

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re: IHEARTMEDIA, INC., <i>et al.</i> , ¹ <div style="text-align: right;">Debtors.</div>	§ § § § § § §	Chapter 11 Case No. 18-31274 (MI) (Jointly Administered)
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**DEBTORS’ MOTION FOR ENTRY OF
AN ORDER FURTHER EXTENDING THE TIME
WITHIN WHICH THE DEBTORS MAY REMOVE ACTIONS**

THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

A HEARING WILL BE HELD ON THIS MATTER ON FEBRUARY 5, 2019, AT 2:30 P.M. (CT) BEFORE THE HONORABLE MARVIN ISGUR, 515 RUSK STREET, COURTROOM 404, HOUSTON, TEXAS 77002.

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) respectfully state as follows in support of this motion (this “Motion”):

¹ Due to the large number of Debtors in these chapter 11 cases, for which joint administration has been granted, a complete list of the Debtors and the last four digits of their tax identification, registration, or like numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims, noticing, and solicitation agent at <https://cases.primeclerk.com/iheartmedia>. The location of Debtor iHeartMedia, Inc.’s principal place of business and the Debtors’ service address is: 20880 Stone Oak Parkway, San Antonio, Texas 78258.

Relief Requested

1. The Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Order”): (a) further extending the period (the “Removal Period”) within which the Debtors may remove actions (each individually, an “Action,” and collectively, the “Actions”) pursuant to 28 U.S.C. § 1452 and Bankruptcy Rule 9027 (as defined below) up to and including June 7, 2019, without prejudice to the Debtors’ right to seek further extensions; and (b) granting related relief.

Jurisdiction and Venue

2. The United States Bankruptcy Court for the Southern District of Texas (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. 1334. The Debtors confirm their consent, pursuant to rule 7008 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

3. Venue is permissible pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The bases for the relief requested herein are section 1452 of title 28 of the United States Code (the “Judicial Code”), Bankruptcy Rules 9006 and 9027, and rule 9013-1 of the Bankruptcy Local Rules for the Southern District of Texas (the “Bankruptcy Local Rules”).

Background

5. On March 14, 2018 (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. 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. These chapter 11 cases have been consolidated for procedural

purposes only and are being jointly administered pursuant to Bankruptcy Rule 1015(b) [Docket No. 76]. On March 21, 2018, the United States Trustee for the Southern District of Texas (the “U.S. Trustee”) appointed an official committee of unsecured creditors pursuant to section 1102 of the Bankruptcy Code (the “Committee”) [Docket No. 244].

6. A description of the Debtors’ businesses, the reasons for commencing the chapter 11 cases, and the relief sought from the Court to allow for a smooth transition into chapter 11 are set forth in the *Declaration of Brian Coleman, Senior Vice President and Treasurer of iHeartMedia, Inc., in Support of Chapter 11 Petitions and First Day Motions*, filed on March 15, 2018 [Docket No. 25].

The Actions

7. As of the date of the filing of this Motion, the Debtors are involved in multiple Actions—primarily in Texas, New York, and Pennsylvania. On May 17, 2018, the Court entered an order setting June 29, 2018, as the deadline for non-governmental entities, and September 11, 2018, as the deadline for governmental entities, to file proofs of claim against the Debtors’ chapter 11 estates (the “Claims Bar Date Order”) [Docket No. 743]. On May 14, 2017, the Debtors filed their Schedules of Assets and Liabilities and Statements of Financial Affairs, which identified the Actions known as of that date (collectively, the “Schedules and Statements”).²

8. On May 30, 2018, the Court entered the *Order Approving the Debtors’ Motion for Entry of an Order Extending the Time Within Which the Debtors May Remove Actions* [Docket No. 862] (the “First Removal Extension Order”). Pursuant to the First Removal Extension Order, the Removal Period expired on October 10, 2018. On October 3, 2018, the Court entered an

² The Debtors filed amended Schedules and Statements on August 31, 2018.

interim order further extending the Removal Period deadline to December 7, 2018 (the “Interim Removal Extension Order”) [Docket No. 1563]. On November 30, 2018, the Court entered the *Order Approving the Debtors’ Emergency Motion for Entry of an Order Further Extending the Time Within Which the Debtors May Remove Actions* [Docket No. 2087] (the “Second Removal Extension Order”), further extending the Removal Period through and including February 7, 2019.

9. Since entry of the Second Removal Extension Order, the Debtors have continued to work diligently on numerous time-sensitive matters critical to their restructuring efforts. Specifically, the Debtors and their professionals have focused their attention on, among other things:

- (a) stabilizing their business operations by coordinating with vendors and other counterparties to preserve contracts on a consensual basis;
- (b) negotiating and consulting with, and providing diligence materials and other information to, the Committee and other key stakeholders;
- (c) negotiating and receiving preliminary approval of a settlement agreement for the separation of Clear Channel Outdoor Holdings, Inc.;³
- (d) negotiating, preparing, and filing an amended Plan to incorporate the terms of the CCOH Plan and Separation Settlement;⁴
- (e) defending against two complex adversary proceedings filed by the Legacy Notes Trustee;

³ On December 17, 2018, the Court entered the *Order (I) Directing the Application of Bankruptcy Rules 7023.1, (II) Preliminarily Approving the Settlement, (III) Approving the Retention of Prime Clerk LLC as Notice Administrator, (IV) Approving the Form and Manner of Notice, (V) Scheduling a Fairness Hearing to Consider Final Approval of the Settlement as Part of Confirmation of the Plan, and (VI) Granting Related Relief* [Docket No. 2219] and the *Order (I) Directing the Application of Bankruptcy Rules 7023 and 7023.1, (II) Certifying a Class, Designating a Class Representative, and Appointing Class Counsel for Purposes of Settlement, and (III) Granting Related Relief* [Docket No. 2221].

⁴ On December 17, 2018, the Debtors filed the *Modified Fifth Amended Joint Chapter 11 Plan of Reorganization of iHeartMedia, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 2207] (the “Plan”).

- (f) negotiating and consulting with various stakeholders to resolve objections to the Plan;
- (g) preparing and filing the confirmation brief and proposed confirmation order;⁵ and
- (h) attending and participating at hearings and conferences in connection with confirmation of the Plan.

Consequently, the Debtors are not yet prepared to decide which, if any, Actions they will seek to remove.

Basis for Relief

10. Section 1452 of the Judicial Code and Bankruptcy Rule 9027 govern the removal of pending civil actions related to chapter 11 cases, and Bankruptcy Rule 9027 sets forth the time periods for filing notices to remove claims or causes of action. Bankruptcy Rule 9006(b)(1), in turn, permits the Court to extend the period to remove actions provided by Bankruptcy Rule 9027 “for cause shown . . . if the request therefor is made before the expiration of the period originally prescribed”

11. The Debtors submit that ample cause exists to extend the Removal Period. Absent the relief requested herein, the Removal Period will otherwise expire on February 7, 2019. The Debtors’ decision regarding whether to seek removal of any particular Action depends on a number of factors, including: (a) the importance of the Action to the resolution of these chapter 11 cases; (b) the time required to complete the Action in its current venue; (c) the presence of federal subject matter jurisdiction in the proceeding, which may allow a federal court to hear one or more aspects thereof; (d) the relationship between the Action and

⁵ On January 7, 2019, the Debtors filed (a) the *Debtors’ Memorandum of Law in Support of Confirmation of Joint Chapter 11 Plan* [Docket No. 2365] (the “Confirmation Brief”); and (b) *Findings of Fact, Conclusions of Law, and Order Confirming the Modified Fifth Amended Joint Chapter 11 Plan of Reorganization of iHeartMedia, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 2371] (the “Confirmation Order”).

the matters to be considered in connection with the Debtors' reorganization process, claims allowance process, and assumption or rejection of executory contracts and unexpired leases; and (e) the progress made to date in the applicable Action. Accordingly, the Debtors must analyze each Action with consideration of the foregoing factors, among others. The extension requested herein will provide the Debtors with time to make informed decisions concerning which Actions to remove and will ensure that the Debtors' rights provided by section 1452 of the Judicial Code can be exercised in an appropriate manner.

12. The Debtors have continued to focus diligently on numerous time-sensitive matters critical to their restructuring efforts, including preparing for hearings to consider confirmation of the Debtors' Plan. Given the size and scope of the Debtors' capital structure and business operations, expeditiously moving toward exit from these chapter 11 cases will require significant effort. Due to the Debtors' efforts to date, they are on track to consummate a restructuring that will maximize value for all stakeholders. As a result, the Debtors have not yet determined conclusively which Actions, if any, they will seek to remove. The extension requested herein will provide the Debtors with time to make informed decisions concerning which Actions to remove and will ensure that the Debtors' rights to remove Actions can be exercised in an appropriate manner.

13. Moreover, the rights of parties to the Actions will not be unduly prejudiced by the Debtors' requested extension of the Removal Period. If the Debtors ultimately seek to remove Actions pursuant to Bankruptcy Rule 9027, parties will retain their right to seek remand with respect to such Actions pursuant to section 1452(b) of the Judicial Code. Therefore, the Debtors submit that cause exists for the relief requested herein.

14. Courts in this district have regularly granted relief similar to that requested herein. *See, e.g., In re Seadrill Ltd.*, No. 17-60079 (DRJ) (Bankr. S.D. Tex. Mar. 21, 2018) (granting an additional 120-day extension without prejudice to the debtors' ability to seek additional extension); *In re GenOn Energy, Inc.*, No. 17-33695 (DRJ) (Bankr. S.D. Tex. Dec. 15, 2017) (granting an additional 180-day extension without prejudice to the debtors' ability to seek additional extension); *In re CJ Holding Co.*, No. 16-33590 (DRJ) (Bankr. S.D. Tex. Jan. 31, 2017) (same); *In re LINN Energy, LLC*, No. 16-60040 (DRJ) (Bankr. S.D. Tex. Jan. 4, 2017) (granting an additional 120-day extension without prejudice to the debtors' ability to seek additional extension).⁶ Similar relief is warranted in these chapter 11 cases.

Notice

15. Notice of the hearing on the relief requested in the Motion has been provided by the Debtors in accordance and compliance with Bankruptcy Rule 9014, as well as the Bankruptcy Local Rules, and is sufficient under the circumstances. Without limiting the forgoing, due notice was afforded, whether by facsimile, electronic mail, overnight courier or hand delivery, to parties in interest, including: (a) the U.S. Trustee; (b) the Committee; (c) the agent for the Debtors' receivables based credit facility; (d) the agent for the Debtors' term loan credit facility; (e) the indenture trustees for the Debtors' priority guarantee notes, 14.0% senior notes due 2021, 6.875% senior notes due 2018, and 7.25% senior notes due 2027; (f) counsel to an ad hoc group of lenders under the Debtors' term loan credit facility and priority guarantee noteholders; (g) counsel to an ad hoc group of lenders under the Debtors' term loan credit facility; (h) counsel to an ad hoc group of holders of 6.875% senior notes due 2018 and 7.25%

⁶ Because of the voluminous nature of the orders cited herein, such orders have not been attached hereto. Copies of these orders are available upon request of the Debtors' counsel.

senior notes due 2027; (i) counsel to an ad hoc group of holders of 14.0% senior notes due 2021; (j) the Office of the United States Attorney for the Southern District of Texas; (k) the state attorneys general for states in which the Debtors conduct business; (l) the Internal Revenue Service; (m) the Securities and Exchange Commission; (n) the parties to the Actions; and (o) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

[Remainder of Page Intentionally Left Blank]

WHEREFORE, the Debtors respectfully request that the Court enter the Order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested in this Motion and granting such other and further relief as is appropriate under the circumstances.

Houston, Texas
January 14, 2019

/s/ Patricia B. Tomasco

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Certificate of Service

I certify that on January 14, 2019, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Patricia B. Tomasco

Patricia B. Tomasco

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	
	§	Chapter 11
IHEARTMEDIA, INC., <i>et al.</i> , ¹	§	
	§	Case No. 18-31274 (MI)
Debtors.	§	(Jointly Administered)
	§	
	§	Re: Docket No.

**ORDER APPROVING THE DEBTORS'
MOTION FOR ENTRY OF AN ORDER FURTHER EXTENDING
THE TIME WITHIN WHICH THE DEBTORS MAY REMOVE ACTIONS**

Upon the motion (the "Motion")² of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order (this "Order") extending the time period within which the Debtors may remove Actions pursuant to 28 U.S.C. §1452 and Bankruptcy Rule 9027, all as more fully set forth in the Motion; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is permissible pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest;

¹ Due to the large number of Debtors in these chapter 11 cases, for which joint administration has been granted, a complete list of the Debtors and the last four digits of their tax identification, registration, or like numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims, noticing, and solicitation agent at <https://cases.primeclerk.com/iheartmedia>. The location of Debtor iHeartMedia, Inc.'s principal place of business and the Debtors' service address is: 20880 Stone Oak Parkway, San Antonio, Texas 78258.

² Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Motion.

and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this 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 this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The period within which the Debtors may seek removal of the Actions pursuant to 28 U.S.C. § 1452 and Bankruptcy Rule 9027 is further extended through and including June 7, 2019, without prejudice to the Debtors' right to seek further extensions.

2. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of the Bankruptcy Local Rules are satisfied by such notice.

3. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

4. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Dated: _____, 2019
Houston, Texas

MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE