires to continue the employment of Eversheds as its special counsel because Eversheds's attorneys have extensive knowledge and experience in, among other things, finance, energy law and regulation, derivatives, and bankruptcy.

5. For the foregoing reasons, the Debtor has retained Eversheds, subject to Court approval, as its special counsel in connection with the Scope of Services (as defined below).

Services

6. Consistent with the terms of the Application, Eversheds will provide services to the Debtor during this Chapter 11 Case as its special counsel with respect to, but not limited to corporate securities and related regulatory and litigation matters, in consultation with Lowenstein Sandler LLP ("Lowenstein"), the Debtor's proposed general restructuring counsel, arising during this Chapter 11 Case (collectively, the "Scope of Services"). Subject to the Court's approval, Eversheds is willing to perform the services requested by the Debtor, on the terms and conditions set forth in the Application.

² Certain of the disclosures herein relate to matters within the knowledge of attorneys and staff of Eversheds and are based on information provided by them.

7. I believe Eversheds is well-suited to provide the aforementioned Scope of Services that will be of value to all parties in interest in the Debtor's Chapter 11 Case.

8. I understand that the Debtor has filed or intends to file retention applications for other professionals in this Chapter 11 Case. Eversheds has discussed its retention with Lowenstein, the Debtor's general restructuring counsel, and will take all appropriate steps to avoid unnecessary and wasteful duplication of efforts by any other professionals retained in this Chapter 11 Case.

**COMPENSATION AND STATEMENT PURSUANT TO
BANKRUPTCY CODE SECTIONS 329 AND 504 OF THE
BANKRUPTCY CODE AND BANKRUPTCY RULE 2016(B)**

9. In the prepetition period, Eversheds was compensated for its work within the Scope of Services by two insurers. Initially, Eversheds was paid by Berkshire Hathaway pursuant to a policy issued to Medley Management Inc., an affiliate of the Debtor. More recently, Eversheds has been paid by Starr Indemnity & Liability Company (the "Insurer") pursuant to a separate policy (the "Policy"). Subject to any applicable limits (the "Policy Limits") under the Policy, Eversheds anticipates that it will continue to be compensated by the Insurer and will not need to charge the Debtor for its legal services. Eversheds understands and acknowledges that under section 329 of the Bankruptcy Code, it must disclose any payments made by the Insurer, even if it is not paid directly by the estate.

10. In the event that the Insurer's payments exceed the Policy Limits, and subject to this Court's approval, Eversheds would (a) charge for its legal services on an hourly basis in accordance with its ordinary and customary hourly rates in effect on the date such services are rendered, subject to Bankruptcy Code sections 328, 330, and 331; and (b) seek reimbursement of actual and necessary out-of-pocket expenses in connection with the rendition of legal services in accordance with

Eversheds's policies for all clients.³ Eversheds will maintain detailed, contemporaneous records of time and any actual and necessary expenses incurred in connection with the rendering of the legal services described in the Application.

11. The fees charged by Eversheds are based upon hourly rates, which are periodically adjusted in the normal course of the firm's business. Eversheds and the Debtor have agreed that the standard rate structure used by Eversheds will apply to fees charged in connection with this case. Generally, our hourly billing rates for domestic offices range from \$555 to \$1,295 for partners; from \$395 to \$1,335 for senior counsel; from \$620 to \$1,025 for counsel; from \$290 to \$770 for associates and from \$220 to \$475 for paraprofessionals. My current hourly rate for this matter is \$855 per hour. Eversheds and its professionals will keep track of its billings on a tenth of an hour basis with time charges allocated in accordance with the categories set forth by the Office of the United States Trustee.

12. In addition to the hourly rates set forth above, Eversheds customarily charges its clients for all reimbursable expenses incurred, including photocopying charges, facsimile transmissions, messengers, courier mail, overtime meals, overtime and late night transportation, travel, lodging, meal charges for business meetings, postage, printing, transcripts, filing fees, computer research, and similar items.

13. Other than (a) the Debtor's agreement to compensate Eversheds at its regular hourly rates and to reimburse Eversheds for the reasonable and necessary expenses incurred on behalf of the Debtor, and (b) the arrangement to be paid by the Insurer, subject to any applicable Policy Limits,

³ The hourly rates charged by Eversheds professionals differ based on, among other things, the professional's level of experience and the rates normally charged in the location of the office in which the professional is resident.

Eversheds has not received any promises from the Debtor or any other person to compensate or reimburse Eversheds in connection with the Debtor's Chapter 11 Case.

14. During the 90-day period prior to the Debtor's bankruptcy filing, Eversheds received a total of \$1,039,500.81 on account of work performed for the Debtor,.

15. Neither Eversheds nor any partners of Eversheds have divided, paid over, or shared or agreed to divide, pay over, or share, (a) any compensation it or they has or have received or may receive for services rendered or expenses incurred in connection with this case with another party or person (except as among the partners, counsel, and associates of Eversheds, as described above), or (b) any compensation another party or person has received or may receive for services rendered or expenses incurred in connection with the Chapter 11 Case.

16. The proposed retention of Eversheds is not prohibited by or improper under Bankruptcy Rule 5002. Eversheds and the professionals it employs are qualified to represent the Debtor in the matters for which Eversheds is proposed to be retained.

No Adverse Interest

17. To confirm that Eversheds did not have a prior representation that precluded its representation of the Debtor with respect to the matters upon which it is being employed, I conducted a review of potential connections and relationships between Eversheds and the categories of parties as set forth in **Schedule 1** hereto (the "Potential Parties in Interest"). Attached hereto as **Schedule 2** and incorporated herein by reference is a list of Potential Parties in Interest (or their affiliates) whom Eversheds currently represents, has represented in the three years prior to the Petition Date, and may in the future represent in matters unrelated to the Debtor, the Debtor's Chapter 11 Case, such entities' claims against or interests in the Debtor, or the Scope of Services. Although Eversheds has represented, currently represents, and may continue to represent certain entities and individuals listed

on Schedule 2 hereto, no representation reflected on Schedule 2 is materially adverse to the Debtor or its estate with respect to the Scope of Services.

18. To be clear, Eversheds is a separate firm from Eversheds Sutherland International LLP (“ESI”). Eversheds and ESI have separate profit pools, separate administration, and entirely separate document/information storage systems. The disclosures herein are limited to the United States law firm, Eversheds Sutherland (US) LLP, and do not include any information from any global affiliates.

19. As included on Schedule 2, Eversheds has represented the Debtor and/or its affiliates in connection with various legal issues since 2012. As a result of its prepetition representation of the Debtor, Eversheds possesses an in-depth knowledge of the Debtor’s business and assets and liabilities. Accordingly, I believe Eversheds is uniquely situated with the necessary background knowledge to address potentially related issues that may arise in these bankruptcy cases.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: April 6, 2021

/s/ Mark D. Sherrill
Mark D. Sherrill
Partner
Eversheds Sutherland (US) LLP

Schedule 1

Alliance Advisors LLC
Andersen Tax LLC
B. Riley Securities
Broadway 280 Park Fee LLC c/o SL Green Realty Corp
Broadway 280 Park Fee LLC c/o Vornado Office Management LLC
Brook Taube
CA Franchise Tax Board
California Attorney General
California Department of Tax and Fee Administration
California State Board of Equalization
Christopher Taube
City National Bank
Corporation Services Company (CSC)
Crystal & Company
Delaware Attorney General
Delaware Dept of Justice
Delaware Division of Revenue Bankruptcy Service
Delaware Secretary of State
Delaware State Treasury
Enavate Managed Service Inc
Eversheds Sutherland (US) LLP
Franchise Tax Board
Gibson Dunn & Crutcher LLP
Internal Revenue Service
Jeffrey Tonkel
John D. Fredericks
Lowenstein Sandler LLP
Mediant Communications Inc.
Medley Management Inc.
Moody's Investors Service
New Agency Partners
New York Attorney General
New York State Department of Taxation and Finance
New York State Dept of Taxation and Finance
New York Stock Exchange
NYC Department of Finance
NYS Department of Taxation and Finance
NYSE (NYSE Market (DE), Inc.)
Office of the United States Trustee Delaware
Patterson Belknap Webb & Tyler LLP
Paul Hastings LLP
Percy Holdings, LLC
Philadelphia Insurance Companies

Prager Metis CPAs, LLC
PricewaterhouseCoopers LLP
Proskauer Rose LLP
RDG Filings
RELX Inc. (d/b/a LexisNexis)
Richard Allorto
RSM US LLP
Samuel Anderson
Securities & Exchange Commission
Securities & Exchange Commission NY Office
Securities and Exchange Commission
Seth and Angie Taube Trust
Seth Taube
Standard & Poor's Financial Services, LLC
Strategic Capital Advisory Services
TRAVELERS
Tribridge Holdings, LLC
U.S. Bank National Association
US Attorney for Delaware
ValleMakoff LLP
Vornado Realty Trust
Winston & Strawn LLP
Workiva Inc.

Schedule 2

Disclosures of Eversheds Sutherland

The term “current client” used in Schedule 2 means an entity listed as a client in Eversheds Sutherland’s conflicts search system to which time was posted in the 12 months preceding the Petition Date. As referenced in Schedule 2, the term “former client” means an entity listed as a client in Eversheds Sutherland’s conflicts search system to whom time was posted between 12 and 36 months preceding the Petition Date. The list generated from Eversheds Sutherland’s conflicts search system is over-inclusive. As a general matter, Eversheds Sutherland discloses connections with “former clients” for whom time was posted in the last 36 months, but does not disclose connections if time was billed more than 36 months prior to the Petition Date.

<i>Potential Party in Interest</i>	<i>Affiliation to Cases</i>	<i>Former/Current Client</i>	<i>Eversheds Sutherland Connection</i>
B. Riley Securities	Creditor/ Counterparty	Affiliates are current clients	Representation of MLV & Co. LLC and affiliates in matters unrelated to Debtor
SL Green Realty Co.	Creditor/ Counterparty	Entity and affiliates are current clients	Representation of SL Green Realty Co. and affiliates in matters unrelated to Debtor
California Franchise Tax Board	Creditor/ Counterparty	Entity is a current clients	Representation of California Franchise Tax Board in matter unrelated to Debtor
City National Bank	Creditor/ Counterparty	Entity and affiliates are current clients	Representation of Royal Bank of Canada and affiliates in matter unrelated to Debtor Representation of City National Securities LLC in matters unrelated to Debtor
Medley LLC	Debtor	Entity and affiliates are current clients	In addition to the representation of the Debtor as discussed in the Application and the Sherrill Declaration, representation of Medley Capital Corporation in matters that are not adverse to the Debtor
Moody's Investors Service	Creditor/ Counterparty	Entity and affiliates are current clients	Representation of Moody's Corp. and Moody's Investors Service, Inc. in matters unrelated to Debtor
New York Stock Exchange	Creditor/ Counterparty	Entity is current client	Representation of New York Stock Exchange, LLC in matters unrelated to Debtor
NYSE (NYSE Market (DE) Inc.)	Creditor/ Counterparty	Affiliates are current clients	Representation of NYSE Group Inc. and numerous affiliates in matters unrelated to Debtor
Prager Metis CPAs, Inc.	Professional	Entity is current client	Representation of Prager Metis CPAs, Inc. in matter unrelated to Debtor
Pricewaterhouse Coopers LLP	Professional	Entity and affiliates are current and former clients	Representation of Pricewaterhouse Coopers LLP in matters unrelated to Debtor Representation of Pricewaterhouse Coopers LLP (UK) in a matter unrelated to Debtor Representation of Pricewaterhouse Coopers of the Americas US in matters unrelated to Debtor

Proskauer Rose LLP	Professional	Entity is a former client	Representation of Proskauer Rose LLP in matters unrelated to Debtor
U.S. Bank	Creditor/ Counterparty	Entity and affiliates are current and former clients	Representation of U.S. Bank, N.A. in matters unrelated to Debtor Representation of U.S. Bancorp Investments, Inc. and affiliates in matters unrelated to Debtor

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

Medley LLC,¹

Debtor.

Chapter 11

Case No. 21-10526 (KBO)

Obj. Deadline: April 20, 2021 at 4:00 p.m. (ET)
Hearing Date: May 19, 2021 at 11:00 a.m. (ET)

NOTICE OF APPLICATION

PLEASE TAKE NOTICE that on April 6, 2021, the above-captioned Debtor and Debtor in Possession filed the *Application of the Debtor for an Order Authorizing the Retention and Employment of Eversheds Sutherland (US) LLP as Special Counsel for the Debtor Effective as of The Petition Date* (the “Application”) with the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”).

PLEASE TAKE FURTHER NOTICE that responses, if any, to the Application must be in writing, in conformity with the Federal Rules of Bankruptcy Procedure and the Local Rules of the United States Bankruptcy Court for the District of Delaware, filed with the Bankruptcy Court and served upon the undersigned counsel so as to be received on or before **April 20, 2021 at 4:00 p.m. (ET) (the “Objection Deadline”)**. At the same time, you must also serve a copy of the response upon the Debtor’s proposed counsel:

Eric J. Monzo (DE Bar No. 5214)
Brya M. Keilson (DE Bar No. 4643)
MORRIS JAMES LLP
500 Delaware Avenue, Suite 1500
Wilmington, DE 19801
Telephone: (302) 888-6800
Facsimile: (302) 571-1750
E-mail: emonzo@morrisjames.com
E-mail: bkeilson@morrisjames.com

Robert M. Hirsh, Esq. (*admitted pro hac vice*)
Eric S. Chafetz, Esq. (*admitted pro hac vice*)
Phillip Khezri, Esq. (*admitted pro hac vice*)
LOWENSTEIN SANDLER LLP
1251 Avenue of the Americas
New York, NY 10020
Telephone: (973) 597-2500
Facsimile: (973) 597-2400
E-mail: rhirsh@lowenstein.com
E-mail: echafetz@lowenstein.co
E-mail: pkhezri@lowenstein.com

PLEASE TAKE FURTHER NOTICE THAT a hearing on the Application is scheduled for **May 19, 2021 at 11:00 a.m. prevailing Eastern Time** before the Honorable Karen B. Owens, United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 6th Floor, Courtroom

¹ The last four digits of the Debtor’s taxpayer identification number are 7343. The Debtor’s principal executive office is located at 280 Park Avenue, 6th Floor East, New York, New York 10017.

#3, Wilmington, Delaware 19801. Please note that due to COVID-19, and in accordance with this Court's Fifth Amended Order Governing The Conduct Of Hearings Due to Coronavirus Disease 2019 (COVID-19) And Reconstituting Operations, the hearing shall be conducted electronically.

IF NO OBJECTIONS ARE TIMELY FILED, SERVED, AND RECEIVED IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN CONNECTION WITH SUCH PLEADINGS WITHOUT FURTHER NOTICE OR HEARING.

Dated: April 6, 2021

MORRIS JAMES LLP

/s/ Eric J. Monzo

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*Proposed Counsel to the Debtor
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