

SKADDEN, ARPS, SLATE, MEAGHER &
FLOM LLP
Shana A. Elberg
Bram A. Strohlic
One Manhattan West
New York, New York 10001
Telephone: (212) 735-3000
Fax: (212) 735-2000

TOGUT, SEGAL & SEGAL LLP
Albert Togut
Kyle J. Ortiz
Amy Oden
One Penn Plaza, Suite 3335
New York, New York 10119
Telephone: (212) 594-5000
Fax: (212) 967-4258

– and –

Van C. Durrer, II
Destiny N. Almogue (admitted *pro hac vice*)
300 South Grand Avenue, Suite 3400
Los Angeles, California 90071-3144
Telephone: (213) 687-5000
Fax: (213) 687-5600

– and –

Jennifer Madden (admitted *pro hac vice*)
525 University Avenue
Palo Alto, California 94301
Telephone: (650) 470-4500
Fax: (650) 470-4570

Proposed Counsel for Debtors and Debtors in Possession

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

-----	x	
<i>In re</i>	:	Chapter 11
	:	
THE McCLATCHY COMPANY, et al.,	:	Case No. 20-10418 (MEW)
	:	
Debtors.¹	:	(Jointly Administered)
	:	
-----	x	Related Docket No. 16

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 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.kccllc.net/McClatchy>. The location of the Debtors’ service address for purposes of these chapter 11 cases is: 2100 Q Street, Sacramento, California 95816.



**CERTIFICATE OF NO OBJECTION WITH RESPECT TO ORDER
AUTHORIZING DEBTORS TO PAY CERTAIN PREPETITION
TAXES AND RELATED OBLIGATIONS**

Pursuant to 28 U.S.C. § 1746 and Rule 9075-2 of the Local Bankruptcy Rules for the Southern District of New York (the “**Local Rules**”), the undersigned hereby certifies as follows:

1. On February 13, 2020, the above-captioned debtors and debtors in possession (the “**Debtors**”) filed the *Debtors’ Motion for Entry of Interim and Final Orders Authorizing Debtors to Pay Certain Prepetition Taxes and Related Obligations* [ECF No. 16] (the “**Motion**”).

2. The deadline for receipt of objections to the Motion (the “**Objection Deadline**”) has passed, and, to the best of my knowledge, no objection with respect to the Motion has been (a) filed with the Court on the docket of the above-captioned cases or (b) served on counsel to the Debtors in accordance with the *Order Pursuant to 11 U.S.C. § 105(a) and Fed. R. Bankr. P. 1015(c), 2002(m), and 9007 Implementing Certain Notice and Case Management Procedures* [ECF No. 106].

3. In accordance with Local Rule 9075-2, this certificate is being filed at least forty-eight (48) hours after expiration of the Objection Deadline.

4. The Debtors respectfully request that the Court enter the proposed form of order, a copy of which order is attached hereto as **Exhibit 1**, which includes certain minor modifications from the Creditors Committee (the “**Revised Proposed Order**”).

5. A redline version of the Revised Proposed Order marked against the order filed with the Motion is attached hereto as **Exhibit 2**.

Dated: New York, New York
March 5, 2020

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

/s/ Van C. Durrer, II

Shana A. Elberg
Bram A. Stochlic
One Manhattan West
New York, New York 10001
Telephone: (212) 735-3000
Fax: (212) 735-2000

– and –

Van C. Durrer, II
Destiny N. Almogue (*pro hac vice* pending)
300 S. Grand Avenue, Suite 3400
Los Angeles, CA 90071-3144
Telephone: (213) 687-5000
Fax: (213) 687-5600

– and –

Jennifer Madden (*pro hac vice* pending)
525 University Avenue
Palo Alto, California 94301
Telephone: (650) 470-4500
Fax: (650) 470-4570

Proposed Counsel to Debtors and Debtors in Possession

EXHIBIT 1

Revised Proposed Order

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

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

**FINAL ORDER AUTHORIZING DEBTORS TO PAY
CERTAIN PREPETITION TAXES AND
RELATED OBLIGATIONS**

Upon the motion (the “**Motion**”)² of the Debtors for an interim order and a Final Order (this “**Final Order**”) authorizing, but not directing, the Debtors to remit and pay taxes and other related obligations (the “**Taxes**”) and business license, compliance, regulatory fees, and other assessments (the “**Assessments**”) as the Debtors, in their discretion, deem necessary to various federal, state, county, and city taxing and licensing authorities (the “**Applicable Authorities**”); and upon consideration of the First Day Declaration; and this Court having jurisdiction over this matter 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 final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the

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

Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and due and sufficient notice of the 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 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 Motion is GRANTED on a final basis as set forth herein.
2. The Debtors are hereby authorized, but not directed, in consultation with the Official Committee of Unsecured Creditors appointed in these Chapter 11 Cases, to pay all prepetition Taxes and Assessments owed to Applicable Authorities in the ordinary course of their business.
3. All Banks are (a) authorized and directed to receive, process, honor and pay any and all prepetition and postpetition checks, drafts, electronic transfers and other forms of payment used by the Debtors to satisfy their Taxes and Assessments, whether presented before, on, or after the Petition Date; *provided*, that sufficient funds are on deposit in the applicable accounts to cover such payments, and (b) prohibited from placing any holds on, or attempting to reverse, any automatic transfers on account of Taxes and Assessments. The Banks shall rely on the direction and representations of the Debtors as to which checks and fund transfers should be honored and paid pursuant to this Final Order, and no such Bank shall have any liability to any party for relying on such direction and representations by the Debtors as provided for in this Final Order.
4. Nothing in the Motion or this Final Order shall be deemed to authorize the Debtors to accelerate any payments.

5. To the extent the Debtors have not yet sought to remit payment on account of the Taxes and Assessments, the Debtors are authorized, but not directed, to issue checks or provide for other means of payment of the Taxes and Assessments.

6. 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 Final Order.

7. Nothing in the Motion or this Final 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.

8. Notwithstanding the relief granted herein or any actions taken hereunder, nothing contained in this Interim Order shall create any rights in favor of, or enhance the status of any claim held by, any of the Applicable Authorities.

9. Notwithstanding anything to the contrary contained herein, (a) any payment to be made, or authorization contained, hereunder shall be subject to the requirements imposed on the Debtors under the DIP Financing Orders approved by the Court in the Chapter 11 Cases (including with respect to any budgets governing or relating to such use), and (b) to the extent there is any inconsistency between the terms of such DIP Financing Orders and any action taken or proposed to be taken hereunder, the terms of such DIP Financing Orders shall control.

10. Notice of the Motion satisfies the requirements set forth in Bankruptcy Rule 6004(a).
11. Notwithstanding Bankruptcy Rule 6004(h), this Final Order shall be effective and enforceable immediately upon entry hereof.
12. The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Final Order.
13. This Court shall retain exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Final Order.

Dated: New York, New York
March __, 2020

Honorable Michael E. Wiles
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 2

Redline Revised Proposed Order

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

-----	X
<i>In re</i>	: Chapter 11
	:
THE McCLATCHY COMPANY, <i>et al.</i> ,	: Case No. 20-10418 (MEW)
	:
Debtors. ¹	: (Joint Administration Pending <u>Jointly Administered</u>)
	:
-----	X

**FINAL ORDER AUTHORIZING DEBTORS TO PAY
CERTAIN PREPETITION TAXES AND
RELATED OBLIGATIONS**

Upon the motion (the “**Motion**”)² of the Debtors for an interim order and a Final Order (this “**Final Order**”) authorizing, but not directing, the Debtors to remit and pay taxes and other related obligations (the “**Taxes**”) and business license, compliance, regulatory fees, and other assessments (the “**Assessments**”) as the Debtors, in their discretion, deem necessary to various federal, state, county, and city taxing and licensing authorities (the “**Applicable Authorities**”); and upon consideration of the First Day Declaration; and this Court having jurisdiction over this matter 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

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

U.S.C. § 157(b)(2), and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and due and sufficient notice of the 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 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 Motion is GRANTED on a final basis as set forth herein.

2. The Debtors are hereby authorized, but not directed, in ~~their sole~~ discretion [consultation with the Official Committee of Unsecured Creditors appointed in these Chapter 11 Cases](#), to pay all prepetition Taxes and Assessments owed to Applicable Authorities in the ordinary course of their business.

3. All Banks are (a) authorized and directed to receive, process, honor and pay any and all prepetition and postpetition checks, drafts, electronic transfers and other forms of payment used by the Debtors to satisfy their Taxes and Assessments, whether presented before, on, or after the Petition Date; *provided*, that sufficient funds are on deposit in the applicable accounts to cover such payments, and (b) prohibited from placing any holds on, or attempting to reverse, any automatic transfers on account of Taxes and Assessments. The Banks shall rely on the direction and representations of the Debtors as to which checks and fund transfers should be honored and paid pursuant to this Final Order, and no such Bank shall have any liability to any

party for relying on such direction and representations by the Debtors as provided for in this Final Order.

4. Nothing in the Motion or this Final Order shall be deemed to authorize the Debtors to accelerate any payments.

5. To the extent the Debtors have not yet sought to remit payment on account of the Taxes and Assessments, the Debtors are authorized, but not directed, to issue checks or provide for other means of payment of the Taxes and Assessments.

6. 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 Final Order.

7. Nothing in the Motion or this Final 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.

8. Notwithstanding the relief granted herein or any actions taken hereunder, nothing contained in this Interim Order shall create any rights in favor of, or enhance the status of any claim held by, any of the Applicable Authorities.

9. Notwithstanding anything to the contrary contained herein, (a) any payment to be made, or authorization contained, hereunder shall be subject to the requirements imposed on the Debtors under the DIP Financing Orders approved by the Court in the Chapter 11 Cases (including with respect to any budgets governing or relating to such use), and (b) to the extent there is any inconsistency between the terms of such DIP Financing Orders and any action taken or proposed to be taken hereunder, the terms of such DIP Financing Orders shall control.

10. Notice of the Motion satisfies the requirements set forth in Bankruptcy Rule 6004(a).

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

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

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

Dated: New York, New York
[Month] [Day] March, 2020

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Honorable Michael E. Wiles

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UNITED STATES BANKRUPTCY JUDGE

Summary report:	
Litera® Change-Pro for Word 10.8.2.11 Document comparison done on 3/5/2020 10:31:34 AM	
Style name: #Skadden (Strikethrough, Double Score, No Moves)	
Intelligent Table Comparison: Active	
Original DMS: dm://NYCSR03A/1825768/3	
Description: [MNI] Tax Final Order	
Modified DMS: dm://NYCSR03A/1825768/4	
Description: [MNI] Tax Final Order	
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Add	8
Delete	6
Move From	0
Move To	0
Table Insert	0
Table Delete	0
Table moves to	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	14