

**UNITED STATES BANKRUPTCY COURT
 SOUTHERN DISTRICT OF NEW YORK**

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In re : **Chapter 11**
 :
THE McCLATCHY COMPANY, et al., : **Case No. 20-10418 (MEW)**
 :
Debtors.¹ : **(Joint Administration Pending)**
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**BRIDGE WAGES ORDER AUTHORIZING NON-INSIDER DEBTORS' EMPLOYEES
 TO CONTINUE USING CORPORATE CREDIT CARDS**

Upon the emergency motion (the “**Emergency Motion**”)² of the Debtors for a bridge order (this “**Bridge Order**”) under Bankruptcy Code sections 105(a), 363, 364, 1107(a), and 1108 and Bankruptcy Rules 4001, 6003, and 6004, and Local Rules 4001-2(c) and 9013-1(a), granting the Debtors’ non-insider employees limited authority to continue using the Corporate Credit Cards in the ordinary course of business and consistent with the Debtors’ prepetition practices during the time period between the date hereof and the entry of the Interim Order granting or denying the relief requested in the *Debtors’ Motion for Entry of Interim and Final Orders Authorizing the Debtors to Pay Prepetition Wages, Compensation, and Employee Benefits* filed substantially contemporaneously herewith (the “**Bridge Period**”); and upon consideration of the First Day Declaration; and this Court having jurisdiction over this matter

¹ The last four digits of Debtor The McClatchy Company’s tax identification number are 0478. Due to the large number of debtor entities in these chapter 11 cases, for which the Debtors have requested joint administration, a complete list of the debtor entities and the last four digits of their federal 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 <http://www.kccllc.net/McClatchy>. The location of the Debtors’ service address for purposes of these chapter 11 cases is: 2100 Q Street, Sacramento, California 95816.

² Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Emergency Motion.



pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the Southern District of New York*, dated January 31, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that this Court may enter a Bridge Order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Emergency Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and due and sufficient notice of this Emergency Motion having been given under the particular circumstances; and it appearing that no other or further notice is necessary; and it appearing that the relief requested in the Emergency Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and after due deliberation thereon; and good and sufficient cause appearing therefor; it is hereby;

ORDERED, ADJUDGED, AND DECREED that:

1. The Debtors' non-insider employees are authorized to continue using the Corporate Credit Cards and performing their obligations under the Card Agreement subject to the terms and conditions thereof during the Bridge Period. Wells Fargo is authorized to make advances from time to time during the Bridge Period with a maximum exposure at any time up to \$200,000. The Debtors are authorized to pay all charges and fees pursuant to the Card Agreement whether accrued prepetition or postpetition. The indebtedness owed by Debtors to Wells Fargo in respect of the Card Agreement is secured by certain collateral (the "**Collateral**") pursuant to the terms of that certain Credit Agreement (and the other Loan Documents as referenced and defined therein), dated as of July 16, 2018, by and between Wells Fargo and certain of the Debtors, as such agreement may have been amended, restated, supplemented or otherwise modified from time to time. Wells Fargo has and shall continue to have a valid and

perfected, non-avoidable first-priority lien in such Collateral and any proceeds thereof and may, but shall not be required to, apply amounts from any reserve against the obligations arising under the Card Agreement. Such lien shall not be primed by any lien granted to any post-petition lender or other person except as set forth in the following sentence. To satisfy the requirement that Wells Fargo continue to have a valid and perfected, non-avoidable first-priority lien in such Collateral and any proceeds thereof, Debtors grant Wells Fargo a priming lien and security interest pursuant to Bankruptcy Code section 364(d)(1) with respect to such Collateral.

2. Wells Fargo may rely on the representation of the Debtors with respect to its use of the Corporate Credit Cards pursuant to the Card Agreement, and Wells Fargo shall not have any liability to any party for relying on such representations by the Debtors as provided for herein. Wells Fargo has acted at arms' length in good faith in connection with this Bridge Order and is entitled to rely upon the protections granted herein and by section 364(e) of the Bankruptcy Code. In accordance with section 364(e) of the Bankruptcy Code, any modification, amendment, reversal, or vacatur by subsequent order of this Court or any other court shall not affect the validity and enforceability of any advances previously made or made hereunder, or lien, claim, or priority authorized or created hereby.

3. Notwithstanding the relief granted herein and any actions taken hereunder, nothing herein shall create, nor is intended to create, any rights in favor of, or enhance the status of any claims, including any claim held by any employee or any third party. For the avoidance of doubt, nothing contained in the Emergency Motion or this Bridge Order is intended or should be construed to create an administrative priority claim on account of any employee.

4. Any party receiving payment from the Debtors is authorized and directed to rely upon the representations of the Debtors as to which payments are authorized by this Bridge Order.

5. No provision of this Bridge Order shall be construed as authority to make any payment which is subject to the provisions of Bankruptcy Code section 503(c).

6. Nothing in the Emergency Motion or this Bridge Order or the relief granted (including any actions taken or payments made by the Debtors pursuant thereto) shall be construed as (a) authority to assume or reject any executory contract or unexpired lease of real property, or as a request for the same; (b) an admission as to the validity, priority, or character of any claim or other asserted right or obligation, or a waiver or other limitation on the Debtors' or any other party in interest's ability to contest the same on any ground permitted by bankruptcy or applicable non-bankruptcy law; (c) a promise to pay any claim or other obligation; (d) granting third-party beneficiary status or bestowing any additional rights on any third party; or (e) being otherwise enforceable by any third party.

7. Notwithstanding Bankruptcy Rule 6004(h), this Bridge Order shall be effective and enforceable immediately upon entry hereof.

8. All time periods set forth in this Bridge Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

9. The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Bridge Order.

10. This Court shall retain exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Bridge Order.

Dated: New York, New York
February 13, 2020

/s/ Michael E. Wiles
UNITED STATES BANKRUPTCY JUDGE