

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

GRACEWAY PHARMACEUTICALS, LLC,
et al.,¹

Debtors.

Chapter 11

Case No. 11-13036 (PJW)

Jointly Administered

Hearing Date: March 1, 2012 at 11:00 a.m. (ET)

Objection Deadline: February 9, 2012 at 4:00 p.m. (ET)

**DEBTORS' MOTION FOR AN ORDER PURSUANT TO SECTION 1121(d) OF THE
BANKRUPTCY CODE EXTENDING DEBTORS' EXCLUSIVE PERIODS WITHIN
WHICH TO FILE A CHAPTER 11 PLAN AND SOLICIT ACCEPTANCES THERETO**

The above-captioned debtors and debtors-in-possession (collectively, the "**Debtors**") hereby move this Court (the "**Motion**") for entry of an order, in substantially the form attached hereto as Exhibit A (the "**Proposed Order**"), extending the Debtors' exclusive periods to file a chapter 11 plan or plans and to solicit acceptances of such plan(s) to May 26, 2012 and July 25, 2012, respectively. In support of this Motion, the Debtors respectfully state as follows:

Jurisdiction

1. This Court has jurisdiction over this matter under 28 U.S.C. § 1334. Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Graceway Pharma Holding Corp., a Delaware corporation (9175), Case No. 11-13037 (PJW); Graceway Holdings, LLC, a Delaware limited liability company (2502), Case No. 11-13038 (PJW); Graceway Pharmaceuticals, LLC, a Delaware limited liability company (5385), Case No. 11-13036 (PJW); Chester Valley Holdings, LLC, a Delaware limited liability company (9457), Case No. 11-13039 (PJW); Chester Valley Pharmaceuticals, LLC, a Delaware limited liability company (3713), Case No. 11-13041 (PJW); Graceway Canada Holdings, Inc., a Delaware corporation (6663), Case No. 11-13042 (PJW); and Graceway International, Inc., a Delaware corporation (2399), Case No. 11-13043 (PJW). The mailing address for Graceway Pharmaceuticals, LLC is 340 Martin Luther King Jr. Blvd., Suite 400, Bristol, TN 37620 (Attn: John Bellamy). On October 4, 2011, Graceway Canada Company filed an application in the Ontario Superior Court of Justice (Commercial List) pursuant to the *Courts of Justice Act*, R.S.O. 1990, c. C. 43.

2. The statutory bases for the relief sought herein are Section 1121(d) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “**Bankruptcy Code**”), Rule 9006 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and Local Rule 9006-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”).

Background

3. On September 29, 2011 (the “**Petition Date**”), each of the Debtors filed a petition with this Court under chapter 11 of the Bankruptcy Code (collectively, the “**Chapter 11 Cases**”). 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. On September 30, 2011, the Court entered an order consolidating these Chapter 11 Cases for procedural purposes only [Docket No. 42].

4. These Chapter 11 Cases are pending before the Honorable Peter J. Walsh, Judge for the United States Bankruptcy Court for the District of Delaware, located at the United States Bankruptcy Court, 824 North Market Street, 6th Floor, Wilmington, Delaware 19801 (the “**Bankruptcy Court**”). On October 11, 2011, the Office of the United States Trustee appointed an official committee of unsecured Creditors pursuant to Section 1102 of the Bankruptcy Code (the “**Creditors’ Committee**”) [Docket No. 90].

5. A description of the Debtors’ businesses and the reasons for commencing these chapter 11 cases are set forth in the *Declaration of Gregory C. Jones in Support of Chapter 11 Petitions and First Day Motions* [Docket No. 3] (the “**Jones Declaration**”).

6. On the Petition Date, the Debtors filed the *Debtors’ Motion for Entry of (I) an Order Approving and Authorizing (A) Bidding Procedures in Connection with the Sale of*

*Certain Assets of the Debtors, (B) Stalking Horse Bid Protections, (C) the Form and Manner of Notice of the Sale Hearing, and (d) Related Relief; and (II) an Order Authorizing (A) the Sale of Certain Assets of the Debtors Free and Clear of All Claims, Liens, Liabilities, Rights, Interests and Encumbrances; (B) the Debtors to Enter into and Perform Their Obligations Under the Asset Purchase Agreement; (C) the Debtors to Assume and Assign Certain Executory Contracts and Unexpired Leases; and (D) Granting Related Relief [Docket No. 12], seeking to sell substantially all of their assets through a sale pursuant to Section 363 of the Bankruptcy Code (the “**Sale**”).*

7. On November 17, 2011, the Debtors held an auction (the “**Auction**”) pursuant to the *Order Approving and Authorizing (A) Bidding Procedures in Connection with the Sale of Certain Assets of the Debtors, (B) Stalking Horse Bid Protections, (C) Form and Manner of Notice of the Sale Hearing and (D) Related Relief [Docket No. 119].* At the conclusion of the Auction, Medicis Pharmaceutical Corporation (“**Medicis**”) was selected as the bidder submitting the highest and best bid. The Debtors entered into an asset purchase agreement (the “**Asset Purchase Agreement**”) with Medicis pursuant to which Medicis agreed to pay the following consideration for the acquired assets of the Debtors: (a) \$455 million in cash and (b) assumption of certain assumed liabilities, on the terms set forth in the Asset Purchase Agreement. On November 22, 2011, the Bankruptcy Court approved the Sale to Medicis and issued the *Order Authorizing (A) the Sale of Certain Assets of the Debtors Free and Clear of All Claims, Liens, Liabilities, Rights, Interests and Encumbrances; (B) the Debtors to Enter into and Perform Their Obligations under the Asset Purchase Agreement; (C) the Debtors to Assume and Assign Certain Executory Contracts and Unexpired Leases; and (D) Granting Related Relief [Docket No. 306] (the “**Sale Order**”).*

8. The Debtors consummated the transactions authorized by the Sale Order on December 2, 2011 (the “**Closing Date**”). See *Notice of Closing of Sale of Substantially all of Debtors’ Assets to Medicis Pharmaceutical Corporation* [Docket No. 335]. In connection with the receipt of the proceeds from the Sale, the Debtors’ DIP Loan (defined below) was paid in full in cash on the Closing Date. Since the Closing Date, the Debtors have focused their efforts on winding down the Debtors’ estates and these Chapter 11 Cases, including, among other things, (a) reviewing proofs of claim filed in these Chapter 11 Cases, (b) negotiating with creditors regarding potential claims, (c) liquidating the Debtors’ remaining tangible assets, and (d) negotiating with core constituencies regarding the terms of a plan of liquidation.

9. On January 25, 2012, the Debtors filed the *Joint Plan of Liquidation of Graceway Pharmaceuticals, LLC, et al.* [Docket No. 483] (the “**Plan**”) and the *Disclosure Statement for the Joint Plan of Liquidation of Graceway Pharmaceuticals, LLC, et al.* [Docket No. 484] (the “**Disclosure Statement**”). The Plan is the result of lengthy negotiations with the Creditors’ Committee and the administrative agents for the lenders under the Debtors’ first and second lien facilities, which began in December 2011 when the Debtors first circulated a draft plan to these constituents.

Postpetition Developments

10. The Debtors have been operating under the protection of chapter 11 for just under four months. During this short period of time, the Debtors have made significant progress in administering these cases. They have, for example, (i) obtained significant “first day” and other relief, including the continuation or implementation of important employee benefit programs and customer programs, maintenance of their existing cash management systems, and obtaining sufficient debtor-in-possession financing to administer these Chapter 11 Cases (the “**DIP**

Loan”), (ii) worked diligently to commence and consummate the Sale to Medicis, (iii) prepared and filed schedules of assets and liabilities and statements of financial affairs (the “Schedules and Statements”) for each of the seven (7) Debtors, (iv) analyzed and rejected numerous burdensome executory contracts and unexpired leases, (v) prepared and filed monthly operating reports, (vi) liquidated certain assets that were not sold to Medicis, and (vii) drafted, negotiated, and filed the Plan and Disclosure Statement.

11. Accomplishing these milestones within a mere four months has been a labor-intensive process, occupying many of the Debtors’ remaining full-time employees and substantially all of the Debtors’ professionals retained in these cases.

Relief Requested

12. The Debtors’ current Exclusive Filing Period (defined below) will expire on January 27, 2012,² and the Debtors’ current Exclusive Solicitation Period (defined below) will expire on March 27, 2012. By this Motion, the Debtors respectfully request, pursuant to Section 1121(d) of the Bankruptcy Code, that (i) the periods in which the Debtors have the exclusive right to file a chapter 11 plan or plans be extended by 120 days to May 26, 2012, and (ii) the period in which the Debtors have the exclusive right to solicit acceptances of such plan be extended by 120 days to July 25, 2012. This is the Debtors’ first request for an extension of these deadlines.

13. The Debtors also request that such extensions be without prejudice to their right to request further extensions or to seek other appropriate relief. Notwithstanding the Debtors’ commitment to continue to prosecute diligently these Chapter 11 Cases, the extensions sought herein may not provide sufficient time for the Debtors to complete the various tasks that may

² Pursuant to Local Rule 9006-2, the filing of this Motion prior to the expiration of the current Exclusive Filing Period shall automatically extend the Exclusive Periods until the Court acts on the Motion, without the necessity for entry of a bridge order.

need to be completed before a plan can be confirmed and acceptances of such plan can be solicited.

Basis for Relief

14. Section 1121(b) of the Bankruptcy Code provides for an initial period of 120 days after the commencement of a chapter 11 case during which a debtor has the exclusive right to file a plan of reorganization (the “**Exclusive Filing Period**”). Section 1121(c)(3) of the Bankruptcy Code provides that if the debtor files a plan within the Exclusive Filing Period, it has an initial period of 180 days after the commencement of the chapter 11 case to obtain acceptance of such plan (the “**Exclusive Solicitation Period**,” and together with the Exclusive Filing Period, the “**Exclusive Periods**”). Section 1121(d) permits the Court to extend the Exclusive Periods for “cause.” For the reasons set forth herein, the Debtors believe that “cause” exists to extend the Exclusive Periods.

A. Section 1121(d) of the Bankruptcy Code Permits the Court to Extend the Exclusivity Periods “for Cause.”

15. The Exclusive Periods under Section 1121 of the Bankruptcy Code are intended to afford a debtor the opportunity to propose a chapter 11 plan and to solicit acceptances of such plan without the deterioration of and disruption to the debtor’s business operations that might be caused by the filing of competing plans by non-debtor parties. In circumstances where, as here, the current Exclusive Periods prove to be an unrealistic time frame to file and solicit acceptances of a meaningful chapter 11 plan that might garner support from parties in interest, Section 1121(d) of the Bankruptcy Code allows the Court to extend the Exclusive Periods “for cause.” Specifically, Section 1121(d) of the Bankruptcy Code provides:

- (1) Subject to paragraph (2), on request of a party in interest made within the respective periods specified in subsections (b) and (c) of this section and after notice and a

hearing, the court may for cause reduce or increase the 120-day period or the 180-day period referred to in this section.

(2) (A) The 120-day period specified in paragraph (1) may not be extended beyond a date that is 18 months after the date of the order for relief under this chapter.

(B) The 180-day period specified in paragraph (1) may not be extended beyond a date that is 20 months after the date of the order for relief under this chapter.

11 U.S.C. § 1121(d).

16. It is well established that the decision to extend the Exclusive Periods is left to the sound discretion of the Bankruptcy Court and should be based upon the facts and circumstances of the particular case.³ See First Am. Bank of N.Y. v. Southwest Gloves and Safety Equip., Inc., 64 B.R. 963, 965 (D. Del. 1986); In re Reetz, 61 B.R. 412, 414 (Bankr. W.D. Wis. 1986). Although the Bankruptcy Code does not define “cause” for the purpose of an extension of the Exclusive Periods, courts have looked to the legislative history of Section 1121(d) of the Bankruptcy Code for guidance. See In re Gibson & Cushman Dredging Corp., 101 B.R. 405, 409 (E.D.N.Y. 1989); In re Amko Plastics, Inc., 197 B.R. 74, 77 (Bankr. S.D. Ohio 1996). Indeed, courts have found that Congress did not intend that the 120- and 180-day periods be a hard and fast rule. See Amko Plastics, 197 B.R. at 77 (noting that Congress intended courts to have flexibility in dealing with extensions of exclusivity); Gaines v. Perkins (In re Perkins), 71 B.R. 294, 297 (W.D. Tenn. 1987) (“The hallmark of . . . [Section 1121(d)] is flexibility.”). Rather, Congress intended that the Exclusive Periods be of an adequate length, given the circumstances, for a debtor to formulate, negotiate and draft a viable plan of reorganization,

³ Although the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (“BAPCPA”) amended Section 1121(d) by prohibiting extensions of the Exclusive Filing Period and Exclusive Solicitation Period beyond 18 and 20 months of the petition date, respectively, there was no revision to the standards for obtaining interim extensions. Accordingly, pre-BAPCPA case law continues to apply and must be examined in the context of the instant Chapter 11 Cases.

which by definition means one supported by some or all of a debtor's key constituents, without the disruption to its business that would occur with the filing of competing plans. See Geriatrics Nursing Home v. First Fidelity Bank, N.A., 187 B.R. 128, 133 (D.N.J. 1995) ("The opportunity to negotiate its plan unimpaired by competition, the court held, is meant to allow the debtor time to satisfy all creditors and win support for its restructuring scheme and thus ensure its survival as a business."). Indeed, Congress recognized that often a 120-day exclusivity period will not afford a debtor sufficient time to formulate and negotiate a plan:

The court is given the power, though, to increase . . . the 120-day period depending on the circumstances of the case. [T]he bill allows the flexibility for individual cases that is not available today. For example, if an unusually large company were to seek reorganization under chapter 11, the Court would probably need to extend the time in order to allow the debtor to reach an agreement.

H.R. Rep. No. 95-595, 95th Cong. 1st Sess. 232 (1977) (footnotes omitted).

17. When determining whether cause exists for an extension of the Exclusive Periods, courts have relied on a variety of factors, each of which may provide sufficient grounds for extending the periods. Factors considered by the courts in making such a determination have included: (i) the size and complexity of the case; (ii) the necessity of sufficient time to negotiate and prepare adequate information; (iii) the existence of good faith progress toward reorganization; (iv) whether the debtor is paying its debts as they come due; (v) whether the debtor has demonstrated reasonable prospects for filing a viable plan; (vi) whether the debtor has made progress in negotiating with creditors; (vii) the length of time the case has been pending; (viii) whether the debtor is seeking the extension to pressure creditors; and (ix) whether unresolved contingencies exist. See, e.g., Cont'l Casualty Co. v. Burns & Roe Enters., Inc., 2005 U.S. Dist. LEXIS 26247, at *11-12 (D.N.J. 2005); In re Gibson, 101 B.R. at 409-10 (E.D.N.Y. 1989); In re Cent. Jersey Airport Servs., LLC, 282 B.R. 176, 184 (Bankr. D.N.J. 2002); In re

Express One Int'l Inc., 194 B.R. 98, 100 (Bankr. E.D. Tex. 1996); In re Grand Traverse Dev. Co. Ltd. P'ship, 147 B.R. 418, 420 (Bankr. W.D. Mich. 1992); In re Sw. Oil Co. of Jourdanton, Inc., 84 B.R. 448, 451-54 (Bankr. W.D. Tex. 1987). The application of these factors to the facts and circumstances of these cases demonstrates that the requested extensions are both appropriate and necessary in these Chapter 11 Cases.

B. Cause Exists for an Extension of the Exclusive Periods in These Cases.

18. Since the Petition Date, the Debtors have devoted substantial time and effort to, among other things: (i) obtaining significant “first day” and other relief, including the continuation or implementation of important employee benefit programs and customer programs, maintenance of their existing cash management systems, and obtaining the DIP Loan, (ii) working diligently to commence and consummate the Sale to Medicis, (iii) preparing and filing the Schedules and Statements for each of the seven (7) Debtors, (iv) analyzing and rejecting numerous burdensome executory contracts and unexpired leases, (v) preparing and filing monthly operating reports, (vi) liquidating certain assets that were not sold to Medicis, and (vii) drafting, negotiating, and filing the Plan and Disclosure Statement.

19. In light of the Debtors’ accomplishment of the above-enumerated milestones, and viewed in light of the various factors considered by courts in determining whether cause exists for an extension of the Exclusive Periods, the Debtors believe that each of the factors relevant to these Chapter 11 Cases weighs in favor of the relief requested herein.

(a) The Size, Complexity and Duration of These Chapter 11 Cases

20. Factors demonstrating the size and complexity of these Chapter 11 Cases include, but could not possibly be limited to, the following:

- i) The Debtors were a leader in the market of specialty pharmaceutical products, which is a particularly complex industry, as demonstrated by

the Debtors' unique and complicated Customer Programs Motion. Jones Declaration, ¶¶ 8, 90-112.

- ii) As of the Petition Date, the Debtors' sourcing network covered forty-seven (47) territories and countries. Jones Declaration, ¶¶ 10-11.
- iii) The Debtors' net sales over the past four years have been \$313.58 million in 2007, \$340.26 million in 2008, \$354.61 million in 2009, and \$219.53 million in 2010, and \$67.54 million in the first two quarters of 2011. Jones Declaration, ¶¶ 16-18.
- iv) As of the Petition Date, the Debtors employed approximately 165 full time employees within the United States. Jones Declaration, ¶ 15.
- v) As of the Petition Date, the Debtors owed approximately \$430,698,397.58 in first lien debt, \$330,000,000 in second lien debt, \$81,396,389.39 in mezzanine debt, and \$30,000,000 in trade debt. Jones Declaration, ¶ 29.
- vi) To date, there have been 206 claims asserted against the Debtors. The aggregate amount asserted is approximately \$4,909,210,648.92, plus unliquidated and contingent amounts.

The factors discussed above provide merely a snapshot of the size and complexity of these Chapter 11 Cases. These factors combined with the fact that these cases have been pending only for a mere four months, during which the Debtors have sold substantially all their assets, certainly demonstrate that the complexity and duration factors weigh heavily in favor of allowing the Debtors to extend the Exclusive Periods as requested herein.

(b) Good Faith Progress Made in These Chapter 11 Cases

21. The Debtors have made significant and material progress in these Chapter 11 Cases and do not seek the extension of the Exclusive Periods as a means to exert pressure on the relevant parties in interest. Since the Petition Date, the Debtors have focused the majority of their time and resources towards selling substantially all of their assets, and have done so in good faith. Indeed, the Court has previously found that the Auction was conducted “in a noncollusive, fair and good faith manner[;]” and that “[t]he [Asset Purchase Agreement] and the Transactions

contemplated thereunder were proposed, negotiated and entered into by and among the Debtors and [Medicis] without collusion, in good faith and at arms' length." Sale Order ¶¶ F, O. The Debtors have already gained this Court's approval of the Sale Order and the Sale has closed.

22. Furthermore, the Debtors have filed the Plan and Disclosure Statement. The Plan is the result of lengthy, good faith negotiations with the Creditors' Committee and the administrative agents for the lenders under the Debtors' first and second lien facilities, and the Debtors expect that by the time of the Disclosure Statement hearing, these parties will all fully support the Plan. The Debtors and their professionals have focused most of their efforts over the past two months on drafting and negotiating the Plan, and the Debtors believe that the Plan maximizes the value of the Debtors' estates and is in the best interests of all parties in interest.

(c) The Necessity of Sufficient Time to Negotiate and Prepare Adequate Information

23. As set forth above, since the Petition Date, the Debtors and their professional advisors have focused much of their time, energy and resources on obtaining maximum value for substantially all of the Debtors' assets, documenting the Sale and transitioning the businesses to Medicis, preparing the Schedules and Statements for each of the seven (7) debtors, minimizing administrative liabilities through settlements and by rejecting certain unexpired leases and executory contracts, and timely responding to inquiries from various parties in interest in these Chapter 11 Cases.

24. As further set forth above, the Debtors have already filed the Plan and Disclosure Statement. The Debtors and their professionals invested a great deal of time and resources in negotiating a plan that would garner the support of all necessary parties in interest. The Debtors believe that it is reasonable to request additional time to further negotiate with any parties in

interest and to have sufficient time to solicit acceptances of the Plan. Accordingly, the Debtors submit that this factor weighs in favor of allowing the Debtors to extend the Exclusive Periods.

(d) The Debtors Are Paying Their Debts as They Come Due

25. The Debtors respectfully submit that, under the relevant facts and circumstances of these Chapter 11 Cases, the requested extension of the Exclusive Periods will not prejudice the legitimate interests of postpetition creditors, as the Debtors continue to make timely payments on their undisputed postpetition obligations. As such, this factor weighs in favor of allowing the Debtors to extend the Exclusive Periods.

(e) The Debtors are Not Seeking an Extension to Pressure Creditors

26. The Debtors have no ulterior motive in seeking an extension of the Exclusive Periods. The Debtors believe that they have worked diligently over the past few months to maximize the value of their assets for creditors through the sale process. The Debtors have been in regular communication with the Creditors' Committee and the administrative agents for the lenders under the Debtors' first and second lien facilities on numerous issues facing the Debtors' estates and have filed a Plan that will maximize the value of the estates. The Debtors are not seeking an extension to pressure their creditors.

(f) The Adverse Impact on These Chapter 11 Cases

27. As discussed above, the Debtors have already filed their Plan and Disclosure Statement. Termination of the Exclusive Periods now would be a serious detriment to the Debtors' estates and the interested parties that have invested significant time and resources in the Debtors' Plan. Such termination would adversely impact the Debtors' efforts to preserve and maximize the value of these estates and the progress of these Chapter 11 Cases, and would give creditors an incentive not to negotiate with the Debtors and reduce the Debtors' prospects for successfully soliciting acceptances of their Plan.

28. Relief similar to that requested herein has been granted to debtors in this jurisdiction in other chapter 11 cases. See, e.g., In re EBHI Holdings, Inc., No. 09-12099 (MFW) (Bankr. D. Del. Nov. 18, 2009); In re Merisant Worldwide, Inc., No. 09-10059 (PJW) (Bankr. D. Del. May 6, 2009 and Sept. 14, 2009); In re AFY Holding Co., No. 08-12175 (PJW) (Bankr. D. Del. Feb. 2, 2009); In re Powermate Holding Corp., No. 08-10498 (KG) (Bankr. D. Del. Aug. 12, 2008); In re Buffets Holding, Inc., No. 08-10141 (MFW) (Bankr. D. Del. July 9, 2008); In re Am. Home Mortg. Holdings, Inc., No. 07-11047 (CSS) (Bankr. D. Del. Dec. 19, 2007, Mar. 26, 2008 and Aug. 18, 2008); In re New Century TRS Holdings, Inc., No. 07-10416 (KJC) (Bankr. D. Del. Jan. 22, 2008).

29. Based upon the foregoing, the Debtors respectfully submit that cause exists in these bankruptcy proceedings to extend the Debtors' Exclusive Periods pursuant to Section 1121(d) of the Bankruptcy Code. Specifically, the Debtors request that the Exclusive Filing Period be extended to, through and including May 26, 2012, and the Exclusive Solicitation Period be extended to, through and including July 25, 2012.

Notice

30. The Debtors have provided notice of this Motion to: (a) the United States Trustee for the District of Delaware; (b) financing counsel to the administrative agent for the lenders under the Debtors' first lien facility; (c) special restructuring and bankruptcy counsel to the administrative agent for the lenders under the Debtors' first lien facility; (d) counsel to the administrative agent for the lenders under the Debtors' second lien facility; (e) the administrative agent for the lenders under the Debtors' prepetition unsecured mezzanine credit facility; (f) counsel to the Creditors' Committee; (g) the creditors listed on the Debtors' consolidated list of 30 largest unsecured creditors, as filed with the Debtors' chapter 11 petitions; (h) the Food

and Drug Administration; (i) the Internal Revenue Service; (j) the U.S. Public Health Service; (k) the Centers for Medicare and Medicaid Services; (l) counsel to, receiver for, and counsel to the receiver for Graceway Canada Company; and (m) all parties requesting notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested, the Debtors submit that no further notice is required or needed under the circumstances.

31. A copy of this Motion is available on the Court's website: www.deb.uscourts.gov. Additional copies are available for free on the website of the Debtors' notice, claims and balloting agent, BMC Group, Inc., at www.bmcgroup.com/graceway, or can be requested by calling (888) 909-0100 from within the United States or +1 (310) 321-5555 if calling from outside the United States.

Conclusion

WHEREFORE, the Debtors respectfully request that the Court enter an order, substantially in the form attached hereto as Exhibit A, (i) further extending the Exclusive Filing Period to, through and including May 26, 2012, (ii) extending the Exclusive Solicitation Period to, through and including July 25, 2012, and (iii) granting such other relief as is just and proper.

Dated: January 26, 2012
Wilmington, Delaware

Respectfully Submitted,



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