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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE:	**Chapter 11**
ARCAPITA BANK B.S.C.(C), ***et al.*****,**	**Case No. 12-11076 (SHL)**
Debtors.	**Joint Administration Requested**

DEBTORS' MOTION FOR AN ORDER (A) WAIVING THE REQUIREMENT THAT EACH DEBTOR FILE A LIST OF CREDITORS AND EQUITY SECURITY HOLDERS AND AUTHORIZING MAINTENANCE OF CONSOLIDATED LIST OF CREDITORS IN LIEU OF MATRIX; (B) AUTHORIZING FILING OF A CONSOLIDATED LIST OF TOP 50 UNSECURED CREDITORS; AND (C) APPROVING CASE MANAGEMENT PROCEDURES

Arcapita Bank B.S.C.(c) ("***Arcapita***") and certain of its subsidiaries, debtors and debtors in possession (collectively, the "***Debtors***" and each, a "***Debtor***"), submit this motion (the "***Motion***") for entry of an order substantially in the form annexed hereto as ***Exhibit A*** (the "***Case Management Procedures Order***") (a) waiving the requirement that each debtor file a list of creditors and equity security holders as required by section 521(a)(1) of title 11 of the United States Code (the "***Bankruptcy Code***"), Rule 1007(a) of the Federal Rules of Bankruptcy Procedures (the "***Bankruptcy Rules***"), Rule 1007-1 of the Local Bankruptcy Rules of the

Southern District of New York (the "***Local Rules***"), and General Order M-409 (the "***General Order M-409***") of the United States Bankruptcy Court of the Southern District of New York (collectively, the "***Notice Rules***"), and authorizing Debtors to maintain a consolidated list of creditors in lieu of a matrix as required by General Order M-399 ("***General Order M-399***"); (b) authorizing the filing of a single, consolidated list of the 50 largest unsecured creditors in these cases in lieu of filing separate lists of the 20 largest unsecured creditors of each Debtor pursuant to Bankruptcy Rule 1007(d); and (c) authorizing, pursuant to section 105(a) of the Bankruptcy Code and Bankruptcy Rules 2002(l), 2002(m), and 9007, procedures for the Debtors to supply notice to creditors and parties in interest under Bankruptcy Rule 2002, certain procedures for case management, and certain other administrative procedures. In support thereof, the Debtors respectfully represent:[1]

BACKGROUND

1. On March 19, 2012 (the "***Petition Date***"), each of the Debtors commenced cases (the "***Chapter 11 Cases***") under chapter 11 of the Bankruptcy Code. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No committee has been appointed in these Chapter 11 Cases.

2. Founded in 1996, Arcapita, through its Debtor and non-Debtor subsidiaries (collectively, with Arcapita, the "***Arcapita Group***"), is a leading global manager of Shari'ah-compliant alternative investments and operates as an investment bank. Arcapita is not a

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[1] A description of the Debtors' business and the reasons for filing the Chapter 11 Cases is set forth in the Declaration of Henry A. Thompson, in Support of the Debtors' Chapter 11 Petitions and First Day Motions and in Accordance with Local Rule 1007-2, executed on March 19, 2012 (the "***Thompson Declaration***"). The facts supporting the Motion are set forth in the Thompson Declaration.

domestic bank licensed in the United States, nor does it have a branch or agency in the United States as defined in section 109(b)(3)(B) of the Bankruptcy Code. Arcapita is headquartered in Bahrain and is regulated under an Islamic wholesale banking license issued by the Central Bank of Bahrain (the "***CBB***"). The Arcapita Group employs 268 people and, together with the other Debtors and their non-Debtor Subsidiaries, has offices in Atlanta, London, Hong Kong, and Singapore in addition to its Bahrain headquarters. The Arcapita Group's principal activities include investing for its own accounts and providing investment opportunities to third-party investors in conformity with Islamic Shari'ah rules and principles. The Arcapita Group also derives revenue from managing assets for its third party investors.

3. The Arcapita Group provides investors the opportunity to co-invest with the Arcapita Group on a deal-by-deal basis across three global asset classes: real estate, infrastructure and private equity and venture capital. Typically, the Arcapita Group, through its non-Debtor subsidiaries, takes an indirect 10-20% equity stake alongside its third-party investors in non-Debtor holding companies that directly own operating portfolio companies in the United States, Europe and the Middle East. The underlying investments made by the Arcapita Group are generally medium to long term projects that have limited value in the short term, and often require significant on-going capital funding to complete in order to realize the value of the investment.

4. The Arcapita Group has approximately $7 billion in assets currently under management. As of the Petition Date, on a consolidated basis, the Arcapita Group owns assets valued at approximately $3.06 billion[2] and has liabilities of approximately $2.55 billion, as

[2] This includes Arcapita's beneficial interest in assets under management.

described in more detail in the Thompson Declaration. Approximately $1.1 billion of the Debtors' prepetition liabilities are comprised of that certain murabaha, Shari'ah-compliant syndicated facility, issued on March 28, 2007, and maturing on March 28, 2012 (the "***Syndicated Facility***").

5. Like virtually all investment banks and private equity institutions, the Arcapita Group has been adversely impacted by the global economic downturn, and has been especially hard hit by the recent debt crisis in the Eurozone. This global recession has hampered the Arcapita Group's ability to obtain liquidity from the capital markets, and has also resulted in a reduction in asset values (and concomitant difficulties in monetizing certain of the Debtors' illiquid and complex investments held by the Debtors' affiliated portfolio companies). As a result thereof, the Debtors do not have the liquidity necessary to repay the Syndicated Facility when it comes due on March 28, 2012, thus precipitating the filing of the Chapter 11 Cases. On a more general basis, the Debtors commenced these Chapter 11 Cases to facilitate the development and implementation of a comprehensive proposal designed to enable the Debtors to (a) restructure their debts, (b) weather the current economic conditions, and (c) realize the full value of their assets over time for the benefit of the Debtors' creditors and other stakeholders.

JURISDICTION & VENUE

6. The Court has jurisdiction to consider these Chapter 11 Cases and this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

RELIEF REQUESTED

7. The Debtors request entry of an order (a) waiving the requirement that each debtor file a list of creditors and equity security holders and authorizing Debtors to maintain

a consolidated list of creditors in lieu of a matrix; (b) authorizing the filing of a single, consolidated list of the 50 largest unsecured creditors in lieu of filing separate lists of the 20 largest unsecured creditors of each Debtor; and (c) approving certain procedures for the Debtors to supply notice to creditors and parties in interest, certain procedures for case management, and certain other administrative procedures.

BASIS FOR RELIEF REQUESTED

A. The Requirement That Each Debtor File a List of Creditors and Equity Security Holders Should be Waived in Favor of a Consolidated List of Creditors Maintained by the Debtors' Claims and Noticing Agent in Lieu of a Matrix

8. The Notice Rules set forth the notice requirements to file a case under the Bankruptcy Code. Pursuant to the Notice Rules, a chapter 11 petition must be accompanied by a list of creditors containing the name and address of each entity that is to be included on each of Debtors' schedules of liabilities. Section 521(a)(1) states that "[t]he debtor shall – file a list of creditors . . . ." 11 U.S.C. § 521(a)(1). Bankruptcy Rule 1007(a)(1) implements section 521(a)(1) and requires a debtor in a voluntary case to "file with the petition a list containing the name and address of each entity included or to be included on Schedules D, E, F, G and H as prescribed by the Official Forms" and to "file…a list of the debtor's equity security holders of each class showing the number and kind of interests registered in the name of each holder, and the last known address or place of business of each holder." Fed. R. Bankr. P. 1007(a)(1), (3). In addition, General Order M-399 provides that a debtor filing a case electronically must upload the creditors' matrix on the Court's electronic filing system and file the list of creditors on the case docket, each containing the information regarding creditors required by Bankruptcy Rule 1007(a)(1). *See* Bankr. S.D.N.Y. Gen. Order M-399.

9. Local Rule 1007-1 also requires, however, that "[a] person filing any lists,

schedules or statements pursuant to Bankruptcy Rule 1007 shall comply with such filing requirements as are contained in any standing orders issued by the Court." Bankr. S.D.N.Y. R. 1007-1. General Order M-409 requires that any debtor with one thousand (1000) or more creditors and/or equity security holders must retain an approved claims and noticing agent pursuant to 28 U.S.C. § 156(c), which section authorizes the use of non-court services for provision of notices, dockets, calendars and other administrative information to parties in conjunction with a chapter 11 case. Bankr. S.D.N.Y. Gen. Order M-409.

10. In accordance with Local Rule 1007-1 and General Order M-409, the Debtors intend to file an application, pursuant to 28 U.S.C. § 156(c), for an order authorizing the appointment of GCG, Inc. ("***GCG***") as the claims and noticing agent in these Chapter 11 Cases. If the application for retention of GCG as claims and noticing agent is granted, GCG will, among other responsibilities, assist with compiling a creditor database from Debtors' records and mailing of relevant notices, based on a consolidated list of creditors provided by the Debtors in the electronic format used in the Debtors' ordinary course of business (the "***Creditors List***").

11. The Debtors respectfully request that the Court waive the requirement that each of the Debtors file a list of creditors and equity security holders. Because GCG, if its retention is approved by the Court, will serve all required notices, filing of a list of creditors and equity security holders with the Court serves no independent purpose and should be waived in the Chapter 11 Cases. The Debtors believe that service of notices to the Debtors' creditors and equity security holders by GCG using the Creditors List and the list of equity security holders obtained by GCG will be sufficient to allow timely notice to all creditors and equity security holders. The Debtors believe that, with GCG's help, the Creditors List will be complete in approximately ten business days from the filing of this Motion.

12. The Debtors also request authority to maintain a consolidated list of creditors based on the Creditors List in electronic format, in lieu of any required matrix. Providing Debtors' data in the required matrix format would be unduly burdensome and would increase the risk of error with respect to the transfer of this information from the present systems maintained by the Debtors or their agents. The Debtors do not believe that they could efficiently and accurately convert their own records into matrix format more quickly than a consolidated list could be completed by GCG. The Debtors believe they would incur unnecessary expense were they to try to make such a conversion. Allowing the Debtors to maintain a creditor list in electronic form with GCG would be in the best interests of all parties. GCG can make the Creditors List available to parties in interest upon written request to GCG.

13. Relief similar to that requested in this Motion has been granted in comparable chapter 11 cases in this District. *See, e.g., In re TBS Shipping Services Inc.*, Case No. 12-22224 (RDD) (Bankr. S.D.N.Y. Feb. 10, 2012) [Docket No. 48]; *In re General Maritime Corp.*, Case No. 11-15285 (MG) (Bankr. S.D.N.Y. Nov. 18, 2011) [Docket No. 98]; *In re Marco Polo Seatrade B.V.*, Case No. 11-13634 (JMP) (Bankr. S.D.N.Y. Aug. 3, 2011) [Docket No. 21]; *In re Archbrook Laguna Holdings LLC*, Case No. 11-13292 (SCC) (Bankr. S.D.N.Y. Jul. 12, 2011) [Docket No. 34]; *In re TerreStar Networks, Inc.*, Case No. 10-15446 (SHL) (Bankr. S.D.N.Y. Oct. 20, 2010) [Docket No. 31]; *In re Almatis, B.V.*, Case No. 10-12308 (MG) (Bankr. S.D.N.Y. April 30, 2010) [Docket No. 53].[3]

B. Authorizing the Filing of a Consolidated List of Top 50 Unsecured Creditors

14. Pursuant to Bankruptcy Rule 1007(d), a chapter 11 debtor must file with

[3] The Debtors have not annexed copies of the unreported orders cited herein because of their size. Copies of these orders, however, are available upon request of the Debtors' counsel, including at the hearing to consider the Motion.

its voluntary petition a list setting forth the names, addresses, and claim amounts of those creditors, excluding insiders, holding the 20 largest unsecured claims in the debtor's case (a "***Top 20 List***"). A Top 20 List is primarily used by the Office of the United States Trustee (the "***U.S. Trustee***") to evaluate the types and amounts of unsecured claims against the debtor and, thus identify potential candidates to serve on the official committee of unsecured creditors appointed in these Chapter 11 Cases. *See In re Dandy Doughboy Donuts, Inc.*, 66 B.R. 457, 458 (Bankr. S.D. Fla. 1986) (stating that the purpose of the Top 20 List is to facilitate the appointment of an unsecured creditors committee).

15. Given the size and complexity of the Debtors' businesses, the Debtors believe that filing a consolidated list of their creditors holding the 50 largest unsecured claims (the "***Consolidated Top 50 List***") would facilitate the U.S. Trustee's review of creditors' claims. Thus, in the context of the Chapter 11 Cases, the filing of multiple Top 20 Lists, one for each Debtor, would impose an unnecessary burden on the U.S. Trustee and, in addition would increase the costs to the Debtors' estates without providing any added benefit. This result is not consistent with the purpose of Bankruptcy Rule 1007(d).

16. Due to the absence of any administrative or substantive benefit provided by filing multiple Top 20 Lists, the Debtors request the authority to file a Consolidated Top 50 List prepared in accordance with the foregoing methods in lieu of a Top 20 List for each Debtor. The Debtors believe that this will promote efficiency in the Chapter 11 Cases and conserve the resources of the U.S. Trustee.

17. Relief similar to that requested in this Motion has been granted in comparable chapter 11 cases in this District. *See, e.g.*, *In re TBS Shipping Services Inc.*, Case No. 12-22224 (RDD) (Bankr. S.D.N.Y. Feb. 10, 2012) [Docket No. 48]; *In re General Maritime*

Corp., Case No. 11-15285 (MG) (Bankr. S.D.N.Y. Nov. 18, 2011) [Docket No. 25]; *In re Marco Polo Seatrade B.V.*, Case No. 11-13634 (JMP) (Bankr. S.D.N.Y. Aug. 3, 2011) [Docket No. 21]; *In re Archbrook Laguna Holdings LLC*, Case No. 11-13292 (SCC) (Bankr. S.D.N.Y. Jul. 12, 2011) [Docket No. 34]; *In re TerreStar Networks, Inc.*, Case No. 10-15446 (SHL) (Bankr. S.D.N.Y. Oct. 20, 2010) [Docket No. 31]; *In re Almatis, B.V.*, Case No. 10-12308 (MG) (Bankr. S.D.N.Y. April 30, 2010) [Docket No. 53].[4]

C. Approving Case Management Procedures

18. In large chapter 11 cases, such as this one, bankruptcy courts, either *sua sponte* or upon the request of the debtor, have the power to enter orders establishing case management procedures. Set forth in Schedule 1 to the Case Management Order are case management procedures (the "***Case Management Procedures***") similar to the procedures approved by this Court in a recent large chapter 11 case. *See In re AMR Corporation*, *et al.*, Case No. 11-15463 (SHL) (Bankr. S.D.N.Y. December 23, 2011) [Docket No. 453]. The Debtors request that the Court approve the Case Management Procedures in these Chapter 11 Cases.

NOTICE

19. No trustee, examiner, or official committee of unsecured creditors has been appointed in the Chapter 11 Cases. The Debtors have provided notice of filing of the Motion by electronic mail, facsimile and/or overnight mail to: (a) the Office of the United States Trustee for the Southern District of New York; (b) the Debtors' 50 largest unsecured creditors on

[4] The Debtors have not annexed copies of the unreported orders cited herein because of their size. Copies of these orders, however, are available upon request of the Debtors' counsel, including at the hearing to consider the Motion.

a consolidated basis; (c) the Central Bank of Bahrain; and (d) the agent for the Debtors' prepetition secured and unsecured murabaha facilities. Due to the nature of the relief requested herein, the Debtors submit that no other or further notice is required.

NO PRIOR REQUEST

20. No prior motion for the relief sought in this Motion has been made to this or any other court.

WHEREFORE, the Debtors respectfully request that the Court grant the relief requested herein and such other and further relief as the Court may deem just and proper.

Dated: New York, New York
March 19, 2012

Respectfully submitted,

/s/ Michael A. Rosenthal

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PROPOSED ATTORNEYS FOR THE DEBTORS
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EXHIBIT A

Proposed Case Management Order

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE:	**Chapter 11**
ARCAPITA BANK B.S.C.(C), ***et al.*****,**	**Case No. _______________**
Debtors.	**Jointly Administered**

ORDER (A) WAIVING THE REQUIREMENT THAT EACH DEBTOR FILE A LIST OF CREDITORS AND EQUITY SECURITY HOLDERS AND AUTHORIZING MAINTENANCE OF CONSOLIDATED LIST OF CREDITORS IN LIEU OF A MATRIX; (B) AUTHORIZING FILING OF A CONSOLIDATED LIST OF TOP 50 UNSECURED CREDITORS; AND (C) APPROVING CASE MANAGEMENT PROCEDURES

Upon consideration of the motion (the "***Motion***")[1] of Arcapita Bank B.S.C.(c) and certain of its subsidiaries, as debtors and debtors in possession in the above-captioned Chapter 11 Cases (collectively, the "***Debtors***" and each, a "***Debtor***"), for entry of an order (a) waiving the requirement that each Debtor file a list of creditors and equity security holders and authorizing the maintenance of a consolidated list of creditors in lieu of a matrix; (b) authorizing the filing of a consolidated list of top 50 unsecured creditors; and (c) approving notice, case management, and administrative procedures; and upon the Thompson Declaration in support thereof; and the Court having found that it has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found that the relief requested in the Motion is in the best interests of Debtors' estates, their creditors, and other parties in interest; and notice of the Motion and the opportunity for a

[1] Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

hearing on the Motion was appropriate under the particular circumstances; and the Court having reviewed the Motion and having considered the statements in support of the relief requested therein at a hearing before the Court (the "***Hearing***"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED:

1. The Motion is granted to the extent set forth herein.

2. The requirement that the Debtors file a list of creditors with the Court on the Petition Date pursuant to the Notice Rules is hereby waived.

3. The requirement that the Debtors file a list of equity security holders with the Court within 14 days of the Petition Date pursuant to Bankruptcy Rule 1007(a)(3) is hereby waived.

4. The Debtors, or their appointed agent, are authorized to prepare and maintain a consolidated list of creditors in an electronic format that is acceptable to the Clerk of the Court, in lieu of any required matrix, and to make such list available to other parties in interest upon written request.

5. The Debtors are authorized to file a Consolidated Top 50 List in the Chapter 11 Cases, in lieu of filing a separate Top 20 List in each of the Debtors' respective Chapter 11 Cases.

6. The Case Management Procedures set forth in Schedule 1 annexed hereto are hereby approved.

7. The Case Management Procedures shall govern all applicable aspects of the Chapter 11 Cases, except as otherwise set forth herein or otherwise ordered by the Court.

8. To the extent that the Case Management Procedures conflict with the Bankruptcy Code, the Bankruptcy Rules, or the Local Rules, the Case Management Procedures shall supersede such provisions and rules in the Chapter 11 Cases.

9. Nothing in this Order shall prejudice the rights of any party in interest to seek an amendment or waiver of the provisions of the Case Management Procedures upon a showing of good cause.

10. The Debtors may seek to amend the Case Management Procedures from time to time throughout the Chapter 11 Cases and shall present such amendments to the Court by notice of presentment in accordance with this Order.

11. Within five business days of entry of this Order, GCG shall serve a printed copy of this Order upon all parties on the Master Service List and post a copy of this Order on the Case Website.

12. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: New York, New York
________________, 2012

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UNITED STATES BANKRUPTCY JUDGE

Schedule 1

Proposed Case Management Procedures

General Case Administration and Pleadings

1. GCG is authorized, but not directed, to establish a case website available at http://www.gcginc.com/cases/arcapita/ (the "***Case Website***"), where, among other things, key dates and information about the Chapter 11 Cases will be posted.

2. All documents filed in the Chapter 11 Cases, including, but not limited to, all notices, motions, applications, other requests for relief, all briefs, memoranda, affidavits, declarations, and other documents filed in support of such papers seeking relief (collectively, the "***Pleadings***"), objections or responses to Pleadings (the "***Objections***"), and replies thereto (the "***Replies***," and together with the Pleadings and the Objections, the "***Documents***") shall be filed electronically with the Court on the docket of *In re Arcapita Bank B.S.C.(c), et al.,* Ch. 11 Case No. 12-11076 (SHL) (the "***Docket***"), pursuant to the Court's General Order M-399 (available at http://nysb.uscourts.gov/orders/orders2.html), by registered users of the Court's case filing system and by all other parties in interest on a 3.5 inch disk, preferably in portable document format ("***PDF***"), Microsoft Word, or any other Windows-based word processing format.

3. A "***Notice of Hearing***" shall be affixed to all Pleadings and shall include the following: (i) the title of the Pleading; (ii) the parties upon whom any Objection to the Pleading is required to be served; (iii) the date and time of the applicable Objection Deadline (as hereinafter defined); (iv) the date of the hearing at which the Pleading shall be considered by the Court; and (v) a statement that the relief requested may be granted without a hearing if no Objection is timely filed and served in accordance with these Case Management Procedures.

4. The applicable Objection Deadline and hearing date shall appear on the upper right corner of the first page of the Notice of Hearing and on the upper right corner of the first page of each Pleading and any Objection thereto.

5. Unless prior permission has been granted, memoranda of law in support of Motions or Objections are limited to 35 pages, and memoranda of law in support of Replies are limited to 15 pages. All memoranda shall be double-spaced, 12-point font, with 1" margins. Memoranda of 10 pages or more shall contain a table of contents and a table of authorities.

6. If any reference is made in a Document to (i) an order entered in another case or (ii) an excerpt from a Judge's dictated decision, the party filing such Document must file as an attachment to the Document a copy of the order relied upon or the transcript of the entire decision in order for the Court to consider the citation as precedent or persuasive.

7. Nothing in these Case Management Procedures shall prejudice the right of any party to move the Court to request relief under section 107(b) of the Bankruptcy Code or Bankruptcy Rule 9018 to protect any entity with respect to a trade secret or confidential research, development, or commercial information or to protect a person with respect to scandalous or defamatory matter contained in a Document filed in these Chapter 11 Cases.

Service

8. All Documents shall be served, in the manner described herein, on (i) the Chambers of the Honorable Sean H. Lane ("***Chambers***"), United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, New York 10004; (ii) the attorneys for the Debtors, Gibson, Dunn & Crutcher LLP, 200 Park Avenue, New York, New York 10166 (Attn. Michael A. Rosenthal, Janet M. Weiss, and Matthew Kelsey); (iii) the Office of the United States Trustee for the Southern District of New York (the "***U.S. Trustee***"), 33 Whitehall Street, 21st Floor, New York, New York 10004 (Attn: Richard Morrissey); (iv) counsel to any statutory committee appointed in the Chapter 11 Cases (collectively, the "***Standard Parties***"); and (vii) any person or entity with a particularized interest in the subject matter of a certain Document (each, an "***Affected Party***").

9. Any creditor, equity interest holder, or party in interest that wishes to receive notice in the Chapter 11 Cases and is not otherwise entitled to notice pursuant to these Case Management Procedures shall file a notice of appearance (a "***Notice of Appearance***") and request for service of papers in accordance with Bankruptcy Rules 2002 and 9010(b) and these Case Management Procedures. The Notice of Appearance shall include the following: (i) the requesting party's name and address; (ii) the name of the client, if applicable; (iii) the requesting party's telephone number; (iv) the requesting party's e-mail address for service by electronic transmission; (v) the requesting party's address for service by U.S. mail, hand delivery, and/or overnight delivery; and (vi) the requesting party's facsimile number for service by facsimile. Notwithstanding Bankruptcy Rules 2002 and 9010(b), no request for service filed in the Chapter 11 Cases shall have any effect unless the foregoing requirements are satisfied. Any individual or entity that does not maintain and cannot practicably obtain an e-mail address must include in its Notice of Appearance a certification stating the same. Notice will be provided to these individuals or entities by U.S. mail, overnight delivery, or facsimile, at the Debtors' discretion.

10. The Debtors shall maintain a master service list (the "***Master Service List***"), which shall include the Standard Parties and all persons and entities that have filed a Notice of Appearance pursuant to Bankruptcy Rules 2002 and 9010(b) and the Case Management Procedures (the "***Rule 2002 Parties***"). The Master Service List shall contain addresses, facsimile numbers, and e-mail addresses. The Debtors shall use reasonable efforts to update the Master Service List as often as practicable, but in no event less frequently than every 30 days. The Master Service List and any updates thereto shall be filed electronically on the Court's website, http://ecf.nysb.uscourts.gov, and on the Case Website commencing as of the date that is 10 days from the date hereof.

11. Pleadings and Objections must be served on the Master Service List and any Affected Parties. Replies and Documents filed in adversary proceedings are not required to be served on the Rule 2002 Parties.

12. The proceedings with respect to which notice is limited to the Master Service List shall include all matters covered by Bankruptcy Rule 2002, with the express exception of the following: (i) notice of (a) a meeting of creditors pursuant to section 341 of the Bankruptcy Code, (b) the time fixed for filing proofs of claim pursuant to Bankruptcy Rule 3003(c), and (c) the time fixed for filing objections to, and the hearings to consider, approval of a disclosure statement and a chapter 11 plan; and (ii) notice and transmittal of ballots for accepting or rejecting a chapter 11 plan, which notices would be given in accordance with Bankruptcy Rule 2002 and other applicable Bankruptcy Rules, unless otherwise ordered by the Court or otherwise prescribed by the Bankruptcy Code. Pleadings related to a compromise or settlement must be served on the Master Service List and any Affected Parties, but need not be served on all creditors. Pleadings related to the abandonment or disposition of property must be served on the Master Service List and any Affected Parties, but need not be served on all creditors and indenture trustees, unless such Pleadings seek the abandonment or disposition of substantially all of the Debtors' property.

13. Parties shall serve the Standard Parties and the Affected Parties by U.S. mail, overnight delivery, hand delivery, or, with the exception of the Court and the U.S. Trustee, facsimile

14. Any of the Standard Parties and the Affected Parties may request service by email, and if such request is made, such parties may be served by e-mail in accordance with the Case Management Procedures.

15. Parties shall be authorized to serve all Documents on the Rule 2002 Parties by e-mail.

16. All Documents served by e-mail shall include access to an attached file containing the entire Document, including the proposed form(s) of order and any exhibits, attachments, and other relevant materials, in PDF format, readable by Adobe Acrobat or an equivalent program. Notwithstanding the foregoing, if a Document cannot be annexed to an e-mail (because of its size, technical difficulties, or otherwise), the Debtors may, in their sole discretion (i) serve the entire Document by U.S. Mail or overnight delivery, including the proposed form(s) of order any exhibits, attachments, and other relevant materials, or (ii) e-mail the parties being served and include a notation that the Document cannot be annexed and will be (a) mailed if requested, or (b) posted on the Case Website.

17. Service by e-mail shall be effective as of the date the Document is sent to the e-mail address provided by a party. If service is made by e-mail, the Debtors shall not be required to serve a paper copy of Documents on interested parties and e-mail service shall satisfy the Court's rules for service.

18. If a party entitled to notice of a Pleading does not have an e-mail address or an e-mail address is not available to the Debtors, the party shall be served by U.S. mail, overnight delivery, facsimile, or hand delivery; the choice of the foregoing being in the Debtors' sole discretion.

19. Pursuant to Rule 9070-1 of the Local Bankruptcy Rules for the Southern District of New York (the "***Local Rules***"**),** a printed copy of all papers filed with the Court, including those filed electronically, other than proofs of claim, shall be (a) marked "Chambers Copy" and delivered in an

unsealed envelope to Chambers, not later than the next business day following the date on which such Document is electronically filed and (b) delivered to the U.S. Trustee.

20. Upon the completion of noticing any particular matter, the party seeking relief shall file with the Court within three business days either an affidavit of service or a certification of service attaching the list of parties that received notice; *provided, however,* that parties shall not be required to serve the affidavits of service on such recipients.

21. The Debtors shall be authorized to schedule, in cooperation with the Court, periodic omnibus hearings (the "***Omnibus Hearings***") at which Pleadings shall be heard. Upon scheduling, the Claims and Noticing Agent shall post the date of the Omnibus Hearings on the Case Website. The first four Omnibus Hearings shall be scheduled for the following dates and times: (i) _______________ (Eastern Time); (ii) ________________ (Eastern Time); (iii) ___________ (Eastern Time); and (iv) ____________________ (Eastern Time).

22. Hearings in connection with claims objections, pre-trial conferences and trials related to adversary proceedings, approval of a disclosure statement, confirmation, and any other Pleading filed by the Debtors, may be scheduled for dates other than the Omnibus Hearing dates; *provided, however,* that hearings in connection therewith may only be scheduled on a non-Omnibus Hearing date after consulting in advance with the attorneys for any official committee, which consultation shall occur promptly upon the Debtors identifying the need for such hearing and the Debtors shall include a statement in the filed Pleading as to the official committee's position as to the scheduling of such non-Omnibus Hearing date; and *provided, further,* that initial pre-trial conferences scheduled in connection with adversary proceedings involving the Debtors shall be set on the next available Omnibus Hearing date that is at least 45 days after the filing of the complaint; and *provided, further,* that hearings on all

other Pleadings filed by a party other than the Debtors must be scheduled for an Omnibus Hearing except for Pleadings requiring emergency relief.

23. If a Document is filed by a party other than the Debtors and purports to set a hearing date inconsistent with the Case Management Procedures (an "***Inconsistent Filing***"), the hearing shall be scheduled, without the necessity of Court order, for the first Omnibus Hearing date after the applicable notice period has expired, and the Debtors shall provide such party with notice of the Case Management Procedures within three business days of receipt of the Inconsistent Filing.

24. If a movant or applicant other than the Debtors determines that a motion or application requires emergency or expedited relief, the movant or applicant shall contact the attorneys for (i) the Debtors and (ii) any statutory committee by telephone and request that the motion or application be considered on an expedited basis. If the Debtors or the statutory committee disagrees with the movant's or applicant's determination regarding the emergency or expedited nature of the relief requested, the movant or applicant shall (i) inform the Court of the disagreement by telephone and (ii) arrange for a chambers conference, telephonic or in-person, to be held to discuss the disagreement. If the Court agrees with the position of the movant or applicant regarding the necessity for expedited consideration, the movant or applicant may, by order to show cause, request an expedited hearing.

25. If a Pleading seeks relief pursuant to Bankruptcy Rules 2002(a) or (b), the hearing to consider such Pleading shall be set in accordance with the time period set forth in Bankruptcy Rules 2002(a) and (b) and 9006. For all other Pleadings, with the exception of Pleadings filed pursuant to the Presentment Procedures (as hereinafter defined), Pleadings shall not be considered unless filed and served in accordance with the Case Management Procedures at least 14 calendar days before the next applicable hearing date; *provided, however,* that if any party is served by U.S. mail, the Pleading must be filed and served at least 17 calendar days before the next applicable hearing; *provided, further,* that

nothing in the Case Management Procedures shall prejudice the right of any party to move the Court to request an enlargement or reduction of any time period under Bankruptcy Rules 9006(b) and (c).

26. Notwithstanding the immediately preceding paragraph, a party may settle or present a proposed order for approval by the Court in accordance with Local Rule 9074-1; *provided, however,* that the presentment of a proposed order pursuant to Local Rule 9074-1(c), or any other similar administrative or standard order, must be filed and served at least seven (7) calendar days before the presentment date (the "***Presentment Procedures***").

27. Except as set forth below with respect to Stay Relief Motions (as hereinafter defined), the deadline to file an Objection (the "***Objection Deadline***") to any Pleading shall be (i) at least seven calendar days before the applicable hearing date or (ii) any date otherwise ordered by the Court. The Objection Deadline may be extended with the consent of the movant or applicant. If such an extension has been agreed upon, the movant or applicant shall obtain approval of such extension from Chambers. The Objection shall not be considered timely unless filed with the Court and received by the Standard Parties on or before the applicable Objection Deadline. All parties filing an Objection shall include their telephone number, facsimile number, and e-mail in the signature block on the last page of the Objection.

28. Unless otherwise ordered by the Court, Replies shall be filed with the Court and served in accordance with these Case Management Procedures on or before 12:00 noon (Eastern Time) at least three business days prior to the date of the applicable hearing.

29. By two business days before a scheduled hearing, the Debtors shall file with the Court a letter (the "***Agenda Letter***") setting forth each matter to be heard at the hearing (the letter must be updated after the initial submission, if necessary) and shall serve the letter(s), by email or facsimile on: (i) the Court; (ii) the U.S. Trustee; (iii) counsel to any statutory committee appointed in

the Chapter 11 Cases; and (iv) any party that filed Documents referenced in the Agenda Letter; *provided, however,* that an Agenda Letter shall not be required where the Debtors have less than 48 hours' notice of the hearing.

30. The Agenda Letter will include, to the extent known by the Debtors: (i) the docket number and title of each matter scheduled to be heard at the hearing, including the initial filing and any Objections, Replies, or Documents related thereto; (ii) whether the matter is contested or uncontested, (iii) whether the matter has been settled or is proposed to be continued; and (iv) other comments that will assist the Court; *provided, however,* that the matters listed on the Agenda Letter shall be limited to matters of substance and shall not include administrative filings such as notices of appearance and affidavits of service.

31. The Agenda Letter may include notice of matters that have been consensually adjourned to a later hearing date in lieu of parties filing a separate notice of such adjournment.

32. In the event a matter is properly noticed for hearing and the parties reach an agreement to settle the dispute prior to the hearing, the parties may announce the settlement at the scheduled hearing. In the event the Court determines that notice of the dispute and the hearing is adequate notice of the effects of the settlement (i.e., that the terms of the settlement are not materially different from what parties in interest could have expected if the dispute were fully litigated), the Court may approve the settlement at the hearing without further notice of the terms of the settlement. In the event the Court determines that additional or supplemental notice is required, the Debtors shall serve such notice in accordance with the Case Management Procedures and a hearing to consider such settlement shall be on the next hearing day deemed appropriate by the Court.

33. Notwithstanding anything to the contrary contained herein, a motion for relief from the automatic stay (a "***Stay Relief Motion***") in accordance with section 362 of the Bankruptcy Code shall be noticed for consideration on the Omnibus Hearing Date that is at least 21 days after the Stay Relief Motion is filed and notice thereof is served upon the Debtors. Unless otherwise ordered by the Court, the objection deadline with respect thereto shall be the later to occur of (i) 14 calendar days after the date of filing and service of the Stay Relief Motion and (ii) three calendar days prior to the hearing scheduled with respect thereto.

34. Notwithstanding section 362(e) of the Bankruptcy Code, if a Stay Relief Motion is scheduled, in accordance with this Order, for, or adjourned to, a hearing date that falls on or after the 30th day after the filing of the Stay Relief Motion, the moving party shall be deemed to have consented to the continuation of the automatic stay in effect pending the conclusion of, or as a result of, a final hearing and determination under section 362(d) of the Bankruptcy Code and shall be deemed to have waived its right to assert the termination of the automatic stay under section 362(e) of the Bankruptcy Code.

35. Pursuant to Local Rule 7056-1, no motion for summary judgment may be made without first seeking a pre-motion conference. A request for such conference should be made by letter, filed electronically on the Court's website, http://ecfnysb.uscourts.gov, setting forth the issues to be presented under the summary judgment motion.

36. Motions for reargument must identify with particularity the matter for reconsideration in accordance with Local Rule 9023-1. If, after review of the motion, the Court determines that it wishes a response, and/or a hearing, it will notify the parties accordingly.

Telephonic Appearances

37. If a party desires to participate in a hearing by telephone, such party must request permission from Chambers and notify attorneys for the Debtors at least 48 hours prior to the scheduled hearing. If Chambers permits telephonic participation, the party participating telephonically must arrange such telephonic participation with Court Call, adhering to the Case Management Procedures for telephonic participation applicable in the United States Bankruptcy Court for the Southern District of New York, as well as those required by Chambers. Those participating by phone may not use speakerphones, unless first authorized by the Court; by reason of technical limitations of the equipment, and the way speakerphones disrupt proceedings in the courtroom, speakerphone authorizations usually will not be granted. Persons participating by phone (and especially by speakerphone) must put their phones on "mute" except when they need to be heard. Persons so participating are not to put their phones on "hold" under any circumstances.

Hearing Procedures

38. The initial hearing on all Pleadings will be a non-evidentiary hearing, unless: (i) the motion is of a type specified in Local Rule 9014-2(b), (c), (d), or (e) or (ii) the Court otherwise directs in advance of the hearing. If, upon or after the filing of a motion, any party wishes an evidentiary hearing on a motion not covered under Local Rule 9014-2, such party must confer with all other parties involved to determine whether there is agreement that an evidentiary hearing is appropriate. In the absence of an ability to agree, the Court will consider requests for an evidentiary hearing by conference call. Notwithstanding Local Rule 9014-2, the Court may, upon advance request and for cause shown, order that the initial hearing on a motion of the type specified in Local Rule 9014-2(c), (d), or (e) will be a non-evidentiary hearing. Generally, interests of judicial

economy and the absence of disputed material issues of fact will collectively suggest that a non-evidentiary hearing is appropriate on motions subject to Local Rule 9014-2(c), (d) or (e).

39. Concurrently with any determination that an evidentiary hearing is necessary or desirable, Chambers must be notified with an estimate of expected trial time; parties may be informed that a different return date is necessary if the available time on the requested day is insufficient. Any motion noticed as an evidentiary hearing must prominently state, just below the return date in the upper right-hand corner, "Evidentiary Hearing Requested."

40. A request for relief in a Pleading may be granted without a hearing provided that, after the passage of the Objection Deadline, the attorney for the entity who has filed the Pleading (i) files a declaration pursuant to 28 U.S.C. § 1746 indicating that no Objection has been filed or served in accordance with the Case Management Procedures; (ii) serves the declaration via email or facsimile upon the Standard Parties and the Affected Parties one (1) business day prior to submission thereof to the Court; and (iii) delivers by U.S. mail, hand delivery, or overnight delivery, a package to the Court including (a) the declaration described in subsection (i) above, (b) a disk containing an order granting the relief requested in the applicable Pleading, and (c) a printed copy of the order (collectively, the "***Presentment Package***")**.** Upon receipt of the Presentment Package, the Court may grant the relief requested in the Pleading without further submission, hearing, or request. If the Court does not grant the relief, the Pleading will be heard at the Omnibus Hearing that is at least seven calendar days after the date the Presentment Package is received by the Court.

41. Parties seeking a temporary restraining order ("***TRO***") must comply with the requirements of Fed. R. Civ. P. 65(b). Applications for TROs will be heard in open court, on the record, with a court reporter or audio recording. Parties wishing to be heard in opposition will be heard by telephone upon request. Applicants seeking TROs are reminded of the need to submit with their

motion papers the written affidavit required under Fed. R. Civ. P. 65(b) confirming the notice provided to anyone who might wish to oppose the application. Any assertions that notice cannot or should not be given must likewise be supported by affidavit.

42. Any request for a TRO must be preceded by a telephone call to Chambers, advising Chambers of the nature of the controversy, the need for emergency relief, why a noticed hearing for a preliminary injunction would be insufficient, when a hearing on the TRO application is needed, and when the papers will be forthcoming. Except in those rare cases where advance notice of the TRO application would vitiate the purpose of the TRO (and where that can be established by affidavit), immediate telephonic notice of the prospective application must be provided to all parties reasonably expected to be affected by entry of the TRO, or provisions therein. In addition, the papers on any TRO application must be hand delivered, emailed, or faxed to any such parties at the same time that the papers are provided to Chambers.

Discovery and Evidence

43. Expedited discovery in contested matters in the Chapter 11 Cases is authorized without further Court order. This authorization is without prejudice to the rights of any party or witness to seek protective order relief if the time to respond or appear, or the burden of the requested discovery, is unreasonable or for other cause shown. Parties are expected to work informally and cooperatively to effect any necessary discovery, with due recognition of the time exigencies that are typical in bankruptcy litigation. Document requests by letter, facsimile, or email are authorized.

44. For the Chapter 11 Cases and any related adversary proceedings, no letter submissions regarding discovery will be accepted. Parties are required in the first instance to resolve discovery and due diligence disputes by negotiation in good faith and, if necessary, a conference call with the Court without submission of papers. The Court will make itself available for such calls, but such calls

will not be scheduled until and unless the parties have first tried and failed to resolve the disputed matters themselves. Unless otherwise ordered by the Court, no Motion with respect to a discovery or due diligence dispute may be filed unless the parties have first conferred in good faith to resolve it and also sought to resolve the matter by conference call with the Court.

45. Except as otherwise ordered by the Court for cause shown before the hearing, all direct testimony in contested matters in the Chapter 11 Cases, other than duly designated deposition testimony, must be submitted by affidavit, and all cross-examination and subsequent examination will be taken live. Unless otherwise ordered by the Court, all affidavits and any designated testimony must be submitted to the adversary and the Court no later than three full business days before the hearing.

46. Notwithstanding the foregoing paragraph, parties may, if they are so advised, introduce the testimony of witnesses who reasonably can be expected not to be cooperative (such as employees or agents of adversaries) by calling them as adverse witnesses and taking their testimony on "adverse direct." The Court will generally regard taking direct testimony "live" as appropriate if, but only if, matters of credibility are important in the particular case, and credibility on direct, as well as after cross-examination, is at issue; the Court will generally regard "live" direct as inappropriate where the bulk of the testimony is historical or involves more than minimal discussion of accounting information or other financial or numerical analysis. In any instances where direct testimony will proceed "live," the proponent(s) of such testimony will be responsible for so advising Chambers in advance and taking such steps (e.g., subpoenas) as are necessary to secure the attendance of any non-cooperating witnesses.