UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

IN RE:	)	
	)	
MADISON PARK CHURCH OF GOD, INC.	)	Case No. 13-07430-RLM-11
D/B/A MADISON PARK CHURCH OF GOD,	)	
	)	
Debtor.	)	
	)	

DEBTOR'S FIRST DAY MOTION TO ESTABLISH PERMANENT SERVICE LIST, LIMIT NOTICE AND ON AN INTERIM BASIS, ESTABLISH WHO SHOULD BE INCLUDED ON THE LIST OF THE TWENTY LARGEST UNSECURED CREDITORS FOR THE PURPOSE OF NOTICE

Madison Park Church of God, Inc. d/b/a Madison Park Church of God, as debtor and debtor-in-possession (the "Debtor"), by counsel, hereby requests the entry of an Order pursuant to 11 U.S.C. §§ 102 and 105, Rule 2002 of the Federal Rules of Bankruptcy Procedure, and Southern District of Indiana Local Rules B-9006-1 and B-9013-3: (1) establishing, on an interim basis, the list of the twenty largest unsecured creditors for the purpose of notice; (2) establishing a permanent service list in this case; and (3) limiting notice on all non-all creditor filings in this case. In support of its motion, the Debtor states as follows:

I. General Background

1. On July 12, 2013 (the "Petition Date"), the Debtor filed a voluntary petition under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"). The Debtor continues to operate as a debtor-in-possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code.

2. No trustee or examiner has been appointed in this chapter 11 case. No official unsecured creditors' committee has been appointed in this case.

3. This is a "First Day Motion" as that term is defined in Southern District of Indiana Local Rule B-9013-3(f).

4. The Court has jurisdiction over this motion pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409. This matter is a core proceeding pursuant to 28 U.S.C. §§ 157(b) (2) (A) and (M). The procedural relief requested flows from the statutory scheme codified by the Bankruptcy Code, addresses an area of law long determined by Bankruptcy Courts, and is purely a creature of federal law. Accordingly, this Court has jurisdiction and authority to hear this matter under *Stern v. Marshall*, 131 S. Ct. 2594, 180 L.Ed.2d 475 (U.S. 2011) and *In re Ortiz*, 665 F.3d 906 (7th Cir. 2011).

5. The Debtor has discussed the filing of this case with the United States Trustee, and has advised the United States Trustee of the various First Day Motions and Rule 9006(c) Requests in accordance with Southern District of Indiana Local Rule B-9013-3(b).

II. Events Leading to the Filing

6. The Debtor operates a church located in Anderson, Indiana. The Debtor was founded in 1931 as an Indiana not-for-profit corporation and served its membership as such since its formation.

7. Prior to 2007, the Debtor operated programs at several locations in Anderson. In June 2007, the Debtor moved into new facilities adjacent to Exit 226 near Interstate 69.

8. The new facilities include a church, a community life, and early childhood center which are located on a portion of a 200 acre tract of real estate. The development of the 200 acres, together with the construction of the new facilities, was financed by three bridge loans to be repaid through a thirty-year bond issue.

9. Bonds were issued in three series (Series A, B and C) pursuant to three Trust Indentures. The Series B Bonds required a $6 million balloon payment in July 2012. It was the

Debtor's intention to pay the Series B Bonds prior to July 2012 by the sale of certain Anderson-area real estate owned but not used by the Debtor, together with a portion of the 200 acres.

10. Unfortunately, the American economy (and the commercial real estate market in particular) experienced a dramatic and prolonged downturn shortly after the Debtor entered into the bond financing. This unprecedented real estate collapse, coupled with the devastating local effects from the bankruptcy of General Motors, one of Anderson's largest employers, left the Debtor unable to sell its real estate and fund the bond financing.

11. Even with these difficulties, the Debtor managed to make the required monthly payments to the Series A and C Trustees; however, it could not make the required balloon payment to the Series B Trustee in July 2012 due to its inability to sell the excess real estate. In addition, the Debtor owes several million dollars in principal to the Series A bridge lender due to the Debtor's inability to sell all of the Series A bonds.

12. The Debtor, following its failure to make the balloon payment in July 2012, entered into extensive negotiations with the Series A bridge lender, and the Series A and B Trustees. The Debtor has filed this chapter 11 case in order to implement a restructure of the Debtor's obligations to the Series A bridge lender, and the Series A, B and C Trustees pursuant to terms: (a) which have been agreed to by the Series A bridge lender and (b) which the Series A and B Trustees each believe to be appropriate and reasonable, subject to the approval of their respective bondholders.

13. When the Debtor began negotiating with the Trustees of the Trust Indentures, it learned the Series C Trustee had previously resigned. To the Debtor's best information and belief, no successor Series C Trustee has ever been appointed pursuant to that Trust Indenture.

14. The Paying Agent designated under the terms of the Series C Trust Indenture has advised the Debtor that there are seventy-two (72) Series C bondholders. Twenty-six (26) of the Series C bonds are owned in "street name" by various brokers. Neither the brokers nor the beneficial owners are known to either the Paying Agent or the Debtor. The remaining forty-six (46) beneficial owners of the Series C bonds are known to both the Paying Agent and the Debtor.

15. The Series C bonds were issued in the aggregate face amount of $2,319,000 as general obligation bonds of the Debtor and are not secured by any of the Debtor's assets.

16. There are few unsecured trade creditors in this case. As a result, the Debtor believes that its twenty largest unsecured creditors will be comprised of beneficial owners of the Series C bonds together with the unsecured trade creditors.

III. Relief Requested

17. Rule 2002 of the Federal Rules of Bankruptcy Procedure sets forth notice procedures, and in many instances requires service on all creditors in a case. Due to the lack of a Series C Trustee and the inability to ascertain the identity of the beneficial owners of all of the Series C bondholders, the Debtor believes that the interests of the Series C bondholders, creditors and the estate will be best served by establishing: (a) on an interim basis, those unsecured trade creditors and/or Series C bondholders known to the Debtor who shall constitute the list of the twenty (20) largest unsecured creditors; (b) a service list to be used in this Chapter 11 case (the "Service List"); and (c) limited notice as set forth herein.

18. Southern District of Indiana Local Rule B-9013-3(d) provides that at the outset of a chapter 11 case, all first day motions shall be served upon the initial service list, known counsel for any party, and named respondents. The initial service list shall include the debtor, the debtor's counsel, the twenty largest unsecured creditors, counsel for the unsecured creditors' committee, the United States Trustee, all secured creditors, any indenture trustee, any other committee appointed, and any counsel or party who has filed an appearance in the case.

19. The Debtor believes that notice to those parties specified in S.D.Ind. B-9013-3(d) plus any person affected by a particular filing (collectively, the "Notice Parties") will be proper and sufficient to apprise interested parties of the proceedings in this case. The Debtor therefore requests that the Court enter an order establishing a Service List comprised of the Notice Parties for noticing all non-creditor filings in this case.

Basis for Relief Requested

20. Section 102(1)(A) provides, in relevant part, that "after notice and a hearing" means "after such notice as is appropriate for the circumstances, and such opportunity for a hearing as is appropriate in the particular circumstances." By this motion, the Debtor is not seeking to alter any time limits or hearing opportunities in this case. It is only seeking to establish a permanent Service List for noticing all non-creditor filings in this case, which will always include persons affected by a particular filing and to establish on an interim basis which parties shall be included in the list of the twenty largest unsecured creditors. To the extent a person seeks status as a permanent Notice Party, it need only file an appearance.

21. Southern District of Indiana Local Rule B-9006-1(f) permits the Court to limit notice generally where the service procedures required under the Federal Rules of Bankruptcy Procedure are impractical or cost prohibitive. This includes limiting notice to the U.S. Trustee, the Unsecured Creditors' Committee (if applicable), the list of twenty largest unsecured creditors, any party that has or claims to have an interest in the property to be affected by the motion at issue, and all counsel who have appeared in the case.

22. Here, the Debtor believes that ascertaining the actual top twenty unsecured creditors, much less the identity of all beneficial holders of Series C bonds, would be incredibly time consuming (if possible at all) and prohibitively expensive. As such, the criteria for limiting notice under S.D. Ind. L.R. B-9006-1(f) are met in this case.

23. Accordingly, the Debtor believes establishing a Service List comprised of the Notice Parties for noticing all non-all creditor filings in this case will provide sufficient notice of particular filings in accordance with, and appropriate to carry out the provisions of, the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure.

24. Furthermore, limiting all non-all creditor notices to the Service List will provide adequate notice to affected parties while preserving estate funds by reducing the burden of serving individual bondholders appearing on the Service List.

WHEREFORE, the Debtor respectfully requests that the Court enter an Order: (1) establishing on an interim basis which parties shall be included on the list of the twenty largest unsecured creditors; (2) establishing a permanent service list applicable in this case and comprised of the debtor, the debtor's counsel, the twenty largest unsecured creditors as established herein, counsel for the unsecured creditors' committee (if appointed), the United

States Trustee, all secured creditors or their counsel, the indenture trustees, any party who has filed an appearance in the case, and any person affected by the particular filing; (3) limiting notice of all non-all creditor filings in this case to the Service List; and (4) granting the Debtor such other and further relief as the Court deems proper.

DATED: July 12, 2013

MADISON PARK CHURCH OF GOD, INC.
D/B/A MADISON PARK CHURCH OF GOD,
as debtor and debtor-in-possession,

By: /s/ Jerald I. Ancel
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