Presentment Date: December 22, 2022 at 12:00 p.m. (Prevailing Eastern Time) Objection Deadline: December 19, 2022 at 4:00 p.m. (Prevailing Eastern Time)

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Leo T. Crowley

Patrick E. Fitzmaurice Kwame O. Akuffo

Counsel for GUC Recovery Trustee

UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

	X	
In re:	:	Chapter 11
JCK LEGACY COMPANY, et al.,	:	Case No. 20-10418 (MEW)
Debtors. ¹	:	(Jointly Administered)
	X	

NOTICE OF PRESENTMENT OF GUC RECOVERY TRUSTEE'S MOTION FOR AN ORDER EXTENDING CLAIMS OBJECTION DEADLINE

PLEASE TAKE NOTICE that upon the annexed GUC Recovery Trustee's Motion For An Order Extending Claims Objection Deadline (the "Motion"), William A. Brandt, Jr., in his capacity as trustee of the JCK Legacy GUC Recovery Trust, will present the attached proposed order to the Honorable Michael E. Wiles, Courtroom 617, at the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), One Bowling Green, New York, New York 10004, on December 22, 2022 at 12:00 p.m. (ET).

¹ The Debtors in these chapter 11 cases and the last four characters of each Debtor's tax identification number are: JCK Legacy Company (0478) and Herald Custom Publishing of Mexico, S. de R.L. de C.V. (5UZ1). The location of the GUC Recovery Trustee's service address for purposes of these chapter 11 cases is: 110 East 42 Street, Suite 1818 New York, NY 10017.

PLEASE TAKE FURTHER NOTICE that any objection to the Motion must be filed on or before December 19, 2022 at 4:00 p.m. (ET) (the "Objection Deadline") with the Bankruptcy Court. At the same time, you must serve a copy of any objection by the Objection Deadline upon the undersigned counsel to the movant and to:

- (a) The Debtors, JCK Legacy Company, c/o FTI Consulting, Inc., 1201 W. Peachtree Street, NW, Suite 500, Atlanta, Georgia 30309, Attn.:Sean M. Harding (sean.harding@fticonsulting.com);
- (b) Counsel for the Plan Administration Trustee, Skadden, Arps, Slate, Meagher & Flom LLP, One Manhattan West, New York, Attn.: York 10001, Shana Α. Elberg (shana.elberg@skadden.com) and Bram A. Strochlic (bram.strochlic@skadden.com), 300 South Grand Avenue, Suite 3400, Los Angeles, California 90071, Attn.: Van C. Durrer, II (van.durrer@skadden.com), and Destiny N. Almogue (destiny.almogue@skadden.com) and 525 University Avenue, Palo Alto, California 94301 Attn.: Jennifer Madden (jennifer.madden@skadden.com);
- (c) Co-counsel for the Plan Administration Trustee, Togut, Segal & Segal LLP, One Penn Plaza, Suite 3335, New York, New York 10119, Attn.: Albert Togut (altogut@teamtogut.com) and Kyle J. Ortiz (kortiz@teamtogut.com);
- (d) The GUC Recovery Trust, c/o Development Specialists, Inc., 122 East 42 Street, Suite 434, New York, New York 10168 Attn.: William A. Brandt., Jr. (bbrandt@DSIconsulting.com); Yale Bogen (YBogen@DSIConsulting.com);
- (e) The Office of the United States Trustee, U.S. Federal Office Building, 201 Varick Street, Room 1006, New York, New York 10014, Attn.: Benjamin J. Higgins and Brian S. Masumoto; and
- (f) Any party that has requested notice pursuant to Bankruptcy Rule 2002;

Only those objections made in writing and timely filed in accordance with the above procedures will be considered by the Bankruptcy Court.

PLEASE TAKE FURTHER NOTICE THAT if no objections are received by the Objection Deadline, the relief requested in the Motion may be garneted without further notice or a hearing. If an objection is filed timely, a hearing will be scheduled, you will be notified of the hearing, and objecting parties will be required to attend the hearing or the Motion may be entered on default.

Dated: December 14, 2022 New York, New York

/s/ Leo T. Crowley

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Counsel for GUC Recovery Trustee

Presentment Date: December 22, 2022 at 12:00 p.m. (Prevailing Eastern Time) Objection Deadline: December 19, 2022 at 4:00 p.m. (Prevailing Eastern Time)

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Leo T. Crowley Patrick E. Fitzmaurice Kwame O. Akuffo

Counsel for GUC Recovery Trustee

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

	X	
In re:	: Chapter 11	
JCK LEGACY COMPANY, et al.,	Case No. 20-1041	8 (MEW)
Debtors. ¹	: (Jointly Administe	ered)
	X	

GUC RECOVERY TRUSTEE'S MOTION BY NOTICE OF PRESENTMENT FOR AN ORDER EXTENDING CLAIMS OBJECTION DEADLINE

William A. Brandt, Jr. in his capacity as trustee of the JCK Legacy GUC Recovery Trust (the "GUC Recovery Trustee"), by and through undersigned counsel, submits this motion (the "Motion") pursuant to section 105 of title 11 of the United States Code (the "Bankruptcy Code"), Rule 9006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and applicable Local Rules of Bankruptcy Procedure of the United States Bankruptcy Court for the Southern District of New York ("Local Rules"), for entry of an order (the "Proposed Order") substantially in the form attached as Exhibit A, extending the deadline by which the GUC

¹ The Debtors in these chapter 11 cases and the last four characters of each Debtor's tax identification number are: JCK Legacy Company (0478) and Herald Custom Publishing of Mexico, S. de R.L. de C.V. (5UZ1). The location of the GUC Recovery Trustee's service address for purposes of these chapter 11 cases is: 110 East 42 Street, Suite 1818 New York, NY 10017.

Recovery Trustee may file objections to claims. In support of the Motion, the GUC Recovery Trustee states as follows:

JURISDICTION AND VENUE

- 1. This Court has jurisdiction over this matter under 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b).
 - 2. Venue is proper in this district under 28 U.S.C. §§ 1408 and 1409.
- 3. The predicates for the relief sought herein are section 105 of the Bankruptcy Code, Bankruptcy Rule 9006, and Local Rule 9074-1(b)(1)(K), applicable to any other type of motion ordered by this Court, in particular, section 1.36 and 8.3 of the Plan herein authorize extensions of the claims objection deadline without notice.

INTRODUCTION

4. The GUC Recovery Trustee respectfully requests a third extension of the current claims objection deadline (December 31, 2022) to **June 30, 2023**. Since his appointment, the GUC Recovery Trustee and his financial advisor and counsel have sufficiently diligenced all general unsecured claims filed against the Debtors' estates and filed claim objections to eliminate invalid claims to and thereby maximize recoveries for unsecured creditors. Although the GUC Recovery Trustee presently does not expect to file any more claim objections, objections would be necessary against existing claims if new facts comes to light or time-barred claims filed in the future. On the latter, such claims may include defamation claims (since the Debtors operated as a newspaper company), employment related claims or individual pension claims already covered by the Pension Benefit Guaranty Corporation ("PGBC"). Thus, until receipt of the GUC Recovery Trust's share of the tax refund (hopefully in the first or second quarter of 2023), claim objections (if any) would

be necessary to continue to improve recoveries or preserve expected recoveries for valid unsecured creditors.

BACKGROUND

- 5. On February 13, 2020 (the "<u>Petition Date</u>"), The McClatchy Company, a corporation organized under the laws of the state of Delaware, and certain of its affiliates (the "<u>Debtors</u>"), filed voluntary petitions for relief under title 11 of the United States Code with the U.S. Bankruptcy Court for the Southern District of New York (the "<u>Bankruptcy Court</u>"). The chapter 11 cases have been jointly administered for procedural purposes, and some cases remain pending.
- 6. On May 21, 2020, the Bankruptcy Court entered an *Order Establishing Bar Dates* for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof, and set July 10, 2020, at 5:00 p.m. (ET) (the "Bar Date"), as the deadline for creditors to file proofs of claim against the Debtors.
- 7. On September 25, 2020, the Bankruptcy Court entered the *Findings of Fact*, *Conclusions of Law, and Order Approving* the *Disclosure Statement and Confirming the First Amended Joint Chapter 11 Plan of Distribution of JCK Legacy Company and its affiliated Debtors and Debtors in Possession*. The Debtors' chapter 11 plan became effective on September 30, 2020 (the "**Effective Date**").
- 8. The Plan created two post-confirmation trusts: (a) the GUC Recovery Trust, which is administered by the GUC Recovery Trustee; and (b) the Plan Administration Trust, which is administered by the Plan Administration Trustee. Plan §§ 6.6 and 6.20.
- 9. Section 8.2 of the Plan provides the Plan Administration Trust is responsible for the resolving all claims, and upon the creation of GUC Recovery Trust, the GUC Recovery Trustee

is authorized to review, object to, settle, resolve, or withdraw any objection to all general unsecured claims. Plan, § 8.2. *See also* Plan Administration Trust Agreement, § 5.2; GUC Recovery Trust Agreement, § 2.2(i).

- 10. Section 1.36 of the Plan defines the "Claims Objection Deadline" as "(a) the day that is the later of (i) the first Business Day that is at least one (1) year after the Effective Date and (ii) as to proofs of claim filed after an applicable Bar Date, the first Business Day that is at least 180 days after a Final Order is entered deeming the late filed claim timely filed or (b) such later date as may be established by the Bankruptcy Court upon request of the GUC Recovery Trust, without further notice to other parties in interest." Section 8.3 of the Plan also provides for extension of the claims objection deadline at "such later date as may be established by the Bankruptcy Court upon request of the Plan Administration Trustee or the GUC Recovery Trustee, as applicable, without further notice to parties in interest." Because there have been multiple extensions in the past, the GUC Recovery Trustee is proceeding by notice of presentment.
- 11. The original claims objection deadline was September 27, 2021. On July 21, 2021, the GUC Recovery Trustee filed a motion to extend the deadline to March 27, 2022, which the Court granted. *See* Docket No. 1234. On February 14, 2022, the Court granted the GUC Recovery Trustee's second request to extend the claims objection deadline to December 31, 2022 (the current deadline), without prejudice to request for further extensions. *See* Docket No. 1402.

RELIEF REQUESTED

12. The GUC Recovery Trustee respectfully requests entry of the Proposed Order under section 105 of the Bankruptcy Code and Bankruptcy Rule 9006, extending the claims objection deadline to June 30, 2023.

DISCUSSION

- 13. Except for certain time periods not applicable here, Bankruptcy Rule 9006 provides that "when an act is required or allowed to be done within a specified period by these rules or by a notice given thereunder or by order of the court, the court for cause shown may at any time in its discretion . . . order the period enlarged if the request therefor is made before the expiration of the period originally prescribed." Fed. R. Bankr. P. 9006(b)(1). See In re Enron Corp., 2003 WL 1889042, at *3 (Bankr. S.D.N.Y. 2003) ("Upon a proper showing, Rule 9006(b)(1) authorizes the Bankruptcy Court to enlarge the time in which a party is required to act"). Section 105 of the Bankruptcy Code also authorizes the Court to "issue any order . . . that is necessary or appropriate to carry out the provisions" of the Bankruptcy Code. 11 U.S.C. § 105(a). Section 1142(b) of the Bankruptcy Code authorizes the court to "direct the debtor and any other necessary party . . . to perform any . . . act . . . that is necessary for the consummation of the plan." 11 U.S.C. § 1142(b).
- 14. Courts in this district, including this Court, have granted requests to enlarge the time by which a party may object to claims. *See, e.g., In re Centric Brands, LLC*, No. 20-22637 (SHL) (Bankr. S.D.N.Y. March 30, 2021) (ECF No. 849); *In re Glansaol Holdings, Inc.*, No. 18-14102 (MEW) (Bankr. S.D.N.Y. March 2, 2020) (ECF No. 596); *In re KIT digital, Inc.*, No. 13-11298 (REG) (Bankr. S.D.N.Y. August 5, 2014) (ECF No. 590).
- 15. The Plan contemplates extension of the claims objection deadline by order of this Court, *see* Plan, §§ 1.36, 8.3, and as discussed below, cause exists to allow the proposed extension.
- 16. Although the GUC Recovery Trustee does not anticipate filing any more claim objections, new facts may come to light that could warrant objections to existing claims. Also, time-barred claims could be filed in the future, which may include individual pension claims or defamation and employment claims. Indeed, after the Bar Date, the GUC Recovery Trustee

objected to certain individual pension claims after informing the claimants that their claims were late and duplicative of the PBGC's claim for unfunded benefit liabilities. *See* ECF No. 1227 (filing omnibus objection to certain claims, including late individual pension claims filed by Thomas R. Pugh and Dolores West); ECF No. 1404 (objecting to late individual pension claims filed by Shawn O'Rourke and John E. Barton); ECF No. 1476 (objecting to late individual pension claims filed by Jeanne M. Benson, Bettie Downing and Dehlia LaCasse). The GUC Recovery Trustee also objected to late-filed defamation and employment related claims, all of which were sustained by the Court. *See* ECF No. 1335 (objecting to \$750,000 late libel claim filed by Anthony J. Brock, Jr.); ECF No. 1363 (objecting to \$300,000 late tort and defamation claims filed by John C. Bolliger); ECF No. 1477 (objecting to \$1.1 million late employment discrimination claim filed by Nirva Boursiquot (after Ms. Boursiquot was repeatedly informed of her obligation to do so for more than a year after she filed her untimely claim)). These objections, among many efforts by the GUC Recovery Trustee, were necessary to reduce the claims pool and preserve recoveries for holders of valid claims.

17. If new facts arise regarding existing claims or late claims are filed in the future, claim objections may be necessary to improve recoveries or preserve recoveries for unsecured creditors. The main expected source of recoveries to such creditors is tax refunds, which was approved by the Internal Revenue Service on September 26, 2022, and the Joint Committee of Taxation on November 4, 2022. The IRS has not distributed the tax refund, and it is unknown when the refund will be distributed. Notwithstanding, the GUC Recovery Trustee is preparing a plan of distribution, which he intends to seek this Court's approval after receipt of the GUC Recovery Trust's share of the refund and be a position to make timely distributions to creditors.

18. In sum, the relief sought herein is in the best interests of the Debtors' estates and the GUC Recovery Trust, and unsecured creditors will not be harmed by the proposed extension.

NOTICE

19. Notice of this Motion will be provided to all parties entitled to receive notice pursuant to Bankruptcy Rule 2002. The GUC Recovery Trustee submits that no other or further notice is required.

CONCLUSION

WHEREFORE, the GUC Recovery Trustee respectfully request that the Court: (a) enter the Proposed Order attached as **Exhibit A**, extending the claims objection deadline to June 30, 2023; and (b) grant such other and further relief as the Court deems necessary and appropriate.

Dated: December 14, 2022 New York, New York

/s/ Leo T. Crowley

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Counsel for GUC Recovery Trustee

Exhibit A

Proposed Order

20-10418-mew Doc 1532-1 Filed 12/14/22 Entered 12/14/22 13:08:56 Exhibit A Proposed Order Pg 2 of 3

UNITED STATES	BANKRUP	TCY	COURT
SOUTHERN DIST	RICT OF N	IEW Y	ORK

	X	
In re:	: Chapter 11	
JCK LEGACY COMPANY, et al.,	: Case No. 20-10418 (MEW	7)
Debtors. ¹	: (Jointly Administered)	
	:	
	x	

ORDER GRANTING GUC RECOVERY TRUSTEE'S MOTION BY NOTICE OF PRESENTMENT FOR AN ORDER EXTENDING CLAIMS OBJECTION DEADLINE

Upon notice of presentment of the motion (the "Motion") of William A. Brandt, Jr. in his capacity as trustee (the "GUC Recovery Trustee") of the GUC Recovery Trust,² for an order extending the deadline by which the GUC Recovery Trustee may object to claims (the "Claims Objection Deadline"); and the Court having jurisdiction under 28 U.S.C. §§ 157 and 1334 to consider the Motion and relief requested; and the Motion and relief requested being a core proceeding under 28 U.S.C. § 157(b)(2); and venue being proper before this Court under 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided; and it appearing that no other notice is needed; and such relief being in the best interest of the Debtors' estates and its creditors, and the GUC Recovery Trust; and the Court having considered all papers submitted; and for good cause shown;

It is hereby **ORDERED** that:

1. The Motion is **GRANTED**;

¹ The Debtors in these chapter 11 cases and the last four characters of each Debtor's tax identification number are: JCK Legacy Company (0478) and Herald Custom Publishing of Mexico, S. de R.L. de C.V. (5UZ1). The location of the GUC Recovery Trustee's service address for purposes of these chapter 11 cases is: 110 East 42 Street, Suite 1818 New York, NY 10017.

² Capitalized terms used and not otherwise defined herein shall have the meaning ascribed to them in the Motion.

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2. The Claims Objection Deadline is extended to June 30, 2023, without prejudice to seek further extensions; and

3. The Court shall retain jurisdiction over any matter arising from or related to the implementation of this Order.

Dated: December ___ , 2022
New York, NY
Michael E. Wiles
United States Bankruptcy Judge