

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

In re:)	Chapter 11
)	
RC SOONER HOLDINGS, LLC, <u>et al.</u> ¹)	Case No. 10-10528 (BLS)
)	
Debtors.)	(Jointly Administered)
)	
)	Related Docket Nos. 6, 22, & 45

**STIPULATION BETWEEN THE DEBTORS AND PUBLIC SERVICE OF OKLAHOMA
D/B/A/ AMERICAN ELECTRIC POWER RESOLVING AMERICAN
ELECTRIC POWER'S OBJECTION TO THE UTILITY MOTION**

WHEREAS, on February 22, 2010 (the "Petition Date") the debtors and debtors in possession in the above-captioned cases (collectively, the "Debtors"), filed voluntary petitions in this Court for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code").

WHEREAS, on the Petition Date, the Debtors filed their Motion for Interim and Final Orders Under Section 366 of the Bankruptcy Code (A) Prohibiting Utility Providers From Altering, Refusing or Discontinuing Service, (B) Deeming Utilities Adequately Assured of Future Payment, and (C) Establishing Procedures for Determining Adequate Assurance of Payment [Docket No. 6] (the "Utility Motion").²

¹ The Debtors and the last four digits of their taxpayer identification numbers are: RC Sooner Holdings, LLC (7904); RC Brixton Square Owner, LLC (8002); RC Cedar Crest Owner, LLC (7914); RC Fulton Plaza Owner, LLC (8011); RC Magnolia Owner, LLC (7998); RC Pomeroy Park Owner, LLC (7939); RC Salida Owner, LLC (7947); RC Savannah South Owner, LLC (7983); RC Southern Hills Owner, LLC (7958); Brixton Square Apartments, LLC (1844); CC Apartments, LLC (1798); Fulton Plaza Apartments, LLC (4344); Magnolia Manor Apartments, LLC (4486); Pomeroy Park Apartments, LLC (1649); Salida Apartments, LLC (1915); Savannah South Apartments, LLC (8586); and Southern Hills Villa Apartments, LLC (1721). The business address for each of the Debtors where notices should be sent is 1515 Broadway, 11th Floor, New York, New York 10036-8901.

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Utility Motion.

WHEREAS, on February 24, 2010, this Court entered its Interim Order (A) Prohibiting Utility Providers From Altering Refusing or Discontinuing Service, (B) Deeming Utilities Adequately Assured of Future Payment, And (C) Establishing Procedures For Determining Adequate Assurance of Payment [Docket No. 22] (the "Interim Utility Order").

WHEREAS, pursuant to the Interim Utility Order, the Debtors were required to deposit \$45,000.00 in an interest-bearing account (the "Utility Deposit Account"), for the purpose of providing each utility company with adequate assurance of payment of its post-petition date services to the Debtors.

WHEREAS, \$17,794.00 of the original Utility Deposit Account amount reflected the portion of the Utility Deposit Account solely attributable to the services provided by Public Service of Oklahoma d/b/a American Electric Power ("AEP").

WHEREAS, on March 9, 2010, AEP filed and served its objection to the Utility Motion [Docket No. 45] (the "Objection").

WHEREAS, on March 18, 2010, the Debtors will seek to have this Court enter a final order on the Debtors' Utility Motion (the "Final Utility Order"), substantially in the form attached hereto as Exhibit A.

WHEREAS, the Debtors and AEP (the "Parties") have reached an agreement regarding the Objection and seek to have the Court approve that agreement.

NOW, THEREFORE, in consideration of the foregoing, the Parties agree and stipulate, subject to Court approval, as follows (the "Stipulation"):

1. The Debtors will provide AEP with \$35,588.00, which amount represents the Debtors' average monthly payment to AEP, to be held by AEP as a deposit (the "AEP Deposit"). The AEP Deposit shall be paid as follows:

a. The Debtors will provide AEP with \$17,794.00 (the "First Payment") within five (5) business days of the entry of the Final Utility Order.

b. The Debtors will provide AEP with an additional \$17,794.00 (the "Second Payment") within thirty (30) days of the entry of an order by the Court approving this Stipulation.

2. The AEP Deposit shall constitute adequate assurance of payment for AEP pursuant to Section 366 of the Bankruptcy Code.

3. The First Payment will be funded by a reduction of the original Utility Deposit Account by \$17,794.00, to a total of \$27,206.00 (the "AEP Reduction"). The AEP Reduction reflects only that portion of the original amount of the Utility Deposit Account solely attributable to approximately 50% of the estimated cost of the monthly services provided to the Debtors by AEP.

4. The Final Utility Order will provide that following the AEP Reduction, AEP shall be specifically prohibited from recovering any amounts from the remaining Utility Deposit Account, and the provisions of the Interim Utility Order and the provisions of the Final Utility Order, other than paragraphs 1(a-c) of the Final Utility Order, shall not be binding on AEP.

5. Should the Debtors fail to tender the AEP Deposit as required by this Stipulation, AEP retains all of its rights pursuant to Section 366 of the Bankruptcy Code.

6. In the event that AEP subsequently identifies accounts not previously identified for the purpose of this Stipulation, the Debtors will provide AEP with a cash deposit equal to the estimated cost of monthly services provided to the Debtors by AEP under such

additional account(s) not covered by this Stipulation. A list of the accounts covered by this Stipulation is attached as Exhibit B.

7. If the Debtors no longer need service on an account or accounts, the Debtors shall inform AEP of same and request that service be terminated. After the account or accounts have been terminated, AEP shall refund the portion of the AEP Deposit attributable to that closed account.

8. The Debtors shall pay all post-petition bills by the applicable due date on the invoice.

9. Upon payment in full of all post-petition charges, AEP shall return the AEP Deposit within ten (10) business days after the effective date of a confirmed plan of reorganization or the dismissal of these chapter 11 cases, unless otherwise agreed to between the Parties.

10. This Stipulation is subject to the approval of Fannie Mae, the Debtors' secured lender. Fannie Mae has five (5) business days following the filing of this proposed Stipulation to object. If Fannie Mae objects to this Stipulation, the Parties agree to schedule a prompt final hearing regarding AEP's Objection to the Utility Motion.

11. The liens and interests of Fannie Mae in the \$17,794 to be paid to AEP from the Utilities Deposit Account and in the \$17,794 to be paid by the debtors (collectively the "Adequate Assurance Payments") to be held by AEP as the AEP Deposit, remain attached to the Deposit to the same extent and with the same validity as prior to the Adequate Assurance Payments, subject only to the interests of AEP. Any refund of any or all of the AEP Deposit to a Debtor will be fully subject to Fannie Mae's interests.

12. Upon entry of an order by this Court approving this Stipulation and upon entry of a Final Utility Order in substantially similar form to that attached as Exhibit A, this

Stipulation will become binding upon the Parties, and their successors and assigns, shareholders, officers, directors, employees, agents, and all other entities and individual persons seeking to claim and/or defend through the rights of the Parties.

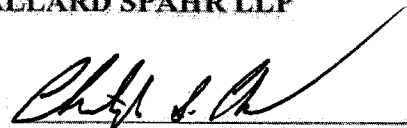
13. If the Court does not approve this Stipulation, or if Fannie Mae timely objects to this Stipulation, all rights of both the Debtors and AEP are preserved.

14. This Stipulation, if approved, resolves AEP's Objection to the Utility Motion, and any objection it has to the entry of the Final Utility Order, as modified.

15. This Stipulation constitutes the entire agreement and understanding between the Parties. No waiver or modification of any term or condition contained herein shall be valid or binding unless in writing and executed by the Parties.

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SO ORDERED this 25 day of March 2010



UNITED STATES BANKRUPTCY JUDGE