

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re

JCK Legacy Company, *et. al.*,¹

Debtors.

:
: Chapter 11
: Case No. 20-10418 (MEW)
: Jointly Administered
:
: **Objection Deadline: Nov. 12, 2020 at 4:00 p.m. (ET)**
:

**SEVENTH MONTHLY AND FINAL APPLICATION OF BERKELEY RESEARCH
GROUP, LLC FOR COMPENSATION FOR SERVICES RENDERED AND
REIMBURSEMENT OF EXPENSES AS CO-FINANCIAL ADVISOR TO THE
OFFICIAL COMMITTEE OF UNSECURED CREDITORS DURING THE PERIOD
FROM FEBRUARY 26, 2020 THROUGH SEPTEMBER 30, 2020**

Name of Applicant:	Berkeley Research Group, LLC
Authorized to Provide Professional Services to:	The Official Committee of Unsecured Creditors (the " <u>Committee</u> ")
Date of Retention:	March 27, 2020 <i>nunc pro tunc</i> to February 26, 2020
Period for which <i>Interim</i> Compensation and Reimbursement is Sought:	September 1, 2020 through September 30, 2020
Amount of <i>Interim</i> Compensation Sought as Actual, Reasonable and Necessary:	\$40,341.00
Amount of <i>Interim</i> Expense Reimbursement Sought as Actual, Reasonable and Necessary:	\$0.00
Total Amount of <i>Interim</i> Fees and Expense Reimbursement Sought as Actual, Reasonable and Necessary:	\$40,341.00
Period for which <i>Final</i> Compensation and Reimbursement is Sought:	February 26, 2020 through September 30, 2020

¹ The last four digits of Debtor JCK Legacy Company's tax identification number are 0478. Due to the large number of debtor entities in these jointly administered chapter 11 cases, 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.kcellc.net/McClatchy>. The location of the Debtors' service address for purposes of these chapter 11 cases is: 2100 Q Street, Sacramento, California 95816.



Amount of *Final* Compensation Sought as
Actual, Reasonable and Necessary: \$2,019,267.19²

Amount of *Final* Expense Reimbursement
Sought as Actual, Reasonable and Necessary: \$6,339.47

Total Amount of *Final* Fees and Expense
Reimbursement Sought as Actual, Reasonable
and Necessary: **\$2,025,606.66**

This is a(n): X Monthly Application ___ Interim Application X Final Application

After September 30, 2020, BRG professionals rendered additional services in preparing and filing this Application. Amounts related to such services are not included in this Application.

Note: To conserve resources, BRG has not filed a separate interim fee application for the period from June 1, 2020 through September 30, 2020. Accordingly, the fees and expenses for this period have not yet been approved by the Court. By its request for final approval and payment of all fees and expenses, this Application also constitutes a request for approval of the fees for the June 1, 2020 through September 30, 2020 period.

Summary of Fee Statements and Applications Filed

<i>Application</i>		<i>Requested</i>		<i>Order</i>	<i>Paid to Date</i>	
Date Filed/ Docket No.	Period Covered	Total Fees	Expenses	Date Filed/ Docket No.	Fees	Expenses
5/30/2020 Dkt No. 496	2/26/2020 - 3/31/2020	\$809,220.50	\$0.00	N/A	\$809,220.50	\$0.00
5/30/2020 Dkt No. 497	4/1/2020 - 4/30/2020	\$494,326.70	\$6,190.00	N/A	\$494,326.70	\$6,190.00
6/30/2020 Dkt No. 603	5/1/2020 - 5/31/2020	\$351,990.00	\$0.00	N/A	\$351,990.00	\$0.00
6/30/2020 Dkt No. 604	2/26/2020 - 5/31/2020	\$1,655,537.20	\$6,190.00	N/A	\$1,655,537.20	\$6,190.00
7/30/2020 Dkt No. 719	6/1/2020 - 6/30/2020	\$211,361.50	\$108.19	N/A	\$169,089.20	\$108.19
8/28/2020 Dkt No. 801	7/1/2020 - 7/31/2020	\$176,996.50	\$41.28	N/A	\$141,597.20	\$41.28
9/14/2020 Dkt No. 842	8/1/2020 - 8/31/2020	\$39,185.00	\$0.00	N/A	\$12,702.59	\$0.00
Totals		\$2,083,080.20	\$6,339.47		\$1,978,926.19	\$6,339.47

² The amount sought in this Application already incorporates the discount agreed by each of the Committee Professionals, including BRG, in connection with the Global Settlement.



Berkeley Research Group, LLC

Attachment A: Fees By Professional

For the Period 9/1/20 through 9/30/20

Professional	Title	Billing Rate	Hours	Fees
C. Kearns	Managing Director	\$1,095.00	3.1	\$3,394.50
J. Surdoval	Managing Director	\$865.00	41.1	\$35,551.50
K. Hendry	Case Assistant	\$180.00	5.0	\$900.00
M. Haverkamp	Case Manager	\$260.00	1.5	\$390.00
N. Vazza	Case Assistant	\$150.00	0.7	\$105.00
Total			51.4	\$40,341.00
Blended Rate				\$784.84



Berkeley Research Group, LLC

Attachment A: Fees By Professional

For the Period 2/26/20 through 9/30/20

Professional	Title	Billing Rate	Hours	Fees
A. Dianderas	Senior Associate	\$365.00	384.3	\$140,269.50
C. F. Goodrich	Director	\$400.00	345.0	\$138,000.00
C. Kearns	Managing Director	\$1,095.00	216.9	\$237,505.50
D. Benson	Case Assistant	\$33.92	1.2	\$40.70
D. Galfus	Managing Director	\$1,040.00	92.2	\$95,888.00
E. Lord	Associate	\$280.00	28.1	\$7,868.00
G. Koutouras	Managing Director	\$795.00	45.2	\$35,934.00
J. Blum	Case Assistant	\$155.00	1.2	\$186.00
J. Dunn	Managing Director	\$825.00	148.4	\$122,430.00
J. Surdoval	Managing Director	\$865.00	830.1	\$718,036.50
J. Witkowski	Senior Associate	\$365.00	427.6	\$156,074.00
J. Woodmansee	Director	\$635.00	409.1	\$259,778.50
J. Wu	Managing Consultant	\$465.00	271.8	\$126,387.00
K. Hendry	Case Assistant	\$180.00	8.0	\$1,440.00
M. Galfus	Associate	\$305.00	21.6	\$6,588.00
M. Haverkamp	Case Manager	\$260.00	69.7	\$18,122.00
N. Johnson	Case Assistant	\$150.00	22.2	\$3,330.00
N. Lee	Associate	\$250.00	1.6	\$400.00
N. Vazza	Case Assistant	\$150.00	77.7	\$11,655.00
N. Zeien	Managing Consultant	\$340.00	1.0	\$340.00
O. Freidzon	Director	\$685.00	7.9	\$5,411.50

Berkeley Research Group, LLC

Invoice for the 2/26/20 - 9/30/20 Period

Professional	Title	Billing Rate	Hours	Fees
Q. Liu	Senior Managing Consultant	\$450.00	80.7	\$36,315.00
S. Kutikov	Managing Consultant	\$395.00	3.6	\$1,422.00
Total			3,495.1	\$2,123,421.20
Blended Rate				\$607.54

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REIMBURSEMENT OF EXPENSES AS CO-FINANCIAL ADVISOR TO THE
OFFICIAL COMMITTEE OF UNSECURED CREDITORS DURING THE PERIOD
FROM FEBRUARY 26, 2020 THROUGH SEPTEMBER 30, 2020**

Berkeley Research Group, LLC (“BRG”) co-financial advisor to the Official Committee of Unsecured Creditors (the “Committee”) of the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”), submits its seventh monthly and final application (the “Application”) pursuant to sections 330, 331 and 503(b) of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 2016-1 of the Local Rules for the United States Bankruptcy Court for the Southern District of New York (the “Local Rules”), the Amended Guidelines for Fees and Disbursements for Professionals in the Southern District of New York Bankruptcy Cases, dated January 29, 2013 (the “Local Guidelines”), and the United States Trustee’s Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses filed under 11 U.S.C. § 330, effective January 30, 1996 (the “U.S. Trustee Guidelines” and together with the Local Guidelines, the “Guidelines”) seeking: (a) the allowance of reasonable compensation for professional services rendered by BRG

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to the Committee during the period September 1, 2020 through September 30, 2020 (the “Monthly Fee Period”), (b) the allowance of reasonable compensation for professional services rendered by BRG to the Committee during the period February 26, 2020 through September 30, 2020 (the “Final Fee Period”), and (c) reimbursement of actual and necessary charges and disbursements incurred by BRG during the Final Fee Period in the rendition of professional services on behalf of the Committee. In support of the Application, BRG respectfully states as follows:

JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the Southern District of New York (the “Court”) has subject matter jurisdiction to consider and determine the Application pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A). The statutory bases for the relief requested herein are sections 105(a), 330, 331 and 503(b) of the Bankruptcy Code, Bankruptcy Rule 2016, and Local Rule 2016-1.

BACKGROUND

2. On February 13, 2020 (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code (the “Cases”) with the Court.

3. On February 26, 2020, the United States Trustee for the Southern District of New York (the “U.S. Trustee”) filed the *Notice of Appointment of Official Committee of Unsecured Creditors* [Docket No. 114].

4. On February 26, 2020, the Committee selected BRG to serve as its primary financial advisor. The Committee also selected Stroock & Stroock & Lavan (“Stroock” or “Counsel”) to serve as its legal counsel, Dundon Advisers, LLC (“DA”) to serve as its co-financial advisor with a more limited scope as set forth in DA’s retention application, and Moelis & Company (“Moelis”) to serve as its investment banker. This Court entered an order, authorizing

the retention of BRG as financial advisor to the Committee *nunc pro tunc* to February 26, 2020 on April 30, 2020 [Docket No. 387] (the “Retention Order”).

5. On March 11, 2020, this Court entered the *Order Granting Debtors Motion for Order Pursuant to Bankruptcy Code Sections 105(a) and 331, Bankruptcy Rule 2016, and Local Bankruptcy Rule 2016-1 Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 176] (the “Interim Compensation Order”). This Application is made in accordance with the terms of the Interim Compensation Order.

6. On February 13, 2020, the Debtors filed their *Joint Chapter 11 Plan of Reorganization of the McClatchy Company and its Affiliated Debtors and Debtors in Possession* (as amended the “Plan”) and the related disclosure statement. On August 21, 2020, the Debtors filed a supplemental disclosure statement with respect to the Plan, a supplement to the Plan was filed on September 9, 2020, and an amended Plan was filed on September 21, 2020. On September 25, 2020, the Court entered an order confirming the Plan [Docket No. 879]. On September 30, 2020, the effective date of the Plan occurred.

PROFESSIONAL FEES AND DISBURSEMENTS

7. By this Application, BRG seeks interim allowance of fees in the amount of \$40,341.00 for professional services rendered for and on behalf of the Committee during the Monthly Fee Period. BRG also seeks final allowance of fees in the amount of \$2,019,267.19² for professional services rendered for and on behalf of the Committee during the Final Fee Period, and \$6,339.47 for reimbursement of actual and necessary costs and expenses incurred in connection with the rendering of the Final Fee Period services, for a total award of \$2,025,606.66.

² The amount sought in this Application already incorporates the discount agreed by each of the Committee Professionals, including BRG, in connection with the Global Settlement.

8. During the Monthly Fee Period BRG expended an aggregate of 51.4 hours at a blended hourly rate of \$784.84. During the Final Fee Period BRG expended an aggregate of 3,495.1 hours at a blended hourly rate of \$607.54.

9. Attached as **Exhibit B** are the summaries of the hours expended by BRG professionals for each category of services (task code) for the Monthly Fee Period and the Final Fee Period.

10. Attached as **Exhibit C** are BRG's time records for the Monthly Fee Period which include detailed daily time logs describing the time spent by each BRG professional in these cases. Incorporated herein by reference are BRG's time records for all previous monthly fee periods, as delineated in the **Summary of Fee Statements and Applications Filed** table above.

11. BRG also maintains records of all actual and necessary out-of-pocket expenses incurred in connection with the rendition of its professional services. Attached as **Exhibit D** is summary schedule of expenses incurred during the Final Fee Period. The detailed expense records for all previous monthly fee periods, as delineated in the **Summary of Fee Statements and Applications Filed** table above, are also hereby incorporated by reference. The disbursements and expenses have been incurred in accordance with BRG's normal practice of charging clients for expenses clearly related to and required by particular matters. BRG has endeavored to minimize these expenses to the fullest extent possible.

SUMMARY OF SERVICES RENDERED

12. BRG is a global strategic advisory and expert consulting firm that provides independent expert testimony, litigation and regulatory support, authoritative studies, strategic advice, advisory services relating to restructuring and turnaround situations, due diligence, valuation, and capital markets, and document and data analytics to major law firms, businesses, including Fortune 500 corporations, government agencies, and regulatory bodies around the world.

13. Since being retained by the Committee, BRG has rendered professional services to the Committee as requested and as necessary and appropriate in furtherance of the interests of the unsecured creditors of the Debtors' estates. BRG respectfully submits that the professional services that it rendered on behalf of the Committee were necessary and have directly benefited the creditor constituents represented by the Committee and have contributed to the effective administration of these cases.

14. BRG submits that the interim and final fees applied for herein for professional services rendered in performing services for the Committee in this proceeding are fair and reasonable in view of the time spent, the extent of work performed, the nature of the Debtors' capitalization structure and financial condition, the Debtors' financial accounting resources and the results obtained. BRG's fees typically are based on the actual hours charged at BRG's standard hourly rates, which are in effect when the services are rendered.

15. The work involved, and thus the time expended, was carefully assigned in light of the experience and expertise required for a particular task. The staff utilized sought to optimize efficiencies and avoid redundant efforts. The staff of the Debtors or their advisors has been utilized where practical and prudent. In furtherance of the *Declaration of Christopher J. Kearns in Support of the Application for Entry of an Order Authorizing the Employment and Retention of Berkeley Research Group, LLC as Financial Advisor to the Official Committee of Unsecured Creditors, Nunc Pro Tunc to February 26, 2020* (the "Kearns Declaration"), BRG believes that there has been no duplication of services between BRG, Moelis, and Dundon nor any duplication of services between BRG and any other consultants or accountants to the bankruptcy estate.

16. BRG's hourly rates for professionals of comparable experience, are at or below those of firms we consider our competitors. We believe that the compensation in this Application

is based on the customary compensation charged by comparably skilled professionals in cases other than cases under Title 11.

17. Except as set forth in the Kearns Declaration regarding the Consulting Agreement with Mr. Goodrich, no agreement or understanding exists between BRG and any other person for the sharing of compensation received or to be received for services rendered in connection with the chapter 11 cases, except for internal agreements among employees of BRG regarding the sharing of revenue or compensation. Neither BRG nor any of its employees has entered into an agreement or understanding to share compensation with any entity as described in Bankruptcy Rule 2016.

18. BRG, in accordance with the Bankruptcy Rules and the Local Rules, will be charging travel time at 50% of the time incurred. The general summary of the services rendered by BRG during the Fee Period, based on tasks and number of hours is set forth below.

19. The general summary of the services rendered by BRG during the Final Fee Period, based on tasks and number of hours is set forth below.

Asset Acquisition/ Disposition – Task Code 01

20. Time charged to this task code relates to supporting the process to sell the Debtors' assets, including evaluating the sales process, analyzing bid and sale agreements, including APAs, attending hearings and auctions related to the sale process, monitoring the sale closing, and participating in meetings and calls with parties in interest.

21. BRG expended 146.4 hours on this category for a fee of \$130,618.00.

DIP Financing – Task Code 04

22. Time charged to this task code relates to time spent by BRG in analyzing the DIP forecast and budget as well as reviewing the DIP Motion. Specific tasks included, but were not limited to, review and analysis of Debtors' DIP motion, preparing DIP related documents for

parties of interest, developing the DIP variance analysis, review and analysis of various revised DIP budgets, review and analysis of Debtors' proposed DIP modification motion and communicating with Debtors and Counsel thereon.

23. BRG expended 240.4 hours on this category for a fee of \$141,969.00.

Professional Retention/ Fee Application Preparation – Task Code 05

24. Time charged to this task code relates to the development of BRG's retention documents and monthly fee statements for the months of February through August, as well as the first interim fee application.

25. BRG expended 206.7 hours on this category for a fee of \$57,587.20.

Attend Hearings/ Related Activities – Task Code 06

26. Time charged to this task code relates to time spent by BRG attending and preparing for various hearings and mediation sessions. Specific tasks included developing reports and preparing materials for mediation purposes, analyzing key documents in preparation for mediation, and reviewing draft settlement framework materials. Additional time was spent preparing for and corresponding with Counsel and parties of interest regarding mediation and related status, various settlement proposals and constructs, and various motions.

27. BRG expended 164.3 hours on this category for a fee of \$143,425.50.

Interaction/ Meetings with Debtors/ Counsel – Task Code 07

28. Time charged to this task code primarily relates to participating in meetings and calls with the Debtors and their other advisors relating to next steps with respect to these cases, including COVID-19 related matters, tax issues, diligence request lists, mediations and motions, revised projections, cash flows, administrative claims, the settlement, and general case management. Additional time was spent reviewing and preparing materials for these calls and meetings, as well as updating financial and general diligence request lists for the Debtors.

29. BRG expended 88.2 hours on this category for a fee of \$61,832.50.

Interaction/ Meetings with Creditors/ Counsel – Task Code 08

30. Time charged to this task code relates to BRG's interactions with and advisory work for the Committee and its legal Counsel. Key topics included mediation related matters, the DIP, various settlement proposals, various counter proposals, the sales process, case work plans and status, projections, recoveries, and liquidity. Additional time was spent preparing materials for these calls and meetings, reviewing reports prepared for the Committee in advance of upcoming calls, developing reports for the Committee, commenting on draft materials regarding mediation and motions prepared by Counsel, and summarizing due diligence on various matters for Counsel.

31. BRG expended 229.3 hours on this category for a fee of \$205,082.00.

Employee Issues/ KEIP – Task Code 09

32. Time charged to this task code relates to time spent by BRG analyzing the Debtors' KEIP and KERP programs, reviewing the corporate incentive plan, preparing analyses on employee retention plans, and reviewing the wages motion and related materials.

33. BRG expended 44.7 hours on this category for a fee of \$31,002.50.

Recovery/ SubCon/ Lien Analysis – Task Code 10

34. This task code relates to time spent by BRG reviewing and revising various drafts the recovery analysis, reviewing the waterfall analysis, developing the recovery model, lien analysis, and unencumbered assets analysis, and corresponding with Counsel thereon.

35. BRG expended 51.5 hours on this category for a fee of \$34,749.00.

Claim Analysis/ Accounting – Task Code 11

36. This task code relates to time spent by BRG developing reports related to various claims, reviewing the bar date motion, evaluating payments to creditors within 90 days, and corresponding with various parties in interest, including Counsel, regarding the claims pool and

administrative claims.

37. BRG expended 49.0 hours on this category for a fee of \$22,925.50.

Statements and Schedules – Task Code 12

38. Time charged to this task code relates to time spent by BRG in analyzing the Debtors' Schedules of Assets and Liabilities ("SOAL") and Statement of Financial Affairs ("SOFA"). Specific tasks included analyzing the SOAL related to claims, analyzing the SOFA as requested by Counsel, creating a summarization schedule of the 53 Debtors within the SOAL, analyzing forecasted real property sales, and drafting and reviewing the SOFA and SOAL reports for the Committee.

39. BRG expended 119.5 hours on this category for a fee of \$56,247.50.

Intercompany Transactions/ Balances – Task Code 13

40. Time charged to this task code relates to time spent by BRG reviewing the monthly intercompany report.

41. BRG expended 0.3 hours on this category for a fee of \$259.50.

Executory Contracts/ Leases – Task Code 14

42. Time charged to this task code relates to time spent by BRG in analyzing the Debtors' lease and executory contract rejection motions and preparing related summaries and analyses. Additional time was spent corresponding with Counsel thereon.

43. BRG expended 54.3 hours on this category for a fee of \$32,292.50.

Analysis of Historical Results – Task Code 17

44. Time charged to this task code relates to time spent by BRG analyzing the Debtors' historical financial information and related documents. Specific tasks included: (i) reviewing and analyzing SEC filings, including for disclosures on minimum pension funding requirements; (ii) preparing an analysis and presentation of the Company's industry peers' operating expenses and

M&A transaction synergies; (iii) reviewing historical newspaper publications advertising activity; (iv) researching advertising forecasts, analyst and news articles related to the case, and legislation related to minimum pension contribution; and (v) reviewing historical diligence materials posted to data room.

45. BRG expended 200.6 hours on this category for a fee of \$97,998.50.

Operating and Other Reports – Task Code 18

46. Time charged to this task code relates to time spent by BRG reviewing the Company's monthly operating reports and SEC filings, as well as preparing presentations to the Committee thereon.

47. BRG expended 25.6 hours on this category for a fee of \$13,757.00.

Cash Flow/Cash Management Liquidity – Task Code 19

48. Time charged to this task code relates to analysis of the Debtors' cash flows and liquidity. Specific tasks included: (i) analyzing Debtors' DIP projection models; (ii) reviewing liquidity and weekly DIP cash flow reports, as well as the cash management motion; (iii) preparing various DIP cash flow reports for Committee; (iv) reviewing the revised DIP budget related to the cash flow forecast; (v) preparing presentations related to liquidity outlook, (vi) reviewing the wind down budget and funds flows, and (vii) corresponding with Counsel regarding DIP cash flows, budget variance, and Letter of Credit financing, as well as projections and related liquidity.

49. BRG expended 177.7 hours on this category for a fee of \$116,346.00.

Projections/ Business Plan/ Other – Task Code 20

50. Time charged to this task code primary relates to BRG's review and analysis of data and documents related to Debtors' various projection models including: (i) COVID-19 adjusted projections; (ii) the Debtors' five-year projection model; (iii) updated projections

prepared by FTI for bidders related to sales process; (iv) industry comparables; (v) MAGNA forecast data; and (vi) digital advertising.

51. Additional time was spent creating reports and presentations related to the various projection models on the following topics: (i) expense analysis/ cost reduction opportunities; (ii) the five-year projection model revenue growth rate assumptions; (iii) the Company's historical expense and revenue segments; and (iv) diligence findings and related reports for Committee.

52. BRG expended 871.8 hours on this category for a fee of \$498,515.50.

Reclamation/ 503(b)(9) – Task Code 21

53. Time charged to this task code relates to time spent by BRG reviewing the Debtor analysis for both critical vendors and the customer program motions.

54. BRG expended 2.5 hours on this category for a fee of \$2,162.50.

Litigation – Task Code 25

55. Time charged to this task code relates to time spent by BRG reviewing materials in preparation for and participating in mediations with parties in interest related to settlement negotiations and asset sales.

56. BRG expended 2.6 hours on this category for a fee of \$2,525.00.

Tax Issues – Task Code 26

57. Time charged to this task code relates to time spent by BRG reviewing the Debtors' tax related matters. Specific tasks included (i) reviewing historical tax information; (ii) corresponding related to tax issues; (iii) preparing and reviewing analysis related to Debtors' tax analysis; and (iv) participating in meetings with Counsel, Debtors, and their tax advisor related to tax matters.

58. BRG expended 169.4 hours on this category for a fee of \$111,392.00.

Plan of Reorganization/ Disclosure Statement – Task Code 27

59. Time charged to this task code relates to time spent by BRG reviewing drafts of the Chapter 11 Plan (“Plan”) and Disclosure Statement as well as the GUC Trust Agreement. Additional time was spent preparing a case emergence timeline, reviewing the emergence funds flows, and analyzing Plan related issues impacting general unsecured creditors. Further time was spent corresponding with the Debtors’ advisors, Counsel and the Committee related to the Plan process.

60. BRG expended 50.4 hours on this category for a fee of \$41,031.50.

Valuation Analysis – Task Code 28

61. Time charged to this task code relates to time spent by BRG preparing analyses related to valuation of the Debtors. Tasks included reviewing various historical precedent transactions, creditor valuation analysis, Debtor valuation letter regarding waterfall recoveries, and implied multiples and public filings of companies referenced therein.

62. BRG expended 73.6 hours on this category for a fee of \$39,760.00.

Planning – Task Code 31

63. Time charged to this task code relates to time spent by BRG developing work and staffing plans and reviewing documents related to those plans. Additional time was spent preparing and updating weekly estimated fees for the Debtors.

64. BRG expended 11.2 hours on this category for a fee of \$9,164.50.

Document Review – Task Code 32

65. Time charged to this task code relates to time spent by BRG reviewing and preparing various case documents, as well as developing reports and analyses based on those documents. Specific tasks included: (i) preparing a comparable investment banking fee analysis; (ii) reviewing the Debtors’ motions and court filings; (iii) analyzing data room documents; (iv)

updating the investment banking fees exhibit for the UCC; (v) evaluating the Debtors' fee arrangements; and (vi) corresponding with Counsel regarding motions and case status.

66. BRG expended 118.7 hours on this category for a fee of \$69,736.00.

Diligence – Task Code 35

67. Time charged to this task code relates to time spent by BRG analyzing documents and data provided in both the general and mediation data rooms. Specific tasks included analyzing diligence lists and requests, reviewing new documents related to historical financials uploaded to the general data room, and evaluating responsive documents to diligence requests provided by the Debtors.

68. BRG expended 87.6 hours on this category for a fee of \$36,210.50.

Vendor Management – Task Code 37

69. Time charged to this task code relates to time spent by BRG preparing materials for Counsel on investment banking fee comparables and variance analysis on the updated critical vendor list, and reviewing the professional fee cap.

70. BRG expended 12.0 hours on this category for a fee of \$8,890.00.

Investigation/ Litigation – Task Code 40

71. Time charged to this task code relates to BRG's review of documents related to investigation and litigation. Specific tasks included: (i) reviewing documents and email communications provided in the Relativity data room, including those related to projections and pension funding requirements, as well as exchange related documents; (ii) identifying key documents for further analysis and review; (iii) analyzing the Company's board minutes of the Refinancing Committee; (iv) evaluating and developing presentations on the Debtors' credit analysis; (v) preparing documents related to Debtor transactions for Counsel and the Committee; (vi) researching Debtor provided documents related to credit history and transactions; (vii)

reviewing documents related to the standing motion; and (viii) analyzing and revising various components of the Debtor's May 2018 long-range outlook model.

72. BRG expended 296.8 hours on this category for a fee of \$157,941.50.

ACTUAL AND NECESSARY EXPENSES

73. BRG incurred actual out-of-pocket expenses in connection with the rendition of the professional services to the Committee during the Final Fee Period as summarized above, in the sum of \$6,339.47. BRG submits that such expenses were reasonable and were necessary to discharge its services and were in conformity with the Local Guidelines, and BRG respectfully requests reimbursement in full.

74. The disbursements and expenses were incurred in accordance with BRG's normal practice of charging clients for expenses clearly related to and required by particular matters. BRG has endeavored to minimize these expenses to the fullest extent possible.

75. BRG's billing rates do not include charges for photocopying, telephone and facsimile charges, computerized research, travel expenses, "working meals," secretarial overtime, postage and certain other office services, because BRG charges each of its clients only for the costs actually incurred related to performing services for such client. BRG has endeavored to minimize these expenses to the fullest extent possible and does not consider such charges to constitute "overhead."

76. In providing a reimbursable service such as copying or telephone, BRG does not make a profit on that service. In charging for a particular service, BRG does not include in the amount for which reimbursement is sought the amortization of the cost of any investment, equipment or capital outlay. In seeking reimbursement for a service, which BRG justifiably purchased or contracted for from a third party, BRG requests reimbursement only for the amount billed to BRG by such third party vendor and paid by BRG to that vendor.

CERTIFICATION

77. As required by the Guidelines, a certification that the facts set forth in this Application are true and correct, and that this Application complies substantially with the Guidelines, is attached hereto as Exhibit A and made part of this Application.

COMPLIANCE WITH GUIDELINES

78. BRG believes that this Application substantially complies with the Guidelines. To the extent there has not been material compliance with any particular rule or guideline, BRG respectfully requests a waiver or an opportunity to cure.

NOTICE AND NO PRIOR APPLICATION

79. Notice of this Application has been given, in accordance with the Interim Compensation Order. In light of the nature of the relief requested herein, BRG submits that no further or other notice is required.

80. This is BRG's seventh monthly and final fee application pursuant to sections 330 and 331 of the Bankruptcy Code for allowance of fees and reimbursement of expenses in these Chapter 11 Cases. Except as otherwise set forth herein, BRG has made no prior or other application to this or any other Court for the relief requested herein.

[Remainder of this Page Intentionally Left Blank]

WHEREFORE, BRG respectfully requests: (a) that it be allowed on an interim basis fees in the amount of \$40,341.00 for professional services rendered to and on behalf of the Committee during the Monthly Fee Period; (b) that it be allowed on a final basis (i) fees in the amount of \$2,019,267.19³ for professional services rendered to and on behalf of the Committee during the Final Fee Period and (ii) reimbursement of \$6,339.47 for reasonable, actual and necessary expenses incurred during the Final Fee Period; (c) authorizing and directing the Debtors to immediately pay to BRG any allowed unpaid fees and expenses incurred during the Final Fee Period, and (d) granting such other and further relief as the Court may deem just and proper.

Date: October 29, 2020

Berkeley Research Group, LLC

By /s/ Christopher J. Kearns
Christopher J. Kearns
Managing Director
810 Seventh Avenue Suite 4100
New York, NY 10019
212-782-1409

³ The amount sought in this Application already incorporates the discount agreed by each of the Committee Professionals, including BRG, in connection with the Global Settlement.

EXHIBIT A

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

In re

JCK Legacy Company, *et. al.*,¹

Debtors.

:
: Chapter 11
: Case No. 20-10418 (MEW)
: Jointly Administered
:
: **Objection Deadline: Nov. 12, 2020 at 4:00 p.m. (ET)**
:

CERTIFICATION OF CO-FINANCIAL ADVISOR

I, Christopher J. Kearns, Managing Director of Berkeley Research Group, LLC (“BRG”)², on behalf of BRG, as co-financial advisor to the Official Committee of Unsecured Creditors (the “Committee”) appointed in chapter 11 cases of the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”), hereby certify, pursuant to 28 U.S.C. § 1746, the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on January 29, 2013 (the “Local Guidelines”) and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, effective January 30, 1996 (the “UST Guidelines”) and, together with the Local Guidelines, the “Guidelines”), as follows:

¹ The last four digits of Debtor JCK Legacy Company’s tax identification number are 0478. Due to the large number of debtor entities in these jointly administered chapter 11 cases, 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.kcellc.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 not otherwise defined herein shall have the meanings ascribed to them in the Application.

1. I am a Managing Director of BRG and the professional designated by the applicant, BRG, with responsibility in these chapter 11 cases of the Debtors, for compliance with the Guidelines.

2. This certification is made in respect of the *Seventh Monthly and Final Application of Berkeley Research Group, LLC for Compensation for Services Rendered and Reimbursement of Expenses as Co-Financial Advisor to the Official Committee of Unsecured Creditors During the Period from February 26, 2020 through September 30, 2020* (the “Application”) which I have reviewed and further which has been prepared in accordance with the Guidelines.

3. In respect of section A.1 of the Local Guidelines, I certify that:

(a) I have read the Application;

(b) To the best of my knowledge, information, and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Local Guidelines and the UST Guidelines;

(c) The fees and disbursements sought are billed at rates and in accordance with practices customarily employed by BRG and generally accepted by BRG’s clients; and

(d) In providing a reimbursable service, BRG does not make a profit on that service, whether the service is performed by BRG in-house or through a third party.

4. The Committee, the Wind-Down Debtors, and the U.S. Trustee have been, or promptly will be, provided with a copy of the Application at least 14 days prior to the hearing on the Application.

5. I certify, under penalty of perjury, that the foregoing statements made by me are true and correct, to the best of my knowledge, information, and belief.

Dated: October 29, 2020
New York, NY

/s/ Christopher J. Kearns
Christopher J. Kearns

JCK Legacy Company, et al.

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**Berkeley Research Group, LLC****Exhibit B: Fees By Task Code**

For the Period 9/1/20 through 9/30/20

Task Code	Hours	Fees
01. Asset Acquisition/ Disposition	3.9	\$3,534.50
05. Professional Retention/ Fee Application Preparation	9.3	\$3,211.50
06. Attend Hearings/ Related Activities/ Mediation	2.0	\$1,914.00
08. Interaction/ Meetings with Creditors/ Counsel	3.7	\$3,269.50
14. Executory Contracts/ Leases	1.0	\$865.00
19. Cash Flow/Cash Management/ Liquidity	11.1	\$9,693.50
27. Plan of Reorganization/ Disclosure Statement	15.3	\$13,441.50
37. Vendor Management	5.1	\$4,411.50
Total	51.4	\$40,341.00
Blended Rate		\$784.84



Berkeley Research Group, LLC

Exhibit B: Fees By Task Code

For the Period 2/26/20 through 9/30/20

Task Code	Hours	Fees
01. Asset Acquisition/ Disposition	146.4	\$130,618.00
04. DIP Financing	240.4	\$141,969.00
05. Professional Retention/ Fee Application Preparation	206.7	\$57,587.20
06. Attend Hearings/ Related Activities/ Mediation	164.3	\$143,425.50
07. Interaction/ Meetings with Debtors/ Counsel	88.2	\$61,832.50
08. Interaction/ Meetings with Creditors/ Counsel	229.3	\$205,082.00
09. Employee Issues/KEIP	44.7	\$31,002.50
10. Recovery/ SubCon/ Lien Analysis	51.5	\$34,749.00
11. Claim Analysis/ Accounting	49.0	\$22,925.50
12. Statements and Schedules	119.5	\$56,247.50
13. Intercompany Transactions/ Balances	0.3	\$259.50
14. Executory Contracts/ Leases	54.3	\$32,292.50
17. Analysis of Historical Results	200.6	\$97,998.50
18. Operating and Other Reports	25.6	\$13,757.00
19. Cash Flow/Cash Management/ Liquidity	177.7	\$116,346.00
20. Projections/ Business Plan/ Other	871.8	\$498,515.50
21. Reclamation/ 503(b)(9)	2.5	\$2,162.50
25. Litigation	2.6	\$2,525.00
26. Tax Issues	169.4	\$111,392.00

Task Code	Hours	Fees
27. Plan of Reorganization/ Disclosure Statement	50.4	\$41,031.50
28. Valuation Analysis	73.6	\$39,760.00
31. Planning	11.2	\$9,164.50
32. Document Review	118.7	\$69,736.00
35. Diligence	87.6	\$36,210.50
37. Vendor Management	12.0	\$8,890.00
40. Investigation/ Litigation	296.8	\$157,941.50
Total	3,495.1	\$2,123,421.20
Blended Rate		\$607.54

**Berkeley Research Group, LLC****Exhibit C: Time Detail**

For the Period 9/1/20 through 9/30/20

Date	Professional	Hours	Description
01. Asset Acquisition/ Disposition			
9/1/2020	J. Surdoval	0.3	Held call with Counsel (S. Martin) re: funds flow closing process.
9/1/2020	C. Kearns	0.2	Reviewed funds flow at closing.
9/2/2020	J. Surdoval	0.5	Held call with Debtors (S. Harding and E. Brown) re: funds flow for sale closing.
9/3/2020	J. Surdoval	2.4	Reviewed revised funds flow for sale closing.
9/11/2020	C. Kearns	0.5	Reviewed sources and uses at closing including potential issues re: indenture trustee fees.
Task Code Total Hours		3.9	
05. Professional Retention/ Fee Application Preparation			
9/2/2020	M. Haverkamp	0.1	Prepared August fee application.
9/9/2020	K. Hendry	2.5	Prepared August monthly fee application.
9/10/2020	K. Hendry	2.0	Prepared August fee application.
9/10/2020	J. Surdoval	1.0	Reviewed August monthly fee application.
9/10/2020	M. Haverkamp	0.6	Edited August fee application.
9/11/2020	K. Hendry	0.5	Prepared August fee application.
9/14/2020	J. Surdoval	1.1	Reviewed draft August fee application.
9/14/2020	M. Haverkamp	0.8	Edited August fee application.
9/14/2020	N. Vazza	0.7	Prepared August fee application.
Task Code Total Hours		9.3	
06. Attend Hearings/ Related Activities/ Mediation			
9/23/2020	J. Surdoval	0.9	Participated in McClatchy confirmation hearing.
9/23/2020	C. Kearns	0.8	Participated by phone in confirmation hearing.

Date	Professional	Hours	Description
06. Attend Hearings/ Related Activities/ Mediation			
9/23/2020	J. Surdoval	0.3	Reviewed agenda materials in advance of confirmation hearing.
Task Code Total Hours		2.0	
08. Interaction/ Meetings with Creditors/ Counsel			
9/1/2020	J. Surdoval	0.7	Participated in weekly Committee call with Counsel (S. Martin) re: case status, sale closing and GUC trust.
9/1/2020	C. Kearns	0.3	Participated in a portion of the UCC call re: sale closing and Plan trust related issues.
9/3/2020	J. Surdoval	0.6	Participated in portion of Committee call with Counsel (S. Martin) re: case status and GUC trust.
9/11/2020	J. Surdoval	0.5	Participated in call with Counsel (S. Martin) and Debtors (V. Durer and S. Harding) re: administrative claims.
9/11/2020	J. Surdoval	0.2	Held call with Counsel (S. Martin) re: administrative claims.
9/15/2020	J. Surdoval	0.6	Reviewed materials in preparation for weekly Committee call.
9/15/2020	J. Surdoval	0.5	Participated in weekly Committee call with Counsel (K. Hanson) re: case status, D&O policy and claims.
9/29/2020	J. Surdoval	0.3	Participated in Committee call with Counsel (K. Hansen) re: GUC Trust and emergence.
Task Code Total Hours		3.7	
14. Executory Contracts/ Leases			
9/22/2020	J. Surdoval	0.8	Reviewed motion for lease rejection and stipulation.
9/22/2020	J. Surdoval	0.2	Corresponded with Debtors (FTI) re: additional information requests on proposed lease rejection stipulation.
Task Code Total Hours		1.0	
19. Cash Flow/Cash Management/ Liquidity			
9/1/2020	J. Surdoval	0.5	Prepared analysis of funds flow to settlement for wind down budget.
9/1/2020	J. Surdoval	0.2	Participated in daily closing process cash call.
9/2/2020	J. Surdoval	0.4	Participated in daily closing funds flow call with Counsel (S. Martin) and Debtors (V. Durrer and S. Harding).
9/3/2020	J. Surdoval	2.5	Commenced reconciliation of professional fees for funds flow escrows.
9/3/2020	J. Surdoval	1.5	Continued reconciliation of professional fees for funds flow escrows.

Date	Professional	Hours	Description
19. Cash Flow/Cash Management/ Liquidity			
9/3/2020	J. Surdoval	0.8	Held call with FTI (S. Harding and E. Brown) re: funds flow.
9/3/2020	J. Surdoval	0.5	Held call with Counsel (S. Martin) re: funds flow.
9/3/2020	J. Surdoval	0.2	Participated in daily funds flow call with Counsel (S. Martin), Skadden (V. Durer) and FTI (S. Harding).
9/4/2020	J. Surdoval	0.7	Reviewed updated funds flow from Debtors.
9/4/2020	J. Surdoval	0.6	Participated in second funds flow closing call with Counsel (S. Martin) and Debtors (V. Durer and S. Harding).
9/4/2020	C. Kearns	0.4	Reviewed flow of funds and September budget.
9/4/2020	J. Surdoval	0.3	Participated in first funds flow closing call with Counsel (S. Martin) and Debtors (V. Durer and S. Harding).
9/4/2020	J. Surdoval	0.2	Held call with FTI (S. Harding) re: updated funds flow.
9/4/2020	J. Surdoval	0.1	Held call with Counsel (S. Martin) re: updated funds flow.
9/11/2020	J. Surdoval	1.1	Reviewed administrative claims budget and closing sale cash in preparation for administrative claims call.
9/29/2020	J. Surdoval	0.3	Corresponded with Counsel (S. Martin) re: escrow funds flow.
9/29/2020	J. Surdoval	0.3	Corresponded with E. Brown (FTI) re: escrow funds flow.
9/30/2020	J. Surdoval	0.3	Held call with Counsel (S. Martin) re: funds flow.
9/30/2020	J. Surdoval	0.2	Held call with S. Harding (FTI) re: funds flow.
Task Code Total Hours		11.1	

27. Plan of Reorganization/ Disclosure Statement

9/9/2020	J. Surdoval	1.3	Reviewed Plan trust agreement draft.
9/9/2020	J. Surdoval	1.2	Reviewed draft confirmation order.
9/9/2020	J. Surdoval	1.1	Reviewed GUC trust agreement.
9/9/2020	J. Surdoval	1.0	Reviewed draft Harding declaration for Plan supplement.
9/9/2020	J. Surdoval	0.5	Participated in second call with Counsel (S. Martin) and Debtors (V. Durer) re: Plan supplement.
9/9/2020	J. Surdoval	0.4	Reviewed revised red line of GUC trust agreement for Plan supplement.

Date	Professional	Hours	Description
27. Plan of Reorganization/ Disclosure Statement			
9/9/2020	J. Surdoval	0.3	Participated in first call with Counsel (S. Martin) and Debtors (V. Durer) re: Plan supplement.
9/9/2020	J. Surdoval	0.2	Held call with Counsel (S. Martin) re: Plan supplement.
9/10/2020	J. Surdoval	1.2	Reviewed changes to Plan supplement documents.
9/16/2020	J. Surdoval	0.7	Reviewed redline changes to Plan and Disclosure Statement.
9/18/2020	J. Surdoval	1.6	Reviewed updated Plan and Disclosure Statement documents.
9/18/2020	C. Kearns	0.4	Reviewed redline of final Plan related comments.
9/21/2020	J. Surdoval	1.2	Reviewed changes to Plan and Disclosure Statement.
9/21/2020	J. Surdoval	0.2	Held call with Counsel (S. Martin) re: revised Plan and Disclosure Statement.
9/24/2020	C. Kearns	0.3	Reviewed funding/ budget status to exit.
9/29/2020	J. Surdoval	1.1	Reviewed emergence date funds flow.
9/29/2020	J. Surdoval	0.5	Updated analysis on Unsecured Creditor escrow for emergence funds flow.
9/29/2020	J. Surdoval	0.3	Participated in call with Counsel (S. Martin) re: emergence funds flow.
9/29/2020	J. Surdoval	0.2	Corresponded with FTI (E. Brown) re: emergence funds flow.
9/29/2020	J. Surdoval	0.2	Held call with C. Kearns (BRG) re: emergence funds flow.
9/29/2020	J. Surdoval	0.2	Held call with S. Harding (FTI) re: emergence funds flow.
9/29/2020	C. Kearns	0.2	Reviewed final sources and uses to go effective.
9/30/2020	J. Surdoval	0.7	Reviewed updated final emergence date funds flow.
9/30/2020	J. Surdoval	0.3	Participated in call with Counsel (S. Martin) and Debtor advisors (V. Durer of Skadden and S. Harding of FTI) re: emergence cash flows.

Task Code Total Hours**15.3****37. Vendor Management**

9/24/2020	J. Surdoval	2.5	Commenced preparation of analysis for fee cap.
9/24/2020	J. Surdoval	0.7	Commenced review of professional fees for cap.
9/24/2020	J. Surdoval	0.3	Continued preparation of analysis for fee cap.

Berkeley Research Group, LLC

Invoice for the 9/1/20 - 9/30/20 Period

Date	Professional	Hours	Description
37. Vendor Management			
9/25/2020	J. Surdoval	0.5	Updated analysis for professional fee cap.
9/25/2020	J. Surdoval	0.3	Corresponded with Counsel re: professional fee cap.
9/28/2020	J. Surdoval	0.8	Prepared proposal for professional fee escrow excess balance.
Task Code Total Hours		5.1	
Total Hours		51.4	

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**Berkeley Research Group, LLC****Exhibit D: Expenses By Category**

For the Period 2/26/20 through 9/30/20

Expense Category	Amount
01. Travel - Airline	\$596.80
02. Travel - Train and Bus	\$16.10
03. Travel - Taxi	\$104.61
05. Travel - Tolls	\$30.00
06. Travel - Mileage	\$73.55
07. Travel - Parking	\$92.00
08. Travel - Hotel/Lodging	\$186.94
10. Meals	\$61.28
11. Telephone, Fax and Internet	\$140.00
12. Publications	\$38.19
20. Data Research	\$5,000.00
Total Expenses for the Period 2/26/20 through 9/30/20	\$6,339.47