

UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF WASHINGTON AT SPOKANE

In re:

THE CATHOLIC BISHOP OF  
SPOKANE, a/k/a The Catholic Diocese of  
Spokane,

Debtor.

No. 04-08822

PLAN TRUSTEE'S MOTION FOR  
ORDER APPROVING STIPULATED  
"SECOND TOLLING AGREEMENT"

COMES NOW the Plan Trustee, and respectfully moves the Court for an Order Approving the Stipulated "Second Tolling Agreement". This Motion is supported by the contemporaneously filed Declaration of Gloria Z. Nagler, and by the entire courtfile herein.

The relevant facts underlying this motion are set forth fully in the contemporaneously filed Declaration of Gloria Z. Nagler. By way of summary, the Debtor and Paine Hamblen entered into a Tolling Agreement ("First Agreement") on January 2, 2007. *See*, Declaration of Gloria Z. Nagler, ¶ 3. The First Agreement provided for extension of the deadline for the Debtor to commence any avoidance actions on behalf of its bankruptcy estate arising under 11 U.S.C. §§ 544, 545, 547, 548, or 553 ("Avoidance Actions") against Paine Hamblen, from December 6, 2006 to and including the latter of June 29, 2007 or thirty (30) days after the Effective Date. *See*, Declaration of Gloria Z. Nagler, ¶ 4.

Pursuant to the terms of the Debtor's confirmed Second Plan of Reorganization, the Plan Trustee effectively stands in the shoes of the Debtor *vis a vis* commencement and prosecution of

1 the Avoidance Actions. *See*, Declaration of Gloria Z. Nagler, ¶ 5. In order to preserve her rights  
2 as Plan Trustee with regard to the Avoidance Actions, while simultaneously avoiding litigation  
3 which may be premature at this time, the Plan Trustee has entered into a “Second Tolling  
4 Agreement” with Paine Hamblen. *See*, Declaration of Gloria Z. Nagler, ¶ 6. The Second  
5 Tolling Agreement extends the deadline by which the Plan Trustee may commence Avoidance  
6 Actions from June 29, 2007 to August 31, 2007. *See*, Declaration of Gloria Z. Nagler, ¶ 6. A  
7 true and correct copy of the Second Tolling Agreement has been filed as Exhibit A to the  
8 Declaration of Gloria Z. Nagler.

9 As the First Agreement expires on June 29, 2007, the Plan Trustee believes it is  
10 imperative that the Second Tolling Agreement be approved by this Court prior to that date. .  
11 *See*, Declaration of Gloria Z. Nagler, ¶ 8.

12 WHEREFORE, the Plan Trustee respectfully moves the Court for an Order approving the  
13 stipulated “Second Tolling Agreement” entered into between the Plan Trustee and Paine  
14 Hamblen.

15 DATED this 11<sup>th</sup> day of June, 2007.

17 **NAGLER & ASSOCIATES**

18 /s/Gloria Z. Nagler  
19 GLORIA Z. NAGLER  
20 WSBA # 13176  
21 Plan Trustee  
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