

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

In re:

WOODBRIIDGE GROUP OF COMPANIES, LLC,
et al.,¹

Debtors.

Chapter 11

Case No. 17-____ (____)

(Joint Administration Requested)

**DEBTORS' APPLICATION FOR AN ORDER APPOINTING
GARDEN CITY GROUP, LLC AS CLAIMS AND NOTICING AGENT FOR THE
DEBTORS PURSUANT TO 28 U.S.C. § 156(c), 11 U.S.C. § 105(a), AND
LOCAL RULE 2002-1(f) NUNC PRO TUNC TO THE PETITION DATE**

Woodbridge Group of Companies, LLC and its affiliated debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors") hereby move the Court (this "Application") for entry of an order, substantially in the form annexed hereto as Exhibit B, pursuant to 28 U.S.C. § 156(c) of title 11 of the United States Code (the "Bankruptcy Code"), Rule 2002 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 2002-1(f) of the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), appointing Garden City Group, LLC ("GCG") as the claims and noticing agent in the Chapter 11 Cases (defined below), effective *nunc pro tunc* to the Petition Date (defined below). In support of this Application, the Debtors submit the *Declaration of Craig E. Johnson in Support of the Debtors' Application for Appointment of Garden City Group, LLC as Claims and Noticing Agent Nunc Pro Tunc to the*

¹ The last four digits of Woodbridge Group of Companies, LLC's federal tax identification number are 3603. The mailing address for Woodbridge Group of Companies, LLC is 14225 Ventura Boulevard #100, Sherman Oaks, California 91423. Due to the large number of debtors in these cases, for which the Debtors have requested joint administration, a complete list of the Debtors, the last four digits of their federal tax identification numbers, and their addresses are not provided herein. A complete list of such information may be obtained on the website of the Debtors' proposed noticing and claims agent at www.gardencitygroup.com/cases/WGC, or by contacting the proposed undersigned counsel for the Debtors.

Petition Date (the “Johnson Declaration”), attached hereto as Exhibit A. In further support of this Application, the Debtors respectfully state as follows:

JURISDICTION AND VENUE

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1334(b) and 157 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b), and pursuant to Local Rule 9013-1(f), the Debtors consent to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution. Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory and other bases for the relief requested in this Application are section 105(a) of the Bankruptcy Code 28 U.S.C. § 156(c), rule 2002 of the Bankruptcy Rules, and rule 2002-1(f) of the Local Rules.

BACKGROUND

2. On the date hereof (the “Petition Date”), each of the Debtors commenced a voluntary case under chapter 11 of the Bankruptcy Code. Pursuant to sections 1107(a) and 1108 of the Bankruptcy Code, the Debtors are continuing to manage their financial affairs as debtors in possession.

3. Contemporaneously herewith, the Debtors filed a motion seeking joint administration of their chapter 11 cases (collectively, the “Chapter 11 Cases”) pursuant to Bankruptcy Rule 1015(b) and Local Rule 1015-1. No trustee, examiner, or official committee of unsecured creditors has been appointed in the Chapter 11 Cases.

4. Additional information regarding the Debtors' history and business operations, capital structure and primary secured indebtedness, and the events leading up to the commencement of the Chapter 11 Cases can be found in the First Day Declaration.

RELIEF REQUESTED

5. By this Application, the Debtors seek entry of the Order, substantially in the form of Exhibit B attached hereto, appointing GCG as the claims and noticing agent (the "Claims and Noticing Agent") in the Chapter 11 Cases *nunc pro tunc* to the Petition Date, in connection with, among other things, the distribution of notices and the administration, maintenance, processing, and docketing of filed proofs of claim. The terms of the retention are set forth in the Bankruptcy Administration Agreement, dated November 7, 2017 and as further modified to reflect agreed-upon discounts provided by GCG to the Company (the "Retention Agreement").² The Retention Agreement is attached hereto as Exhibit C. However, the terms of the Retention Agreement notwithstanding, the Debtors are seeking approval solely on the terms and provisions described in this Application.³

BASIS FOR RELIEF REQUESTED

6. Pursuant to 28 U.S.C. § 156(c), this Court is authorized to utilize agents and facilities other than the office of the Clerk of the Bankruptcy Court (the "Clerk") for the administration of bankruptcy cases. Specifically, 28 U.S.C. § 156(c) provides, in relevant part, that "[a]ny court may utilize facilities or services, either on or off the court's premises, which pertain to the provision of notices, dockets, calendars, and other administrative information to

² GCG has agreed to provide the modified pricing schedule, reflecting further agreed-upon discounts to be provided by GCG to the Debtors, to the Office of the United States Trustee, counsel for any official committee appointed in the Chapter 11 Cases, and any other party in interest upon request.

³ By separate application, the Debtors will seek authorization to retain and employ GCG as administrative advisor in the Chapter 11 Cases pursuant to section 327(a) of the Bankruptcy Code because the administration of the Chapter 11 Cases will require GCG to perform duties outside the scope of 28 U.S.C. § 156(c).

parties in cases filed under the provisions of title 11, United States Code, where the cost of such facilities or services are paid for out of the assets of the estate and are not charged to the United States.” 28 U.S.C. § 156(c). Further, Bankruptcy Rule 2002, which regulates the notices that must be provided to creditors and other parties in interest in a bankruptcy case, provides that the Court may direct that a person other than the Clerk give notice of the various matters described therein. *See* Fed. R. Bankr. P. 2002.

7. In addition, Local Rule 2002-1(f) provides that “[u]pon motion of the debtor or trustee, at any time without notice or hearing, the Court may authorize the retention of a notice and/or claims clerk under 28 U.S.C. § 156(c).” Del. Bankr. L.R. 2002-1(f). In cases with more than 200 creditors or parties in interest listed on the creditor matrix, Local Rule 2002-1(f) requires the debtor to file a motion on the first day of the case or within seven (7) days thereafter seeking authority to retain a notice and/or claims clerk. *See id.* The Debtors’ creditor matrix includes over 200 claimants or parties in interest, and thus the Debtors are required in this case to retain a claims and noticing agent.

8. In accordance with the Court’s *Protocol for the Employment of Claims and Noticing Agents under 28 U.S.C. § 156(c)* (the “Claims Agent Protocol”), before the selection of GCG as the Claims and Noticing Agent, the Debtors reviewed and compared engagement proposals from three other court-approved claims and noticing agents to ensure selection through a competitive process. The Debtors submit, based on all engagement proposals obtained and reviewed, that GCG’s rates are competitive and reasonable given GCG’s quality of services and expertise.

9. The Court is authorized to utilize outside agents and facilities for notice and claims purposes, provided that the Debtors’ estates pay the cost of such services. Although the

Debtors have not yet filed their schedules of assets and liabilities and statements of financial affairs pursuant to Bankruptcy Rule 1007, they anticipate that there will be thousands of creditors in the Chapter 11 Cases.

10. The large number of anticipated claimants and parties in interest make it impracticable for the Debtors and/or the office of the Clerk of the Bankruptcy Court for the District of Delaware to serve the required notices, pleadings and documents, process and docket potentially thousands of proofs of claim, and maintain the claims register as part of the required bankruptcy administration in the Chapter 11 Cases. By appointing GCG as the claims and noticing agent, the distribution of notices and the processing of claims will be expedited, and the Clerk's Office will be relieved of the administrative burden of processing what may be an overwhelming number of claims. Given the number of anticipated claimants and the complexity of the Debtors' businesses, the Debtors submit that their engagement of GCG as Claims and Noticing Agent is authorized under 28 U.S.C. § 156(c) and Bankruptcy Rule 2002 and, as set forth below, complies with Local Rule 2002-1(f).

11. By appointing GCG as the Claims and Noticing Agent, the distribution of notices and the processing of claims will be expedited, permitting the Debtors to focus on their reorganization efforts. The Debtors respectfully submit that the appointment of the Claims and Noticing Agent is (i) the most effective and efficient manner by which to provide noticing and claims processing services in this case and (ii) necessary and in the best interests of the Debtors and their estates.

A. GCG's Qualifications

12. As a specialist in claims management and legal administration services, GCG provides comprehensive services in chapter 11 cases. GCG has substantial experience in matters of all sizes and levels of complexity, including several bankruptcy cases filed in this District: *In*

re Suvina, Inc., No. 17-10837 (KG) (Bankr D. Del. Apr. 17, 2017); *In re Optima Specialty Steel, Inc., et al.*, No. 16-12789 (KJC) (Bankr D. Del. Dec. 15, 2016); *In re UCI International, et al.*, No. 16-1760186 (MFW) (Bankr. D. Del. June 3, 2016); *Sundevil Power Holdings, LLC and SPH Holdco, LLC*, No. 16-10369 (KJC) (Bankr. D. Del. Feb. 11, 2016); *In re American Apparel, Inc., et al.*, Case No. 15-12055 (BLS) (Bankr. D. Del. October 6, 2015).

13. If GCG is retained as the Claims and Noticing Agent, the distribution of notices and the processing of claims will be streamlined and expedited, and the Clerk will be relieved of the administrative burden of processing what may be an overwhelming number of claims.

B. Scope of Services and Compensation

14. This Application pertains solely to the work to be performed by GCG under the Clerk's delegation of duties permitted by 28 U.S.C. § 156(c) and Local Rule 2002-1(f). Any work to be performed by GCG set forth in the Retention Agreement but outside of such scope is not covered by this Application or by any order granting approval hereof. Specifically, GCG will perform the following tasks in its role as Claims and Noticing Agent, as well as all quality control relating thereto (collectively, the "Noticing and Claims Services"):

- a. Prepare and serve required notices and documents in the Chapter 11 Cases in accordance with the Bankruptcy Code and the Bankruptcy Rules in the form and manner directed by the Debtors and/or the Court, including (i) notice of the commencement of the Chapter 11 Cases and the initial meeting of creditors under Bankruptcy Code section 341(a), (ii) notice of any claims bar date, (iii) notices of transfers of claims, (iv) notices of objections to claims and objections to transfers of claims, (v) notices of any hearings on a disclosure statement and confirmation of the Debtors' plan or plans of reorganization, including under Bankruptcy Rule 3017(d), (vi) notice of the effective date of any plan, and (vii) all other notices, orders, pleadings, publications and other documents as the Debtors or Court may deem necessary or appropriate;
- b. Maintain an official copy of the Debtors' schedules of assets and liabilities and statements of financial affairs (collectively, the "Schedules"), listing the Debtors' known creditors and any amounts owed thereto;

- c. Maintain (i) a list of all potential creditors, equity holders and other parties-in-interest; and (ii) a “core” mailing list consisting of all parties described in Bankruptcy Rule 2002(i), (j) and (k) and those parties that have filed a notice of appearance pursuant to Bankruptcy Rule 9010; update and make said lists available upon request by a party in interest or the Clerk;
- d. Furnish a notice to all potential creditors of the last date for the filing of proofs of claim and a form for the filing of a proof of claim, after such notice and form are approved by the Court, and notify said potential creditors of the existence, amount and classification of their respective claims as set forth in the Schedules, which may be effected by inclusion of such information (or the lack thereof, in cases where the Schedules indicate no debt due to the subject party) on a customized proof of claim form provided to potential creditors;
- e. Maintain a post office box or address for the purpose of receiving claims and returned mail, and process all mail received;
- f. For all notices, motions, orders or other pleadings or documents served, prepare and file or caused to be filed with the Clerk an affidavit or certificate of service within seven (7) business days of service which includes (i) either a copy of the notice served or the docket numbers(s) and title(s) of the pleading(s) served, (ii) a list of persons to whom it was mailed (in alphabetical order) with their addresses, (iii) the manner of service, and (iv) the date served;
- g. Process all proofs of claim received, including those received by the Clerk, check said processing for accuracy, and maintain the original proofs of claim in a secure area;
- h. Maintain the official claims register for each Debtor (the “Claims Registers”) on behalf of the Clerk; upon the Clerk’s request, provide the Clerk with certified, duplicate unofficial Claims Registers; and specify in the Claims Registers the following information for each claim docketed: (i) the claim number assigned, (ii) the date received, (iii) the name and address of the claimant and agent, if applicable, who filed the claim, (iv) the amount asserted, (v) the asserted classification(s) of the claim (e.g., secured, unsecured, priority, etc.), (vi) the applicable Debtor, and (vii) any disposition of the claim;⁴
- i. Implement necessary security measures to ensure the completeness and integrity of the Claims Registers and the safekeeping of the original claims;

⁴ The Claims Registers shall be opened to the public for examination without charge during regular business hours and on a case-specific website maintained GCG.

- j. Record all transfers of claims and provide any notices of such transfers as required by Bankruptcy Rule 3001(e); provided, however, that if any evidence of transfer of claim(s) is filed with the Court pursuant to Bankruptcy Rule 3001(e), and if the evidence of transfer or notice thereof executed by the parties purports to waive the 21-day notice and objection period required under Bankruptcy Rule 3001(e), then GCG may process the transfer of claim(s) to change the name and address of the claimant of such claim to reflect the transfer, and the effective date of such transfer will be the date the evidence of such transfer was docketed in the case;
- k. Relocate, by messenger or overnight delivery, all of the court-filed proofs of claim to the offices of GCG, not less than weekly;
- l. Upon completion of the docketing process for all claims received to date for each case, turn over to the Clerk copies of the Claims Registers for the Clerk's review (upon the Clerk's request);
- m. Monitor the Court's docket for all notices of appearance, address changes, and claims-related pleadings and orders filed and make necessary notations on and/or changes to the Claims Registers and any service or mailing lists, including to identify and eliminate duplicative names and addresses from such lists;
- n. Identify and correct any incomplete or incorrect addresses in any mailing or service lists;
- o. Assist in the dissemination of information to the public and respond to requests for administrative information regarding the Chapter 11 Cases as directed by the Debtors or the Court, including through the use of a case website and/or call center;
- p. If the Chapter 11 Cases are converted to chapter 7 of the Bankruptcy Code, contact the Clerk's office within three (3) days of the notice to GCG of entry of the order converting the cases;
- q. Thirty (30) days prior to the close of the Chapter 11 Cases, to the extent practicable, request that the Debtors submit to the Court a proposed order dismissing GCG and terminating its services in such capacity upon completion of its duties and responsibilities and upon the closing of the Chapter 11 Cases;
- r. Within seven (7) days of notice to GCG of entry of an order closing the Chapter 11 Cases, provide to the Court the final version of the Claims Registers as of the date immediately before the close of the cases;
- s. At the close of the Chapter 11 Cases, box and transport all original documents, in proper format, as provided by the Clerk's office, to (i) the Federal Archives Record Administration, located at Central Plains Region,

200 Space Center Drive, Lee's Summit, MO 64064 or (ii) any other location requested by the Clerk's office; and

- t. Provide such other related claims and noticing services as the Debtors may require.

15. Additionally, to the extent any notice served is required to be given via regular mail, GCG will, before mailing the notice of commencement or key matrix mailings, run the list of creditors and equity security holders through (i) the National Change of Address software maintained by the United States Postal Service (the "USPS") and (ii) standardization and verification software that is CASS (Coding Accuracy Support System) certified by the USPS (clauses (i) and (ii) collectively, the "USPS Software") to update any addresses provided by the Debtors based on their books and records and to conform such records to USPS standards. If the USPS Software determines that a mailing address has changed, the Debtors propose that GCG shall mail documents to the updated address; provided, however, that GCG shall be under no obligation to mail to the original address. If mail is returned to GCG as undeliverable with a forwarding address, the Debtors propose that GCG shall re-mail the document to the new address and update its mailing database accordingly. If mail is returned to GCG as undeliverable with no forwarding address, the Debtors propose that GCG should be under no further obligation to mail any notices or other pleadings to that address.

16. The Debtors will compensate GCG for the Claims and Noticing Services described above in accordance with the pricing schedule attached to the Retention Agreement. The Debtors respectfully request that the undisputed fees and expenses incurred by GCG in the performance of the above Claims and Noticing Services be treated as administrative expenses of the Debtors' chapter 11 estates pursuant to 28 U.S.C. § 156(c) and 11 U.S.C. § 503(b)(1)(A) and be paid in the ordinary course of business without further application to or order of the Court.

17. GCG agrees to maintain records of all Claims and Noticing Services, including showing dates, categories of Claims and Noticing Services, fees charged and expenses incurred, and to serve monthly invoices on the Debtors, the Office of the United States Trustee, counsel for the Debtors, counsel for any official committee, if any, monitoring the expenses of the Debtors, and any party in interest that specifically requests service of the monthly invoices. If any dispute arises relating to the Retention Agreement or monthly invoices, the parties shall meet and confer in an attempt to resolve the dispute. If resolution is not achieved, the parties may seek resolution of the matter from the Court.

18. Before the Petition Date, the Debtors provided GCG a retainer in the amount of \$75,000. GCG seeks to first apply the retainer to all prepetition invoices, and thereafter, to apply the balance of the retainer to its initial invoices following the Petition Date for services rendered and expenses incurred in performing the Claims and Noticing Services.

19. Additionally, under the terms of the Retention Agreement, the Debtors have agreed, subject to certain exceptions, to indemnify, defend and hold harmless GCG and its directors, officers, employees, affiliates and agents under certain circumstances specified in the Retention Agreement, except in circumstances resulting from GCG's gross negligence or willful misconduct or as otherwise provided in the Retention Agreement or the Order. The Debtors believe that such an indemnification obligation is customary, reasonable, and necessary to retain the services of a Claims and Noticing Agent in the Chapter 11 Cases.

C. Disinterestedness

20. Although this Application does not propose to employ GCG under section 327 of the Bankruptcy Code (such retention will be sought by separate application), GCG has nonetheless reviewed its electronic database to determine whether it has any relationships with the creditors and parties in interest provided by the Debtors. GCG has represented to the Debtors

that to the best of its knowledge, and except as set forth in the Johnson Declaration, that neither GCG nor any of its professional personnel have any relationship with the Debtors that would impair GCG's ability to serve as Claims and Noticing Agent. To the extent that GCG or its personnel have, or may have had, relationships with certain of the Debtors' creditors as described in the Johnson Declaration, GCG has represented to the Debtors that those matters are completely unrelated to the Chapter 11 Cases.

21. Moreover, in connection with its retention as Claims and Noticing Agent, GCG represents in the Johnson Declaration, among other things, that GCG is a "disinterested person" as that term is defined in Bankruptcy Code section 101(14), in that GCG and its professional personnel:

- a. are not creditors, equity security holders, or insiders of the Debtors;
- b. are not, and were not, within two years before the date of the filing of the Chapter 11 Cases, directors, officers, or employees of the Debtors; and
- c. do not have an interest materially adverse to the interests of the Debtors' estates or any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors.

22. GCG further represents, among other things, that:

- a. it will not consider itself employed by the United States government and shall not seek any compensation from the United States government in its capacity as Claims and Noticing Agent;
- b. by accepting employment in the Chapter 11 Cases, GCG waives any right to receive compensation from the United States government;
- c. in its capacity as Claims and Noticing Agent, GCG will not be an agent of the United States and will not act on behalf of the United States; and
- d. GCG will not employ any past or present employees of the Debtors in connection with its work as Claims and Noticing Agent.

23. GCG will supplement its disclosure to the Court if any facts or circumstances are discovered that would require such additional disclosure.

D. Compliance with the Claims Agent Protocol

24. The Debtors represent that this Application complies with the Claims Agent Protocol and conforms to the standard section 156(c) application in use in this District.

NOTICE

25. The Debtors have provided notice of this Motion to: (i) the U.S. Trustee; (ii) the United States Securities and Exchange Commission; (iii) the Office of the United States Attorney General for the District of Delaware; (iv) the Internal Revenue Service; (v) the DIP lender and counsel thereto; (vi) United Bank; and (vii) those creditors holding the thirty (30) largest unsecured claims against the Debtors' estates (on a consolidated basis). Notice of this Application and any order entered on this Motion will be served as required by Local Rule 9013-1(m). In light of the nature of the relief requested herein, the Debtors submit that no other or further notice is necessary.

The Debtors respectfully request entry of an order granting the relief requested in its entirety and any other relief as is just and proper.

Dated: December 4, 2017

Respectfully submitted,

Woodbridge Group of Companies, LLC, *et al.*
Debtors and Debtors in Possession

/s/ Lawrence R. Perkins

Lawrence R. Perkins
Chief Restructuring Officer

Exhibit A

Johnson Declaration

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

In re:

WOODBRIIDGE GROUP OF COMPANIES, LLC,
et al.,¹

Debtors.

Chapter 11

Case No. 17-____ (____)

(Joint Administration Requested)

**DECLARATION OF CRAIG JOHNSON IN SUPPORT OF THE
DEBTORS' APPLICATION FOR AN ORDER APPOINTING
GARDEN CITY GROUP, LLC AS CLAIMS AND NOTICING AGENT FOR THE
DEBTORS PURSUANT TO 28 U.S.C. § 156(c), 11 U.S.C. § 105(a), AND
LOCAL RULE 2002-1(f) NUNC PRO TUNC TO THE PETITION DATE**

Pursuant to 28 U.S.C. § 1746, I, Craig Johnson, declare as follows:

1. I am the Assistant Vice President of Garden City Group, LLC ("GCG"), which maintains an office at 1985 Marcus Avenue, Lake Success, NY 11042, and I am authorized to submit this declaration (the "Declaration") on behalf of GCG. I submit this Declaration in support of the Debtors' application (the "Application")² for an order appointing GCG as claims and noticing agent for the Debtors pursuant to 28 U.S.C. § 156(c), section 105(a) of the Bankruptcy Code, and Local Rule 2002-1(f), *nunc pro tunc* to the Petition Date. The disclosures set forth herein are made of my own personal knowledge and, if called as a witness, I could and would competently testify as follows.

¹ The last four digits of Woodbridge Group of Companies, LLC's federal tax identification number are 3603. The mailing address for Woodbridge Group of Companies, LLC is 14225 Ventura Boulevard #100, Sherman Oaks, California 91423. Due to the large number of debtors in these cases, for which the Debtors have requested joint administration, a complete list of the Debtors, the last four digits of their federal tax identification numbers, and their addresses are not provided herein. A complete list of such information may be obtained on the website of the Debtors' proposed noticing and claims agent at www.gardencitygroup.com/cases/WGC, or by contacting the proposed undersigned counsel for the Debtors.

² Terms capitalized herein but not otherwise defined have the meanings ascribed to them in the Application.

2. By this Application, the Debtors seek entry of an order appointing GCG as claims and noticing agent in these Chapter 11 Cases solely under the Clerk's delegation of duties pursuant to 28 U.S.C. § 156(c) and Local Rule 2002-1(f). The specific services GCG proposes to render to the Debtor are described in the Application and incorporated herein by reference. The proposed terms and conditions of GCG's employment, as set forth in that certain Bankruptcy Administration Agreement, dated as of November 7, 2017 between GCG and Woodbridge Group of Companies, LLC, a copy of which is attached to the Application as Exhibit A (the "Retention Agreement"), are consistent with, and typical of, other notice and claims agent engagements in chapter 11 cases approved by the United States Bankruptcy Court for the District of Delaware (this "Court").

3. GCG specializes in providing consulting and data processing services, noticing services, claims administration, and other administrative services to chapter 11 debtors in connection with chapter 11 cases. Specifically, GCG specializes and has expertise in serving as outside claims agent with respect to all aspects of claims administration, including docketing and storage of claims, maintenance of claims registers, and providing related noticing services.

4. GCG has provided identical or substantially similar services in other chapter 11 cases before this Court, including: *In re Suvina, Inc.*, No. 17-10837 (KG) (Bankr D. Del. Apr. 17, 2017); *In re Optima Specialty Steel, Inc., et al.*, No. 16-12789 (KJC) (Bankr D. Del. Dec. 15, 2016); *In re UCI International, et al.*, No. 16-1760186 (MFW) (Bankr. D. Del. June 3, 2016); *Sundevil Power Holdings, LLC and SPH Holdco, LLC*, No. 16-10369 (KJC) (Bankr. D. Del. Feb. 11, 2016); *American Apparel, Inc., et al.*, No. 15-12055 (BLS) (Bankr. D. Del. Oct. 5, 2015); *Samson Resources Corporation, et al.*, No. 15-11934 (CSS) (Bank. D. Del. Sept. 16, 2015); *Quicksilver Resources Inc., et al.*, No. 15-10585 (LSS) (Bankr. D. Del. Mar. 17, 2015);

ProNerve Holdings, LLC, et al., No.-10373 (KJC) (Bankr. D. Del., Feb. 24, 2015; *AmCad Holdings, LLC, et al.*, No. 14-12168 (MFW) (Bankr. D. Del. Sept. 19, 2014); *In re ZCO Liquidating Corp. (f/k/a OCZ Tech. Grp., Inc.), et al.*, No. 13-13126 (PJW) (Bankr. D. Del. Dec. 2, 2013); *In re Savient Pharm., Inc., et al.*, No. 13-12680 (MFW) (Bankr. D. Del. Oct. 14, 2013); *In re Rural/Metro Corp., et al.*, No. 13-11952 (KJC) (Bankr. D. Del. Aug. 4, 2013); *In re Maxcom Telecomunicaciones, S.A.B. de C.V., et al.*, No. 13-11839 (PJW) (Bankr. D. Del. July 23, 2013); *In re Exide Techs.*, No. 13-11482 (KJC) (Bankr. D. Del. June 10, 2013); *In re Central European Distribution Corporation, et al.*, No. 13-10738 (CSS) (Bankr. D. Del. Apr. 7 2013); *In re Geokinetics, Inc., et al.*, No. 13-10472 (KJC) (Bankr. D. Del. Mar. 10, 2013); *In re Educ. Holdings 1, Inc.*, No. 13-10101 (BLS) (Bankr. D. Del. Jan. 21, 2013); *In re SP Newsprint Holdings LLC, et al.*, No. 11-13649 (CSS) (Bankr. D. Del. Nov. 15, 2011); *In re Sec. Nat'l Props. Funding III, LLC, et al.*, No. 11-13277 (KG) (Bankr. D. Del. Oct. 13, 2011); *In re Dallas Stars, L.P., et al.*, No. 11-12935 (PJW) (Bankr. D. Del. Sept. 15, 2011); *In re Advanta Corp., et al.*, No. 09-13931 (KJC) (Bankr. D. Del. Nov. 8, 2009).

5. GCG is well qualified to provide the Debtors with experienced services as claims and noticing agent in connection with these Chapter 11 Cases. GCG is fully equipped to handle the volume of data associated with sending the required notices to creditors and other interested parties and administering claims in these Chapter 11 Cases.

6. Pursuant to the Retention Agreement, GCG will perform the following tasks in its role as claims and noticing agent, as well as all quality control relating thereto:

- (a) Prepare and serve required notices and documents in these Chapter 11 Cases in accordance with the Bankruptcy Code and the Bankruptcy Rules in the form and manner directed by the Debtors and/or the Court, including (i) notice of the commencement of these Chapter 11 Cases and the initial meeting of creditors under section 341(a) of the Bankruptcy Code, (ii) notice of any claims bar date, (iii) notices of transfers of claims,

- (iv) notices of objections to claims and objections to transfers of claims, (v) notices of any hearings on a disclosure statement and confirmation of the Debtors' plan or plans of reorganization, including under Bankruptcy Rule 3017(d), (vi) notice of the effective date of any plan, and (vii) all other notices, orders, pleadings, publications, and other documents as the Debtors or Court may deem necessary or appropriate for an orderly administration of the Chapter 11 Cases;
- (b) Maintain an official copy of the Debtors' schedules of assets and liabilities and statement of financial affairs (collectively, "Schedules and Statements"), listing the Debtors' known creditors and the amounts owed thereto;
- (c) Maintain (i) a list of all potential creditors, equity holders, and other parties-in-interest; and (ii) a "core" mailing list consisting of all parties described in Bankruptcy Rules 2002(i), (j), and (k) and those parties that have filed a notice of appearance pursuant to Bankruptcy Rule 9010; and update such lists and make them available upon request by a party-in-interest or the Clerk;
- (d) Furnish a notice to all potential creditors of the last date for the filing of proofs of claim and a form for the filing of a proof of claim, after such notice and form are approved by this Court, and notify such potential creditors of the existence, amount, and classification of their respective claims as set forth in the Schedules and Statements, which may be affected by inclusion of such information (or the lack thereof, in cases where the Schedules and Statements indicate no debt due to the subject party) on a customized proof of claim form provided to potential creditors;
- (e) Maintain a post office box or address for the purpose of receiving claims and returned mail, and process all mail received;
- (f) For *all* notices, motions, orders, or other pleadings or documents served, prepare and file or caused to be filed with the Clerk an affidavit or certificate of service within seven (7) business days of service which includes (i) either a copy of the notice served or the docket number(s) and title(s) of the pleading(s) served, (ii) a list of persons to whom it was mailed (in alphabetical order) with their addresses, (iii) the manner of service, and (iv) the date served;
- (g) Process all proofs of claim received, including those received by the Clerk's Office, and check such processing for accuracy, and maintain the original proofs of claim in a secure area;
- (h) Maintain the official claims register for each of the Debtors (the "Claims Registers") on behalf of the Clerk; and upon the Clerk's request, provide the Clerk with certified, duplicate unofficial Claims Registers; and specify

in the Claims Registers the following information for each claim docketed: (i) the claim number assigned, (ii) the date received, (iii) the name and address of the claimant and agent, if applicable, who filed the claim, (iv) the amount asserted, (v) the asserted classification(s) of the claim (*e.g.*, secured, unsecured, priority, etc.), (vi) the applicable Debtor, and (vii) any disposition of the claim;

- (i) Provide public access to the Claims Registers, including complete proofs of claim with attachments, if any, without charge;
- (j) Implement necessary security measures to ensure the completeness and integrity of the Claims Registers and the safekeeping of the original claims;
- (k) Record all transfers of claims and provide any notices of such transfers as required by Bankruptcy Rule 3001(e);
- (l) Record all transfers of claims and provide any notices of such transfers as required by Bankruptcy Rule 3001(e) and, if the evidence of transfer or notice of such transfer executed by the parties waives the 21-day notice and objection period required by Bankruptcy Rule 3001(e), then GCG may process the transfer of claim to change the name and address of the claimant of such claim to reflect the transfer, and the effective date of such transfer will be the date the evidence of such transfer was docketed in the case
- (m) Relocate, by messenger or overnight delivery, all of the court-filed proofs of claim to the offices of GCG, not less than weekly;
- (n) Upon completion of the docketing process for all claims received to date for each case, turn over to the Clerk copies of the Claims Registers for the Clerk's review (upon the Clerk's request);
- (o) Monitor the Court's docket for all notices of appearance, address changes, and claims-related pleadings and orders filed and make necessary notations on and/or changes to the Claims Registers;
- (p) Assist in the dissemination of information to the public and respond to requests for administrative information regarding the cases as directed by the Debtors or the Court, including through the use of a case website and/or call center;
- (q) If the case is converted to one under chapter 7, contact the Clerk's Office within three (3) days of the notice to GCG of entry of the order converting the case;
- (r) Thirty (30) days prior to the close of these Chapter 11 Cases, to the extent practicable, request that the Debtors submit to the Court a proposed order

dismissing GCG and terminating its services upon completion of its duties and responsibilities and upon the closing of these cases;

- (s) Within seven (7) days of notice to GCG of entry of an order closing these Chapter 11 Cases, provide to the Court the final version of the Claims Registers as of the date immediately before the close of these Chapter 11 Cases;
- (t) At the close of these Chapter 11 Cases, box and transport all original documents, in proper format, as provided by the Clerk's Office, to (i) the Federal Archives Record Administration, located at 14700 Townsend Road, Philadelphia, PA 19154-1096. or (ii) any other location requested by the Clerk's Office; and
- (u) Provide such other related claims and noticing services as the Debtors may require in connection with these Chapter 11 Cases.

7. The Debtors selected GCG to serve as the claims and noticing agent for the Debtors' estates, as set forth in more detail in the Application filed contemporaneously herewith. To the best of my knowledge, neither GCG nor any of its professional personnel have any relationship with the Debtors that would impair GCG's ability to serve as claims and noticing agent. GCG may have relationships with some of the Debtors' creditors, but they are in matters completely unrelated to these Chapter 11 Cases, either as vendors or in cases where GCG serves in a neutral capacity as a class action settlement claims administrator or bankruptcy administrator. GCG has not and will not represent the separate interests of any such creditor in these Chapter 11 Cases.

8. In addition, GCG personnel may have relationships with some of the Debtors' creditors; however, such relationships are of a personal, financial nature and completely unrelated to these Chapter 11 Cases. GCG has working relationships with certain of the professionals retained by the Debtors and other parties herein but such relationships are completely unrelated to these Chapter 11 Cases. GCG has represented, and will continue to represent, clients in matters unrelated to these Chapter 11 Cases, and has had, and will continue

to have, relationships in the ordinary course of its business with certain vendors and professionals in connection with matters unrelated to these Chapter 11 Cases.

9. GCG is a wholly owned subsidiary of Crawford & Company ("Crawford"). Crawford is a provider of claims management solutions to the risk management and insurance industry. Within the Crawford corporate structure, GCG operates as a separate, segregated business unit. As such, any relationships that Crawford and its affiliates maintain do not create an interest of GCG that would be materially adverse to the Debtors' estates or any class of creditors.

10. To the extent I become aware of any conflict or disqualifying circumstances or if any new facts are discovered, GCG will supplement its disclosure to the Court.

11. GCG has not been retained to assist any entity or person other than the Debtors on matters relating to, or in connection with, these Chapter 11 Cases. If GCG's proposed retention is approved by this Court, GCG will not accept any engagement or perform any service for any entity or person other than the Debtors in these Chapter 11 Cases without the expressed consent and authority of the Debtors; provided however, that contemporaneous with the filing of the Application or shortly thereafter, the Debtors intend to file a separate application to retain GCG pursuant to section 327 of the Bankruptcy Code to provide additional services outside the scope of 28 U.S.C. § 156(c). In addition, GCG may provide professional services to entities or persons that may be creditors or parties-in-interest in these Chapter 11 Cases, which services do not relate to, or have any connection with, these Chapter 11 Cases or the Debtors.

12. On behalf of GCG, I hereby represent that:

- (a) GCG will not consider itself employed by the United States government and shall not seek any compensation from the United States government in its capacity as the claims and noticing agent in these Chapter 11 Cases;

- (b) By accepting employment in these Chapter 11 Cases, GCG waives any rights to receive compensation from the United States government in connection with these Chapter 11 Cases;
- (c) In its capacity as the claims and noticing agent in these Chapter 11 Cases, GCG will not be an agent of the United States and will not act on behalf of the United States; and
- (d) GCG is a “disinterested person” as that term is defined in section 101(14) of the Bankruptcy Code with respect to the matters upon which it is to be engaged, in that GCG and its professional personnel: (a) are not creditors, equity security holders or insiders of the Debtors; (b) are not and were not, within two years before the date of the filing of these cases, a director, officer or employee of the Debtors; and (c) do not have an interest materially adverse to the interests of the Debtors’ estates or any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors.

13. Subject to the Court’s approval, the Debtors have agreed to compensate GCG for professional services rendered pursuant to 28 U.S.C. § 156(c) in connection with these Chapter 11 Cases according to the terms and conditions of the Retention Agreement. Payments are to be based upon the submission to the Debtors by GCG of a billing statement after the end of each calendar month which includes a detailed listing of services and expenses.

14. GCG has received a \$75,000.00 retainer from the Debtors and will apply same first against all prepetition fees and expenses. Thereafter, GCG may hold its retainer under the Retention Agreement during these Chapter 11 Cases as security for the payment of fees and expenses incurred under the Retention Agreement.

15. GCG will comply with all requests of the Office of the Clerk of the Court and the *United States Bankruptcy Court for the District of Delaware Protocol for the Employment of Claims and Noticing Agents under 28 U.S.C. § 156(c)*.

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I declare under penalty of perjury that, to the best of my knowledge and after reasonable inquiry, the foregoing is true and correct.

Executed this 1st day of December 2017.



Craig Johnson
Assistant Vice President

Exhibit B

Proposed Order

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

In re:

WOODBIDGE GROUP OF COMPANIES, LLC,
et al.,¹

Debtors.

Chapter 11

Case No. 17-____ (____)

(Jointly Administered)

Ref. Docket No. _____

**ORDER APPOINTING GARDEN CITY
GROUP, LLC AS CLAIMS AND NOTICING
AGENT *NUNC PRO TUNC* TO THE PETITION DATE**

Upon the Application² of the debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”) for entry of an order (the “Order”) appointing and authorizing the retention of Garden City Group, LLC as the Claims and Noticing Agent in the Chapter 11 Cases, effective *nunc pro tunc* to the Petition Date, pursuant to 28 U.S.C. § 156(c), Bankruptcy Rule 2002 and Local Rule 2002-1(f), to, among other things, (i) distribute required notices to parties in interest, (ii) receive, maintain, docket, and otherwise administer the proof of claim filed in the Chapter 11 Cases, and (iii) provide such other administrative services as required by the Debtors that would fall within the purview of services to be provided by the Clerk’s office; and upon the *Declaration of Craig E. Johnson in Support of the Debtors’ Application for Appointment of Garden City Group, LLC as Claims and Noticing Agent Nunc*

¹ The last four digits of Woodbridge Group of Companies, LLC’s federal tax identification number are 3603. The mailing address for Woodbridge Group of Companies, LLC is 14225 Ventura Boulevard #100, Sherman Oaks, California 91423. Due to the large number of debtors in these cases, for which the Debtors have requested joint administration, a complete list of the Debtors, the last four digits of their federal tax identification numbers, and their addresses are not provided herein. A complete list of such information may be obtained on the website of the Debtors’ proposed noticing and claims agent at www.gardencitygroup.com/cases/WGC, or by contacting the proposed undersigned counsel for the Debtors.

² Each capitalized term used but not otherwise defined herein shall have the meaning ascribed to it in the Application.

Pro Tunc to the Petition Date submitted in support of the Application; and the Debtors estimating that there are in excess of 200 creditors in the Chapter 11 Cases, many of which are expected to file proofs of claim; and upon consideration of the Whittman Declaration; and the 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 District of Delaware*, dated February 29, 2012; and this matter being a core proceeding within the meaning of 28 U.S.C. § 157(b)(2); and the Court being able to issue a final order consistent with Article III of the United States Constitution; and venue of this proceeding and the Application being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and appropriate notice of and the opportunity for a hearing on the Application having been given; and the relief requested in the Application being in the best interests of the Debtors' estates, their creditors and other parties in interest; and the Court having determined that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Application is GRANTED to the extent provided herein.
2. Notwithstanding the terms of the Retention Agreement attached to the Application, the Application is granted solely as set forth in this Order.
3. Pursuant to 28 U.S.C. § 156(c), Bankruptcy Code § 105(a), Bankruptcy Rule 2002 and Local Rule 2002-1(f), the Debtors are authorized to retain GCG as the Claims and Noticing Agent, effective *nunc pro tunc* to the Petition Date, to perform the Claims and Noticing Services set forth in the Application and under the terms of the Retention Agreement relating to such services, and GCG is authorized to perform such services.

4. GCG shall serve as the custodian of court records and shall be designated as the authorized repository for all proofs of claim filed in this case and is authorized and directed to maintain the official claims registers for each of the Debtors and to provide the Clerk with a certified duplicate thereof upon request of the Clerk.

5. GCG is authorized to obtain a post office box or address for the receipt of proofs of claim.

6. GCG is authorized to take such other actions to comply with all duties set forth in the Application and this Order.

7. GCG shall comply with all requests of the Clerk and the guidelines promulgated by the Judicial Conference of the United States for the implementation of 28 U.S.C. § 156(c).

8. Without further order of this Court, the Debtors are authorized to compensate GCG on a monthly basis in accordance with the terms and conditions of the Retention Agreement for the Claims and Noticing Services, upon GCG's submission of monthly invoices summarizing in reasonable detail the services rendered and expenses incurred in connection therewith, without the need for GCG to file fee applications or otherwise seek court approval for the compensation of its services and reimbursement of its expenses.

9. GCG shall maintain records of all services showing dates, categories of services, fees charged and expenses incurred, and shall serve monthly invoices on the Debtors, the Office of the United States Trustee, counsel for any official committee monitoring the expenses of the Debtors and any party in interest that specifically requests service of the monthly invoices.

10. The parties shall meet and confer in an attempt to resolve any dispute that may arise relating to the Retention Agreement or monthly invoices, and the parties may seek resolution of the matter from the Court if resolution is not achieved.

11. Pursuant to section 503(b)(1)(A) of the Bankruptcy Code, GCG's fees and expenses incurred in connection with the Claims and Noticing Services shall be an administrative expenses of the Debtors' chapter 11 estates.

12. The application of GCG's retainer to all prepetition invoices is approved. GCG shall apply the balance of the retainer to its initial invoices following the Petition Date for services rendered and expenses incurred in performing the Claims and Noticing Services.

13. Except to the extent set forth below, the Debtors are authorized to indemnify GCG under the terms of the Retention Agreement:

- a. GCG shall not be entitled to indemnification, contribution or reimbursement pursuant to the Retention Agreement for services other than the Claims and Noticing Services provided under the Retention Agreement, unless such services and the indemnification, contribution, or reimbursement therefor are approved by the Court;
- b. The Debtors shall have no obligation to indemnify GCG, or provide contribution or reimbursement to GCG, for any claim or expense that is either: (i) judicially determined (the determination having become final) to have arisen from GCG's gross negligence, willful misconduct, or fraud; (ii) for a contractual dispute in which the Debtors allege the breach of GCG's contractual obligations if the Court determines that indemnification, contribution, or reimbursement would not be permissible pursuant to *In re United Artists Theatre Co.*, 315 F.3d 217 (3d Cir. 2003), or (iii) settled prior to a judicial determination under (i) or (ii), but determined by this Court, after notice and a hearing, to be a claim or expense for which Claims and Noticing Agent should not receive indemnity, contribution, or reimbursement under the terms of the Retention Agreement as modified by this Order;
- c. If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in the Chapter 11 Cases (that order having become a final order no longer subject to appeal), or (ii) the entry of an order closing the Chapter 11 Cases, GCG believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution and/or reimbursement obligations under the Retention Agreement (as modified by this Order), including without limitation the advancement of defense costs, GCG must file an application therefor in this Court, and the Debtors may not pay any such amounts to GCG before the entry of an order by this Court approving the payment. This paragraph is intended only to specify the period of time under which the Court shall

have jurisdiction over any request for fees and expenses by GCG for indemnification, contribution, or reimbursement, and not a provision limiting the duration of the Debtors' obligation to indemnify GCG. All parties in interest shall retain the right to object to any demand by GCG for indemnification, contribution, or reimbursement.

14. In the event GCG is unable to provide the Claims and Noticing Services, GCG will immediately notify the Clerk and the Debtors' counsel and cause all original proofs of claim and computer information to be turned over to another claims and noticing agent with the advice and consent of the Clerk and Debtors' counsel.

15. The Debtors may submit a separate retention application, pursuant to 11 U.S.C. § 327 and/or any applicable law, for work that is to be performed by GCG but is not specifically authorized by this Order.

16. GCG shall not cease providing Claims and Noticing Services during the Chapter 11 Cases for any reason, including nonpayment, without an order of the Court.

17. The Debtors and GCG are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application.

18. In the event of any inconsistency between the Retention Agreement, the Application, and this Order, this Order shall govern.

19. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

20. This Court shall retain jurisdiction over all matters arising from or related to the implementation, interpretation and enforcement of this Order.

Dated: _____, 2017
Wilmington, Delaware

UNITED STATES BANKRUPTCY JUDGE

Exhibit C

Retention Agreement



BANKRUPTCY ADMINISTRATION AGREEMENT

This Bankruptcy Administration Agreement, dated as of November 6, 2017 (the “Agreement”), is between Garden City Group, LLC, a Delaware limited liability company (“GCG”), and Woodbridge Group of Companies, LLC and its affiliates and subsidiaries (collectively, the “Client”).

The Client desires to retain GCG to perform certain administrative work for the Client in their chapter 11 cases anticipated to be filed in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”), and GCG desires to be so retained, in accordance with the terms and conditions of this Agreement.

If Client commences a case pursuant to title 11 of the United States Code (the “Bankruptcy Code”), Client shall promptly file with the Bankruptcy Court (i) an application to retain GCG as claims and noticing agent pursuant to 28 U.S.C. § 156(c) (the “156(c) Retention Application”), and if necessary (ii) an application to retain GCG as administrative advisor pursuant to 11 U.S.C. § 327(a) to provide all those services that fall outside the scope of the 156(c) Retention Application (the “327 Retention Application” together with the 156(c) Retention Application, the “Applications”). The form and substance of the Applications and any proposed order attached thereto shall be reasonably acceptable to GCG. If the Bankruptcy Court enters orders approving the Applications (the “Retention Orders”), any discrepancies between the Agreement, the Applications and the Retention Orders shall be controlled by the Retention Orders.

In consideration of the mutual covenants herein contained, the parties to the Agreement hereby agree as follows:

1. Services. GCG agrees to perform, among other services, certain noticing; claims-processing, claims-maintenance, and claims-reporting; solicitation and tabulation; management of designated communication platforms; and other administrative services (the “Services”). The Client agrees and understands that none of the Services constitute legal advice, and neither GCG nor its personnel shall be deemed to practice law hereunder.

2. Payment for Services.

2.1 Compensation. Client agrees to pay GCG its fees as outlined in the pricing schedule that has been supplied to the Client and is attached hereto as Exhibit A (subject to Bankruptcy Court approval in the event of an unresolved dispute). The actual pricing governing this engagement may include additional agreed-upon discounts. In some instances, the fees include commissions and/or markups. Billing rates may be adjusted from time to time by GCG in its reasonable discretion, although billing rates generally are changed on an annual basis. The Client and GCG intend that all fees and expenses incurred in connection with Services rendered by GCG pre-petition be paid in advance of or contemporaneously with the rendering of such Services. All such payments shall be made by wire transfer. The Client agrees to pay, by wire transfer, GCG a retainer of \$75,000 (which may be replenished from time to time), to be applied as follows: (a) first against the contemporaneous and subsequent fees and expenses incurred by the Client in connection with Services rendered by GCG pre-petition; and (b) with respect to the portion of the retainer that remains outstanding, if any, after the Client files their petitions, first against any outstanding pre-petition fees and expenses incurred by the Client in connection with the Services and then against the final bill that will be rendered by GCG to the Client for the post-petition fees and expenses incurred by the Client in connection with the Services.



2.2. Expenses. In addition to the compensation set forth in Section 2.1, the Client shall reimburse GCG for all out-of-pocket expenses (which shall include the applicable taxes) reasonably incurred by GCG in connection with the performance of the Services (subject to Bankruptcy Court determination in the event of an unresolved dispute). The out-of-pocket expenses will be billed on the expense (non-fee) portion of GCG's invoice to the Client and may include, but are not limited to, postage, banking fees, brokerage fees, the costs of hosting a secure, online virtual data room through a strategic partnership with Merrill Corporation and its DataSite™ virtual data room solution, costs of messenger and delivery service, travel, filing fees, staff overtime meal expenses and other similar expenses. (See Schedule 1 to Exhibit A attached hereto for the pricing relating to hosting the virtual data room.) In some cases, GCG may receive a rebate (or credit) at the end of a year from a publication vendor. The Client and GCG intend to satisfy all expenses incurred in connection with pre-petition Services from advance retainers or contemporaneous payments. All such payments shall be made by wire transfer.

2.3. Billing.

(a) Services Performed under 28 U.S.C. § 156(c). Except as provided in Section 2.2, or specifically set forth in this Section 2.3, GCG shall bill the Client for its fees and expenses for Services performed under 28 U.S.C. § 156(c) on a monthly basis, and the Client shall pay GCG within thirty (30) days of its receipt of each such bill in the ordinary course of business (subject to Bankruptcy Court approval in the event of an unresolved dispute). Any pre-petition invoices will show the application of the retainer and set forth the amount needed to replenish the retainer.

(b) Services Performed outside 28 U.S.C. § 156(c). Except as provided in Section 2.2, or specifically set forth below in this Section 2.3, for post-petition Services performed outside the scope of 28 U.S.C. § 156(c), GCG shall apply for compensation and reimbursement of expenses in accordance with the procedures set forth in 11 U.S.C. §§ 330 and 331, the applicable Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules for the District of Delaware, any applicable orders of the Bankruptcy Court, the guidelines established by the United States Trustee for the District of Delaware and such other procedures that have been, or may be, fixed by order of the Bankruptcy Court.

(c) Expedited Payment of Certain Fees and Expenses. Unless otherwise agreed to in writing by the parties to the Agreement, the fees for print notice and media publication (including any markups and/or commissions charged by GCG and included in those fees) and certain expenses such as postage must be paid within three (3) business days of the date of GCG's invoice.

3. Bank Accounts. At the request of the Client or their legal advisors, GCG shall be authorized to establish accounts with financial institutions in the name of (and as agent for) Client to facilitate distributions pursuant to a chapter 11 plan or other transaction. To the extent that certain financial products are provided to the Client pursuant to GCG's agreement with a financial institution, GCG may receive compensation from such institution for the services GCG provides.

4. Term and Termination.

4.1. Term. The term of this Agreement shall commence on the date hereof and shall continue until performance in full of the Services, unless earlier terminated as set forth herein.



4.2. Termination.

(a) This Agreement shall remain in effect until terminated by either party: (I) on 30 days' prior written notice to other party; or (II) immediately upon written notice for Cause (as hereinafter defined). "Cause" means (A) gross negligence or willful misconduct of GCG that causes material harm to the Client' restructuring under chapter 11 of the Bankruptcy Code, (B) the failure of the Client to pay GCG's invoices for more than 60 days from the date of invoice, or (C) the accrual of invoices or unpaid Services in excess of the retainer held by GCG where GCG reasonably believes it will not be paid.

(b) If the Agreement is terminated after GCG is retained pursuant to an order of the Bankruptcy Court, the Client promptly shall seek entry of a Bankruptcy Court order discharging GCG of its duties under such retention, which order shall be in form and substance reasonably acceptable to GCG.

(c) If this Agreement is terminated, the Client shall remain liable for all amounts then accrued and/or due and owing to GCG hereunder.

(d) If this Agreement is terminated, GCG shall coordinate with the Client and, to the extent applicable, the clerk of the Bankruptcy Court, to maintain an orderly transfer of record keeping functions, and GCG shall provide the necessary staff, services and assistance required for such an orderly transfer. The Client agrees to pay for these transition services in accordance with GCG's then existing pricing for such services.

(e) GCG shall be entitled to an administrative claim for all fees and expenses outstanding at the time of termination (subject to Bankruptcy Court approval in the event of an unresolved dispute).

(f) In accordance with the Bankruptcy Court's local rules, procedures and/or directives, or in the absence thereof, as soon as practicable following the entry of a final decree closing the chapter 11 case, or following the conversion of the chapter 11 cases to chapter 7, GCG shall forward all original proofs of claim to the Federal Archives Record Administration. For all other documents in GCG's actual or constructive possession (including, but not limited to, letters, e-mails, facsimiles, other correspondence and all undeliverable and/or returned mail), GCG shall retain paper copies and electronic copies for one (1) year following the entry of a final decree closing the chapter 11 cases, or following the conversion of the chapter 11 cases to chapter 7. Following the one (1) year retention period, GCG shall have the right to destroy all such documents. This provision shall not affect GCG's normal course business processes for archives and back-up tapes.

5. Independent Contractor. It is understood and agreed that GCG, through itself or any of its agents, shall perform the Services as an independent contractor. Neither GCG nor any of its employees shall be deemed to be an employee of the Client. Neither GCG nor any of its employees shall be entitled to any benefits provided by the Client to its employees, and the Client will make no deductions from any of the payments due to GCG hereunder for state or federal tax purposes. GCG agrees that GCG shall be responsible for any and all taxes and other payments due on payments received hereunder by GCG from the Client. Nothing in this Agreement requires the Client to use GCG for any future work relating to the Services, and, in the event the Client decides to use another party for such future work, GCG agrees to cooperate fully with the Client to ensure a smooth transition to the new party.



6. Accuracy of Client Supplied Information. Client is responsible for the accuracy of all programs, data and other information they submit to GCG (including all information for the preparation of Schedules of Assets and Liabilities (“Schedules”) and Statements of Financial Affairs (“Statements”)) and for the output of such information. GCG may undertake to place such data and information into certain systems and programs, including in connection with the generation of Schedules and Statements. GCG does not verify information provided by the Client and, with respect to Schedules and Statements preparation, all decisions are at the sole discretion and direction of the Client. All Schedules and Statements filed on behalf of, or by, the Client are reviewed and ultimately approved by the Client, and GCG bears no responsibility for the accuracy or contents therein.

7. Authorized Representatives. Client acknowledges and agrees that GCG will often take direction from the Client’ employees, representatives, counsel and/or its agents (collectively, “Authorized Representatives”) with respect to the services being provided under this Agreement. The parties agree that GCG may rely upon, and the Client agrees to be bound by, any direction, advice, or information provided by Authorized Representatives to the same extent as if such direction, advice, or information were provided by Client.

8. No Representations or Warranties. GCG makes no representations or warranties, express or implied, including, without limitation, any express or implied warranty of merchantability, fitness or adequacy for a particular purpose or use, quality, productiveness or capacity.

9. Confidential Information. In connection with this Agreement, the Client and GCG (as the case may be, the “Disclosing Party”) may disclose to GCG or the Client (as the case may be, the “Receiving Party”) certain information (a) that is marked or otherwise identified in writing as confidential or proprietary information of the Disclosing Party (“Confidential Information”) prior to or upon receipt by the Receiving Party; or (b) which the Receiving Party reasonably should recognize from the circumstances surrounding the disclosure to be Confidential Information. The Receiving Party shall hold all Confidential Information in confidence and will use such information only for the purposes of fulfilling the Receiving Party’s obligations hereunder, and for no other purpose, and shall not disclose, provide, disseminate or otherwise make available any Confidential Information to any third party other than for the purposes of fulfilling the Receiving Party’s obligations hereunder, in either case, without the express prior written permission of the Disclosing Party. Notwithstanding the foregoing, the Receiving Party may disclose Confidential Information pursuant to a validly issued subpoena or order of a court of competent jurisdiction, provided, however, that the Receiving Party must provide the Disclosing Party with prompt written notice of such subpoena or court order so that the Disclosing Party may seek a protective order or other appropriate remedy, and the Receiving Party shall reasonably cooperate with the Disclosing Party’s efforts to obtain same. Confidential Information shall not apply to (a) information that is or becomes generally known or available by publication, commercial use or otherwise through no fault of the Receiving Party; (b) information that is known by the Receiving Party prior to the time of disclosure by the Disclosing Party to the Receiving Party; (c) information that is obtained from a third party who, to the Receiving Party’s knowledge, has the right to make such disclosure without restriction; (d) any disclosure required by applicable law; or (e) information that is released for publication by the Disclosing Party in writing. The obligations set forth under this Section shall survive the termination of this Agreement.



10. Protection of Intellectual Property. The Client acknowledges that GCG's intellectual property, including, without limitation, GCG's inventions (whether or not patentable), processes, trade secrets and know how are of ultimate importance to GCG. Accordingly, the Client agrees to use its best efforts to protect such intellectual property, and shall not, either during the term of this Agreement, or subsequent to its termination, utilize, reveal or disclose any of such intellectual property. The Client understands that the software programs and other materials furnished by GCG pursuant to this Agreement, and/or developed during the course of this Agreement by GCG, are the sole property of GCG. The term "program" shall include, without limitation, data processing programs, check printing programs, specifications, applications, routines, sub-routines, procedural manuals and documentation. The Client further agrees that any ideas, concepts, know-how or techniques relating to the claims management software used or developed by GCG during the course of this Agreement shall be the exclusive property of GCG.

11. Indemnification. To the fullest extent permitted by applicable law, the Client shall indemnify and hold harmless GCG and its members, directors, officers, employees, representatives, affiliates, consultants, subcontractors, and agents (collectively, the "Indemnified Parties") from and against any and all losses, claims, damages, judgments, liabilities, and expenses, whether direct or indirect (including, without limitation, counsel fees and expenses) (collectively, the "Losses") resulting from, arising out of, or related to GCG's performance hereunder. Without limiting the generality of the foregoing, Losses include any liabilities resulting from claims by any third parties against any Indemnified Party. GCG and the Client shall notify each other in writing promptly upon the assertion, threat, or commencement of any claim, action, investigation, or proceeding that either party becomes aware of with respect to the Services provided hereunder. All requests by GCG for the payment of indemnification as set forth in this Agreement shall be made by means of an application to the Bankruptcy Court and shall be subject to review by the Bankruptcy Court to ensure that payment of such indemnity conforms to the terms of the Agreement and is reasonable under the circumstances of the litigation or settlement in respect of which indemnity is sought, provided that in no event shall GCG be indemnified in the case of its own bad faith, self-dealing, breach of fiduciary duty (if any), gross negligence, or willful misconduct. The Client's indemnification obligations hereunder shall survive the termination of this Agreement.

12. Limitation of Liability. Except as expressly provided herein, GCG's liability to the Client for any Losses shall be limited to the total amount paid by the Client for the portion of the particular work that gave rise to the alleged Loss. In no event shall GCG's liability to the Client for any Losses arising out of this Agreement exceed the total amount actually paid to GCG for Services provided hereunder. In no event shall GCG be liable for any indirect, special, or consequential damages (such as loss of anticipated profits or other economic loss) in connection with or arising out of the Services provided hereunder.

13. Jurisdiction. This Agreement is subject to the approval of the Bankruptcy Court, and the Bankruptcy Court shall retain jurisdiction over all matters regarding this Agreement.

14. Force Majeure. Whenever performance by GCG of any of its obligations hereunder is substantially prevented by reason of any act of God, government requirement, strike, lock-out or other industrial or transportation disturbance, fire, lack of materials, law, regulation or ordinance, act of terrorism, war or war conditions or by reason of any other matter beyond GCG's reasonable control, then such performance shall be excused and this Agreement shall be deemed suspended during the continuation of such prevention and for a reasonable time thereafter.



15. Notice. Any notice or other communication required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid or overnight courier. Any such notice shall be deemed given when so delivered personally, or, if mailed, five (5) days after the date of deposit in the United States mail, or, if sent by overnight courier, one (1) business day after delivery to such courier, as follows: if to GCG, to Garden City Group, LLC, 1985 Marcus Avenue, Suite 200, Lake Success, New York 11042, Attention: The General Counsel's Office, and if to the Client, to Gibson, Dunn & Crutcher LLP, 333 South Grand Avenue, Los Angeles, California 90071-3197, Attention: Samuel A. Newman, Esq.

16. Governing Law. This contract will be governed by and construed in accordance with the laws of the State of New York (without reference to its conflict of laws provisions).

17. Severability. All clauses and covenants contained in this Agreement are severable and in the event any of them are held to be invalid by any court having competent jurisdiction, such clause or covenant shall be valid and enforced to the maximum extent as to which it may be valid and enforceable, and this Agreement will be interpreted as if such invalid clauses or covenants were not contained herein.

18. Assignment. This Agreement and the rights and obligations of GCG and the Client hereunder shall bind and inure to the benefit of any successors or assigns thereto.

19. General. This Agreement supersedes and replaces any existing agreement entered into by GCG and the Client relating generally to the same subject matter, and may be modified only in a writing signed by GCG and the Client. The paragraph headings in this Agreement are included only for convenience, do not in any manner modify or limit any of the provisions of this Agreement and may not be used in the interpretation of this Agreement. Failure to enforce any provision of this Agreement shall not constitute a waiver of any term hereof. This Agreement contains the entire agreement between the parties with respect to the subject matter hereof. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one in the same instrument. This Agreement will become effective when one or more counterparts have been signed by each of the parties and delivered to the other party which delivery may be made by exchange of copies of the signature page by facsimile or electronic mail.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year set forth above.

Woodbridge Group of Companies, LLC
(on behalf of itself and its affiliates and subsidiaries)

By: _____
Name:
Title:

Garden City Group, LLC

By:  _____
Name: Angela Ferrante
Title: Senior Vice President, Operations



Contact Services

Case-specific voice-mail box for creditors	No charge
Interactive Voice Response (“IVR”).....	\$1,900 set-up charge \$0.39 per minute
Customer service representatives.....	\$0.95 per minute
Monthly maintenance charge	\$100 per month

Standard Hourly Billing Rates*

Title	Hourly Rates
Administrative, Mailroom and Claims Control	\$45 - \$55
Project Administrators	\$70 - \$85
Project Supervisors	\$95 - \$120
Graphic Support & Technology Staff	\$125 - \$200
Project Managers	\$155
Senior Project Managers and Directors	\$175-\$200
Assistant Vice Presidents, Vice Presidents, and above	\$295

Expenses

Travel	At cost
Postage, courier, P.O. Box.....	At cost
Virtual data room	At cost**

* Expert services provided by Craig Johnson in connection with solicitation and tabulation will be at a rate of \$310 per hour, and GCG agrees to otherwise cap its highest hourly rates at \$295. Any additional services not covered by this proposal will be charged at GCG hourly rates including any outsourced work performed under GCG supervision and controls. GCG will not charge overtime for any of its hourly rates.

** GCG’s virtual data room services, including the scanning of documents for upload onto the virtual data room, are provided through a strategic partnership with Merrill Corporation and its DataSite™ virtual data room solution. For this engagement, GCG will treat Merrill’s charges and expenses as pass-through expenses without any GCG mark-up.



SCHEDULE 1

VIRTUAL DATA ROOM PRICING SCHEDULE

GCG's virtual data room services, including the scanning of documents for upload onto the virtual data room, are provided through a strategic partnership with Merrill Corporation and its DataSite™ virtual data room solution. For this engagement, GCG will treat Merrill's charges and expenses as pass-through expenses without any GCG mark-up. Below is the schedule setting forth Merrill's virtual data room pricing.

Set-up fee	Waived
Graphic reporting tools	Included in monthly fee
Monthly fee (up to 1,100,000 pages)	
0 – 300,000 pages	\$0.030 per page
300,001 – 600,000 pages	\$0.025 per page
600,001 – 1,100,000 pages	\$0.020 per page
Hosting beyond initial 12-month term	\$.035 per page per month
Scanning of paper documents (including client-site scanning)	Quote
Oversize document capture (larger than 11" x 17")	\$5.25 per page
Project management	Included in monthly fee
Creation of encrypted CD-ROMs or DVD's du the project	Five (5) sets included in fee, \$250 per additional set
Hosting special media (e.g., video/audio files)	\$1.00 per MB per month