

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

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In re:	)	Chapter 11
	)	
Medley LLC, <sup>1</sup>	)	Case No. 21-10526 (KBO)
	)	
Debtor.	)	

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**DECLARATION OF JAMES LEE REGARDING THE SOLICITATION OF VOTES  
AND TABULATION OF BALLOTS CAST ON THE THIRD AMENDED COMBINED  
DISCLOSURE STATEMENT OF THE CHAPTER 11 PLAN OF MEDLEY LLC**

I, James Lee, declare under penalty of perjury:

1. I am a Vice President, Public Securities Services, employed by Kurtzman Carson Consultants LLC (“**KCC**”), located 1290 Avenue of the Americas, 9<sup>th</sup> Floor, New York, NY 10104. I am over the age of 18 and not a party to this action.

2. Varouj Bakhshian, Director at KCC, assisted in the service and tabulation described herein.

3. I submit this declaration (the “**Voting Report**”) with respect to the solicitation of votes and the tabulation of ballots cast on the *Third Amended Combined Disclosure Statement and Chapter 11 Plan of Medley LLC* [Docket No. 324], dated August 13, 2021 (as amended, supplemented, or modified from time to time, the “**Plan**”). Except as otherwise noted, all facts set forth herein are based on my personal knowledge, knowledge that I acquired from individuals under my supervision, and/or my review of the relevant documents. I am authorized to submit this Voting Report on behalf of KCC. If I were called to testify, I would testify competently as to the facts set forth herein.

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<sup>1</sup> The last four digits of the Debtor’s taxpayer identification number are 7343. The Debtor’s principal executive office is located at 280 Park Avenue, 6<sup>th</sup> Floor East, New York, New York 10017.



4. On March 10, 2021, the Court entered the *Order Appointing Kurtzman Carson Consultants LLC as Claims and Noticing Agent for the Debtor Effective Nunc Pro Tunc to the Petition Date* (the “**Noticing Agent Order**”) [Docket No. 36]. On April 1, 2021, the Court entered the *Order Authorizing the Debtor to Employ and Retain Kurtzman Carson Consultants LLC as Administrative Advisor Effective Nunc Pro Tunc to the Petition Date* (together with the Noticing Agent Order, the “**Retention Orders**”) [Docket No. 82]. The Retention Orders authorize KCC to assist the Debtors with, among other things, the service of solicitation materials and tabulation of votes cast to accept or reject the Plan. KCC has considerable experience in soliciting and tabulating votes to accept or reject proposed plans of reorganization.

**A. Service and Transmittal of Solicitation Packages and Tabulation Process**

5. On August 16, 2021, the Court entered the *Order Granting the Motion of the Debtor for an Order (I) Approving on an Interim Basis the Adequacy of Disclosures in the Combined Plan and Disclosure Statement, (II) Scheduling the Confirmation Hearing and Deadline for Filing Objections, (III) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject the Third Amended Combined Plan and Disclosure Statement, and Approving the Form of Ballot and Solicitation Package, and (IV) Approving the Notice Provisions* [Docket No. 328] (the “**Solicitation Procedures Order**”)<sup>2</sup> establishing, among other things, certain solicitation and voting tabulation procedures.

6. In accordance with the Solicitation Procedures Order, on August 23, 2020, KCC caused to be served (i) the Confirmation Hearing Notice on the creditor matrix and all other parties required to receive such notice pursuant to the Solicitation Procedures Order, (ii) Solicitation

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<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Solicitation Procedures Order and the Plan.

Packages on all know holders of Claims in Class 3 (Notes Claims) and Class 4 (General Unsecured Claims) (together, the “**Voting Classes**”), (iii) the Unimpaired Non-Voting Status Notice in lieu of a Solicitation Package on all known holders of Unimpaired Claims in Classes 1 and 2, and (iv) the Impaired Non-Voting Status Notice in lieu of a Solicitation Package on all known holders of Impaired Claims in Classes 5 and 6. A Certificate of Service evidencing the service of the foregoing was filed with the Court on August 25, 2021 [Docket No. 343].

7. On August 23, 2021, KCC posted links to the electronic versions of Confirmation Hearing Notice, Solicitation Procedures Order, Plan, and Disclosure Statement on the public access website at [www.kccllc.net/medley](http://www.kccllc.net/medley).

8. On September 2, 2021, KCC caused Solicitation Packages to be served on holders of additional Class 4 Claims as instructed by the Debtor’s advisor. A Certificate of Service evidencing this supplemental service was filed with the Court on September 3, 2021 [Docket No. 349].

**B. Tabulation Process**

9. The Solicitation Procedures Order established August 12, 2021 as the date for determining which holders of Claims were entitled to receive Solicitation Packages and, where applicable, vote on the Plan (the “**Voting Record Date**”). Pursuant to the Solicitation Procedures Order, Holders of Claims in Class 3 and Class 4 were entitled to vote to accept or reject the Plan. No other classes were entitled to vote on the Plan.

10. Pursuant to the Solicitation Procedures Order, KCC relied on the Debtors' Schedules of Assets and Liabilities and the Claims information reflected in KCC's CaseView ("**CaseView**")<sup>3</sup> system to identify and solicit Holders of Claims and Interests in the Voting Classes.

11. KCC also relied on a security position report provided by The Depository Trust Company ("**DTC**") as of the Voting Record Date to identify the bank and brokerage firms (the "**Nominees**") that held Class 3 Claims on behalf of underlying beneficial owners who were entitled to vote to accept or reject the Plan.

12. Using the information outlined above, and with specific guidance from the Debtors' counsel and financial advisors, KCC created a voting database reflecting the names and addresses of Holders of Claims and Interests, the classification of Claims and Interests, and voting amounts in the Voting Classes. Specifically, using its CaseView system and voting database, KCC generated ballots for Holders of Claims entitled to vote to accept or reject the Plan.

13. For Class 3 (Notes Claims), KCC provided Solicitation Packages to the Nominees appearing on the security position report received from DTC, or the Nominees' agents, for subsequent forwarding to the underlying beneficial owners of the Notes Claims. KCC also provided a Master Ballot to each Nominee or its agent for their use in reporting the voting of the underlying beneficial owners.

14. The Solicitation Procedures Order established September 24, 2021 at 4:00 p.m. (prevailing Eastern Time) as the deadline by which ballots for accepting or rejecting the Plan had to be actually received by KCC in order to be counted (the "**Voting Deadline**").

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<sup>3</sup> CaseView is KCC's claims management database, which stores the records and images associated with all scheduled and filed claims.

15. Pursuant to the Solicitation Procedures Order, KCC received and tabulated the ballots submitted by Holders of Claims and Interests in the Voting Classes as follows: (a) each returned ballot was opened and inspected at KCC's office; (b) paper ballots were date-stamped and scanned into the CaseView system; (c) each electronic ballot was electronically received and processed; and (d) all ballots received on or before the Voting Deadline were entered into KCC CaseView system, or in the case of Class 3 Master Ballots, tabulated against the security position amounts appearing for each Nominee as listed on the security position reports received from DTC, and tabulated in accordance with the tabulation rules outlined in the Solicitation Procedures Order.

16. The final tabulation of votes cast by timely and properly completed ballots<sup>4</sup> received by KCC is attached hereto as **Exhibit A**.

**C. Conclusion**

17. To the best of my knowledge, information, and belief, the foregoing information concerning the distribution, submission, and tabulation of ballots in connection with the Plan is true. The ballots received by KCC are stored at KCC's office and are available for inspection by or submission to this Court.

Dated: September 28, 2021

/s/ James Lee

James Lee

Vice President, Public Securities Services

Kurtzman Carson Consultants LLC

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<sup>4</sup> Pursuant to the Solicitation Procedures Order the Debtor has waived any defect and elected to count the Class 4 ballots cast by parties John Kirsch and Cynthia Kirsch who filed their proofs of claim on 8/29/21, after the General Claims Bar Date and the Voting Record Date.

# EXHIBIT A

**Medley LLC**

Case No. 21-10526

**Voting Tabulation Summary Report**

Class Name	Class Description	Members Voted	Members Accepted	Members Rejected	% Members Accepted	% Members Rejected	Total Amount in Class	Total Amount Voted	Amount Accepted	Amount Rejected	% Amount Accepted	% Amount Rejected
3	Notes Claims	537	471	66	87.71%	12.29%	\$122,595,000	\$21,225,366	\$19,801,900	\$1,423,465	93.29%	6.71%

Class Name	Class Description	Members Voted	Members Accepted	Members Rejected	% Members Accepted	% Members Rejected	Total Amount in Class	Total Amount Voted	Amount Accepted	Amount Rejected	% Amount Accepted	% Amount Rejected
4	General Unsecured Claims	4	4	0	100%	0%	\$19,906,291.16	\$9,583.49	\$9,583.49	\$0.00	100%	0%

**Medley LLC**

Case No. 21-10526

**Voting Tabulation Class 3 Detail Report**

<b>DTC Part No.</b>	<b>Nominee</b>	<b>Total Number of Accounts</b>	<b>Number Accept</b>	<b>Number Reject</b>	<b>Total Amount</b>	<b>Amount Accept</b>	<b>Amount Reject</b>
15	MSSB	3	3	0	\$25,000	\$25,000	\$0
62	VANGUARD	12	10	2	\$112,075	\$62,075	\$50,000
75	LPL LLC	6	6	0	\$71,258	\$71,258	\$0
141	WELLS CLRG	28	26	2	\$888,227	\$773,510	\$114,717
158	APEX CLEAR	7	5	2	\$108,763	\$41,263	\$67,500
161	BOFA	4	4	0	\$186,225	\$186,225	\$0
164	CHS SCHWAB	82	74	8	\$2,453,250	\$2,407,325	\$45,925
188	TD AMERITR	82	65	17	\$4,220,812	\$3,618,437	\$602,375
221	UBS FINAN	1	1	0	\$12,500	\$12,500	\$0
226	NFS LLC	103	89	14	\$2,647,350	\$2,454,675	\$192,675
235	RBCCAPMKTS	3	3	0	\$91,000	\$91,000	\$0
279	HILLTOPSEC	1	1	0	\$382,125	\$382,125	\$0
280	US BANCORP	1	1	0	\$10,000	\$10,000	\$0
352	JPMS/JPMC	3	1	2	\$503,875	\$500,000	\$3,875
374	JMS LLC	2	2	0	\$115,000	\$115,000	\$0
385	E*TRADE	25	22	3	\$766,075	\$732,625	\$33,450
443	PERSHING	58	52	6	\$3,687,101	\$3,605,403	\$81,698
505	CGMI	2	2	0	\$50,000	\$50,000	\$0
534	INT BROKER	34	30	4	\$593,800	\$441,950	\$151,850
547	R W BAIRD	1	1	0	\$10,000	\$10,000	\$0
725	RAYMOND	12	12	0	\$157,500	\$157,500	\$0
750	STX INC	2	2	0	\$26,275	\$26,275	\$0
756	AEIS INC.	2	2	0	\$65,000	\$65,000	\$0
793	STIFEL	38	37	1	\$694,429	\$684,429	\$10,000
2027	WELLS BKNA	4	4	0	\$1,002,075	\$1,002,075	\$0
2139	GLENMEDE	1	1	0	\$10,000	\$10,000	\$0
2803	US BANK NA	4	4	0	\$2,000,000	\$2,000,000	\$0
5002	RBC/DOMN	2	2	0	\$130,000	\$130,000	\$0
5008	NBFI INC	1	1	0	\$12,500	\$12,500	\$0
5028	DESJRDIN	2	2	0	\$87,500	\$87,500	\$0
8862	MLPFS/8862	11	6	5	\$105,650	\$36,250	\$69,400
	<b>TOTAL</b>	<b>537</b>	<b>471</b>	<b>66</b>	<b>\$21,225,366</b>	<b>\$19,801,900</b>	<b>\$1,423,465</b>



**Medley LLC**

Case No. 21-10526

**Voting Tabulation Class 4 Detail Report**

<b>Ballot No.</b>	<b>Class</b>	<b>Date Filed</b>	<b>Creditor Name</b>	<b>Claim No.</b>	<b>Voting Amount</b>	<b>Vote</b>	<b>Notes</b>
1	4 General Unsecured Claims	09/10/2021	Prager Metis CPAs LLC	6	\$900.00	Accept	
2	4 General Unsecured Claims	09/14/2021	Cynthia Kirsch	17	\$2,021.22	Accept	Late Filed POC (1)
3	4 General Unsecured Claims	09/14/2021	John Kirsch	16	\$4,796.74	Accept	Late Filed POC (1)
4	4 General Unsecured Claims	09/21/2021	AMEX TRS Co., Inc.	2	\$1,865.53	Accept	
<b>TOTAL:</b>					<b>\$9,583.49</b>		

(1) Pursuant to the Solicitation Procedures Order the Debtor has waived any defect and elected to count the Class 4 ballots cast by parties John Kirsch and Cynthia Kirsch who filed their proofs of claim on 8/29/21, after the General Claims Bar Date and the Voting Record Date.