

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA**

Case Number: 19-02764-jw

**ORDER, PURSUANT TO 28 U.S.C. §156(c) AND 11 U.S.C. §105(c) and LOCAL
RULE 2018-1, AUTHORIZING THE DEBTOR TO RETAIN AMERICAN LEGAL
CLAIM SERVICES, LLC AS CLAIMS AND NOTICING AGENT FOR THE DEBTOR
NUNC PRO TUNC TO THE PETITION DATE**

The relief set forth on the following pages, for a total of 7 pages including this page, is hereby
ORDERED.

**FILED BY THE COURT
06/05/2019**



US Bankruptcy Judge
District of South Carolina

Entered: 06/06/2019

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA**

IN RE:)	
)	Case No. 19-02764-jw
)	
SAND CASTLE SOUTH TIMESHARE)	CHAPTER 11
OWNERS ASSOCIATION, INC.,)	
)	
Debtor-in-Possession)	
_____)	

**ORDER, PURSUANT TO 28 U.S.C. §156(c) AND 11 U.S.C. §105(c) and LOCAL
RULE 2018-1, AUTHORIZING THE DEBTOR TO RETAIN AMERICAN LEGAL
CLAIM SERVICES, LLC AS CLAIMS AND NOTICING AGENT FOR THE DEBTOR
NUNC PRO TUNC TO THE PETITION DATE**

THIS MATTER came before the Court on the Application of the Debtor and Debtor in Possession in the above-captioned case (“Debtor”) pursuant to 28 U.S.C. §156(c) and 11 U.S.C. §105(c) and Local Rule 2018-1 authorizing the Debtor to retain and employ American Legal Claim Services, LLC as Claims and Noticing Agent (“ALCS”), *nunc pro tunc* to the Petition Date (“Application”), filed by the Debtor in the above-captioned case, to, among other things, (i) distribute required notices to parties in interest, (ii) receive, maintain, docket and otherwise administer the proofs of claim filed in the Debtor’s Chapter 11 case, and (iii) provide such other administrative services – as required by the Debtor – that would fall within the purview of services to be provided by the Clerk’s Office;

Now, therefore, the Court having reviewed the Application, the terms set forth in the Engagement Agreement attached to the Application, the Affidavit of Jeffrey Pirrung filed in support of the Application and having considered the statements of counsel with respect to the Application, and the Court having found that (a) the Court has jurisdiction over this matter pursuant to 11 U.S.C. §§157 & 1334, (b) venue is proper in this District pursuant to 28 U.S.C.

§§1408 & 1409, and (c) this is a core proceeding pursuant to 28 U.S.C. §157(b); and the Debtor having estimated that there are more than five hundred (500) creditors and parties in interest in this Chapter 11 case, many of which are expected to file proofs of claim, and it appearing that the numerous notices will be required in this case together with the receiving, docketing and maintaining of proofs of claim would be unduly time consuming and burdensome to the Clerk; and the Court being authorized under 28 U.S.C. §156(c) to utilize, at the Debtor's expense, outside agents and facilities to provide notices to parties in title 11 cases and to receive, docket, maintain, photocopy and transmit proofs of claim; and the Court being satisfied that American Legal has the capability and experience to provide such services and that ALCS does not hold an interest adverse to the Debtor or its estate respecting matters upon which it is to be engaged; and good and sufficient notice of the Application and the hearing having been given and no other or further notice being required; and it appearing that the employment of ALCS is in the best interests of the Debtor, its estate and creditors; and sufficient cause appearing therefore;

IT IS HEREBY ORDERED that:

1. The Application is GRANTED as set forth herein.
2. Notwithstanding the terms of the Engagement Agreement attached to the Application, the Application is approved solely as set forth in this Order.
3. The Debtor is authorized to retain ALCS as its Claims and Noticing Agent in this Chapter 11 case, in accordance with 28 U.S.C. §156(c), §105(c) of the Bankruptcy Code and Local Bankruptcy Rule 2081-1 on the terms and conditions set forth in the Application and Engagement Agreement, *nunc pro tunc*, to the Petition Date, and ALCS Claims, LLC is authorized and directed to perform noticing services and to receive, maintain, record and

otherwise administer the proofs of claim filed in this Chapter 11 case, and all related tasks, as described in the Application as the ALCS services.

4. ALCS shall serve as the custodian of court records and shall be designated as the authorized repository for all proofs of claim filed in this Chapter 11 case and is authorized and directed to maintain official claims registers for this case and to provide the Clerk of Court with a certified duplicate thereof upon request of the Clerk.

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

6. ALCS is authorized to take such other action to comply with all duties set forth in the Application.

7. The Debtor is authorized to compensate ALCS in the ordinary course of business in accordance with the terms of the Engagement Agreement upon the receipt of reasonably detailed invoices setting forth the services provided by ALCS and the rates charged for each, and to reimburse ALCS for all reasonable and necessary expenses it may incur, upon the presentation of appropriate documentation, without the need for ALCS to file a fee application or otherwise seek Court approval for the compensation of its services and reimbursement of expenses.

8. ALCS shall maintain records of all services performed, showing dates, categories of services, fees charged and expenses incurred, and shall serve monthly invoices on the Debtor, the U.S. Trustee, counsel for the Debtor, counsel for any official committee monitoring the expenses of the Debtor and any party-in-interest who specifically requests service of the monthly invoices.

9. The parties shall meet and confer in an attempt to resolve any dispute that may

arise relating to the Engagement Agreement or monthly invoices; provided, however, that the parties may seek resolution from the Court if resolution is not achieved.

10. Pursuant to 11 U.S.C. §503(b)(1)(A), the fees and expenses of ALCS under this Order shall be an administrative expense of the Debtor's estate.

11. ALCS may apply its retainer to all prepetition invoices, which retainer shall be replenished to the original retainer amount, and thereafter, ALCS may hold its retainer under the Engagement Agreement during the Chapter 11 case as security for the payment of fees and expenses incurred under the Engagement Agreement.

12. The Debtor shall indemnify ALCS under the terms of the Engagement Agreement, as modified pursuant to this Order.

13. All requests by ALCS for payment of indemnification as set forth in the Engagement Agreement shall be made by means of an application to the Court and shall be subject to review by the Court to ensure that payment of such indemnity conforms to the terms of the Engagement Agreement and is reasonable under the circumstances of the litigation or settlement in respect of which indemnity is sought, provided, however, that in no event shall ALCS be indemnified in the case of its own bad faith, self-dealing, breach of fiduciary duty (if any), gross negligence or willful misconduct.

14. In the event that ALCS seeks reimbursement from the Debtor for attorney's fees and expenses in connection with the payment of an indemnity claim pursuant to the Engagement Agreement, the invoices and supporting time records for the attorney's fees and expenses shall be included in ALCS's own applications, both interim and final, but determined by the Court after notice and a hearing.

15. In the event that ALCS is unable to provide the services set out in this Order, ALCS will immediately notify the Clerk and the Debtor's attorneys and, upon approval of the Court, cause all original proofs of claim and computer information turned over to another claims and noticing agent with the advice and consent of the Clerk and the Debtor's attorneys.

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

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

18. At the conclusion of the case, ALCS shall (i) box and transport all original documents, in proper format, as provided by the Clerk's Office, to the location requested by the Clerk, and (ii) docket a completed SF-135 Form indicating the accession and location numbers of the archived claims.

19. ALCS shall not cease providing claims processing services during the Chapter 11 case for any reason, including nonpayment, without an Order of the Court.

20. In the event of any inconsistency between the Engagement Agreement, the Application and the Order, the Order shall govern.

21. Notwithstanding the possible applicability of Bankruptcy Rule 6004(h), this Order shall be immediately enforceable upon its entry.

22. Notwithstanding any term in the Engagement Agreement to the contrary, the

Court shall retain jurisdiction to hear and determine all matters arising from or related to this Order.

IT IS SO ORDERED.

Notice Recipients

District/Off: 0420-2

User: mobley

Date Created: 6/6/2019

Case: 19-02764-jw

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Total: 1

Recipients of Notice of Electronic Filing:

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TOTAL: 1