

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

) Chapter 11
In re:)
)
CORUS BANKSHARES, INC. ¹) Case No. 10-26881 (PSH)
)
Debtor.)
) Hearing Date: June 16, 2010, 10:30 a.m., C.T.

**NOTICE OF MOTION OF THE DEBTOR FOR ENTRY
OF AN ORDER ESTABLISHING CERTAIN NOTICE, CASE
MANAGEMENT, AND ADMINISTRATIVE PROCEDURES**

PLEASE TAKE NOTICE that on June 16, 2010 at 10:30 a.m., C.T. or as soon thereafter as counsel may be heard, we shall appear before the Honorable Pamela S. Hollis in Courtroom 644 in the United States Courthouse, 219 South Dearborn Street, Chicago, Illinois, or before any other judge who may be sitting in his/her place and stead, and present the attached **Motion of the Debtor for Entry of an Order Establishing Certain Notice, Case Management, and Administrative Procedures** at which time and place you may appear if you so desire.

PLEASE TAKE FURTHER NOTICE that any objection must be filed with the Court by June 16, 2010 at 10:30 a.m., C.T. and served by such time on: (a) counsel to the Debtors; (b) the Office of the United States Trustee for the Northern District of Illinois, 219 South Dearborn Street, Suite 873, Chicago, Illinois 60604, Attn: Richard C. Friedman; (c) counsel to any statutory committee appointed in this chapter 11 case; (d) the entities listed on the Consolidated List of Creditors Holding the 20 Largest Unsecured Claims; (e) counsel to the indenture trustee for each of the Debtor’s subordinated debentures; (f) the Securities and Exchange Commission; (g) the Internal Revenue Service; (h) the Federal Deposit Insurance Corporation; (i) the United States Attorney for the Northern District of Illinois; (j) the Civil Process Clerk, United States Attorney’s Office for the Northern District of Illinois; and (k) the Attorney General of the United States, Washington, D.C.

¹ The Debtor in this chapter 11 case, along with the last four digits of the Debtor’s federal tax identification number, is: Corus Bankshares, Inc. (3592). The location of the Debtor’s corporate headquarters and the service address for the Debtor is: 10 S. Riverside Plaza, Suite 1800, Chicago, IL 60606.

Dated: June, 15 2010

Respectfully Submitted,

/s/ David R. Seligman

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Proposed Counsel to the Debtor and Debtor in Possession

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

)		
In re:)	Chapter 11	
)		
CORUS BANKSHARES, INC. ¹)	Case No. 10-26881 (PSH)	
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Debtor.)		
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MOTION OF THE DEBTOR FOR ENTRY OF AN ORDER ESTABLISHING CERTAIN NOTICE, CASE MANAGEMENT, AND ADMINISTRATIVE PROCEDURES

The above-captioned debtor and debtor in possession (the “Debtor”), files this motion (the “Motion”) for entry of an order, substantially in the form attached hereto as Exhibit A, establishing certain notice, case management, and administrative procedures. In support of this Motion, the Debtor respectfully states as follows:

Jurisdiction

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).
2. Venue in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The statutory bases for the relief requested herein is § 102(1) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), Rules 2002(m) and 9007 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rules 1000-2, 2002-2, 7016-1, and 9013-1 through 9013-9 of the Local Rules of Bankruptcy Practice and

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Procedure of the United States Bankruptcy Court for the Northern District of Illinois (the “Local Bankruptcy Rules”).

Background

4. On the date hereof (the “Petition Date”), the Debtor filed a voluntary petition with this Court under chapter 11 of the Bankruptcy Code. The Debtor is operating its business and managing its property as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in this chapter 11 case, and no committees have been appointed or designated.

5. Contemporaneously with filing the voluntary petition and this Motion, the Debtor filed the *Declaration of Randy P. Curtis in Support of First Day Pleadings* (the “Curtis Declaration”), which provides a detailed description of the Debtor’s business, its reasons for filing this chapter 11 case, and the relief the Debtor is seeking to ensure a smooth transition into chapter 11.

Relief Requested

6. By this Motion, the Debtor seeks entry of an order (a) establishing the Case Management Procedures, (b) approving the form and notice thereof, and (c) granting such other relief as the Court deems just and proper.

Basis for Relief

7. As described in the Curtis Declaration, the Debtor expects there will be approximately 550 parties in interest in this case. The Debtor anticipates that a substantial

number of parties will file requests for service of filings pursuant to Bankruptcy Rule 2002.² The Debtor also expects that numerous motions and applications will be filed in the chapter 11 case.

8. Given the size of this case, the Debtor believes that implementation of the notice, case management, and administrative procedures attached to Exhibit A as Exhibit 1 (collectively, the “Case Management Procedures”) will facilitate the administration of this case. Specifically, the Case Management Procedures will benefit the Debtor, the Court, and all parties in interest by, among other things:

- a. Reducing the need for emergency hearings and requests for expedited relief;
- b. Fostering consensual resolution of important matters;
- c. Assuring prompt receipt of appropriate notice affecting parties’ interests;
- d. Providing ample opportunity to parties in interest to prepare for and respond to matters before this Court;
- e. Reducing the substantial administrative and financial burden that would otherwise be placed on the Debtor and parties in interest who file documents in this chapter 11 case; and
- f. Reducing administrative burdens on the Court and the Clerk’s office.

9. The Debtor proposes to serve the Case Management Procedures on the master service list as described further herein (the “Master Service List”). The Debtor will also publish

² Bankruptcy Rule 2002(i) provides, in pertinent part: “[T]he court may order that notices . . . be transmitted to the United States trustee and be mailed only to the committees elected under § 705 or appointed under § 1102 of the Code or to their authorized agents and to the creditors and equity security holders who serve on the trustee or debtor in possession and file a request that all notices be mailed to them.”

the Case Management Procedures on the website maintained by BMC Group, Inc. (“BMC”), the Debtor’s notice, balloting, and claims agent, at <http://bmcgroup.com/corus> (the “Case Website”). Additionally, parties may request the Case Management Procedures from BMC or the Debtor’s counsel. In the event the Case Management Procedures are modified during this chapter 11 case, the Debtor will redistribute the Case Management Procedures to the Master Service List and publish any modified version on the Case Website.

10. The Debtor proposes the following Case Management Procedures:

A. Omnibus Hearing Dates

11. All Matters to be Heard at Omnibus Hearings. The Court will schedule periodic omnibus hearings to consider all motions, pleadings, applications, objections and responses thereto, and other requests for relief (the “Omnibus Hearings”).

12. Setting Omnibus Hearings.

- a. Ordinary Scheduling Procedures. Notwithstanding Local Rule 9013-1, parties may only schedule motions and other pleadings for hearing at an Omnibus Hearing scheduled to occur at least 14 calendar days after service of the motion or application (or at least 17 calendar days if service is by U.S. mail) (the “Ordinary Scheduling Procedures”).
- b. Emergency Scheduling Procedures. Notwithstanding the Ordinary Scheduling Procedures, any party may request an emergency hearing pursuant to the Local Bankruptcy Rules.
- c. Initial Omnibus Hearings. The first three Omnibus Hearings shall be held on the following dates and times:
 - i. ___:___ a.m./p.m. on the ___ day of _____,

 - ii. ___:___ a.m./p.m. on the ___ day of _____,

 - iii. ___:___ a.m./p.m. on the ___ day of _____,

13. Subsequent Omnibus Hearings. At or before the first scheduled Omnibus Hearing, the Debtor shall request the Court schedule additional Omnibus Hearings. The Court shall schedule such Omnibus Hearings and, upon scheduling, BMC shall post the date of the Omnibus Hearing on the Case Website. Entities may contact BMC for information concerning all scheduled Omnibus Hearings.

14. Proposed Omnibus Hearing Agenda. The Debtor shall prepare Omnibus Hearing agendas in accordance with the following:

- a. On the date that is two (2) business days prior to each Omnibus Hearing, the Debtor's counsel shall file a proposed agenda with regard to the matters that are scheduled to be heard on such Omnibus Hearing (the "Proposed Hearing Agenda"). The Proposed Hearing Agenda is for the convenience of the Court and counsel and is not determinative of the matters to be heard on that day or whether there will be a settlement or a continuance.
- b. The Proposed Hearing Agenda will include, to the extent known by the Debtor's counsel: (i) the docket number and title of each pleading relating to a matter to be heard at such Omnibus Hearing, including the initial filing and any responses, replies or documents related thereto; (ii) notice of whether the matters are contested or uncontested; (iii) notice of whether the matters have settled or are proposed to be continued; (iv) other comments that will assist the Court; and (v) a suggested order in which the matters should be addressed.

B. Filing and Notice Procedures; Deadlines for the Filing of Responsive Pleadings

15. Procedures Established for Notices. All notices, motions, applications and other requests for relief, all briefs, memoranda, affidavits, declarations, and other documents filed in support of such papers seeking relief (collectively, the "Requests for Relief") and all objections and responses to such Requests for Relief (collectively, the "Objections," and together with the Requests for Relief and all other filed documents, the "Court Filings") shall be filed with the Court or other applicable court and served in accordance with the notice procedures set forth

herein (the “Notice Procedures”). Except to the extent that such rules conflict with or are inconsistent with the Notice Procedures, the Bankruptcy Rules and the Local Bankruptcy Rules shall govern all matters in this chapter 11 case.

16. Entities Entitled to Notice. All Court Filings shall be electronically served on the Master Service List, the 2002 List, and Affected Entities (each as defined herein and collectively, the “Service Lists”) according to the Notice Procedures.

- a. Master Service List. BMC shall maintain a master service list (the “Master Service List”), which shall be updated every two weeks during the first 60 days after the Petition Date, and at least every thirty days thereafter. Any updates to the Master Service List will be available: (a) on the Case Website; (b) from BMC; or (c) from the Debtor’s counsel. The Master Service List shall include:
 - i. The Office of the United States Trustee for the Northern District of Illinois;
 - ii. the Debtor and its counsel;
 - iii. the members of and counsel to any statutory committee, and, until such appointment of an official creditors’ committee, the entities listed on the Consolidated List of Creditors Holding the 20 Largest Unsecured Claims filed pursuant to Bankruptcy Rule 1007(d);
 - iv. counsel to the indenture trustee for each of the Debtor’s subordinated debentures;
 - v. the Internal Revenue Service;
 - vi. the Securities and Exchange Commission; and
 - vii. the Federal Deposit Insurance Corporation.
- b. 2002 List: This group shall be comprised of all entities that have filed a request for service of filings pursuant to Bankruptcy Rule 2002 and Local Rule 2002-2 (the “2002 List”). BMC shall be responsible for maintaining an updated list of those who have submitted a proper 2002 Notice Request (as defined herein). Updates to the 2002

List will be available on the Case Website. A party will be included in the 2002 List only if:

- i. Email Address Required for Filing Requests: Notwithstanding Local Rule 2002-2(B), a request for service of papers pursuant to Bankruptcy Rules 2002 and Local Rule 2002-2 (each, a “2002 Notice Request”) filed with the Court shall be deemed proper *if and only if* it includes the following information with request to the party filing such request: (a) name; (b) street address; (c) name of client(s), if applicable; (d) telephone number; (e) facsimile number; and (f) electronic mail (or “e-mail”) address.
 - ii. Certification Opting Out of E-mail Service: Any individual or entity filing a 2002 Notice Request who does not maintain (and cannot practicably obtain) an e-mail address and therefore cannot receive service by e-mail must include in the 2002 Notice Request a certification to that effect (the “Certification”). The Certification shall include a statement certifying that the individual or entity (a) does not maintain an e-mail address, and (b) cannot practicably obtain an e-mail address at which the individual or entity could receive service by e-mail. Parties filing a Certification shall receive paper service via U.S. Mail or private mail services, at the Debtor’s discretion.
 - iii. Updating information of individual or entity on 2002 List: It is the responsibility of each entity submitting a 2002 Notice Request to file with the Court an updated 2002 Notice Request, as necessary, to reflect changes to any information, including e-mail address and contact person, and serve a copy of such request upon the Debtor and BMC.
- c. Affected Entities: This group shall be comprised of all entities with a particularized interest in the subject matter of the particular court filing (each, an “Affected Entity”).

17. At least every two weeks during the first 60 days of the Debtor's chapter 11 case, and thereafter at least every 30 days, BMC shall maintain and update the 2002 List by: (a) making any additions and deletions; (b) filing the updated 2002 List with the Court; (c) serving the updated 2002 List on the parties listed thereon; (d) filing a certificate of service; and (e) simultaneously with the filing of the 2002 List, posting an updated version of the 2002 List on the Case Website.

18. Recipients of Service. With respect to Requests for Relief for which particular notices are required to be served on all creditors and parties in interest, including Bankruptcy Rules 2002(a)(2) and (3), 4001, 6004, 6007, and 9019, parties shall serve a Notice of Motion (as defined herein) only on the Master Service List, the 2002 List and any Affected Entity by electronic mail or otherwise (if an exemption is granted) and in accordance with the Notice Procedures, unless otherwise ordered by the Court:

- a. in the case of motions relating to the use, sale, lease, or abandonment of property, on each entity asserting an interest in that property;
- b. in the case of a motion for relief or modification of the automatic stay, on each entity asserting a lien or encumbrance on the affected property;
- c. in the case of a motion relating to the use of cash collateral or obtaining credit, each party asserting an interest in the cash collateral or a lien or other interest in property upon which a lien or encumbrance is proposed to be granted;
- d. in the case of a motion under Bankruptcy Rule 9019, all parties that are parties to the relevant compromise and settlement or that may be directly affected by such compromise or settlement;
- e. in the case of assumption, assignment, or rejection of an executory contract or an unexpired lease, each party to the executory contract or the unexpired lease;

- f. any objection, opposition, response, reply, or further document filed directly in response to a document shall be served on the entity who filed such document; and
- g. all matters for which the Bankruptcy Rules specifically require notice to all parties in interest shall be served on the Master Service List and the 2002 List unless otherwise directed by the Court.

19. Except as set forth herein or otherwise provided by order of the Court, the Notice Procedures shall not apply to notices of the matters or proceedings described in the following Bankruptcy Rules:

- a. Bankruptcy Rule 2002(a)(1) (meeting of creditors pursuant to section 341 of the Bankruptcy Code);
- b. Bankruptcy Rule 2002(a)(2) (any proposed use, sale, or lease of property of the estate other than in the ordinary course of business, to the extent that such use, sale, or lease concerns all or substantially all of the Debtor's assets);
- c. Bankruptcy Rule 2002(a)(4) (hearing on the dismissal of a case or cases or the conversion of a case to another chapter);
- d. Bankruptcy Rule 2002(a)(5) (time fixed to accept or reject a proposed modification of a chapter 11 plan);
- e. Bankruptcy Rule 2002(a)(7) (time fixed for filing a proof of claim pursuant to Bankruptcy Rule 3003(c));
- f. Bankruptcy Rule 2002(b)(1) (time fixed for filing objections and any hearing to consider approval of a disclosure statement);
- g. Bankruptcy Rule 2002(b)(2) (time fixed for filing objections and any hearing to consider confirmation of a chapter 11 plan);
- h. Bankruptcy Rule 2002(d) (certain matters for which notice is to be provided to equity security holders);
- i. Bankruptcy Rule 2002(f)(1) (entry of the order for relief);
- j. Bankruptcy Rule 2002(f)(2) (dismissal or conversion of a case to another chapter of the Bankruptcy Code);

- k. Bankruptcy Rule 2002(f)(3) (time allowed for filing claims pursuant to Bankruptcy Rule 3002);
- l. Bankruptcy Rule 2002(f)(6) (waiver, denial, or revocation of a discharge as provided in Bankruptcy Rule 4006);
- m. Bankruptcy Rule 2002(f)(7) (entry of an order confirming a chapter 11 plan); and
- n. Bankruptcy Rule 2002(f)(8) (summary of the trustee's final report should this chapter 11 case be converted to a case under chapter 7 of the Bankruptcy Code).

20. Service of Notice of Motion. Notice of a Request for Relief will be considered adequate under the Notice Procedures only if the entity filing a Request for Relief includes a notice of motion with its Request for Relief (the "Notice of Motion"). Each Notice of Motion shall conspicuously state: (i) the title of the Request for Relief; (ii) the time and date of any deadline to object thereto (which deadline shall be in accordance with the Notice Procedures), (iii) the Omnibus Hearing (or other hearing as ordered by the Court) for which the Request for Relief is set to be considered by the Court (the "Applicable Hearing"); (iv) a copy of the Request for Relief itself; and (v) a statement that the relief requested in the Request for Relief may be granted by the Court without a hearing if not Response thereto is timely filed and served in accordance with these Case Management Procedures. Notwithstanding Local Rule 9013-3, electronic service of a Notice of Motion, except as provided herein, shall be sufficient notice of the Request for Relief so long as it is sent fourteen (14) calendar days before the Applicable Hearing, provided, however, that if the Notice of Motion is served by U.S. mail, the Request for Relief shall not be considered by the Court unless the Notice of Motion is filed and served in accordance with the Case Management Procedures at least seventeen (17) calendar days prior to the applicable hearing, unless otherwise ordered by the Court.

21. Certificates of Service. Consistent with Local Rule 9013-3(D) certificates of service of all Court Filings, including a service list, shall be filed with the Court; provided that parties shall not be required to include the service list when serving the certificate of service on such recipients.

22. Service of Adversary Proceedings. All pleadings and other Court filings in any adversary proceeding commenced in the chapter 11 case shall be served upon the Master Service List, each Affected Entity, and any other entities required to be served under any applicable Bankruptcy Rule or Local Rule.

23. Service of Orders. Consistent with Local Rule 9013-7, any party submitting an order shall serve a conformed copy of any entered order on (i) each Affected Entity, (ii) BMC, and (iii) the Debtor (collectively, the “Order Parties”) within two (2) business days of entry of the order. If the Court enters the draft order appended to the motion without modification, and the draft order has been previously served on the Order Parties, the order need not to be re-served unless the Court directs otherwise. BMC shall also post all entered orders on the Case Website.

24. Filing and Service of Objections, Replies and Other Responsive Pleadings.

- a. Deadline for Objections. The deadline to file objections to motions, applications, or other requests for relief (the “Objection Deadline”) shall be 4:00 p.m. (prevailing Central Time) on the seventh calendar day before the Applicable Hearing, or (ii) as otherwise ordered by the Court. For emergency motions or applications the hearing on which is set on an expedited basis and fewer than fourteen (14) days after the motion or application is filed, the Objection Deadline shall be 12:00 p.m. noon (prevailing Central Time) one business day preceding the hearing date. Failure to file objections by the Objection Deadline may cause the Court to not consider the objection.
- b. Extension of Objection Deadline. The Objection Deadline may be extended with the consent of the entity filing the motion or application to a date that is no later than three (3) days before the Applicable Hearing.

- c. Service of Objections. All objections shall be filed with the Court and electronically served, except as otherwise provided herein, by the applicable Objection Deadline upon the entity filing the motion or application, those entities on the Master Service List, and each Affected Entity, with such Affected Entities to be determined based on the particular Court Filing being served.
- d. Service of Replies to Objections. If a Court Filing is a reply to an objection, such reply shall be filed with the Court and electronically served, except as otherwise provided herein, so as to actually be received by the Debtor, the parties filing objections and each Affected Entity, by 12:00 p.m. noon (prevailing Central Time) at least one (1) business day before the Applicable Hearing date.
- e. Filing of Certificates of Service. In accordance with Local Rule 9013-3(D), a certificate of service shall accompany all motions, applications or objections filed with the Court.

25. Granting the Request for Relief Without a Hearing.

- a. Provided that the notice filed with the Request for Relief includes a statement that the Request for Relief may be granted and an order entered without a hearing unless a timely Objection is made, after the Objection Deadline had passed and no Objection has been filed or served in accordance with the procedures set forth herein, counsel to the entity who has filed the Request for Relief may file a certification indicating that no Objection has been filed or served on the entity who has filed the Request for Relief (the “Certificate of No Objection”).
- b. By filing a Certificate of No Objection, counsel for the movant will be representing to the Court that the movant is unaware of any objection to the Request for Relief and that counsel has reviewed the Court’s docket and no Objection appears thereon.
- c. After a Certificate of No Objection has been filed, the Request for Relief may be heard at the next Omnibus Hearing if the Court does not grant the Request for Relief before such Omnibus Hearing. The Certificate of No Objection shall state the date after which the Court may grant the Request for Relief (the “Date of Presentment”).
- d. Pursuant to Local Rule 9013-1, the Date of Presentment the entity chooses to include in its Notice of Motion shall be within 14 calendar days of the service of the Notice of Motion, except as otherwise provided in Local Rule 9013-1.

- e. Upon receipt of the Certificate of No Objection, the Court may grant the Request for Relief without further pleading, hearing or request, and, once an order granting such Request for Relief is entered, no further hearing on the Request for Relief shall be held.

26. Right to Request Special Notice Procedures. Nothing herein shall prejudice the right (a) of any entity to move the Court to further limit or expand notice of contested matters and adversary proceedings upon a showing of good cause, including, without limitation, the right to file a motion seeking emergency *ex parte* relief or relief upon shortened notice, or (b) of any entity to request an enlargement or reduction of any time period under Bankruptcy Rule 9006(b) or (c).

27. Section 342 Notice Requirements. Any notice sent by the Debtor or any other party in interest shall be deemed to comply with the requirements set forth in section 342(c)(1) of the Bankruptcy Code so long as either (a) the notice is accompanied by an insert, substantially in the form attached hereto as Exhibit 2, containing the name, address, and last four digits of the taxpayer identification number of the Debtor in this case, or (b) the notice includes a footnote containing this information.

C. Service by Electronic Mail

28. Electronic Filing with the Court. All Court Filings shall be electronically served on the Court's electronic filing system (the "Electronic Filing System"), other than service of a summons and complaint in an adversary proceeding or documents filed under seal. Subject to the limited exclusions set forth herein, each party that has filed a notice of appearance and a request for service of papers shall be deemed to have consented to electronic service of papers and such service through the Electronic Filing System shall be deemed to constitute proper service for all parties who are sent such service.

29. Electronic Service. Because not all parties entitled to service will have entered a notice of appearance in this chapter 11 case, a party that serves a Court Filing via the Court's Electronic Filing System must also electronically serve the Rule 2002 Court Filing on the Master Service List and any Affected Parties pursuant to the Notice Procedures for service to be proper.

30. Opting-Out of Electronic Service. If an individual or entity has filed a Certification that it cannot receive electronic service and that individual or entity is on the Master Service List, the 2002 List or is an Affected Party, such party shall be served with paper copies of any Court Filings by the party filing the motion or application. Such service will be made by U.S. mail or private mail services at the Debtor's discretion. BMC will also update the Case Website to include a copy of all Court Filings as is reasonably practicable.

31. Timing of Notice. Court Filings that are electronically served to any party, including service via the Electronic Filing System, shall be deemed timely served if sent according to the Notice Procedures described herein.

Basis for Relief

32. Bankruptcy Rule 2002(a) provides that, unless otherwise ordered by the bankruptcy court, notice of certain matters must be given to, among others, all of the Debtor's creditors, equity security holders and other parties in interest. The Bankruptcy Rules further provide that "[t]he court may from time to time enter orders designating the matters in respect to which, the entity to whom, and the form and manner in which notices shall be sent except as otherwise provided by these rules." Bankruptcy Rule 2002(m); see also Bankruptcy Rule 9007 ("When notice is to be given under these rules, the court shall designate, if not otherwise specified herein, the time within which, the entities to whom, and the form and manner in which the notice shall be given.").

33. Similarly, Local Rule 7016-1 provides that the Court may conduct case management conferences, and as required, shall enter case management orders that “may establish notice requirements, set dates on which motions and proceedings will be heard (omnibus hearing dates), . . . and address such other matters as may be appropriate.”

34. Additionally, section 102(1) of the Bankruptcy Code states that, where the Bankruptcy Code provides for an action to occur “after notice and a hearing,” such action may occur “after such notice as is appropriate in the particular circumstances, and such opportunity for a hearing as is appropriate in the particular circumstances” 11 U.S.C. § 102(1)(A).

35. As the Court is aware, the CM/ECF system allows parties to file pleadings and access the case docket 24 hours a day, 7 days a week. See Bankruptcy Rule 5001. Further, pursuant to the proposed Case Management Procedures, all registered CM/ECF parties on the Master Service List and all other parties in interest that may be directly affected by the relief sought in a particular filing will receive notice of such filing directly from the party submitting such documents to the Court well in advance of the applicable Omnibus Hearing. All parties in this case who are registered participants in the Court’s CM/ECF system will receive a “Notice of Electronic Filing” via electronic mail whenever a document is filed, which will provide additional notice to such parties. Although e-mail is nearly universally available, if a party cannot reasonably obtain access to e-mail, then such party may seek an exemption pursuant to the Case Management Procedures to receive paper copies. Therefore, no party will be adversely affected by the e-mail service proposed herein.

36. Bankruptcy courts in this and other districts often implement case management procedures similar to those proposed here to reduce the expense of case administration. See, e.g., In re Kimball Hill, Inc., No. 08-10095 (Bankr. N.D. Ill. May 2, 2008) [Docket No. 115];

In re Enesco Group, Inc., No. 07-00565 (Bankr. N.D. Ill. Jan. 22, 2007) [Docket No. 71]; In re Wickes, Inc., No. 04-02221 (Bankr. N.D. Ill. Jan. 29, 2004) [Docket No. 68]; In re UAL Corp., No. 02-48191 (Bankr. N.D. Ill. Dec. 11, 2002) [Docket No. 249]; In re Kmart Corp., No. 02-02474 (Bankr. N.D. Ill. Jan. 25, 2002) [Docket No. 145]. See also In re TOUSA, Inc., No. 08-10928 (Bankr. S.D. Fla. Jan. 31, 2008) [Docket No. 100]; In re Levitt & Sons, LLC, No. 07-19845 (Bankr. S.D. Fla. Nov. 14, 2007) [Docket No. 53]; In re Calpine Corp., No. 05-60200 (Bankr. S.D.N.Y. Jan. 18, 2006) [Docket No. 488]; In re Collins & Aikman Corp., No. 05-55927 (Bankr. E.D. Mich. May 17, 2005) [Docket No. 50]. Accordingly, the Debtor requests that the Court approve the Case Management Procedures.

Reservation of Rights

37. Nothing contained herein is intended or should be construed as an admission as to the validity of any claim against the Debtor, a waiver of the Debtor's rights to dispute any claim, or an approval or assumption of any agreement, contract or lease under section 365 of the Bankruptcy Code. The Debtor expressly reserves its rights to contest any claim, or an approval or assumption of any agreement or contract under section 365 of the Bankruptcy Code. The Debtor expressly reserves its rights to contest any invoice or claim with respect to any obligation described herein in accordance with applicable non-bankruptcy law. Likewise, if this Court grants the relief sought herein, any payment made pursuant to the Court's order is not intended and should not be construed as an admission as to the validity of any claim or a waiver of the Debtor's rights to dispute such claim subsequently.

Notice

38. The Debtor has provided notice of this Motion to: (a) the Office of the United States Trustee for the Northern District of Illinois; (b) the entities listed on the Consolidated List of Creditors Holding the 20 Largest Unsecured Claims; (c) counsel to the indenture trustee for

each of the Debtor's subordinated debentures; (d) the Securities and Exchange Commission; (e) the Internal Revenue Service; (f) the Federal Deposit Insurance Corporation; (g) the United States Attorney for the Northern District of Illinois; (h) the Civil Process Clerk, United States Attorney's Office for the Northern District of Illinois; and (i) the Attorney General of the United States, Washington, D.C. In light of the nature of the relief requested, the Debtor respectfully submits that no further notice is necessary.

No Prior Request

39. No prior request for the relief sought in this Motion has been made to this or any other court.

WHEREFORE, for the reasons set forth herein and in the Curtis Declaration, the Debtor respectfully requests that the Court enter an order, substantially in the form attached hereto as Exhibit A, granting the relief requested herein and such other and further relief as the Court deems appropriate.

Dated: June 15, 2010

KIRKLAND & ELLIS LLP

/s/ David R. Seligman

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