

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

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In re:	:	Chapter 11
	:	
NEIGHBORS LEGACY HOLDINGS, INC., <i>et al.</i> ,	:	Case No. 18-33836 (MI)
	:	
Debtors. <sup>1</sup>	:	(Joint Administration Requested)
	:	(Emergency Hearing Requested)

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**DEBTORS' EMERGENCY APPLICATION TO EMPLOY KURTZMAN CARSON  
CONSULTANTS LLC AS CLAIMS, NOTICING AND SOLICITATION AGENT  
NUNC PRO TUNC TO THE PETITION DATE**

**THIS APPLICATION SEEKS ENTRY OF AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE APPLICATION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.**

**EMERGENCY RELIEF HAS BEEN REQUESTED. IF THE COURT CONSIDERS THE APPLICATION ON AN EMERGENCY BASIS, THEN YOU WILL HAVE LESS THAN 21 DAYS TO ANSWER. IF YOU OBJECT TO THE REQUESTED RELIEF OR IF YOU BELIEVE THAT THE EMERGENCY CONSIDERATION IS NOT WARRANTED, YOU SHOULD FILE AN IMMEDIATE RESPONSE. A HEARING WILL BE CONDUCTED ON THIS MATTER ON JULY 13, 2018, AT 10:30 A.M. IN COURTROOM 404, UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS, 515 RUSK STREET, HOUSTON, TEXAS 77002.**

**REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEYS.**

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<sup>1</sup> Due to the large number of Debtors in these chapter 11 cases, a complete list of the Debtors and the last four digits of their tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' proposed claims and noticing agent at [www.kccllc.net/neighbors](http://www.kccllc.net/neighbors). The location of Debtors' principal place of business and the Debtors' service address is: 10800 Richmond Avenue, Houston, Texas 77042.

The debtors and debtors in possession in the above-captioned cases (collectively, the “Debtors”) file this application (the “Application”) for entry of an order appointing Kurtzman Carson Consultants LLC (“KCC”) as claims effective *nunc pro tunc* to the Petition Date (as defined below), noticing and solicitation agent (“Claims and Noticing Agent”) in the above-captioned cases. In support of the Application, the Debtors rely upon and incorporate by reference the *Declaration of Evan Gershbein in Support of Application of Debtors for Order Appointing Kurtzman Carson Consultants LLC as Claims, Noticing and Solicitation Agent* (the “Gershbein Declaration”), attached as **Exhibit A**.

### **RELIEF REQUESTED**

1. This Application is made pursuant to 11 U.S.C. §§ 156(c), 327(a), 328(a) and 503(b), Bankruptcy Rule 2014, and Bankruptcy Local Rule 2014-1(b) for an order appointing KCC as the Claims and Noticing Agent pursuant to the terms of the KCC Agreement for Services dated January 24, 2018 (the “KCC Agreement”), attached as **Exhibit B**.

2. The Debtors anticipate that there will be in excess of 1500 entities to be noticed. In view of the number of anticipated claimants and the complexity of the Debtors’ businesses, the Debtors submit that the appointment of a Claims and Noticing Agent is both necessary and in the best interests of the Debtors’ estates and their creditors.

### **JURISDICTION**

3. The United States Bankruptcy Court for the Southern District of Texas (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334(b). This matter is a core proceeding under 28 U.S.C. § 157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. § 1408. The statutory and legal predicates for the relief requested herein are Judicial Code

Section 156(c), Bankruptcy Code Sections 105(a), 327(a), 328(a) and 503(b), Bankruptcy Rules 2014, 6003 and 6004, and Bankruptcy Local Rules 2014-1(b) and 9013-1.

### **BACKGROUND**

4. On July 12, 2018 (the "Petition Date"), the Debtors filed voluntary petitions in the Court commencing the Chapter 11 Cases. The factual background regarding the Debtors, including their business operations, their capital and debt structures, and the events leading to the filing of the Chapter 11 Cases, is set forth in detail in the *Declaration of Chad J Shandler in Support of Chapter 11 Petitions and First Day Motions*.

5. The Debtors continue to manage and operate their businesses as debtors in possession pursuant to Bankruptcy Code Sections 1107 and 1108. No trustee or examiner has been requested in the Chapter 11 Cases, and no committee has been appointed.

### **KCC'S QUALIFICATIONS**

6. KCC is a bankruptcy administrator that specializes in providing comprehensive chapter 11 administrative services including noticing, claims processing, solicitation, balloting, and other related services critical to the effective administration of chapter 11 cases. KCC has developed efficient and cost-effective methods to properly handle the voluminous mailings associated with the noticing, claims processing, solicitation, and balloting portions of chapter 11 cases to ensure the orderly and fair treatment of creditors, equity security holders, and all other parties in interest. Further, KCC will work with the Clerk's office to ensure that such methodology conforms to all of the Court's procedures, the Bankruptcy Local Rules, and the requirements of any Court orders. Appointing KCC as Claims and Noticing Agent in these chapter 11 cases will expedite the distribution of notices and the processing of claims, and relieve the Clerk's office of the administrative burdens related thereto.

7. KCC has substantial experience in matters of this size and complexity and has acted as the official claims, noticing, and solicitation agent in many large bankruptcy cases pending in this and other districts.<sup>2</sup>

### **SERVICES TO BE PROVIDED**

8. This Application relates to the work to be performed by KCC under section 327(a) of the Bankruptcy Code and under the Clerk's delegation of duties permitted by 28 U.S.C. § 156(c). KCC will follow the notice and claims procedures that conform to the guidelines promulgated by the Clerk's Office and the Judicial Conference of the United States, and as may be ordered by the Court. For the avoidance of doubt, KCC shall not act as the agent of the Clerk of the Court. The Clerk of the Court shall maintain its own claims register (the "Official Claims Register"). If a claims bar date is established, parties filing proofs of claim or interest shall file such proofs of claim or interest in the Official Claims Register.

9. KCC will perform the following services in its role as the Claims and Noticing Agent at the request of the Debtors or the Clerk's Office (the "Claims and Noticing Services"):<sup>3</sup>

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<sup>2</sup> See *In re Cobalt International Energy, Inc., No. 17-36709 (MI)* (Bankr. S.D. Tex. Dec. 14, 2017); *In re Goodman Networks Inc., No. 17-31575 (MI)* (Bankr. S.D. Tex. Mar. 15, 2017); *In re Azure Midstream Partners, LP, No. 17-30461 (DRJ)* (Bankr. S.D. Tex. Jan. 30, 2017); *In re Forbes Energy Servs., Ltd., No. 17-20023 (DRJ)* (Bankr. S.D. Tex. Jan. 22, 2017); *In re Linc USA GP, No. 16-32689 (DRJ)* (Bankr. S.D. Tex. May 29, 2016); *In re Midstates Petrol. Co., No. 16-32237 (DRJ)* (Bankr. S.D. Tex. May 2, 2016); *In re Sherwin Alumina Co., No. 16-20012 (DRJ)* (Bankr. S.D. Tex. Jan. 13, 2016); *In re BPZ Res., Inc., No. 15-60016 (DRJ)* (Bankr. S.D. Tex. Mar. 26, 2015); *In re ATP Oil & Gas Corp., No. 12-36187 (MI)* (Bankr. S.D. Tex. Aug. 17, 2012); *In re Seahawk Drilling, Inc., No. 11-20089 (DRJ)* (Bankr. S.D. Tex. Feb. 11, 2011); *In re Erickson Inc., No. 16-34393 (HDH)* (Bankr. N.D. Tex. Nov. 8, 2016); *In re Connect Transp., LLC, No. 16-33971 (HDH)* (Bankr. N.D. Tex. Oct. 4, 2016); *In re TPP Acquisition, Inc. d/b/a The Picture People, No. 16-33437 (HDH)* (Bankr. N.D. Tex. Sept. 2, 2016); *In re CHC Grp. Ltd., No. 16-31854 (BJH)* (Bankr. N.D. Tex. May 5, 2016); *In re Reddy Ice Holdings, Inc., No. 12-32349 (SGJ)* (N.D. Tex. April 12, 2012); *In re Eagle Bulk Shipping Inc., No. 14-12303 (SHL)* (Bankr. S.D.N.Y. Sept. 22, 2014); *In re Source Home Entm't, LLC, No. 14-11553 (KG)* (Bankr. D. Del. Jun. 23, 2014); *In re ConnectEdu, Inc., No. 14-11238 (SCC)* (Bankr. S.D.N.Y. May 1, 2014); *In re MPM Silicones, LLC, No. 14-22503 (RDD)* (Bankr. S.D.N.Y. Apr. 15, 2014); *In re Brookstone Holdings Corp., No. 14-10752 (BLS)* (Bankr. D. Del. Apr. 3, 2014); *In re Physiotherapy Holdings, Inc., No. 1312965 (KG)* (Bankr. D. Del. Nov. 12, 2013); *In re Glob. Aviation Holdings Inc., No. 13-12945 (MFW)* (Bankr. D. Del. Nov. 12, 2013); *In re Metro Affiliates, Inc., No. 13-13591 (SHL)* (Bankr. S.D.N.Y. Nov. 7, 2013); *In re Glob. Aviation Holdings Inc., No. 12-40783 (CEC)* (Bankr. E.D.N.Y. Nov. 14, 2013); *In re Residential Capital, LLC, No. 12-12020 (MG)* (Bankr. S.D.N.Y. May 16, 2012).

(a) assist the Debtors with the preparation and distribution of all required notices in these Chapter 11 Cases including: (i) notice of the commencement of the case, (ii) notice of any claims bar dates, to the extent ordered by the Court, (iii) notices of transfers of claims, (iv) notice of any hearings or combined hearing on chapter 11 plan(s) and disclosure statement(s) filed in these chapter 11 cases, including under Bankruptcy Rule 3017(d), (v) notice of the effective date of the chapter 11 plan, and (vi) all other notices, orders, pleadings, publications, and other documents as the Debtors may deem necessary or appropriate for an orderly administration of these cases;

(b) assist the Debtors with the preparation of the Debtors' Schedules of Assets and Liabilities ("Schedules") and Statements of Financial Affairs ("SOFAs"), including (as needed);

(c) assist the Debtors with plan solicitation services including (i) balloting and solicitation materials, (ii) tabulation and calculation of votes, (iii) determining with respect to each ballot cast, its timeliness and its compliance with the Bankruptcy Code, (iv) preparing an official ballot certification and testifying, if necessary, in support of the ballot tabulation results, and (v) in connection with the foregoing services, process requests for documents from parties in interest, including, if applicable, brokerage firms, bank back-offices, and institutional holders

(d) maintain (i) a list of all potential creditors, equity holders, and other parties in interest, and (ii) a "core" mailing list consisting of all parties described in Bankruptcy Rule 2002 and those parties that have filed a notice of appearance pursuant to Bankruptcy Rule 9010;

(e) maintain a post office box or address for the purpose of receiving correspondence, proofs of claim, ballots, and returned mail, and process all mail received;

(f) for all notices, motions, orders or other pleadings or documents served, prepare and file or cause to be filed with the Clerk an affidavit or certificate of service no more frequently than every seven (7) days that includes (i) either a copy of each notice served for the proceeding seven (7) days or the docket number(s) and title(s) of the pleading(s) served during such period, (ii) a list of persons to whom it was mailed (in alphabetical order) with their addresses, (iii) the manner of service, and (iv) the date served;

(g) receive and process all proofs of claim received, including those received by the Clerk, check said processing for accuracy, and maintain any original proofs

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<sup>3</sup> The list of Claims and Administrative Services to be performed by KCC is intended to be broad and certain services may not be necessary in these Chapter 11 Cases. Only those services that are requested by the Debtors will be performed by KCC.

of claim received in a secure area; if a proof of claim is filed with the Clerk, KCC will cause any such proof of claim to be copied into the Claims Register;

(h) provide an electronic interface for filing proofs of claim;

(i) if a claims bar date is established, maintain an official claims register (the “Claims Register”) fully accessible via KCC’s website, which register shall include all claims filed either with the Clerk or otherwise with KCC, and specify therein the following information for each claim docketed: (i) any claim number assigned, (ii) the date received, (iii) the name and address of the claimant and agent, if applicable, who filed the claim, (iv) the address for payment, if different from the notice address; (v) the amount asserted, (vi) the asserted classification(s) of the claim (e.g., secured, unsecured, priority, etc.), and (vii) any disposition of the claim;

(j) implement necessary security measures to ensure the completeness and integrity of the Claims Register and the safekeeping of any original claims;

(k) record all transfers of claims and provide any notices of such transfers as required by Bankruptcy Rule 3001(e);

(l) upon completion of the docketing process for all claims received to date for each case, turn over to the Clerk copies of the Claims Registers for the Clerk’s review (upon the Clerk’s request);

(m) monitor the Court’s docket for all notices of appearance, address changes, and claims-related pleadings and orders filed and make necessary notations on and/or changes to the claims register and any service or mailing lists, including to identify and eliminate duplicative names and addresses from such lists;

(n) assist in the dissemination of information to the public and respond to requests for administrative information regarding the cases, as directed by the Debtors and/or the Court, including through the use of a case website and/or call center;

(o) comply with all applicable federal, state, municipal, and local statutes, ordinances, rules, regulations, orders and other requirements;

(p) if these chapter 11 cases are converted to cases under chapter 7 of the Bankruptcy Code, contact the Clerk’s office within three (3) days of notice to KCC of entry of the order converting the cases;

(q) thirty (30) days prior to the close of these chapter 11 cases, to the extent practicable, request that the Debtors submit to the Court a proposed order dismissing KCC as Claims and Noticing Agent and terminating its services in such capacity upon completion of its duties and responsibilities and upon the closing of these chapter 11 cases;

(r) within seven (7) days of notice to KCC of entry of an order closing these chapter 11 cases, provide to the Court the final version of the Claims Register as of the date immediately before the close of these chapter 11 cases;

(s) at the close of these chapter 11 cases, (i) box and transport all original documents, in proper format, as provided by the Clerk's office, to (A) the Philadelphia Federal Records Center, 14700 Townsend Road, Philadelphia, PA 19154 or (B) any other location requested by the Clerk's office; and (ii) docket a completed SF-135 Form indicating the accession and location numbers of the archived claims;

(t) provide a confidential data room if requested; and

(u) provide such other processing, solicitation, balloting, and other administrative services described in the KCC Agreement that may be requested from time to time by the Debtors, the Court or the Clerk's office.

#### **COMPENSATION AND REPRESENTATION OF DISINTERESTEDNESS**

10. The Debtors propose to compensate KCC on substantially the terms and conditions set forth in the KCC Agreement, upon receipt of reasonably detailed invoices setting forth the services provided by KCC during the prior month and the rates charged for such services performed.

11. The Debtors respectfully request that the undisputed fees and expenses incurred by KCC in the performance of the Claims and Noticing Services, in accordance with the fee schedule appended thereto, be treated as administrative expenses of the Debtors' estates pursuant to Judicial Code Section 156(c) and Bankruptcy Code Section 503(b)(1)(A) and be paid in the ordinary course of business without further application to or order of the Court. KCC agrees to maintain records of all services performed, showing dates, categories of services, fees charged and expenses incurred, and to serve monthly invoices on the Debtors, the office of the United States Trustee for the Southern District of Texas (the "U.S. Trustee"), counsel for the Debtors, counsel to KeyBank National Association, Matthew E. Tashman and Lloyd A. Lim at Reed Smith LLP, counsel for any official committee monitoring the expenses of the Debtors, and any

party in interest that specifically requests service of the monthly invoices. If any dispute arises relating to the KCC Agreement or monthly invoices, the parties shall meet and confer in an attempt to resolve the dispute. If resolution is not achieved, the parties may seek resolution of the matter from the Court.

12. Prior to the Petition Date, the Debtors provided KCC a retainer in the amount of \$25,000.00. KCC seeks to first apply the retainer to all prepetition invoices and then to have the retainer replenished to the original retainer amount. KCC will hold the retainer under the Services Agreement during these chapter 11 cases as security for the payment of fees and expenses incurred under the KCC Agreement.

13. In connection with its retention as Claims and Noticing Agent, KCC represents in the Gershbein Declaration, among other things, that:

- (a) KCC, its members and employees are not and were not, within two years before the date of the filing of these chapter 11 cases, creditors, equity security holders, insiders or employees of the Debtors;
- (b) KCC will not consider itself employed by the United States government and will not seek any compensation from the United States government in its capacity as the Claims and Noticing Agent in the Chapter 11 Cases;
- (c) By accepting employment in the Chapter 11 Cases, KCC waives any rights to receive compensation from the United States government in connection with the Debtors' Chapter 11 Cases;
- (d) In its capacity as the Claims and Noticing Agent in the Chapter 11 Cases, KCC will not be an agent of the United States and will not act on behalf of the United States; and
- (e) KCC will not employ any past or present employees of the Debtors in connection with its work as the Claims and Noticing Agent in these Chapter 11 Cases;
- (f) KCC is a "disinterested person" as that term is defined in Bankruptcy Code Section 101(14) with respect to the matters upon which it is to be engaged; and



(g) in its capacity as Claims and Noticing Agent in these Chapter 11 Cases, KCC will not intentionally misrepresent any fact to any person;

(h) KCC shall comply with all requests of the Clerk's office and the guidelines promulgated by the Judicial Conference of the United States for the implementation of 28 U.S.C. § 156(c); and

(i) KCC will supplement its disclosure to the Court if any facts or circumstances are discovered that would require such additional disclosure.

14. To the extent that there is any inconsistency between the Application, the Proposed Order, or the KCC Agreement, the Proposed Order, once entered by the Court, will govern.

#### **INDEMNIFICATION PROVISIONS**

15. As part of the overall compensation payable to KCC under the terms of the KCC Agreement, the Debtors have agreed to certain indemnification and contribution obligations as specifically enumerated in the Services Agreement, to the extent permitted by applicable law and as modified in the Order attached hereto.

16. The terms of the KCC Agreement and indemnification provisions included therein were negotiated at arm's-length between the Debtors and KCC, and the Debtors respectfully submit that these provisions of the KCC Agreement are reasonable and in the best interests of the Debtors and their estates and creditors. Moreover, consistent with practice in this jurisdiction, the Debtors requested, and KCC has agreed, that the Court approve the indemnification provisions reflected in the KCC Agreement subject to the modifications set forth in the Order. The Debtors believe that the proposed modifications to the indemnification provisions of the KCC Agreement are appropriate under the circumstances and should be approved.

#### **NUNC PRO TUNC RELIEF IS APPROPRIATE**

17. At the Debtors' request, KCC has acted as the Claims and Noticing Agent since prior to the Petition Date with the understanding that the Debtors would seek approval of its

employment and retention, effective *nunc pro tunc* to the Petition Date, so that KCC may be compensated for its services prior to entry of an order approving KCC's retention. The Debtors believe that no party in interest will be prejudiced by the granting of *nunc pro tunc* employment, because KCC has provided and will continue to provide valuable services to the Debtors' estates in the interim period.<sup>4</sup>

18. Based on the foregoing, the Debtors respectfully submit that they have satisfied the requirements of the Judicial Code and the Bankruptcy Local Rules. Accordingly, the Debtors respectfully request entry of an order pursuant to section 156(c) of the Judicial Code authorizing the Debtors to retain and employ KCC to act as noticing, claims, and balloting agent for the Debtors, effective *nunc pro tunc* to the Petition Date.

#### **EMERGENCY CONSIDERATION**

19. Pursuant to Bankruptcy Local Rule 9013-1(i) and Bankruptcy Rule 6003, the Debtors request emergency consideration of this Motion. Bankruptcy Rule 6003 provides that the relief requested in this Motion may be granted if the "relief is necessary to avoid immediate and irreparable harm." FED. R. BANKR. P. 6003. Immediate and irreparable harm would result if the relief requested herein is not granted. As stated in this Motion, the Debtors believe authorizing KCC to act as the Claims and Noticing Agent within 21 days of the Petition Date is critical to provide administrative continuity and efficiency and to avoid confusion amount parties in interest in these chapter 11 cases. Accordingly, the Debtors submit that they have satisfied the "immediate and irreparable harm" standard of Bankruptcy Rule 6003 and, therefore, respectfully request that the Court approve the relief requested in this Motion on an emergency basis.

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<sup>4</sup> Pursuant to Bankruptcy Local Rule 2014-1(b)(1), an application for approval of employment made within 30 days of the commencement of the provisions of services is deemed contemporaneous. Nonetheless, the Debtors are requesting *nunc pro tunc* approval in an abundance of caution.

**WAIVER OF BANKRUPTCY RULE 6004**

20. With respect to any aspect of the relief sought herein that constitutes a use of property under Bankruptcy Code Section 363(b), the Debtors seek a waiver of the fourteen-day stay under Bankruptcy Rule 6004(h). As described above, the relief that the Debtors seek in this Application is immediately necessary for the Debtors to be able to continue to operate their businesses and preserve the value of their estates. The Debtors thus submit that the requested waiver of the fourteen-day stay imposed by Bankruptcy Rule 6004(h) is appropriate.


**NOTICE**

21. The Debtors have provided notice of this Application to: (a) the United States Trustee; (b) counsel for the Creditors' Committee; (c) Reed Smith LLP, Three Logan Square, 1717 Arch Street, Suite 3100, Philadelphia, PA 19103 (Attn: Matthew E. Tashman), and via email to [mtashman@reedsmith.com](mailto:mtashman@reedsmith.com), counsel to KeyBank National Association in its capacity as Agent and DIP Agent; (d) the United States Attorney's Office for the Southern District of Texas; (e) the Internal Revenue Service; and (f) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtors submit that, under the circumstances, no other or further notice is required.

**DATED: JULY 12, 2018**

Respectfully Submitted,

**NEIGHBORS LEGACY HOLDINGS, INC., ET AL.**

  
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Chad J. Shandler, Chief Restructuring Officer

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

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<b>In re:</b>	:	<b>Chapter 11</b>
	:	
<b>NEIGHBORS LEGACY HOLDINGS, INC., et al.,</b>	:	<b>Case No. 18-33836 (MI)</b>
	:	
<b>Debtors.<sup>1</sup></b>	:	<b>(Jointly Administered)</b>
	:	

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**DECLARATION OF EVAN GERSHBEIN IN SUPPORT OF DEBTORS’ APPLICATION  
TO EMPLOY KURTZMAN CARSON CONSULTANTS LLC AS  
CLAIMS, NOTICING AND SOLICITATION AGENT *NUNC PRO TUNC* TO THE  
PETITION DATE**

I, Evan Gershbein declare as follows:

1. I am the Senior Vice President, Corporate Restructuring of Kurtzman Carson Consultants LLC (“KCC”), which maintains an office at 2335 Alaska Avenue, El Segundo, California, 90245. I submit this declaration in support of the Debtors’ Emergency Application to Employ Kurtzman Carson Consultants LLC as Claims, Noticing and Solicitation Agent *Nunc Pro Tunc* to the Petition Date (the “Application”)<sup>2</sup> pursuant to the terms of the KCC Agreement. The facts set forth herein are personally known to me and, if called as a witness, I could and would testify thereto.

2. As the Claims and Noticing Agent, KCC will perform, at the request of the Debtors and the Clerk, the services specified in the Application and the KCC Agreement.

3. KCC represents that:

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<sup>1</sup> Due to the large number of Debtors in these chapter 11 cases, a complete list of the Debtors and the last four digits of their tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ proposed claims and noticing agent at [www.kccllc.net/neighbors](http://www.kccllc.net/neighbors). The location of Debtors’ principal place of business and the Debtors’ service address is: 10800 Richmond Avenue, Houston, Texas 77042.

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Application.

- (a) It is not a creditor of the Debtors;
- (b) It will not consider itself employed by the United States government and shall not seek any compensation from the United States government in its capacity as the Claims and Administrative Agent in the Chapter 11 Cases;
- (c) By accepting employment in the Chapter 11 Cases, KCC waives any rights to receive compensation from the United States government in connection with the Chapter 11 Cases;
- (d) In its capacity as the Claims and Administrative Agent in the Chapter 11 Cases, KCC will not be an agent of the United States and will not act on behalf of the United States;
- (e) It will not employ any past or present employees of the Debtors in connection with its work as the Claims and Noticing Agent in these Chapter 11 Cases;
- (f) It is a “disinterested person” as that term is defined in Bankruptcy Code Section 101(14) with respect to the matters upon which it is to be engaged;
- (g) In its capacity as Claims and Noticing Agent in these Chapter 11 Cases, KCC will not intentionally misrepresent any fact to any person;
- (h) It shall comply with all requests of the Clerk’s office and the guidelines promulgated by the Judicial Conference of the United States for the implementation of 28 U.S.C. § 156(c); and
- (i) It will supplement its disclosure to the Court if any facts or circumstances are discovered that would require such additional disclosure.

4. KCC is a bankruptcy administrator that specializes in providing comprehensive chapter 11 administrative services including noticing, claims processing, solicitation, balloting, and other related services critical to the effective administration of chapter 11 cases. KCC has developed efficient and cost-effective methods to properly handle the voluminous mailings associated with the noticing, claims processing, solicitation, and balloting portions of chapter 11 cases to ensure the orderly and fair treatment of creditors, equity security holders, and all other parties in interest. KCC has provided identical or substantially similar services in other chapter 11 cases nationwide, including before this Court.

5. In connection with the preparation of this declaration, I caused to be submitted for review by our conflicts system the names of interested parties and significant creditors (the “Potential Parties in Interest”) in these Chapter 11 Cases. The list of Potential Parties in Interest was provided by the Debtors and included the Debtors, the Debtors’ current and former directors and officers, significant stockholders, secured creditors, top unsecured creditors, and other parties. The results of the conflicts check were compiled and reviewed by employees of KCC, under my supervision. At this time, KCC is not aware of any relationship which would present a disqualifying conflict of interest. KCC currently serves, or in the past may have served, in a neutral capacity as claims, noticing, balloting, and/or solicitation agent for these parties or related parties. However, given KCC’s neutral position as Claims and Administrative Agent or administrative advisor in the listed-party’s cases, or any other cases, KCC does not view such relationships as real or potential conflicts. Further, to the best of my knowledge, any such relationship is completely unrelated to these Chapter 11 Cases. Accordingly, to the best of my knowledge, KCC and each of its employees are “disinterested persons,” as that term is defined in Section 101(14) of the Bankruptcy Code, and neither KCC nor any of its employees hold or represent an interest adverse to the Debtors’ estates related to any matter for which KCC will be employed.

6. To the best of my knowledge, and based upon information provided to me by the Debtors, and except as provided herein, neither KCC nor any employee thereof, has any materially adverse connection to the Debtors, their creditors, or other relevant parties. KCC may have relationships with certain of the Debtors’ creditors as vendors or in connection with cases in which KCC serves or has served in a neutral capacity as noticing, claims, balloting, or administrative advisor for another chapter 11 debtor. In addition, KCC personnel may have

relationships with some of the Debtors' creditors or other parties in interest. However, to the best of my knowledge, such relationships, to the extent they exist, are of a personal nature and completely unrelated to the Chapter 11 Cases.

7. KCC has and will continue to represent clients in matters unrelated to the Chapter 11 Cases. In addition, KCC has had and will continue to have relationships in the ordinary course of its business with certain vendors, professionals, and other parties in interest that may be involved in the Chapter 11 Cases in matters unrelated to the Chapter 11 Cases. KCC may also provide professional services to entities or persons that may be creditors or parties in interest in the Chapter 11 Cases, which services do not directly relate to, or have any direct connection with, the Chapter 11 Cases or the Debtors.

8. KCC is an indirect subsidiary of Computershare Limited. Computershare Limited is a financial services and technologies provider for the global securities industry. Within the Computershare corporate structure, KCC operates as a separate, segregated business unit. As such, any relationships that Computershare Limited and its affiliates maintain do not create an interest of KCC that would be materially adverse to the Debtors' estate or any class of creditors or equity security holders.

9. In performing the Claims and Administrative Services as described in the Application, KCC will charge the rates set forth in the KCC Agreement. These rates are at least as favorable as the prices KCC charges in other cases in which the firm has been retained to perform similar services.

10. In addition, the indemnification provisions set forth in the KCC Agreement reflect standard and customary terms of engagement contained in KCC's engagement letters both in and outside of bankruptcy. Based on my experience, these indemnification provisions are similar to

provisions in the engagement letters of other similarly situated companies in engagements both in and outside of bankruptcy.


11. Prior to the Petition Date, the Debtors paid to KCC a retainer in the amount of \$25,000.00 (the "Retainer"). KCC seeks to first apply the retainer to all prepetition invoices, which retainer shall be replenished to the original retainer amount, and thereafter, KCC may hold such retainer under the KCC Agreement during the Chapter 11 Cases as security for the payment of fees and expenses incurred under the KCC Agreement.

12. If appointed as Claims and Noticing Agent, KCC will not (a) cease providing Claims and Noticing Services during the Chapter 11 Cases for any reason, including nonpayment, without an order of the Court or (b) undertake any legal representation of the Debtors, nor provide any advice of a legal nature, outside the scope of the duties outlined in the Application, without prior order from the Court authorizing KCC to do so.

13. KCC will comply with all requests of the Clerk.

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

Dated: July 12, 2018

  
Evan Gershbein





## KCC AGREEMENT FOR SERVICES

This Agreement for Services (this "Agreement") is entered into as of the 24<sup>th</sup> day of January 2018, between Neighbors Global Holdings, LLC (together with its affiliates and subsidiaries, the "Company"),<sup>1</sup> and Kurtzman Carson Consultants LLC (together with its affiliates and subcontractors, "KCC"). In consideration of the premises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

### Terms and Conditions

#### I. SERVICES

A. KCC agrees to provide the Company with consulting services regarding noticing, claims management and reconciliation, plan solicitation, balloting, disbursements and any other services agreed upon by the parties or otherwise required by applicable law, government regulations or court rules or orders (the "Services").

B. KCC further agrees to provide (i) computer software support and training in the use of the support software, (ii) KCC's standard reports as well as consulting and programming support for the Company requested reports, (iii) program modifications, (iv) database modifications, and/or (v) other features and services in accordance with the fees outlined in a pricing schedule provided to the Company (the "KCC Fee Structure").

C. Without limiting the generality of the foregoing, KCC may, upon request by the Company, (i) provide a communications plan, including, but not limited to, preparation of communications materials, dissemination of information and a call center staffed by KCC and/or (ii) provide confidential on-line workspaces or virtual data rooms and publish documents to such workspaces or data rooms (which publication shall not be deemed to violate the confidentiality provisions of this Agreement).

D. The price listed for each service in the KCC Fee Structure represents a bona fide proposal for such services, which may be accepted in whole or in part. Services will be provided when requested by the Company or required by applicable law, government regulations or court rules or orders. Services are mutually exclusive and are deemed delivered and accepted by the Company when provided by KCC.

E. The Company acknowledges and agrees that KCC will often take direction from the Company's representatives, employees, agents and/or professionals (collectively, the "Company Parties") with respect to the Services being provided under this Agreement. The parties agree that KCC may rely upon, and the Company agrees to be bound by, any requests, advice or information provided by the Company Parties to the same extent as if such requests, advice or information were provided by the Company. The Company agrees and understands that KCC shall not provide the Company or any other party with any legal advice.

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<sup>1</sup> The term Company shall include, to the extent applicable, the Company, as debtor and debtor in possession in its chapter 11 case, together with any affiliated debtors and debtors in possession whose chapter 11 cases are jointly administered with the Company's chapter 11 case.



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### II. PRICES, CHARGES AND PAYMENT

A. KCC agrees to charge, and the Company agrees to pay KCC, for the Services at the rates and prices set by KCC that are in effect as of the date of this Agreement and in accordance with the KCC Fee Structure. KCC's prices are generally adjusted periodically to reflect changes in the business and economic environment and are inclusive of all charges. KCC reserves the right to reasonably increase its prices, charges and rates; provided, however, that if any such increase exceeds fifteen percent (15%), KCC will give thirty (30) days written notice to the Company. KCC and the Company agree to a further ten percent (10%) discount on all hourly fees for the lifetime of the Company's Chapter 11 case.

B. In addition to fees and charges for the Services, the Company agrees to pay KCC's reasonable transportation, lodging, and meal expenses incurred in connection with the Services provided under this Agreement.

C. In addition to all fees for the Services and expenses hereunder, the Company shall pay to KCC (i) any fees and charges related to, arising out of, or as a result of any error or omission made by the Company or the Company Parties, as mutually determined by KCC and the Company, and (ii) all taxes that are applicable to this Agreement or that are measured by payments made under this Agreement and are required to be collected by KCC or paid by KCC to a taxing authority.

D. Where the Company requires services that are unusual or beyond the normal business practices of KCC, or are otherwise not provided for in the KCC Fee Structure, the cost of such services shall be charged to the Company at a competitive rate agreeable to the Company.

E. KCC agrees to submit its invoices to the Company monthly and the Company agrees that the amount invoiced is due and payable within thirty (30) days of the Company's receipt of the invoice. KCC's invoices will contain reasonably detailed descriptions of charges for both hourly (fees) and non-hourly (expenses) case specific charges. Where total invoice amounts are expected to exceed \$10,000 in any single month and KCC reasonably believes it will not be paid, KCC may require advance payment from the Company due and payable upon demand and prior to the performance of the Services hereunder. If any amount is unpaid as of thirty (30) days from the receipt of the invoice, the Company further agrees to pay a late charge, calculated as one and one-half percent (1-1/2%) of the total amount unpaid every thirty (30) days. In the case of a dispute in the invoice amount, the Company shall give written notice to KCC within ten (10) days of receipt of the invoice by the Company. The undisputed portion of the invoice will remain due and payable immediately upon receipt of the invoice. Late charges shall not accrue on any amounts in dispute or any amounts unable to be paid due to Court order or applicable law. Unless otherwise agreed to in writing, the fees for print notice and media publication (including commissions) must be paid at least three (3) days in advance of those fees and expenses being incurred.

F. In the event that the Company files for protection pursuant to Chapter 11 of the United States Bankruptcy Code (a "Chapter 11 Filing"), the parties intend that KCC shall be employed pursuant to 28 U.S.C. § 156(c) to the extent possible and otherwise in accordance with applicable bankruptcy law and that all amounts due under this Agreement shall, to the extent possible, be



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paid as administrative expenses of the Company's Chapter 11 estate. As soon as practicable following the Chapter 11 Filing (and otherwise in accordance with applicable law and rules and orders of the Bankruptcy Court), the Company shall cause pleadings to be filed with the Bankruptcy Court seeking entry of an order or orders approving this Agreement (the "Retention Order"). The form and substance of the pleadings and the Retention Order shall be reasonably acceptable to KCC. If the Company's Chapter 11 case converts to a case under Chapter 7 of the Bankruptcy Code, KCC will continue to be paid for the Services in accordance with the terms of this Agreement. The parties recognize and agree that if there is a conflict between the terms of this Agreement and the terms of the Retention Order, the terms of the Retention Order shall govern during the Chapter 11 or other bankruptcy proceeding.

G. To the extent permitted by applicable law, KCC shall receive a retainer in the amount of \$25,000 (the "Retainer") that may be held by KCC as security for the Company's payment obligations under this Agreement. The Retainer is due upon execution of this Agreement. KCC shall be entitled to hold the Retainer until the termination of this Agreement. Following termination of this Agreement, KCC shall return to the Company any amount of the Retainer that remains following application of the Retainer to the payment of unpaid invoices.

### III. RIGHTS OF OWNERSHIP

A. The parties understand that the software programs and other materials furnished by KCC pursuant to this Agreement and/or developed during the course of this Agreement by KCC are the sole property of KCC. The term "program" shall include, without limitation, data processing programs, specifications, applications, routines, and documentation. The Company agrees not to copy or permit others to copy the source code from the support software or any other programs or materials furnished pursuant to this Agreement.

B. The Company further agrees that any ideas, concepts, know-how or techniques relating to data processing or KCC's performance of the Services developed or utilized during the term of this Agreement by KCC shall be the exclusive property of KCC. Fees and expenses paid by the Company do not vest in the Company any rights in such property, it being understood that such property is only being made available for the Company's use during and in connection with the Services provided by KCC under this Agreement.

### IV. NON-SOLICITATION

The Company agrees that neither it nor its subsidiaries or other affiliated companies shall directly or indirectly solicit for employment, employ or otherwise retain employees of KCC during the term of this Agreement and for a period of twelve (12) months after termination of this Agreement unless KCC provides prior written consent to such solicitation or retention.

### V. CONFIDENTIALITY

Each of KCC and the Company, on behalf of themselves and their respective employees, agents, professionals and representatives, agrees to keep confidential all non-public records, systems, procedures, software and other information received from the other party in connection with the Services provided under this Agreement; provided, however, that if either party reasonably believes that it is required to produce any such information by order of any governmental agency



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or other regulatory body it may, upon not less than five (5) business days' written notice to the other party, release the required information.

### VI. SUSPENSION OF SERVICE AND TERMINATION

A. This Agreement shall remain in force until terminated or suspended by either party (i) upon thirty (30) days' written notice to the other party or (ii) immediately upon written notice for Cause (as defined herein). As used herein, the term "Cause" means (i) gross negligence or willful misconduct of KCC that causes serious and material harm to the Company's reorganization under Chapter 11 of the Bankruptcy Code, (ii) the failure of the Company to pay KCC invoices for more than sixty (60) days from the date of invoice, or (iii) the accrual of invoices or unpaid Services in excess of the retainer held by KCC where KCC reasonably believes it will not be paid.

B. In the event that this Agreement is terminated, regardless of the reason for such termination, KCC shall coordinate with the Company and, to the extent applicable, the clerk of the Bankruptcy Court, to maintain an orderly transfer of record keeping functions and KCC shall provide all necessary staff, services and assistance required for an orderly transfer. The Company agrees to pay for such services in accordance with KCC's then existing prices for such services. If such termination occurs following entry of the Retention Order, the Company shall immediately seek entry of an order (in form and substance reasonably acceptable to KCC) that discharges KCC from service and responsibility in the Company's bankruptcy case.

C. Any data, programs, storage media or other materials furnished by the Company to KCC or received by KCC in connection with the Services provided under the terms of this Agreement may be retained by KCC until the Services provided are paid for, or until this Agreement is terminated with the Services paid in full. The Company shall remain liable for all fees and expenses imposed under this Agreement as a result of data or physical media maintained or stored by KCC. KCC shall dispose of the data and media in the manner requested by the Company. The Company agrees to pay KCC for reasonable expenses incurred as a result of the disposition of data or media. If the Company has not utilized KCC's Services under this Agreement for a period of at least ninety (90) days, KCC may dispose of the data or media, and be reimbursed by the Company for the expense of such disposition, after giving the Company thirty (30) days' notice. Notwithstanding any term herein to the contrary, following entry of the Retention Order, the disposition of any data or media by KCC shall be in accordance with any applicable instructions from the clerk of the Bankruptcy Court, local Bankruptcy Court rules and orders of the Bankruptcy Court.

### VII. SYSTEM IMPROVEMENTS

KCC strives to provide continuous improvements in the quality of service to its clients. KCC, therefore, reserves the right to make changes in operating procedure, operating systems, programming languages, general purpose library programs, application programs, time period of accessibility, types of terminal and other equipment and the KCC data center serving the Company, so long as any such changes do not materially interfere with ongoing Services provided to the Company in connection with the Company's Chapter 11 case.



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### VIII. BANK ACCOUNTS

At the Company's request and subject to the Bankruptcy Court approval following any Chapter 11 filing, KCC may be authorized to establish accounts with financial institutions in the name of and as agent for the Company. To the extent that certain financial products are provided to the Company pursuant to KCC's agreement with financial institutions, KCC may receive compensation from such financial institutions for the Services KCC provides pursuant to such agreement.

### IX. LIMITATIONS OF LIABILITY AND INDEMNIFICATION

A. The Company shall indemnify and hold KCC, its affiliates, members, directors, officers, employees, consultants, subcontractors and agents (collectively, the "Indemnified Parties") harmless, to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, judgments, liabilities and expenses (including reasonable counsel fees and expenses) (collectively, "Losses") resulting from, arising out of or related to KCC's performance under this Agreement. Such indemnification shall exclude Losses resulting from KCC's gross negligence or willful misconduct. Without limiting the generality of the foregoing, Losses include any liabilities resulting from claims by any third-parties against any Indemnified Party. The Company shall notify KCC in writing promptly upon the assertion, threat or commencement of any claim, action, investigation or proceeding that the Company becomes aware of with respect to the Services provided by KCC under this Agreement. The Company's indemnification obligations hereunder shall survive the termination of this Agreement.

B. Except as provided herein, KCC's liability to the Company or any person making a claim through or under the Company for any Losses of any kind, even if KCC has been advised of the possibility of such Losses, whether direct or indirect and unless due to gross negligence or willful misconduct of KCC, shall be limited to the total amount billed or billable to the Company for the portion of the particular work which gave rise to the alleged Loss(es). In no event shall KCC be liable for any indirect, special or consequential damages such as loss of anticipated profits or other economic loss in connection with or arising out of the Services provided for in this Agreement. In no event shall KCC's liability to the Company for any Losses, whether direct or indirect, arising out of this Agreement exceed the total amount billed to the Company and actually paid to KCC for the Services contemplated under this Agreement; provided, however, that this limitation shall not apply to the Company during any Chapter 11 case in which the Company is a debtor.

C. The Company is responsible for the accuracy of the programs, data and information it or any Company Party submits for processing to KCC and for the output of such information. KCC does not verify information provided by the Company and, with respect to the preparation of schedules and statements, all decisions are at the sole discretion and direction of the Company. The Company reviews and approves all schedules and statements filed on behalf of, or by, the Company; KCC bears no responsibility for the accuracy or contents therein. The Company agrees to initiate and maintain backup files that would allow the Company to regenerate or duplicate all programs and data submitted by the Company to KCC.

D. The Company agrees that except as expressly set forth herein, KCC makes no representations or warranties, express or implied, including, but not limited to, any implied or



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express warranty of merchantability, fitness or adequacy for a particular purpose or use, quality, productiveness or capacity.

### X. FORCE MAJEURE

Whenever performance by KCC of any of its obligations hereunder is materially prevented or impacted by reason of any act of God, strike, lock-out or other industrial or transportation disturbance, fire, lack of materials, law, regulation or ordinance, war or war condition, or by reason of any other matter beyond KCC's reasonable control, then such performance shall be excused and this Agreement shall be deemed suspended during the continuation of such prevention and for a reasonable time thereafter.

### XI. INDEPENDENT CONTRACTORS

The Company and KCC are and shall be independent contractors of each other and no agency, partnership, joint venture or employment relationship shall arise, directly or indirectly, as a result of this Agreement.

### XII. NOTICES

All notices and requests in connection with this Agreement shall be given or made upon the respective parties in writing and shall be deemed as given as of the third day following the day it is deposited in the U.S. Mail, postage pre-paid or on the day it is given if sent by facsimile or electronic mail or on the day after the day it is sent if sent by overnight courier to the appropriate address set forth below:

Kurtzman Carson Consultants LLC  
2335 Alaska Ave.  
El Segundo, CA 90245  
Attn: Drake D. Foster  
Tel: (310) 823-9000  
Fax: (310) 823-9133  
E-Mail: [dfoster@kccllc.com](mailto:dfoster@kccllc.com)

Neighbors Global Holding, LLC  
10800 Richmond Avenue  
Houston, TX 77042  
Attn: Thomas Gruenert  
Tel: 713.436.5200  
Fax: 713.436.5210  
E-Mail: [tgruenert@neighborshealth.com](mailto:tgruenert@neighborshealth.com)

Or to such other address as the party to receive the notice or request so designates by written notice to the other.

### XIII. APPLICABLE LAW

The validity, enforceability, and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of California.

### XIV. ENTIRE AGREEMENT/MODIFICATIONS

Each party acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and further agrees that it is the complete and exclusive statement of the agreement between the parties, which supersedes and merges all prior proposals, understandings, other agreements, and communications oral and written between the parties relating to the subject



## **KCC AGREEMENT FOR SERVICES**

matter of this Agreement. The Company represents that it has the authority to enter into this Agreement, and this Agreement is non-dischargeable under any applicable statute or law. If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby. This Agreement may be modified only by a written instrument duly executed by an authorized representative of the Company and an officer of KCC.

### **XV. COUNTERPARTS; EFFECTIVENESS**

This Agreement may be executed in two or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. This Agreement will become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties, which delivery may be made by exchange of copies of the signature page by facsimile or electronic mail.

### **XVI. ASSIGNMENT**

This Agreement and the rights and duties hereunder shall not be assignable by the parties hereto, except upon written consent of the other. Notwithstanding the foregoing, this Agreement can be assigned without written consent by KCC to a wholly-owned subsidiary or affiliate of KCC.

### **XVII. ATTORNEYS' FEES**

In the event that any legal action, including an action for declaratory relief, is brought to enforce the performance or interpret the provisions of this Agreement, the parties agree to reimburse the prevailing party's reasonable attorneys' fees, court costs, and all other related expenses, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which the prevailing party may be entitled.

[SIGNATURE PAGE FOLLOWS]



**KCC AGREEMENT FOR SERVICES**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the first date mentioned above.

Kurtzman Carson Consultants LLC

A handwritten signature in black ink, appearing to read 'Evan Gershbein', written over a horizontal line.

BY: Evan Gershbein

DATE: 1/24/18

TITLE: SVP, Corporate Restructuring

Neighbors Global Holding, LLC

A handwritten signature in black ink, appearing to read 'Chad J. Shandler', written over a horizontal line. The date '1/29/18' is written to the right of the signature.

BY: Chad J. Shandler

DATE:

TITLE: Chief Restructuring Officer



**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

<p><b>In re:</b></p> <p><b>NEIGHBORS LEGACY HOLDINGS, INC.,</b> <i>et al.,</i></p> <p style="text-align: center;"><b>Debtors.</b><sup>1</sup></p>	§ § § § § § §	<p><b>Chapter 11</b></p> <p><b>Case No. 18-33836 (MI)</b></p> <p><b>(Jointly Administered)</b></p>
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**ORDER AUTHORIZING THE DEBTORS TO EMPLOY KURTZMAN CARSON  
CONSULTANTS LLC AS CLAIMS, NOTICING AND SOLICITATION  
AGENT TO THE DEBTORS NUNC PRO TUNC TO THE PETITION DATE**

[Relates to Doc. No. \_\_\_\_ ]

The above-referenced debtors and debtors-in-possession (collectively, the “Debtors”) filed their application (the “Application”)<sup>2</sup> to employ Kurtzman Carson Consultants LLC (“KCC”) as claims, noticing and solicitation agent to the Debtors. The Court has jurisdiction over the Application and the relief requested in the Application pursuant to 28 U.S.C. § 1334 and venue is proper in this District pursuant to 11 U.S.C. § 1408. The Application is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and the Court may enter a final order on the Application. The relief requested by the Application is in the best interests of the Debtors, their estates, creditors, stakeholders, and other parties in interest and the Debtors’ gave sufficient and proper notice of the Motion and related hearings. Upon consideration of the Application and First Day Declaration and after hearing statements in support of the Application during proceedings before this Court, the Court finds that good cause exists to grant the requested relief.

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<sup>1</sup> Due to the large number of Debtors in these chapter 11 cases, a complete list of the Debtors and the last four digits of their tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ proposed claims and noticing agent at [www.kccllc.net/neighbors](http://www.kccllc.net/neighbors). The location of Debtors’ principal place of business and the Debtors’ service address is: 10800 Richmond Avenue, Houston, Texas 77042.

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Application or the First Day Declaration.

It is therefore **ORDERED THAT**

1. The Debtors are authorized to retain KCC as Claims and Noticing Agent effective *nunc pro tunc* to the Petition Date under the terms of the KCC Agreement, attached to the Application as **Exhibit B**. KCC is authorized to perform claims, noticing, solicitation, and other administrative services and related tasks on an as-needed basis and as described in the Application.

2. Pursuant to 28 U.S.C. § 156(e), KCC shall maintain the official claims register for each of the Debtors' cases (the "Claims Register").

3. KCC is authorized and directed to provide an electronic interface for filing of proofs of claim and to obtain a post office box or address for the receipt of proofs of claim. KCC shall provide access to the Claims Register without charge, including access to complete copies of proofs of claim with attachments, if any. Proofs of claim should be filed with KCC. If a proof of claim is filed with the Clerk, KCC will cause any such proof of claim to be copied into the Claims Register. A proof of claim is deemed filed at the earlier of its receipt by either KCC or the clerk.

4. All transfers of claim shall be filed with the Court; KCC shall record all transfers of claims and provide notices of all transfers of claims as required by Bankruptcy Rule 3001(e).

5. KCC shall maintain the consolidated creditor matrix on behalf of the Debtors. KCC shall serve notices of the commencement of these cases and the initial 11 U.S.C. § 341 meeting of creditors using the current Official Form 309F notice as modified by the Court. Any claims bar date notice must be approved by the Court prior to being served by KCC. KCC is authorized to serve any other document as requested by the Clerk, the United States Trustee, the Debtors, any official committee, or as otherwise ordered by the Court.

6. The Debtors and KCC are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application and the KCC Agreement.

7. The Debtors are authorized to compensate KCC in accordance with the terms of the KCC Agreement upon the receipt of reasonably detailed invoices setting forth the services provided by KCC and the rates charged for each, and to reimburse KCC for all reasonable and necessary expenses it may incur, upon the presentation of appropriate documentation, without the need for KCC to file fee applications or otherwise seek Court approval for the compensation of its services and reimbursement of its expenses.

8. KCC shall maintain records of all services showing dates, categories of services, fees charged, and expenses incurred, and shall serve monthly invoices on the Debtors, the U.S. Trustee, counsel for the Debtors, counsel to KeyBank National Association in its capacity as Agent and DIP Agent, counsel for any official committee monitoring the expenses of the Debtors, and any party in interest who specifically requests service of the monthly invoices.

9. The parties shall meet and confer in an attempt to resolve any dispute which may arise relating to the KCC Agreement or monthly invoices; provided that the parties may seek resolution of the matter from the Court if resolution is not achieved. Pursuant to section 503(b)(1)(A) of the Bankruptcy Code, the fees and expenses of KCC shall be an administrative expense of the Debtors' estates.

10. KCC may apply its retainer to all prepetition invoices, which retainer may be replenished to the original retainer amount, and thereafter, KCC may hold its retainer under the KCC Agreement during these Chapter 11 Cases as security for the payment of fees and expenses incurred under the KCC Agreement.

11. The indemnification provisions of the KCC Agreement are approved during the pendency of these Chapter 11 Cases, subject to the following:

(a) Subject to the provisions of subparagraph (b) below, the Debtors are authorized to indemnify KCC in accordance with the KCC Agreement for any Losses to any Indemnified Person arising from or related to the performance of the services provided pursuant to the KCC Agreement; provided, however, that KCC shall not be indemnified for any claim arising from services other than the services provided under the KCC Agreement, unless such services and the indemnification therefor are approved by this Court;

(b) Notwithstanding anything to the contrary in the KCC Agreement, the Debtors shall have no obligation to indemnify KCC for any claim or expense that is (i) judicially determined (the determination having become final) to have arisen primarily from KCC's bad faith, gross negligence or willful misconduct, or (ii) for a contractual dispute in which the Debtors allege the breach of KCC's obligations under the KCC Agreement unless this Court determines that indemnification would be permissible pursuant to applicable law, or (iii) settled prior to a judicial determination as to sub-clauses (i) or (ii) above, but determined by this Court, after notice and a hearing, to be a claim or expense for which that person should not receive indemnity under the terms of the KCC Agreement as modified by this Order;

(c) If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these Chapter 11 Cases (that order having become a final order no longer subject to appeal), or (ii) the entry of an order closing these Chapter 11 Cases, KCC believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution, or reimbursement obligations under the KCC Agreement (as modified by this Order), including, without limitation, the advancement of defense costs, KCC must file an application therefor in the Court, and the Debtors may not pay any such amounts to KCC before the entry of an order by this Court approving the payment. This paragraph is intended only to specify the period of time under which the Court shall have jurisdiction over any request for fees and expenses by KCC for indemnification, contribution, or reimbursement, and not a provision limiting the duration of the Debtors' obligation to indemnify KCC. All parties in interest shall retain the right to object to any demand by KCC for indemnification, contribution, or reimbursement.

12. In the event KCC is unable to provide the services set out in this Order, KCC will immediately notify the Clerk and Debtors' counsel and, upon approval of the Court, cause to have all original proofs of claim (if any) and computer information turned over to another claims and administrative agent with the advice and consent of the Clerk and the Debtors' counsel.

13. KCC shall not cease providing the Claims and Administrative Services during these Chapter 11 Cases for any reason without prior order of the Court authorizing KCC to do so; provided that KCC may seek such an order on expedited notice by filing a request with the Court with notice of such request to be served on the Debtors, the U.S. Trustee, counsel for the Debtors, counsel to KeyBank National Association in its capacity as Agent and DIP Agent, and counsel for any official committee in these Chapter 11 Cases by facsimile or overnight delivery; provided, however, that except as expressly provided herein, the Debtors and KCC may otherwise terminate or suspend other services as provided under the KCC Agreement.

14. At least seven days before entry of an order closing these chapter 11 cases, KCC shall reconcile all proofs of claim with the Court, to ensure that all claims received by KCC are accounted for on the Claims Register. Within fourteen days after entry of an order dismissing these chapter 11 cases or thirty days after entry of an order closing these chapter 11 cases, KCC shall: (a) forward to the Clerk an electronic version of all imaged claims; (b) upload the creditor matrix mailing list into CM/ECF; and (c) docket a final Claims Register in the lead case. Further, KCC shall be responsible for archiving any proofs of claims received with the Federal Archives Record Administration, if applicable.

15. In the event of any inconsistency between the KCC Agreement, the Application, and this Order, this Order shall govern. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

16. Notwithstanding the relief granted in this Order and any actions taken pursuant to such relief, nothing in this Order shall be deemed: (a) an admission as to the validity of any prepetition claim against the Debtors; (b) a waiver of the Debtors' or any other party in interest's

rights to dispute any prepetition claim on any grounds; (c) a promise or requirement to pay a prepetition claim; (d) an implication or admission that any particular claim is of a type specified or defined in the Application or this Order; (e) a request or authorization to assume any prepetition agreement, contract, or lease pursuant to Section 365 of the Bankruptcy Code; or (f) a waiver of the Debtors' or any other party in interest's rights under the Bankruptcy Code or any other applicable law.

17. Notice of the Application as provided therein shall be deemed good and sufficient notice of such Application and the requirements of Bankruptcy Rule 6004(a) and the Bankruptcy Local Rules are satisfied by such notice.

18. Notwithstanding any Bankruptcy Rule to the contrary, this Order shall take effect immediately upon its entry.

Dated: \_\_\_\_\_, 2018.

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**THE HONORABLE MARVIN ISGUR  
UNITED STATES BANKRUPTCY JUDGE**