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*Proposed Counsel for Debtors and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

*In re*

**STEARNS HOLDINGS, LLC, et al.,**

**Debtors.<sup>1</sup>**

**Chapter 11**

**Case No. 19-12226 (SCC)**

**(Joint Administration Pending)**

**NOTICE OF HEARING ON “FIRST DAY” MOTIONS AND APPLICATIONS**

**PLEASE TAKE NOTICE** that on July 9, 2019 (the “Petition Date”), the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”).

**PLEASE TAKE FURTHER NOTICE THAT** on the Petition Date, the Debtors filed or plan to file, among other items, the motions and applications that are listed on Exhibit A hereto (collectively, the “First Day Pleadings”) and the *Declaration of Stephen Smith, President*

<sup>1</sup> The Debtors and the last four digits of their taxpayer identification numbers are: Stearns Holdings, LLC (8219); Stearns Co-Issuer Inc. (7096); Stearns Lending, LLC (1773); Stearns Ventures, LLC (2386); Protos Acquisition LLC (4941); bSNAP, LLC (2498); and Private Mortgage Advisors, LLC (7493). The address of Protos Acquisition LLC is 345 Park Avenue, New York, NY 10154. The address of the other Debtors is c/o Stearns Lending, LLC, 750 East Highway, 121 Bypass, Suite 150, Lewisville, TX 75067.

*and Chief Financial Officer of Stearns Lending, LLC in Support of Chapter 11 Petitions and First Day Pleadings* [Docket No. 3] (the “First Day Declaration”).

**PLEASE TAKE FURTHER NOTICE THAT** a hearing will be held on **July 10, 2019, at 2:00 p.m. (Eastern Time)**, or as soon thereafter as counsel can be heard, before the Honorable Shelley C. Chapman, United States Bankruptcy Judge for the Southern District of New York, One Bowling Green, New York, New York 10004, to consider the relief requested in the First Day Pleadings.

**PLEASE TAKE FURTHER NOTICE** that copies of the First Day Pleadings and First Day Declaration can be obtained through the Bankruptcy Court's electronic case filing system at [www.nysb.uscourts.gov](http://www.nysb.uscourts.gov) using a PACER password (to obtain a PACER password, go to the PACER website, [www.pacer.gov](http://www.pacer.gov)) or the website maintained by the Debtors' proposed noticing agent, Prime Clerk, LLC, at <https://cases.primeclerk.com/Stearns>.

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Dated: New York, New York  
July 9, 2019

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

*/s/ Jay M. Goffman*

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**EXHIBIT A**

**First Day Motions and Applications**

1. Motion of Debtors for Entry of an Order (I) Directing Joint Administration of Chapter 11 Cases and (II) Granting Related Relief [Docket No. 2]
2. Debtors' Application for Appointment of Prime Clerk LLC as Claims and Noticing Agent [Docket No. 4]
3. Debtors' Motion for Order Authorizing the Establishment of Certain Notice, Case Management, and Administrative Procedures [Docket No. 9]
4. Motion of Debtors for Entry of an Order (I) Authorizing the Debtors to (A) File a Consolidated List of Creditors and (B) File a Consolidated List of the Debtors Thirty Largest Unsecured Creditors, and (II) Authorizing the Debtors to Establish Procedures for Notifying Parties of the Commencement of These Cases [Docket No. 10]
5. Motion of Debtors for Entry of an Order Extending Time for Debtors to File (I) Schedules and Statements and (II) Rule 2015.3 Financial Reports [Docket No. 11]
6. Motion of Debtors Requesting Authority to (I) Continue Using Existing Cash Management System, Bank Accounts, and Business Forms, (II) Implement Changes to the Cash Management System in the Ordinary Course of Business, (III) Continue Intercompany Transactions, (IV) Provide Administrative Expense Priority for Postpetition Intercompany Claims, (V) Extend Time to Comply With, or Seek Waiver of, 11 U.S.C. § 345(b), and (VI) Granting Related Relief [Docket No. 12]
7. Motion of Debtors for Entry of Interim and Final Orders Authorizing (I) the Debtors to Continue and Renew Their Existing Insurance Policies and Surety Bond Program and Pay All Obligations Arising Thereunder and (II) Authorizing and Directing Financial Institutions to Honor and Process Related Checks and Transfers [Docket No. 13]
8. Motion of Debtors for Interim and Final Orders Authorizing Debtors to Satisfy Employee Obligations [Docket No 15]
9. Motion of the Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to Continue Origination and Servicing of Mortgage Loans in the Ordinary Course and Granting Related Relief, (II) Modifying the Automatic Stay on a Limited Basis to Facilitate the Debtors Ongoing Operations, and (III) Scheduling a Final Hearing [Docket No. 17]
10. Motion of the Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to Continue Supporting their Joint Ventures and Preferred Partners in the Ordinary Course and (II) Scheduling a Final Hearing [Docket No. 18]

11. Debtors' Motion for Interim and Final Orders Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364, 503, 507, 546, 548, 555, 556, 559, 560, and 561 (A) Authorizing the Debtors to Enter Into Repurchase Agreement Facilities and Related Documents; (B) Authorizing the Debtors to Sell and Repurchase Mortgage Loans in the Ordinary Course of Business; (C) Granting Backup Liens and Superpriority Administrative Expense Claims; (D) Modifying the Automatic Stay; (E) Scheduling a Final Hearing; and (F) Granting Related Relief [Docket No. 19]

Related Document:

- a) Declaration of Paul Sheaffer in Support of Debtors' Cash Flow DIP Motion and DIP Repo Facility Motion [Docket No 22]
12. Debtors' Motion for Entry of Orders Pursuant To 11 U.S.C. §§ 105, 361, 362, 363, 364, 503 and 507 (A) Authorizing the Debtors to Obtain Postpetition Senior Secured Superpriority Financing, (B) Authorizing the Debtors to Use Cash Collateral, (C) Granting Liens and Superpriority Claims, (D) Granting Adequate Protection, (E) Modifying the Automatic Stay, (F) Scheduling a Final Hearing, and (G) Granting Related Relief [Docket No. 20]

Related Documents:

- a) Memorandum of Law Regarding Adequate Protection for the Noteholders' Collateral on Account of the Debtor's Proposed Use of Such Collateral and Proposed Priming Debtor-in-Possession Financing Facility [Docket No. 21]
  - b) Declaration of Paul Sheaffer in Support of Debtors' Cash Flow DIP Motion and DIP Repo Facility Motion [Docket No 22]
  - c) Declaration of Robert Campagna, Alvarez & Marsal North America, LLC, in Support of Debtors' Cash Flow DIP Motion [Docket No. 25]
  - d) Declaration of Jamie O'Connell in Support of Debtors' Cash Flow DIP Motion and DIP Repo Facility Motion [Docket No. 29]
  - e) Declaration of Stephen Smith in Support of Debtors' Cash Flow DIP Motion [Docket No. 27]
13. Debtors' Motion for Entry of an Order Authorizing Debtors to File Redacted Portions of the Declaration of Robert Campagna, Alvarez & Marsal North America, LLC in Support of Debtors' Cash Flow DIP Motion Under Seal [Docket No. 24]

14. Debtors' Motion for Entry of an Order Authorizing Debtors to File Redacted Portions of The Declaration of Stephen Smith in Support of Debtors' Cash Flow DIP Motion Under Seal [Docket No. 26]
15. Debtors' Motion for Entry of an Order Authorizing Debtors to File the Declaration of Jamie O'Connell in Support of Debtors Cash Flow DIP Motion and DIP Repo Facility Motion Under Seal [Docket No. 28]
16. Debtors' Motion for Order Scheduling the Disclosure Statement Hearing, Approving the Form and Manner of Notice of the Disclosure Statement Hearing, and Granting Related Relief [Docket No. 32]

Related Documents:

- a) Disclosure Statement With Respect to the Joint Chapter 11 Plan of Reorganization of Stearns Holdings, LLC *et al.* [Docket No. 31]
- b) Joint Chapter 11 Plan of Reorganization of Stearns Holdings, LLC, *et al.* [Docket No. 30]