



ENTERED
05/11/2020

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

| | | |
|--|---|---------------------------------|
| In re: |) | |
| |) | Chapter 11 |
| STAGE STORES, INC., <i>et al.</i> , ¹ |) | |
| |) | Case No. 20-32564 (DRJ) |
| Debtors. |) | |
| |) | (Jointly Administered) |
| |) | |
| |) | Re: Docket No. <u>20</u> |

**ORDER APPOINTING KCC
AS CLAIMS, NOTICING, AND SOLICITATION AGENT**

Upon the application (the “Application”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an Order (this “Order”), (a) appointing KCC as claims, noticing, and solicitation agent (“Claims Agent”) in the Debtors’ chapter 11 cases; all as more fully set forth in the Application; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Application in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Application is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and this Court having found that the Debtors’ notice of the Application and opportunity for a hearing on the Application were appropriate under the circumstances and no other notice

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Stage Stores, Inc. (6900) and Specialty Retailers, Inc. (1900). The Debtors’ service address is: 2425 West Loop South, Houston, Texas 77027.

² Capitalized terms used and not defined herein have the meanings ascribed to them in the Application.



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need be provided; and this Court having reviewed the Application and having heard the statements in support of the relief requested therein at a hearing before this Court (the “Hearing”); and this Court having determined that the legal and factual bases set forth in the Application and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. Notwithstanding the terms of the Retention Agreement attached to the Application, the Application is granted solely as set forth in this Order.

2. The Debtors are authorized to retain KCC as the Claims Agent to perform the Claims Services set forth in the Application and under the terms of the Retention Agreement relating to such services, and KCC is authorized to perform such services.

3. KCC shall serve as the custodian of court records and shall be designated as the authorized repository for all proofs of claim filed in these cases and is authorized and directed to maintain the Claims Register for each of the Debtors and to provide the Clerk with a certified duplicate thereof upon request of the Clerk.

4. KCC is authorized and directed to provide an electronic interface for the 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.

5. KCC is authorized to take such other actions to comply with all duties set forth in the Application and this Order.

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

7. Without further order of this Court, the Debtors are authorized to compensate KCC on a monthly basis in accordance with the terms and conditions of the Retention Agreement for the Claims Services, upon KCC's submission of monthly invoices summarizing in reasonable detail the services rendered and expenses incurred in connection therewith, 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 United States Trustee, counsel for any official committee monitoring the expenses of the Debtors, and any party in interest that specifically requests service of the monthly invoices.

9. The parties shall meet and confer in an attempt to resolve any dispute that may arise relating to the Retention Agreement or monthly invoices, and the parties shall seek resolution of the matter from the Court if resolution is not achieved.

10. Pursuant to section 503(b)(1)(A) of the Bankruptcy Code, KCC's fees and expenses incurred in connection with the Claims Services shall be administrative expenses of the Debtors' chapter 11 estates.

11. The application of KCC's retainer to all prepetition invoices is approved. The retainer shall be replenished to the original retainer amount to the extent necessary, and thereafter KCC may hold the retainer as security of payment of KCC's final invoice for services rendered and expenses incurred in performing the Claims Services.

12. Except to the extent set forth below, the Debtors are authorized to indemnify KCC under the terms of the Retention Agreement:

13. KCC shall not be entitled to indemnification, contribution, or reimbursement pursuant to the Retention Agreement for services other than the Claims Services provided under the Retention Agreement, unless such services and the indemnification, contribution, or reimbursement therefor are approved by the Court.

14. The Debtors shall have no obligation to indemnify KCC, or provide contribution or reimbursement to KCC, for any claim or expense that is either: (a) judicially determined (the determination having become final) to have arisen from KCC's gross negligence, willful misconduct, bad faith, self-dealing, breach of fiduciary duty (if any), or fraud, or (b) settled prior to a judicial determination under (a), but determined by this Court, after notice and a hearing, to be a claim or expense for which the Claims Agent should not receive indemnity, contribution, or reimbursement under the terms of the Retention Agreement as modified by this Order.

15. If, before the earlier of (a) the entry of an order confirming a chapter 11 plan in the Debtors' bankruptcy cases (that order having become a final order no longer subject to appeal), or (b) the entry of an order closing the Debtors' bankruptcy cases, KCC believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution, and/or reimbursement obligations under the Retention Agreement (as modified by this Order), including without limitation the advancement of defense costs, KCC must file an application therefor in this 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. In the event that KCC seeks reimbursement from the Debtors for attorneys' fees and expenses in connection with the payment of an indemnity claim pursuant to the Retention Agreement, the invoices and supporting time records for the attorneys' fees and expenses shall be included in KCC's own applications, both interim and final, but determined by this Court after notice and a hearing.

16. In the event KCC is unable to provide the Claims Services, KCC will immediately notify the Clerk and the Debtors' counsel and cause all original proofs of claim and computer information to be turned over to another claims and noticing agent with the advice and consent of the Clerk and Debtors' counsel.

17. KCC shall not cease providing claims and noticing services during the Debtors' chapter 11 cases for any reason, including nonpayment, without an order of the Court.

18. 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 amount of, basis for, or validity of any claim against a Debtor entity under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's right to dispute any claim on any grounds; (c) a promise or requirement to pay any claim; (d) an implication or admission that any particular claim is of a type specified or defined in the Application or any order granting the relief requested by the Application or a finding that any particular claim is an administrative expense claim or other priority claim; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (g) a waiver or limitation of the Debtors', or any other party in interest's, rights under the Bankruptcy Code or any other

applicable law; or (h) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) that may be satisfied pursuant to the relief requested in this Application are valid, and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection, or seek avoidance of, all such liens.

19. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

20. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Application.

21. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Signed: May 11, 2020.



DAVID R. JONES
UNITED STATES BANKRUPTCY JUDGE

United States Bankruptcy Court
Southern District of TexasIn re:
Stage Stores, Inc.
DebtorCase No. 20-32564-drj
Chapter 11**CERTIFICATE OF NOTICE**

District/off: 0541-4

User: emiller
Form ID: pdf002Page 1 of 1
Total Noticed: 7

Date Rcvd: May 11, 2020

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on May 13, 2020.

cr +Andrews Independent School District, et al, C/O Laura J. Monroe,
Perdue, Brandon, Fielder, Collins & Mott, PO Box 817, Lubbock, TX 79408-0817

cr +Brookfield Property REIT, Inc., Kristen N. Pate, 350 N. Orleans St., Suite 300,
Chicago, IL 60654-1607

cr +Humble Independent School District, et al, c/o Owen M. Sonik, PBFCM, LLP,
1235 N. Loop W., Ste 600, Houston, TX 77008-1772

cr +Simon Property Group, Inc., Attn: Ronald M. Tucker, Esq., 225 West Washington Street,
Indianapolis, IN 46204-3438

intp State of Texas, c/o Texas Attorney General's Office, Bankruptcy & Collections Division,
P. O. Box 12548 MC-008, Austin, TX 78711-2548

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.

db +E-mail/Text: BNC-ALLIANCE@QUANTUM3GROUP.COM May 11 2020 22:41:27 Stage Stores, Inc.,
2425 West Loop South, Houston, TX 77027-4300

intp +E-mail/Text: jeremiah.buettner@mcafeetaft.com May 11 2020 22:42:39
McAfee & Taft A Professional Corporation, Two Leadership Square, Tenth Floor,
211 N. Robinson, Oklahoma City, OK 73102, UNITED STATES 73102-7109

TOTAL: 2

***** BYPASSED RECIPIENTS (undeliverable, * duplicate) *****

cr Wells Fargo Bank, National Association, as Adminis

cr Wells Fargo Bank, National Association, as Term Lo

TOTALS: 2, * 0, ## 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.
USPS regulations require that automation-compatible mail display the correct ZIP.

Transmission times for electronic delivery are Eastern Time zone.

I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.**Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.**

Date: May 13, 2020

Signature: /s/Joseph Speetjens**CM/ECF NOTICE OF ELECTRONIC FILING**

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on May 11, 2020 at the address(es) listed below:

Hector Duran, Jr on behalf of U.S. Trustee US Trustee Hector.Duran.Jr@usdoj.gov

Jason Bradley Binford on behalf of Interested Party State of Texas Jason.binford@oag.texas.gov

Kristen N Pate on behalf of Creditor Brookfield Property REIT, Inc. ggpbk@ggp.com

Laura J Monroe on behalf of Creditor Andrews Independent School District, et al
lmbkr@pbfc.com, kroberson@ecf.inforuptcy.com

Matthew D Cavanaugh on behalf of Debtor Specialty Retailers, Inc. mcavanaugh@jw.com,
kgradney@jw.com;dtrevino@jw.com

Matthew D Cavanaugh on behalf of Debtor Stage Stores, Inc. mcavanaugh@jw.com,
kgradney@jw.com;dtrevino@jw.com

Owen Mark Sonik on behalf of Creditor Humble Independent School District, et al
osonik@pbfc.com, tpope@pbfc.com;osonik@ecf.inforuptcy.com;mvaldez@pbfc.com

Ronald M Tucker on behalf of Creditor Simon Property Group, Inc. rtucker@simon.com,
antimm@simon.com;cmartin@simon.com;bankruptcy@simon.com

Ross A Plourde on behalf of Interested Party McAfee & Taft A Professional Corporation
ross.plourde@mcafeetaft.com, annette.strother@mcafeetaft.com

Sean B Davis on behalf of Creditor Wells Fargo Bank, National Association, as Administrative
Agent and Collateral Agent sbdavis@winstead.com, mmingo@winstead.com

Sean B Davis on behalf of Creditor Wells Fargo Bank, National Association, as Term Loan Agent
sbdavis@winstead.com, mmingo@winstead.com

Stephen Douglas Statham on behalf of U.S. Trustee US Trustee stephen.statham@usdoj.gov

US Trustee USTPRegion07.HU.ECF@USDOJ.GOV

TOTAL: 13