

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

| | | |
|--|---|-------------------------|
| In re: |) | Chapter 11 |
| |) | |
| CBL & ASSOCIATES |) | Case No. 20-35226 (DRJ) |
| PROPERTIES, INC. et. al., ¹ |) | |
| |) | |
| |) | |
| _____ Debtors. |) | (Jointly Administered) |

**DEBTORS' MOTION FOR AUTHORITY TO EMPLOY HUSCH
BLACKWELL LLP AS SPECIAL COUNSEL PURSUANT TO SECTION
327(e) OF THE BANKRUPTCY CODE**

¹ A complete list of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' proposed claims and noticing agent at <https://dm.epiq11.com/CBLProperties>. The Debtors' service address for the purposes of these chapter 11 cases is 2030 Hamilton Place Blvd., Suite 500, Chattanooga, Tennessee 37421.

A hearing may be conducted on this matter in Courtroom 400, 515 Rusk Street, Houston, Texas 77002, before the Honorable David R. Jones. You may participate in the hearing either in person or by audio/video connection. Audio communication will be by use of the Court's dial-in facility. You may access the facility at (832) 917-1510. You will be responsible for your own long-distance charges. Once connected, you will be asked to enter the conference room number. Judge Jones' conference room number is 205691.

You may view video via GoToMeeting. To use GoToMeeting, the Court recommends that you download the free GoToMeeting application. To connect, you should enter the meeting code "Judge Jones" in the GoToMeeting app or click the link on Judge Jones' home page on the Southern District of Texas website. Once connected, click the settings icon in the upper right corner and enter your name under the personal information setting.

Hearing appearances must be made electronically in advance of the hearing. To make your electronic appearance, go the Southern District of Texas website and select "Bankruptcy Court" from the top menu. Select "Judges' Procedures," then "View Home Page" for Judge Jones. Under "Electronic Appearance" select "Click here to submit Electronic Appearance". Select the case name, complete the required fields and click "Submit" to complete your appearance.

If you object to the relief requested, you must respond in writing. Unless otherwise directed by the Court, you must file your response electronically at <https://ecf.txsb.uscourts.gov/> within twenty-one days from the date this motion was filed. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.

The above-captioned debtors and debtors in possession (collectively, the "Debtors"), hereby move the Court for the entry of an Order authorizing the Debtors to Employ Husch Blackwell LLP ("Husch Blackwell") as Special Counsel pursuant to section 327(e) of the Bankruptcy Code. In support of this Application, the Husch Blackwell submits the Supplemental Declaration of Ronald I. Feldman of Husch Blackwell (the "Supplemental Feldman Declaration"), attached hereto as Exhibit A. In further support of this Motion, the Debtors respectfully represent as follows:

Background

1. On November 1, 2020 (the “Petition Date”), the Debtors commenced their reorganization case by filing voluntary petitions (collectively, the “Chapter 11 Cases”) under Chapter 11 of the Bankruptcy Code, 11 U.S.C. §§ 101-1130 (the “Bankruptcy Code”).

2. The Debtors are continuing in possession of their property and operating their businesses, as debtors in possession, pursuant to §§ 1107 and 1108 of the Bankruptcy Code.

3. The Debtors’ chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the “Local Rules”).

4. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

5. The relief requested herein was brought pursuant to Bankruptcy Code sections 105(a), 327, and 503(b), Bankruptcy Rules 2002, 2014(a), and 2016, and Local Bankruptcy Rule 2014-1(b).

Request for Authority to Employ Husch Blackwell as Special Counsel

6. Prior to the filing of the Chapter 11 Cases, and thereafter pursuant to the prior *Order Authorizing Debtors to Employ Professionals Used in Ordinary Course of Business Effective as of the Petition Date* [Dkt No. 328] of this Court entered on December 16, 2020, Husch Blackwell performed legal services for the Debtors in a variety of matters. The Debtors, in their day-to-day operations, regularly called upon Husch Blackwell to perform such legal services following the Petition Date as well. Husch Blackwell and Debtors intend for Husch Blackwell to continue its ordinary course legal services for Debtors in addition to the retention pursuant to Section 327(e) of the Bankruptcy Code for which authority is requested herein.

7. The Debtors require Husch Blackwell to act as its special counsel for all matters relating to the claims filed against Debtors in the Bankruptcy Cases (the “Claims”), including, without limitation, the following services:

- a) Provide the Debtors with general advice regarding the nature of the Claims and treatment of certain Claims under the confirmed Chapter 11 Plan;
- b) Work with the Debtors’ financial advisor, Debtors’ Counsel, and Debtors’ internal legal and finance departments to identify, administer, and reconcile Claims, including recommendations in regard to the allowance and disallowance of Claims;
- c) Prepare, file, and prosecute Claim objections, including, but not limited to entering into settlement discussions and compromises with Claim parties on behalf of Debtors to which a Claim objection has or is intended to be filed; and
- d) Provide the Debtors with additional services related to the Claims as may be appropriate.

8. The Debtors submit that the services of Husch Blackwell in connection with the Claims is vital to the Debtors’ continuing operations and their ultimate ability to implement their plan. In particular, Husch Blackwell has unique knowledge regarding Debtors, their operations, and their finances. *See* Supplemental Feldman Declaration ¶ 3. The Debtors accordingly request authority to employ Husch Blackwell without further order of the Court.

9. Pursuant to 11 U.S.C. § 327(e), “[t]he trustee, with the court’s approval, may employ, for a specified special purpose, other than to represent the trustee, in conducting the case, an attorney that has represented the debtor, if in the best interest of the estate, and if such attorney does not represent or hold any interest adverse to the debtor or to the estate with respect to the matter on which such attorney is to be employed.”

10. Husch Blackwell will not be involved in the general administration of these Chapter 11 Cases, but will provide services in connection with the Debtors’ administration and

reconciliation of Claims as described herein. As a result, the Debtors believe that Husch Blackwell is a “professional employed for a specified special purpose,” as that phrase is used in section 327(e) of the Bankruptcy Code, whose retention must be approved by the Court.

11. Husch Blackwell has been retained to represent the Debtors as described herein and does not hold any interest adverse to the Debtors or the bankruptcy estate. The Supplemental Feldman Declaration evidences disinterestedness by proposed Special Counsel.

12. Husch Blackwell will not advise Debtors regarding any claims to which there exists a conflict of interest with Husch Blackwell (the “Conflict Claims”), including the Conflict Claims of Wells Fargo Bank, N.A., Bank of America, N.A., as well as any entities affiliated with the foregoing. A complete list of the Conflict Claims is detailed in the Supplemental Feldman Declaration. *See* Supplemental Feldman Declaration ¶¶ 6, 8. If necessary, Debtors intend to utilize their bankruptcy counsel or retain other Section 327(e) of the Bankruptcy Code counsel, as to Conflict Claims.

13. The Debtors owe the Firm \$180,060.39 for fees and expenses incurred prior to and unpaid as of the Petition Date (the “Pre-Petition Claim”). The Firm acknowledges that the payment of its Pre-Petition Claim is subject to the effectiveness of the confirmed Chapter 11 Plan of Debtors and the allowance of the three (3) proofs of claim the Firm filed in this case on January 4, 2021, assigned by the claims agent as Claim Number 20119, Claim Number 20120, and Claim Number 20121. The Firm will not advise Debtors regarding the Pre-Petition Claim.

14. The Debtors request that all legal fees and related costs and expenses incurred by the Debtors on account of services rendered by Husch Blackwell be paid as administrative expenses of the estate. The names, positions, and current hourly rates of the Husch Blackwell

professionals and paraprofessionals presently expected to have primary responsibility for providing services to the Debtors are as follows:

| Name | Title | Hourly Rate |
|---------------------|---|--------------------|
| Mark T. Benedict | Partner (Restructuring & Insolvency) | \$645.00 |
| Marshall C. Turner | Partner (Restructuring & Insolvency) | \$499.50 |
| Buffey E. Klein | Partner (Restructuring & Insolvency) | \$540.00 |
| Caleb T. Holzaepfel | Senior Associate (Restructuring & Insolvency) | \$325.00 |

15. Husch Blackwell has not agreed to share the compensation with regard to its retention pursuant to Section 327(e) of the Bankruptcy Code with any other entity.

NOTICE

16. Notice of this Motion has been given pursuant to Local Rule 9013-1.

WHEREFORE, the Debtors respectfully request that the Court enter an order, (i) authorizing the employment of Husch Blackwell, pursuant to Section 327(e) of the Bankruptcy Code as more fully described above, and (ii) granting such other and further relief as the Court may deem proper.

Dated this 24th day of September, 2021.

Respectfully Submitted,

HUSCH BLACKWELL LLP

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PROPOSED COUNSEL FOR DEBTORS

CERTIFICATE OF SERVICE

This will certify that a true and correct copy of the foregoing pleading has been forwarded via this Court's CM/ECF notification system to the parties registered for such service on September 24, 2021.

/s/ Buffy E. Klein
Buffy E. Klein