

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

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In re : **Chapter 11 Case No.**
ULTRAPETROL (BAHAMAS) LIMITED, et al., : **17-22168 (RDD)**
Debtors.¹ : **(Jointly Administered)**

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**ORDER PURSUANT TO 11 U.S.C. § 105(a) AND FED. R.
BANKR. P. 1015(c), 2002(m) & 9007 IMPLEMENTING
CERTAIN NOTICE AND CASE MANAGEMENT PROCEDURES**

A hearing having been held on March 7, 2017 (the “Hearing”), to consider the unopposed motion, dated February 6, 2017 (the “Motion”)² of Ultrapetrol (Bahamas) Limited (“UBL”) and certain of its wholly-owned direct and indirect subsidiaries, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively with UBL, “Ultrapetrol” or the “Debtors”), pursuant to section 105(a) of title 11 of the United States Code (the “Bankruptcy Code”) and Rules 1015(c), 2002(m), and 9007 of the Federal Rules of Bankruptcy Procedure, for entry of an order approving and implementing proposed notice, case management, and administrative procedures (collectively, as attached hereto, the “Case Management Procedures”), all as more fully set forth in the Motion; and the Declaration of Damián Scokin Pursuant to Local Bankruptcy Rule 1007-2 (the “Scokin Declaration”), having been filed with the Court; and

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1. The Debtors in these chapter 11 cases are the following entities: Ultrapetrol (Bahamas) Limited; Arlene Investments, Inc.; Brinkley Shipping Inc.; Cedarino S.A.; Compañía Paraguaya De Transporte Fluvial S.A.; Dampierre Holdings Spain, S.A.; Danube Maritime Inc.; Dingle Barges Inc.; Eastham Barges Inc.; General Ventures Inc.; Hallandale Commercial Corp.; Longmoor Holdings, Inc.; Marine Financial Investment Corp.; Massena Port S.A.; Oceanpar S.A.; Parabal S.A.; Parfina S.A.; Princely International Finance Corp.; Regal International Investments S.A.; Riverpar S.A.; Riverview Commercial Corp.; Thurston Shipping Inc.; UABL Barges (Panama) Inc.; UABL Limited; UABL Paraguay S.A.; UABL Towing Services S.A.; UABL S.A.; Ultrapetrol S.A.; UPB (Panama) Inc.; UP River (Holdings) Ltd. (Bahamas); and UP River Terminals (Panama) S.A. The foreign equivalent of an EIN, if any, for each Debtor is set forth in its chapter 11 petition.
 2. Capitalized terms not otherwise herein defined shall have the meanings ascribed to them in the Motion.

the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157(a)-(b) and 1334(b) and the Amended Standing Order of Reference M-431, dated January 31, 2012 (Preska, C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and sufficient notice of the Motion and the Hearing having been provided to (i) the Office of the United States Trustee for the Southern District of New York, (ii) counsel to the trustee under the Indenture for Ultrapetrol's 2021 Notes, (iii) counsel to the informal committee of unaffiliated holders of Ultrapetrol's 2021 Notes, (iv) counsel to IFC and OFID, (v) counsel to the agents under the Offshore Loan Agreements, (vi) counsel to Sparrow, (vii) all known holders of claims against, and equity interests in, Ultrapetrol as of the Commencement Date, (viii) counsel to Copernico Argentina Fund, and (ix) the Securities and Exchange Commission, and it appearing that no other or further notice need be provided; and the appearances of all interested parties having been noted in the record of the Hearing; and upon the Motion, the papers in support thereof and the responses thereto, if any, the Scokin Declaration, the record of the Hearing, and all of the proceedings heretofore had before the Court; and the Court having found and determined that the relief sought in the Motion will maximize the efficiency and orderly administration of these chapter 11 cases and is in the best interests of Ultrapetrol, its estates, creditors, and all parties in interest, and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED:

1. The Motion is granted as provided herein.

2. The Case Management Procedures set forth in Schedule 1 annexed hereto are hereby approved.

3. The Case Management Procedures shall govern all applicable aspects of these chapter 11 cases, except as otherwise set forth herein or otherwise ordered by the Court.

4. To the extent that the Case Management Procedures conflict with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, or the Local Bankruptcy Rules, the Case Management Procedures shall supersede such provisions and rules in these chapter 11 cases.

5. Nothing in this Order shall prejudice the rights of any party in interest to seek an amendment or waiver of the provisions of the Case Management Procedures upon a showing of good cause.

6. The Debtors may seek to amend the Case Management Procedures from time to time throughout these chapter 11 cases and shall present such amendments to the Court by notice of presentment in accordance with this Order.

7. Within five (5) business days of entry of this Order, the Debtors' claims and noticing agent shall serve a printed copy of this Order upon all parties on the Master Service List (as defined in Schedule 1 hereto) and post a copy of this Order on the Case Website (as defined in Schedule 1 hereto).

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

Dated: White Plains, New York
March 7, 2017

/s/Robert D. Drain
United States Bankruptcy Judge

Schedule 1

Case Management Procedures

General Case Administration and Pleadings

1. The Debtors' claims and noticing agent (the "Claims and Noticing Agent") shall establish a case website available at <https://cases.primeclerk.com/Ultrapetrol> (the "Case Website"), where, among other things, key dates and information about the chapter 11 cases will be posted.

2. All documents filed in the chapter 11 cases, including, but not limited to, all notices, motions, applications, other requests for relief, all briefs, memoranda, affidavits, declarations, and other documents filed in support of such papers seeking relief (collectively, the "Pleadings"), objections or responses to Pleadings (the "Objections"), and replies thereto (the "Replies," and together with the Pleadings and the Objections, the "Documents") shall be filed electronically with the Court on the docket of *In re Ultrapetrol (Bahamas) Limited et al.*, Chapter 11 Case No. 17-22168 (RDD) (the "Docket"), pursuant to the Court's General Order M-399 (available at <http://www.nysb.uscourts.gov/sites/default/files/m399.pdf>), by registered users of the Court's case filing system and by all other parties in interest on a CD-ROM, preferably in portable document format ("PDF"), Microsoft Word, or any other Windows-based word processing format.

3. A "Notice of Hearing" shall be affixed to all Pleadings and shall include the following: (i) the title of the Pleading, (ii) the parties upon whom any Objection to the Pleading is required to be served, (iii) the date and time of the applicable Objection Deadline (as hereinafter defined), (iv) the date and time of the hearing at which the Pleading shall be considered by the Court, and (v) a statement that the relief requested may be granted without a hearing if no Objection is timely filed and served in accordance with these Case Management Procedures.

4. The applicable Objection Deadline and hearing date and time shall appear on the upper right corner of the first page of the Notice of Hearing and on the upper right corner of the first page of each Pleading and any Objection thereto.

5. Unless prior permission has been granted, memoranda of law in support of Motions or Objections are limited to 35 pages, and memoranda of law in support of Replies are limited to 15 pages. All memoranda shall be double-spaced, 12-point font, with 1-inch margins. Memoranda of 10 pages or more shall contain a table of contents and a table of authorities.

6. If any reference is made in a Document to (i) an order entered in another case or (ii) an excerpt from a Judge's dictated decision, the party filing such Document must file as an attachment to the Document a copy of the order relied upon or the transcript of the entire decision in order for the Court to consider the citation as precedent or persuasive.

7. Nothing in these Case Management Procedures shall prejudice the right of any party to move the Court to request relief under section 107(b) of the Bankruptcy Code or Bankruptcy Rule 9018 to protect any entity with respect to a trade secret or confidential research, development, or commercial information or to protect a person with respect to scandalous or defamatory matter contained in a Document filed in these chapter 11 cases.

Service

8. All Documents shall be served, in the manner described herein, on (i) the Chambers of the Court ("Chambers"), United States Bankruptcy Court for the Southern District of New York, 300 Quarropas Street, Room 118, White Plains, New York 10601, (ii) the Debtors, c/o Ultrapetrol (Bahamas) Limited, 445 Hamilton Avenue, White Plains, New York 10601 (Attn: Diego Alvarez (dalvarez@ultrapetrol.net)), (iii) **via email only**, the proposed attorneys for the Debtors, Zirinsky Law Partners PLLC, 375 Park Avenue, Suite 2607, New York, New York 10152 (Attn: Bruce R. Zirinsky (bzirinsky@zirinskylaw.com), Sharon J. Richardson

(srichardson@zirinskylaw.com), and Gary D. Ticoll (gticoll@zirinskylaw.com)) and Hughes Hubbard & Reed LLP, One Battery Park Plaza, New York, New York 10004 (Attn: Christopher K. Kiplok (chris.kiplok@hugheshubbard.com) and Dustin P. Smith (dustin.smith@hugheshubbard.com), (iv) the attorneys for any statutory committee of unsecured creditors appointed in the chapter 11 cases, (v) the Office of the United States Trustee for the Southern District of New York (the “U.S. Trustee”), 201 Varick Street, Suite 1006, New York, New York 10014 (Attn: Susan Arbeit, Esq.), (vi) counsel to the informal committee of unaffiliated holders of Ultrapetrol’s 2021 Notes, Milbank, Tweed, Hadley & McCloy LLP, 2029 Century Park East, 33rd Floor, Los Angeles, California 90067 (Attn: Eric R. Reimer, Esq. (ereimer@milbank.com)) and Milbank, Tweed, Hadley & McCloy LLP, 28 Liberty Street, New York, NY 10005 (Attn: Tyson M. Lomazow, Esq. (tlomazow@milbank.com)), (vii) counsel to the trustee under the Indenture for Ultrapetrol’s 8⁷/₈% First Preferred Ship Mortgage Notes due 2021, Baker, Donelson, Bearman, Caldwell & Berkowitz, PC, 100 Light Street, 19th Floor, Baltimore, MD 21202 (Attn: F. Thomas Rafferty, Esq. (trafferty@bakerdonelson.com)), (viii) counsel to IFC and OFID, Mayer Brown LLP, 71 S. Wacker Drive, Chicago, Illinois 60606 (Attn: Daniel P. Whitmore, Esq. (dwhitmore@mayerbrown.com) and Sean T. Scott, Esq. (stscott@mayerbrown.com)), (ix) counsel to the agents under the Offshore Loan Agreements, White & Case LLP, 1155 Avenue of the Americas, New York, New York 10036 (Attn: Scott Greissman, Esq. (sgreissman@whitecase.com) and Mark Franke, Esq. (mark.franke@whitecase.com)), and (x) counsel to Sparrow, Chadbourne & Parke LLP, 1301 Avenue of the Americas, New York, New York 10019 (Attn: Morton E. Grosz, Esq. (mgrosz@chadbourne.com), Kevin C. Smith, Esq. (ksmith@chadbourne.com), and Andrew Rosenblatt, Esq. (arosenblatt@chadbourne.com)) ((i) – (x) collectively, the “Standard Parties”),

and (xi) any person or entity with a particularized interest in the subject matter of the relevant Document (each, an "Affected Party").

9. Any creditor, equity interest holder, or other party in interest that wishes to receive notice in the chapter 11 cases and is not otherwise entitled to notice pursuant to these Case Management Procedures shall file a notice of appearance (a "Notice of Appearance") and request for service of papers in accordance with Fed. R. Bankr. P. 2002 and 9010(b) and these Case Management Procedures. The Notice of Appearance shall include the following: (i) the requesting party's name and address; (ii) the name of the client, if applicable; (iii) the requesting party's telephone number; (iv) the requesting party's e-mail address for service by electronic transmission; (v) the requesting party's address for service by U.S. mail, hand delivery, and overnight delivery; and (vi) the requesting party's facsimile number for service by facsimile. Notwithstanding Fed. R. Bankr. P. 2002 and 9010(b), no request for service filed in the chapter 11 cases shall have any effect unless the foregoing requirements are satisfied. Any individual or entity that does not maintain and cannot practicably obtain an e-mail address must include in its Notice of Appearance a certification stating the same. Subject to paragraphs 14 and 15 hereof, notice will be provided to these individuals or entities by U.S. mail, overnight delivery, or facsimile, at the discretion of the party effectuating service.

10. The Debtors shall maintain a master service list (the "Master Service List"), which shall include the Standard Parties and all persons and entities that have filed a Notice of Appearance pursuant to Fed. R. Bankr. P. 2002 and 9010(b) and the Case Management Procedures (the "Rule 2002 Parties"). The Master Service List shall contain addresses, facsimile numbers, and e-mail addresses. The Debtors shall use reasonable efforts to update the Master Service List as often as practicable, but in no event less frequently than every 15 days. The

Master Service List and any updates thereto shall be filed electronically on the Court's website, <http://ecf.nysb.uscourts.gov>, and on the Case Website commencing as of the date that is 10 days from the date hereof.

11. Pleadings and Objections must be served on the Master Service List and any Affected Parties. Replies and Documents filed in adversary proceedings are not required to be served on the Rule 2002 Parties.

12. The proceedings with respect to which notice is limited to the Master Service List shall include all matters covered by Fed. R. Bankr. P. 2002, with the express exception of the following: (i) notice of (a) a meeting of creditors pursuant to section 341 of the Bankruptcy Code, (b) the time fixed for filing proofs of claim pursuant to Bankruptcy Rule 3003(c), and (c) the time fixed for filing objections to, and the hearings to consider, approval of a disclosure statement and a chapter 11 plan; and (ii) notice and transmittal of ballots for accepting or rejecting a chapter 11 plan, which notices would be given in accordance with Fed. R. Bankr. P. 2002 and other applicable rules, unless otherwise ordered by the Court or otherwise prescribed by the Bankruptcy Code. Pleadings related to a compromise or settlement must be served on the Master Service List and any Affected Parties, but need not be served on all creditors. Pleadings related to the abandonment or disposition of property must be served on the Master Service List and any Affected Parties, but need not be served on all creditors, unless such Pleadings seek the abandonment or disposition of substantially all of the respective Debtors' property.

13. Subject to paragraphs 14, 15 and 18 hereof, parties shall serve (i) the Debtors by e-mail only and (ii) the other Standard Parties and the Affected Parties by U.S. mail, overnight delivery, hand delivery, or, with the exception of the Court and the U.S. Trustee, facsimile.

14. Any of the Standard Parties and the Affected Parties may request (in writing to the Debtors' counsel) service by e-mail, and if such request is made, such parties shall be served by e-mail in accordance with the Case Management Procedures.

15. Subject to paragraph 18 hereof, parties are authorized to serve all Documents on the Rule 2002 Parties by e-mail.

16. All Documents served by e-mail shall include access to an attached file containing the entire Document, including the proposed form(s) of order and any exhibits, attachments, and other relevant materials, in PDF format, readable by Adobe Acrobat or an equivalent program. Notwithstanding the foregoing, if a Document cannot be annexed to an e-mail (because of its size, technical difficulties, or otherwise), the Debtors may, in their sole discretion (i) serve the entire Document by U.S. Mail or overnight delivery, including the proposed form(s) of order any exhibits, attachments, and other relevant materials or (ii) e-mail the parties being served and include a notation that the Document cannot be annexed and will be (a) mailed if requested, or (b) posted on the Case Website.

17. Service by e-mail shall be effective as of the date the Document is sent to the e-mail address provided by a party. If service is effected by e-mail, the Debtors shall not be required to serve a paper copy of Documents on interested parties and e-mail service shall satisfy the Court's rules for service.

18. If a party entitled to notice of a Pleading does not have an e-mail address or an e-mail address is not available to the Debtors, the party shall be served by U.S. mail, overnight delivery, facsimile, or hand delivery; the choice of the foregoing being in the sole discretion of the party effectuating service.

19. Pursuant to Rule 9070-1 of the Local Bankruptcy Rules for the Southern District of New York (the “Local Bankruptcy Rules”), a printed copy of all papers filed with the Court, including those filed electronically, other than proofs of claim, shall be (a) marked “Chambers Copy” and delivered in an unsealed envelope to Chambers, not later than the next business day following the date on which such Document is electronically filed and (b) delivered to the U.S. Trustee.

20. Upon the completion of noticing any particular matter, the party seeking relief shall file with the Court within three (3) business days either an affidavit of service or a certification of service attaching the list of parties that received notice; *provided, however*, that parties shall not be required to serve the affidavits of service on such recipients.

21. The Debtors shall be authorized to schedule, in cooperation with the Court, periodic omnibus hearings (the “Omnibus Hearings”) at which Pleadings shall be heard. Upon scheduling, the Claims and Noticing Agent shall post the date of the Omnibus Hearings on the Case Website.

22. Hearings in connection with claims objections, pre-trial conferences, trials related to adversary proceedings, approval of a disclosure statement, confirmation, and any other Pleading filed by the Debtors, may be scheduled for dates other than the Omnibus Hearing dates; *provided, however*, that initial pre-trial conferences scheduled in connection with adversary proceedings involving the Debtors shall be set on the next available Omnibus Hearing date that is at least 45 days after the filing of the complaint; and *provided, further*, that hearings on all Pleadings filed by a party other than the Debtors must be scheduled for an Omnibus Hearing except for Pleadings requiring emergency relief.

23. If a Document is filed by a party other than the Debtors and purports to set a hearing date inconsistent with the Case Management Procedures (an “Inconsistent Filing”), the hearing shall be scheduled, without the necessity of Court order, for the first Omnibus Hearing date after the applicable notice period has expired, and the Debtors shall provide such party with notice of the Case Management Procedures within three (3) business days of receipt of the Inconsistent Filing.

24. If a movant or applicant determines that a motion or application requires emergency or expedited relief, the movant or applicant shall after contacting the attorneys for any party particularly affected by such motion or application by telephone and requesting that the motion or application be considered on an expedited basis, request such emergency or expedited relief under the applicable Bankruptcy Rules, Local Bankruptcy Rules and chambers practices for the Court set forth on the Court’s website. In most instances, rather than entering an order to show cause or an order scheduling expedited hearing, the Court will direct the movant or applicant to notice the hearing on its request for expedited relief to immediately precede the movant or applicant’s hearing on the underlying motion of application.

25. If a Pleading seeks relief pursuant to Fed. R. Bankr. P. 2002(a) or (b), the hearing to consider such Pleading shall be set in accordance with the time period set forth in Fed. R. Bankr. P. 2002(a) and (b) and 9006. For all other Pleadings, with the exception of Pleadings filed pursuant to the Presentment Procedures (as hereinafter defined), Pleadings shall not be considered unless filed and served in accordance with the Case Management Procedures, by hand delivery or e-mail at least fourteen (14) calendar days before the next applicable hearing date; *provided, however*, that if the parties served with the Pleading include parties being served (i) by U.S. mail, the Pleading must be filed and served at least 17 calendar days before the next

applicable hearing or (ii) by overnight delivery, the Pleading must be filed and served at least fifteen (15) calendar days before the next applicable hearing; *provided, further*, that nothing in the Case Management Procedures shall prejudice the right of any party to move the Court to request an enlargement or reduction (as provided in paragraph 24 hereof) of any time period under Fed. R. Bankr. P. 9006(b) and (c).

26. Notwithstanding the immediately preceding paragraph, a party may settle or present a proposed order for approval by the Court in accordance with Local Bankruptcy Rule 9074-1 or as otherwise ordered by the Court; *provided, however*, that the presentment of a proposed order pursuant to Local Bankruptcy Rule 9074-1(c), or any other similar administrative or standard order, must be filed and served at least seven (7) calendar days before the presentment date (the "Presentment Procedures"). When presenting a proposed order to the Court after the objection period has expired without the filing of an objection, the movant should follow the procedure set forth in the Court's website.

27. Except as set forth herein with respect to Presentment Procedures and Stay Relief Motions (as hereinafter defined), the deadline to file an Objection (the "Objection Deadline") to any Pleading shall be (i) on or before 4:00 p.m. (Eastern Time) on the earlier of (a) ten (10) calendar days after the date of service of the Pleadings (thirteen (13) days if the Pleading is served by U.S. mail) and (b) seven (7) calendar days before the applicable hearing date or (ii) any date otherwise ordered by the Court. The Objection Deadline may be extended with the consent of the movant or applicant without further order of the Court; *provided*, that the Court shall be provided with the Objection no later than two complete business days before the hearing. The Objection shall not be considered timely unless filed with the Court and received by the Standard Parties on or before the applicable Objection Deadline. All parties filing an Objection

shall include their telephone number and e-mail in the signature block on the last page of the Objection.

28. Unless otherwise ordered by the Court, Replies shall be filed with the Court and served in accordance with these Case Management Procedures on or before 12:00 noon (Eastern Time) at least two (2) business days prior to the date of the applicable hearing.

29. On or before two (2) business days before a scheduled hearing, the Debtors shall file with the Court a letter (the "Agenda Letter") setting forth each matter to be heard at the hearing (the letter must be updated after the initial submission, if necessary) and shall serve the letter(s), by e-mail on: (i) the Court; (ii) the U.S. Trustee; (iii) counsel to any statutory committee appointed in the chapter 11 cases; and (iv) any party that filed Documents referenced in the Agenda Letter; *provided, however*, that an Agenda Letter shall not be required where the Debtors have less than 48 hours' notice of the hearing.

30. The Agenda Letter will include, to the extent known by the Debtors: (i) the docket number and title of each matter scheduled to be heard at the hearing, including the initial filing and any Objections, Replies, or Documents related thereto; (ii) whether the matter is contested or uncontested, (iii) whether the matter has been settled or is proposed to be continued; and (iv) other comments that will assist the Court; *provided, however*, that the matters listed on the Agenda Letter shall be limited to matters of substance and shall not include administrative filings such as notices of appearance and affidavits of service.

31. The Agenda Letter may include notice of matters that have been consensually adjourned to a later hearing date in lieu of parties filing a separate notice of such adjournment.

32. In the event a matter is properly noticed for hearing and the parties reach an agreement to settle the dispute prior to the hearing, the parties may announce the settlement at

the scheduled hearing. In the event the Court determines that notice of the dispute and the hearing is adequate notice of the effects of the settlement (*i.e.*, that the terms of the settlement are not materially different from what parties in interest could have expected if the dispute were fully litigated), the Court may approve the settlement at the hearing without further notice of the terms of the settlement. In the event the Court determines that additional or supplemental notice is required, the Debtors shall serve such notice in accordance with the Case Management Procedures and a hearing to consider such settlement shall be on the next hearing day deemed appropriate by the Court.

33. Notwithstanding anything to the contrary contained herein, a motion for relief from the automatic stay (a "Stay Relief Motion") in accordance with section 362 of the Bankruptcy Code shall be noticed for consideration on the Omnibus Hearing Date that is at least 21 days after the Stay Relief Motion is filed and notice thereof is served upon the Debtors. Unless otherwise ordered by the Court, the objection deadline with respect thereto shall be the later to occur of (i) 14 calendar days after the date of filing and service of the Stay Relief Motion and (ii) two (2) calendar days prior to the hearing scheduled with respect thereto, subject to any right to proceed under paragraph 24 hereof.

34. Notwithstanding section 362(e) of the Bankruptcy Code, if a Stay Relief Motion is scheduled in accordance with this Order for, or adjourned to, a hearing date that falls on or after the 30th day after the filing of the Stay Relief Motion, the moving party shall be deemed to have consented to the continuation of the automatic stay in effect pending the conclusion of, or as a result of, a final hearing and determination under section 362(d) of the Bankruptcy Code and shall be deemed to have waived its right to assert the termination of the automatic stay under section 362(e) of the Bankruptcy Code.

35. Pursuant to Local Bankruptcy Rule 7056-1, no motion for summary judgment may be made without first seeking a pre-motion conference. A request for such conference should be made by letter, filed electronically on the Court's website, <http://ecfnysb.uscourts.gov>, and emailed to chambers, setting forth the issues to be presented under the summary judgment motion.

36. Motions for reargument must identify with particularity the matter for reconsideration in accordance with Local Bankruptcy Rule 9023-1. If, after review of the motion, the Court determines that it wishes a response or a hearing, it will notify the parties accordingly.

Telephonic Appearances

37. If a party desires to participate in a hearing by telephone, such party must request permission from chambers and notify attorneys for the Debtors at least 48 hours prior to the scheduled hearing. See generally the chambers website. If chambers permits telephonic participation, the party participating telephonically must arrange such telephonic participation with Court Call, adhering to the Case Management Procedures for telephonic participation applicable in the United States Bankruptcy Court for the Southern District of New York, as well as those required by chambers. Those participating by phone may not use speakerphones, unless first authorized by the Court; by reason of technical limitations of the equipment, and the way speakerphones disrupt proceedings in the courtroom, speakerphone authorizations usually will not be granted. Persons participating by phone (and especially by speakerphone) must put their phones on "mute" except when they need to be heard. Persons so participating are not to put their phones on "hold" under any circumstances.

Hearing Procedures

38. The initial hearing on all Pleadings will be a non-evidentiary hearing, unless: (i) the motion is of a type specified in Local Bankruptcy Rule 9014-2(b), (c), (d), or (e) or (ii) the Court otherwise directs in advance of the hearing. If, upon or after the filing of a motion, any party wishes an evidentiary hearing on a motion not covered under Local Bankruptcy Rule 9014-2, such party must confer with all other parties involved to determine whether there is agreement that an evidentiary hearing is appropriate. In the absence of an ability to agree, the Court will consider requests for an evidentiary hearing by conference call. Notwithstanding Local Bankruptcy Rule 9014-2, the Court may, upon advance request and for cause shown, order that the initial hearing on a motion of the type specified in Local Bankruptcy Rule 9014-2(c), (d), or (e) will be a non-evidentiary hearing. Generally, interests of judicial economy and the absence of disputed material issues of fact will collectively suggest that a non-evidentiary hearing is appropriate on motions subject to Local Bankruptcy Rule 9014-2(c), (d), or (e).

39. Concurrently with any determination that an evidentiary hearing is necessary or desirable, Chambers must be notified with an estimate of expected trial time; parties may be informed that a different return date is necessary if the available time on the requested day is insufficient. Any motion noticed as an evidentiary hearing must prominently state, just below the return date in the upper right-hand corner, "Evidentiary Hearing Requested."

40. A request for relief in a Pleading may be granted without a hearing provided that, after the passage of the Objection Deadline, the attorney for the entity who has filed the Pleading (i) files a declaration pursuant to 28 U.S.C. § 1746 indicating that no Objection has been filed or served in accordance with the Case Management Procedures; (ii) serves the declaration via e-mail upon the Standard Parties and the Affected Parties one (1) business day prior to submission thereof to the Court; and (iii) delivers by email to Chambers the proposed order (in Word format)

the declaration described in subsection (i) above (the “No Objection Declaration”), the underlying request for relief (with all exhibits), and the certificate of service. Upon receipt of the foregoing, the Court may grant the relief requested in the Pleading without further submission, hearing, or request. If the Court does not grant the relief, the Pleading will be heard at the Omnibus Hearing that is at least seven (7) calendar days after the date the No Objection Declaration is received by the Court; *provided* that if the Court does not grant the relief requested in a Pleading without a hearing, such action shall not constitute an extension of the objection deadline related thereto, unless otherwise agreed between the Debtors and the party seeking relief.

41. Parties seeking a temporary restraining order (“TRO”) must comply with the requirements of Fed. R. Civ. P. 65(b). Applications for TROs will be heard in open court, on the record, with a court reporter or audio recording (except in those rare cases where some portion of such hearing would vitiate the purpose of the TRO). Parties wishing to be heard in opposition will be heard by telephone upon request. Applicants seeking TROs are reminded of the need to submit with their motion papers the written affidavit required under Fed. R. Civ. P. 65(b) confirming the notice provided to anyone who might wish to oppose the application. Any assertions that notice cannot or should not be given must likewise be supported by affidavit.

42. Any request for a TRO must be preceded by a telephone call to Chambers, advising Chambers of the nature of the controversy, the need for emergency relief, why a noticed hearing for a preliminary injunction would be insufficient, when a hearing on the TRO application is needed, and when the papers will be forthcoming. Except in those rare cases where advance notice of the TRO application would vitiate the purpose of the TRO (and where that can be established by affidavit), immediate telephonic notice of the prospective application

must be provided to all parties reasonably expected to be affected by entry of the TRO, or provisions therein. In addition, the papers on any TRO application must be hand delivered, e-mailed (in the case of the Debtors), or faxed to any such parties at the same time that the papers are provided to Chambers.

Discovery and Evidence

43. Expedited discovery in contested matters in the chapter 11 cases is authorized without further Court order. This authorization is without prejudice to the rights of any party or witness to seek protective order relief if the time to respond or appear, or the burden of the requested discovery, is unreasonable or for other cause shown. Parties are expected to work informally and cooperatively to effect any necessary discovery, with due recognition of the time exigencies that are typical in bankruptcy litigation. Document requests to the Debtors by e-mail are authorized. Document requests to all parties other than the Debtors by letter, facsimile, or e-mail are authorized.

44. For the chapter 11 cases and any related adversary proceedings, except as set forth herein, no letter submissions regarding discovery will be accepted. Parties are required in the first instance to resolve discovery and due diligence disputes by negotiation in good faith and, if necessary, a conference call with the Court without submission of papers. The Court will make itself available for such calls, but such calls will not be scheduled until and unless the parties have first tried and failed to resolve the disputed matters themselves and, thereafter, have emailed to chambers letters describing the dispute and briefly stating their respective positions. Unless otherwise ordered by the Court, no Motion with respect to a discovery or due diligence dispute may be filed unless the parties have first conferred in good faith to resolve it and also sought to resolve the matter by conference call with the Court.

45. Except as otherwise ordered by the Court for cause shown before the hearing, and subject to paragraph 46 hereof, all direct testimony in contested matters in the chapter 11 cases, other than duly designated deposition testimony, must be submitted by affidavit, and all cross-examination and subsequent examination will be taken live. Unless otherwise ordered by the Court, all affidavits and any designated testimony must be submitted to the adversary and the Court no later than three (3) full business days before the hearing.

46. Parties may, if they are so advised, introduce the testimony of witnesses who reasonably can be expected not to be cooperative (such as employees or agents of adversaries) by calling them as adverse witnesses and taking their testimony on “adverse direct.” The Court will generally regard taking direct testimony “live” as appropriate if, but only if, matters of credibility are important in the particular case, and credibility on direct, as well as after cross-examination, is at issue; the Court will generally regard “live” direct as inappropriate where the bulk of the testimony is historical or involves more than minimal discussion of accounting information or other financial or numerical analysis. In any instances where direct testimony will proceed “live,” the proponent(s) of such testimony will be responsible for so advising Chambers in advance and taking such steps (*e.g.*, subpoenas) as are necessary to secure the attendance of any non-cooperating witnesses.

47. Parties to evidentiary hearings are expected to meet and confer in advance of the hearing to identify and agree on the admissibility of as many intended exhibits as possible and to provide chambers with a joint exhibit book containing such exhibits at least three (3) full business days before the hearing.

Sealing

48. A party seeking to file a Document under seal, must file a redacted version of the Document to be sealed in conjunction with its motion to seal on the public docket. Thereafter,

the party should send Chambers both a hard copy by hand delivery and an electronic copy of the motion to seal the Document, the proposed order thereto, and the redacted and unredacted versions of the Document to be sealed. The proposed order should contain an “ordered” paragraph providing for the disposition of the Document by the movant after the Court has entered an order on the relief sought in the underlying substantive motion. Upon receipt of all the motion papers, Chambers will inform the party if the Court will rule on the papers or schedule the matter for a hearing.