

**UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ALABAMA  
SOUTHERN DIVISION**

In re:

WALTER ENERGY, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 15-02741-TOM11

Joint Administration Requested

**ORDER AUTHORIZING THE EMPLOYMENT, RETENTION AND  
APPOINTMENT OF KURTZMAN CARSON CONSULTANTS LLC AS  
CLAIMS AND NOTICING AGENT AND ADMINISTRATIVE ADVISOR  
FOR THE DEBTORS *NUNC PRO TUNC* TO THE PETITION DATE**

Upon the application (the “KCC Application”)<sup>2</sup> of Walter Energy, Inc. and its affiliated debtors and debtors-in-possession in the above-captioned cases (each a “Debtor” and, collectively, the “Debtors”) for entry of an order pursuant to section 156(c) of title 28 of the U.S. Code, sections 105(a) and 327(a) of title 11 of the U.S. Code (the “Bankruptcy Code”) and rule 2002(f) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and appointing Kurtzman Carson Consultants LLC (“KCC”) as claims and noticing agent (“Claims and Noticing Agent”) and administrative advisor (“Administrative Advisor” and together with the Claims and Noticing Agent, the “Claims Agent”) in the Chapter 11 Cases effective *nunc pro tunc* to the Petition Date; and jurisdiction existing for the Court to consider the KCC Application

<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Walter Energy, Inc. (9953); Atlantic Development and Capital, LLC (8121); Atlantic Leaseco, LLC (5308); Blue Creek Coal Sales, Inc. (6986); Blue Creek Energy, Inc. (0986); J.W. Walter, Inc. (0648); Jefferson Warrior Railroad Company, Inc. (3200); Jim Walter Homes, LLC (4589); Jim Walter Resources, Inc. (1186); Maple Coal Co., LLC (6791); Sloss-Sheffield Steel & Iron Company (4884); SP Machine, Inc. (9945); Taft Coal Sales & Associates, Inc. (8731); Tuscaloosa Resources, Inc. (4869); V Manufacturing Company (9790); Walter Black Warrior Basin LLC (5973); Walter Coke, Inc. (9791); Walter Energy Holdings, LLC (1596); Walter Exploration & Production LLC (5786); Walter Home Improvement, Inc. (1633); Walter Land Company (7709); Walter Minerals, Inc. (9714); and Walter Natural Gas, LLC (1198). The location of the Debtors’ corporate headquarters is 3000 Riverchase Galleria, Suite 1700, Birmingham, Alabama 35244-23599.

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



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pursuant to 28 U.S.C. §§ 157, 1334; and upon the Declaration of Evan Gershbein in Support of the Debtors' Application for an Order Authorizing the Employment, Retention and Appointment of Kurtzman Carson Consultants LLC as Claims and Noticing Agent and Administrative Advisor for the Debtors *Nunc Pro Tunc* to the Petition Date attached hereto as Exhibit B to the KCC Application (the "Gershbein Declaration"), and the Debtors having estimated that there are in excess of 50,000 entities to be noticed in these Chapter 11 Cases, many of which are expected to file proofs of claim; and it appearing that the receiving, docketing and maintaining of proofs of claim would be unduly time consuming and burdensome for the Clerk; and the Court being authorized under 28 U.S.C. § 156(c) to utilize, at the Debtors' expense, outside agents and facilities to provide notices to parties in chapter 11 cases and to receive, docket, maintain, photocopy and transmit proofs of claim; and the Court being satisfied that KCC has the capability and experience to provide such services and does not hold an interest adverse to the Debtors or the estates respecting the matters upon which it is to be engaged; and good and sufficient notice of this KCC Application having been given and no other or further notice being required; and it appearing that the employment of KCC is in the best interests of the Debtors, their estates and creditors; and sufficient cause appearing therefor, it is hereby ORDERED that:

1. Notwithstanding the terms of the Engagement Agreement, the KCC Application is approved solely as set forth in this Order.

2. 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 Engagement Agreement and KCC is authorized and directed to perform noticing services and to receive, maintain, record and otherwise administer the proofs of claim filed in these cases and all related tasks, all as described in the KCC Application.

3. The Debtors are authorized to retain KCC as Administrative Advisor effective *nunc pro tunc* to the Petition Date under the terms of the Engagement Agreement.

4. 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 a Claims Register for each of the Debtors and to provide the Clerk with a certified duplicate thereof upon the request of the Clerk.

5. KCC is authorized and directed to obtain a post office box or address for the receipt of proofs of claim.

6. KCC is authorized to take such other action to comply with all duties set forth in the KCC Application.

7. The Debtors are authorized to compensate KCC for its fees and expenses incurred in connection with its appointment as Claims and Noticing Agent in accordance with the terms of the Engagement 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, counsel for the Debtors, the Office of the Bankruptcy Administrator for the Northern District of Alabama, counsel for the Debtors, counsel to the steering committee of first lien debt holders, counsel for any official committee monitoring the expenses of the Debtors and any party-in-interest who specifically requests service of the monthly invoices. Parties shall meet and confer in an attempt

to resolve any dispute which may arise relating to the Engagement Agreement or monthly invoices, provided that the parties may seek resolution of the matter from the Court if resolution is not achieved.

9. KCC shall apply to the Court for allowances of compensation and reimbursement of out-of-pocket expenses incurred in respect of its services as Administrative Advisor in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, Local Rule 2016-1 and further orders of this Court entered in the Chapter 11 Cases.

10. If KCC's fees increase from the fees set forth in the Engagement Agreement, KCC shall file a supplemental declaration with the Court describing such increases.

11. Pursuant to section 503(b)(1)(A) of the Bankruptcy Code, the fees and expenses of KCC under this Order shall be an administrative expense of the Debtors' estates.

12. KCC shall first apply its Retainer to all outstanding prepetition invoices and, thereafter, KCC shall apply any unapplied portion of the Retainer as of the Petition Date against invoices issued to the Debtors for any postpetition services rendered under the Engagement Agreement until the Retainer is fully exhausted before KCC seeks further payment from the Debtors.

13. The Debtors shall indemnify KCC under the terms of the Engagement Agreement, as modified by paragraphs 14-16 herein.

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

15. Notwithstanding anything to the contrary in the Engagement Agreement, the Debtors shall have no obligation to indemnify KCC, or provide contribution or reimbursement to KCC, for any claim or expense that is either: (i) judicially determined (the determination having become final) to have arisen from KCC's gross negligence, willful misconduct, or fraud; (ii) for a contractual dispute in which the Debtors allege a breach of KCC's contractual obligations, if the Court determines that indemnification, contribution or reimbursement would not be permissible pursuant to applicable law; or (iii) settled prior to a judicial determination under (i) or (ii), but determined by this Court, after notice and a hearing, to be a claim or expense for which KCC should not receive indemnity, contribution or reimbursement under the terms of the Engagement Agreement as modified by this Order.

16. 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 and/or reimbursement obligations under the Engagement Agreement (as modified by this Order), including, without limitation, the advancement of defense costs, KCC must file an application 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 is 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.

17. In the event KCC is unable to provide the Claims and Noticing Agent services set out in this Order, KCC will immediately notify the Clerk and Debtors' counsel and cause to have all original proofs of claim and computer information turned over to another claims and noticing agent with the advice and consent of the Clerk and Debtors' counsel.

18. The Debtors may submit a separate retention application, pursuant to section 330 of the Bankruptcy Code and/or any applicable law, for work that is to be performed by KCC, but is not specifically authorized by this Order.

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

20. KCC shall not cease providing claims processing services during the Chapter 11 Cases for any reason, including nonpayment, without an order of the Court.

21. In the event of any inconsistency between the Engagement Agreement, the KCC Application and this Order, this Order shall govern.

22. Notwithstanding any provision in the Bankruptcy Rules to the contrary, this Order shall be immediately effective and enforceable upon its entry.

23. Notwithstanding any term in the Engagement Agreement to the contrary, the Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order and/or the Engagement Agreement.

Dated: July 15, 2015

/s/ Tamara O. Mitchell  
TAMARA O. MITCHELL  
United States Bankruptcy Judge

## Notice Recipients

District/Off: 1126-2  
Case: 15-02741-TOM11

User: Itumlin  
Form ID: pdf000

Date Created: 7/15/2015  
Total: 28

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aty	William (Will) Lee Thuston, Jr.	wlt@csattorneys.com

TOTAL: 12

### Recipients submitted to the BNC (Bankruptcy Noticing Center):

db	Walter Energy, Inc.	3000 Riverchase Galleria	Suite 1700	Birmingham, AL 35244-2359
cr	WHH Real Estate, LLC	c/o Daniel D. Sparks	505 20th Street North	Suite 1800 Birmingham,
	AL 35203			
cr	Cowin & Company, Inc.	c/o Daniel D. Sparks	505 20th Street North	Suite 1800 Birmingham,
	AL 35203			
cr	Nelson Brothers, LLC	c/o Daniel D. Sparks	505 20th Street North	Suite 1800 Birmingham,
	AL 35203			
ba	J. Thomas Corbett	Bankruptcy Administrator	1800 5th Avenue North	Birmingham, AL 35203
cr	United Mine Workers of America	c/o Sharon L. Levine	Lowenstein Sandler, LLP	65 Livingston
	Avenue & 6 Becker Farm Rd	Roseland, NJ 07068		
crcm	Steering Committee	c/o Akin Gump Strauss Hauer & Feld LLP	One Bryant Park	Bank of America
	Tower	New York, NY 10036-6745		
intp	Wilmington Trust, National Association	Corporate Capital Markets	50 South Sixth Street Ste	
	1290	Minneapolis, MN 55402		
intp	Scott Greissman	White & Case LLP	1155 Avenue of the Americas	New York, NY 10036
cr	Alabama State Port Authority	c/o Benjamin S. Goldman, Esquire	2001 Park Place North	Suite
	1200	Birmingham, AL 35203		
cr	Thompson Tractor Co., Inc.	c/o Benjamin S. Goldman, Esquire	2001 Park Place North	Suite
	1200	Birmingham, AL 35203 UNITED STATES		
cr	Parker Towing Company, Inc.	c/o Benjamin S. Goldman, Esquire	2001 Park Place North	Suite
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	DC 20036			
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smg	Thomas Corbett	BA Birmingham	1800 5th Avenue North	Birmingham, AL 35203

TOTAL: 16