

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
Eastern Division

In Re:)
CORUS BANKSHARES, INC.)

BK No.: 10-26881
Chapter: 11
Honorable Pamela S. Hollis

Debtor(s))

ORDER APPROVING: (A) THE ADEQUACY OF THE DEBTOR'S
DISCLOSURE STATEMENT; (B) SOLICITATION AND NOTICE
PROCEDURES WITH RESPECT TO CONFIRMATION OF THE
DEBTOR'S PROPOSED PLAN OF REORGANIZATION; (C) THE FORM

Upon the motion, dated June 29, 2011, (the "Motion") of Corus Bankshares, Inc., as debtor and debtor in possession (the "Debtor"), for the entry of an order (the "Order") approving: (a) the adequacy of the Disclosure Statement, (b) solicitation and notice procedures with respect to Confirmation of the Debtor's proposed plan or reorganization; (c) the forms of various ballots and notices in connection therewith; and (d) the scheduling of certain dates with respect thereto; and the Bankruptcy Court having found that the Bankruptcy Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and the Bankruptcy Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Bankruptcy Court having found that venue of this proceeding and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Bankruptcy Court having found that the relief requested in the Motion is in the best interests of the Debtor's Estate, its creditors and other parties in interest; and the Debtor having provided appropriate notice under the circumstances of the Motion and the opportunity for a hearing on the Motion, and that no other or further notice is required; and the Bankruptcy Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before the Bankruptcy Court (the "Hearing"); and the Bankruptcy Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before the Bankruptcy Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein. All capitalized terms used but not defined herein shall have the meaning attributed to such terms in the Plan, the Disclosure Statement, or the Motion, as applicable.

II. APPROVAL OF THE DISCLOSURE STATEMENT AND NOTICE OF THE DISCLOSURE STATEMENT OBJECTION DEADLINE AND HEARING DATE

2. The Disclosure Statement complies with all aspects of section 1125 of the Bankruptcy Code and is hereby approved as containing "adequate information" (as defined by section 1125(a) of the Bankruptcy Code).

3. The Plan and Disclosure Statement provide creditors and other parties in interest with sufficient notice regarding the release, exculpation, and injunction provisions contained in the Plan in compliance with Bankruptcy Rule 3016(c).

4. The Disclosure Statement Hearing Notice, in substantially the form attached hereto as Exhibit 2, filed by the Debtor and served upon parties in interest in these chapter 11 cases on June 29, 2011 and published in each of the following publications on or before July 13, 2011: The Wall Street Journal (national edition); the Chicago Tribune; and Crain's Chicago Business, constitute adequate and sufficient notice of the Disclosure Statement Objection Deadline and Disclosure

Statement Hearing in accordance with Bankruptcy Rules 2002 and 3017 and Local Rule 3017.

5. Any objections to approval of the Disclosure Statement that were not withdrawn at or prior to the Disclosure Statement Hearing are overruled.

III. APPROVAL OF THE SOLICITATION AND NOTICE PROCEDURES

A. APPROVAL OF VOTING STATUS

6. Pursuant to the Plan, Claims in Class 3 (FDIC Priority Claims), Class 4 (TOPrS Unsecured Claims), Class 5 (FDIC Non-Priority Claims), and Class 6 (Other Unsecured Claims) are Impaired and entitled to receive Distributions under the Plan, and accordingly, Holders of Allowed Claims in such Classes are entitled to vote on the Plan (the "Voting Classes").

7. Pursuant to the Plan, Claims in Class 1 (Secured Claims) and Class 2 (Non-FDIC Priority Claims) are Unimpaired, and accordingly, pursuant to section 1126(f) of the Bankruptcy Code, Holders of such Claims are conclusively presumed to accept the Plan and are not entitled to vote on the Plan (the "Unimpaired Classes"). The Debtor is not required to provide a copy of the Solicitation Package to Holders of Claims in the Unimpaired Classes. Instead, by the Solicitation Date, in lieu of the Solicitation Package, the Debtor shall mail to Holders of Claims in the Unimpaired Classes the Notice of Non-Voting Status With Respect to Unclassified Claims and Unimpaired Classes Conclusively Presumed to Accept the Plan, in substantially the form attached hereto as Exhibit 6-A.

8. Pursuant to the Plan, Claims and Equity Interests in Class 7 (510(b) Subordinated Unsecured Claims) and Class 8 (Equity Interests) are Impaired and will not receive or retain any property under the Plan, and accordingly, pursuant to section 1126(g) of the Bankruptcy Code, Holders of such Claims are conclusively presumed to reject the Plan and are not entitled to vote on the Plan ("Rejecting Classes"). The Debtor is not required to provide a copy of the Solicitation Package to Holders of Claims and Interests in the Rejecting Classes. Instead, by the Solicitation Date, in lieu of the Solicitation Package, the Debtor shall mail to Holders of Claims the Notice of Non-Voting Status With Respect to Classes Deemed to Reject the Plan, in substantially the form attached hereto as Exhibit 6-B.

9. The Debtor shall be excused from mailing Solicitation Packages to those Entities to whom the Debtor mailed the Disclosure Statement Hearing Notice and received a notice from the United States Postal Service or other carrier that such notice was undeliverable. If an Entity has changed its mailing address after the Petition Date, the burden shall be on such Entity, not the Debtor, to advise the Claims and Solicitation Agent of the new address.

B. APPROVAL OF FORM OF SOLICITATION PACKAGES AND DISTRIBUTION THEREOF

10. The Solicitation Package shall consist of the following materials, the form of each of which, to the extent not otherwise approved herein, is hereby approved: (a) a copy of the Solicitation Procedures, in substantially the form attached hereto as Exhibit 1; (b) the Confirmation Hearing Notice, in substantially the form attached hereto as Exhibit 3; (c) a cover letter, in substantially the form attached hereto as Exhibit 4: (i) describing the contents of the Solicitation Package and (ii) urging the Holders of Claims in each of the Voting Classes to vote to accept the Plan; (d) a letter from the Committee, in substantially the form attached hereto as Exhibit 9: (i) indicating the Committee's support for the Plan and (ii) urging the Holders of Claims in Class 6 to vote to accept the Plan; (e) an appropriate form of Ballot, in substantially the form of Ballots attached hereto as Exhibits 5-A, 5-B, 5-C, or 5-D, as applicable; (f) the approved form of the Disclosure Statement (together with the proposed Plan attached as Exhibit A thereto); and (g) such other materials as the Bankruptcy Court may direct.

11. The Solicitation Package provides Holders of Claims entitled to vote on the Plan with adequate information to make informed decisions with respect to voting on the Plan in accordance with Bankruptcy Rules 2002(b) and 3017(d), the Bankruptcy Code, and the Local Rules.

12. The Debtor shall transmit the Solicitation Package to those Holders of Claims entitled to vote on the Plan as of the Voting Record Date on or before August 5, 2011 (the "Solicitation Date").

13. The Debtor shall file a complete version of the Plan Supplement on or before the day that is ten (10) Business Days before the Plan Objection Deadline.

14. The informational letters to be sent to Collateral Managers and CDO Trustees for Entities holding Class 4 Claims, in substantially the forms attached hereto as Exhibits 9-A and 9-B are hereby approved.

IV. VOTING AND GENERAL TABULATION PROCEDURES

15. The date of the Disclosure Statement Hearing, July 28, 2011, shall be the Voting Record Date for determining: (a) the Holders of Claims entitled to receive the Solicitation Package pursuant to the Solicitation Procedures; (b) Holders of Claims entitled to vote to accept the Plan; and (c) whether Claims have been properly transferred to an assignee pursuant to Bankruptcy Rule 3001(e) such that the assignee can vote as the Holder of a Claim.

16. For votes to be counted on the Plan, all Ballots from Holders of Allowed Claims in Voting Classes that are Plan Support Parties must be properly executed, completed, and delivered as specified in the Solicitation Procedures by 5:00 p.m. C.T. on September 2, 2011, the date that is twenty-eight (28) days after the Solicitation Date (the "Plan Support Party Voting Deadline"). For votes to be counted on the Plan, all Ballots from Holders of Allowed Claims in Voting Classes, other than Plan Support Parties, must be properly executed, completed, and delivered as specified in the Solicitation Procedures by 5:00 p.m. C.T. on September 19, 2011, the date that is forty-five (45) days after the Solicitation Date (the "General Voting Deadline"). The twenty-eight (28) day and forty-five (45) day solicitation periods provide adequate time for all the parties in interest to consider the Solicitation Package and respond by casting their Ballots.

17. All votes to accept or reject the Plan must be cast by using the appropriate Ballot and executed in accordance with the Solicitation Procedures and instructions contained in the Ballot.

18. All Ballots must be properly executed, completed and delivered by: (a) first class mail, in the return envelope provided with each Ballot; (b) overnight courier; or (c) personal delivery, so that the Ballots are actually received by the Claims and Solicitation Agent no later than the applicable Voting Deadline, at the return address set forth in the applicable Ballot.

V. ESTABLISHING NOTICE AND OBJECTION PROCEDURES RELATING TO CONFIRMATION

19. Any objections to the Plan must be filed by 11:59 p.m. C.T. on September 2, 2011, a date that is twenty-five (25) days prior to the requested date of the Confirmation Hearing (the "Plan Objection Deadline") and must: (a) be in writing; (b) conform to the Bankruptcy Rules and the Local Rules; (c) state the name and address of the objecting party and the amount and nature of the Claim of such Entity; (d) state with particularity the basis and nature of any objection to the Plan and, if practicable, a proposed modification to the Plan that would resolve such objection; and (e) be filed, together with proof of service, with the Bankruptcy Court and served so that they are actually received, no later than the Plan Objection Deadline, by the following parties: (i) counsel to the Debtor; (ii)

the U.S. Trustee; and (iii) counsel to the Committee.

20. The Debtor (and other parties in support of the Plan) shall be permitted to file a reply to any objections to Confirmation of the Plan no later than the date that is three (3) Business Days before the Confirmation Hearing and such reply may be in excess of fifteen pages notwithstanding Local Rule 5005-3(C).

21. The Confirmation Hearing shall be scheduled for September 27, 2011 at 11:00 a.m. C.T.

22. The Confirmation Hearing Notice, in substantially the form attached hereto as Exhibit 3, filed by the Debtor and which will be served upon parties in interest in these chapter 11 cases on or before August 5, 2011 and published in each of the following publications on or before August 19, 2011: The Wall Street Journal (national edition), the Chicago Tribune, and Crain's Chicago Business, constitute adequate and sufficient notice of the Plan Objection Deadline and Confirmation Hearing in accordance with Bankruptcy Rules 2002 and 3017 and Local Rule 3017.

VI. GENERAL PROVISIONS

23. The terms of this Order shall be binding upon the Debtor, all Holders of Claims and Equity Interests, and any trustees appointed under chapter 7 or chapter 11 of the Bankruptcy Code in this chapter 11 case, relating to the Debtor, and all other parties in interest.

24. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

25. The Debtor is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order.

26. The Bankruptcy Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

27. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014 or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

Enter:

Dated: **JUL 28 2011**


United States Bankruptcy Judge

Prepared by counsel of Movant:

Corus Bankshares, Inc.