IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re	)	Chapter 11
	)	
	)	Case No. 12-10010 (KG)
COACH AM GROUP HOLDINGS CORP., *et al.*[1]	)	(Jointly Administered)
	)	
Debtors.	)	**Related Docket No. 102**
	)	
	)	**Objection Deadline: January 20, 2012 at 4:00 p.m.**
	)	**Hearing Date: January 27, 2012 at 9:30 a.m.**

LIMITED OBJECTION OF VERIZON COMMUNICATIONS INC. TO MOTION OF THE DEBTORS FOR ORDERS (I) APPROVING (A) BIDDING PROCEDURES, (B) FORM AND MANNER OF SALE NOTICES, AND (C) SALE HEARING DATE, AND (II) AUTHORIZING AND APPROVING (A) SALE OF SUBSTANTIALLY ALL OF THE ASSETS FREE AND CLEAR OF LIENS, CLAIMS, AND ENCUMBRANCES, AND (B) ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES
(Assumption Procedures[2])

COMES NOW, Verizon Communications Inc., on behalf of itself and its subsidiaries ("Verizon"), by and through undersigned counsel, and states its Limited Objection to Motion of the Debtors for Orders (I) Approving (A) Bidding Procedures, (B) Form and Manner of Sale Notices, and (C) Sale Hearing Date, and (II) Authorizing and Approving (A) Sale of

[1] The Debtors in these cases, along with their case numbers, addresses, and the last four digits of each Debtor's federal tax identification number are: Coach Am Group Holdings Corp. (4830); Coach Am Holdings Corp. (1816); Coach America Holdings, Inc. (2841); American Coach Lines, Inc. (2470); America Charters, Ltd. (8246); American Coach Lines of Atlanta, Inc. (4003); American Coach Lines of Jacksonville, Inc. (1360); American Coach Lines of Miami, Inc. (7867); American Coach Lines of Orlando, Inc. (0985); Coach America Group, Inc. (2816); B & A Charter Tours, Inc. (9392); Dillon's Bus Service, Inc. (5559); Florida Cruise Connection, Inc. (9409); Hopkins Airport Limousine Services, Inc. (1333); Lakefront Lines, Inc. (5309); The McMahon Transportation Company (0030); Midnight Sun Tours, Inc. (2791); Royal Tours of America, Inc. (2313); Southern Coach Company (6927); Tippet Travel, Inc. (8787); Trykap Airport Services, Inc. (0732); Trykap Transportation Management, Inc. (2727); KBUS Holdings, LLC (6419); ACL Leasing, LLC (2058); CAPD, LLC (4454); Coach America Transportation Solutions, LLC (6909); CUSA, LLC (3523); CUSA ASL, LLC (2030); CUSA AT, LLC (2071); CUSA AWC, LLC (2084); CUSA BCCAE, LLC (2017); CUSA BESS, LLC (3610); CUSA CC, LLC (1999); CUSA CSS, LLC (1244); CUSA EE, LLC (1982); CUSA ELKO, LLC (4648); CUSA ES, LLC (1941); CUSA FL, LLC (1920); CUSA GCBS, LLC (1891); CUSA GCT, LLC (1833); CUSA KBC, LLC (1808); CUSA K-TCS, LLC (1741); CUSA Leasing, LLC (1321); CUSA PCSTC, LLC (1701); CUSA PRTS, LLC (1591); CUSA RAZ, LLC (0640); CUSA Transit Services, LLC (8847); Get A Bus, LLC (1907); Coach BCCAE, L.P. (3488); Coach Leasing BCCAE, L.P. (6784). The Debtors' corporate offices are located at 8150 North Central Expressway, Suite M1000, Dallas, Texas 75206.

[2] To the extent that a capitalized term is not otherwise defined within, that term shall have the meaning set forth in the Motion of the Debtors for Orders (I) Approving (A) Bidding Procedures, (B) Form and Manner of Sale Notices, and (C) Sale Hearing Date, and (II) Authorizing and Approving (A) Sale of Substantially All of the Assets Free and Clear of Liens, Claims, and Encumbrances, and (B) Assumption and Assignment of Certain Executory Contracts and Unexpired Leases.

Substantially All of the Assets Free and Clear of Liens, Claims, and Encumbrances, and (B) Assumption and Assignment of Certain Executory Contracts and Unexpired Leases. In support of its limited objection, Verizon respectfully states as follows:

INTRODUCTION

Verizon delivers advanced IP, data, voice and wireless solutions to Coach Am Group Holdings Corp., *et al.* ("Debtors") pursuant to one or more telecommunications agreements. Verizon does not oppose any proposed assumption and assignment of its agreements, but objects to such assumption and assignment to the extent that the procedure for service of Cure Notices and Assumption Notices fails to give timely notice to Verizon of the proposed cure amount for those agreements.

FACTS

1. On January 3, 2012, each of the Debtors filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code, 11 U.S.C. §§ 101 – 1532.

2. The Debtors are operating their businesses and maintaining their assets as debtors in possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code. On January 13, 2012, the United States Trustee appointed the Official Committee of Unsecured Creditors. No trustee, examiner or other committee has been appointed.

3. Prior to the filing of the bankruptcy proceedings, one or more of the Debtors was party to one or more agreements with Verizon.

4. On January 13, 2012, the Debtors filed the Motion of the Debtors for Orders (I) Approving (A) Bidding Procedures, (B) Form and Manner of Sale Notices, and (C) Sale Hearing Date, and (II) Authorizing and Approving (A) Sale of Substantially All of the Assets Free and

Clear of Liens, Claims, and Encumbrances, and (B) Assumption and Assignment of Certain Executory Contracts and Unexpired Leases [Docket No. 102] (the "Sale Motion").

5. The Sale Motion consists of two parts, i) the motion seeking approval of bidding and notice procedures in connection with the proposed sale of substantially all of the Debtors' assets, and ii) the motion seeking approval of the sale itself, including, if applicable, the assumption and assignment of certain executory contracts and unexpired leases to the successful bidder at an auction for the Debtors' assets.

6. In connection with the bidding and notice procedures, the Sale Motion provides that:

> As soon as practicable, the Debtors shall serve on all non-debtor counterparties to any Assumed Contract, a notice substantially in the form attached as Exhibit 4 to the Bidding Procedures Order (the "Cure Notice"), that identifies (i) the Assumed Contract, (ii) the name of the non-debtor counterparty to such Assumed Contract and (iii) the calculation of the undisputed cure amounts that must be paid to cure all prepetition defaults under all Assumed Contracts (the "Cure Amounts").

Sale Motion, ¶ 30(a). The non-debtor party then has ten days from the date of service to file an objection in the event that it disputes the Cure Amounts.

7. The Sale Motion further provides that:

> As soon as practicable after (a) the conclusion of the Auction, if one is held in accordance with the Bidding Procedures or (b) submission of the Lender Bid Notice of Intent by the Prepetition First Lien Agent, the Debtors shall serve on all non-debtor counterparties to any Assumed Contract, a notice substantially in the form attached as Exhibit 5 to the Bidding Procedures Order (the "Assumption Notice"), that identifies the Successful Bidder.

Sale Motion, ¶ 30(f). The non-debtor party then has ten days from the date of service to file an objection in the event that it disputes the assumption of the Assumed Contract.

8. The Debtors have yet to file their bankruptcy schedules. However, the address listed for Verizon on the list of utility providers attached to the Debtors' Motion of The Debtors For Entry of Interim and Final Orders Pursuant to 11 U.S.C. §§ 105(A) and 366 (I) Prohibiting

Utility Providers From Discontinuing, Altering or Refusing Service on Account of Prepetition Invoices, (II) Deeming Utility Providers to Have Adequate Assurance of Future Payment, and (III) Establishing Procedures for Resolving Requests for Additional Assurance [Docket No. 8] is the address for Verizon's corporate headquarters. In addition to this address, the Debtors' List of Creditors [Docket No. 122] includes several addresses for Verizon that are post office boxes designed for receipt of payments.

9. Particularly because the Assumption Procedures are unclear as to whether the Debtors intend to electronically file the Cure Notices and Assumption Notices with the Bankruptcy Court, Verizon is concerned that the procedures will not provide timely notice of any proposed cure or assumption. A notice mailed to the corporate headquarters or sent to a payment lock box may not provide an opportunity for the proper parties within Verizon to review the notices prior to the objection deadlines.

10. Verizon therefore requests that any Cure Notice or Assumption Notice for Verizon be served on Verizon's counsel at the following address:

Stinson Morrison Hecker LLP
Attn. Darrell W. Clark, Esq.
1775 Pennsylvania Ave., NW, Suite 800
Washington, DC 20006

11. Verizon files this limited objection to preserve its rights in the event that the Debtors wish to assume and assign one or more contract with Verizon and the proposed cure differs from the full amount to which Verizon is entitled under 11 U.S.C. § 365.

12. To the extent that the Debtors wish to assume and assign any agreements with Verizon, Verizon does not oppose provided that it receives the prompt cure required by § 365 of the Bankruptcy Code. Section 365(b)(1) states, in pertinent part:

> (b)(1) If there has been a default in an executory contract or unexpired lease of the debtor, the trustee may not assume such contract or lease unless, at the time of assumption of such contract or lease, the trustee—
>
> (A) cures, or provides adequate assurance that the trustee will promptly cure such default . . . ;
>
> (B) compensates, or provides adequate assurance that the trustee will promptly compensate, a party other than the debtor to such contract or lease, for any actual pecuniary loss to such party resulting from such default; and
>
> (C) provides adequate assurance of future performance under such contract or lease.

11 U.S.C. § 365(b)(1).

13. A cure under § 365 of the Bankruptcy Code means that all unpaid amounts due under the agreement have been paid. *In re Network Access Solutions, Corp.*, 330 B.R. 67, 76 (Bankr. D. Del. 2005). Accordingly, unless and until the Debtors cure the pre-petition balance owed to Verizon in full and pay any post-petition amounts which may be due, the Debtors cannot assume any telecommunication agreement with Verizon.

14. If Cure Notices or Assumption Notices are mailed to its corporate headquarters or to a payment lock box, Verizon may unable to determine whether the proposed cure amount satisfies any defaults under the agreements prior to the deadline set forth in the Assumption Procedures. Verizon therefore files this limited objection to ensure that its counsel receives the notices in time to respond prior to the deadlines to object to same.

WHEREFORE, Verizon respectfully requests this Court enter an Order:

a. directing the Debtors to serve any Cure Notices and Assumption Notices for Verizon on Verizon's counsel as set forth above; and

b. granting such other and further relief as this Court may deem equitable and proper.

Dated: January 20, 2012
Wilmington, DE

Respectfully submitted:

MCCARTER & ENGLISH, LLP

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