

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION**

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In re	:	Chapter 11
	:	
CRESCENT RESOURCES, LLC, et. al.,	:	Case No. 09-11507-CAG
	:	
Debtors.	:	Joint Administration
	:	Requested
	:	
-----	X	

DEBTORS’ MOTION PURSUANT TO SECTIONS 105(a), 342(a), AND 521(a)(1) OF THE BANKRUPTCY CODE, BANKRUPTCY RULES 1007(a) AND 2002(a), (f) AND (l) FOR (I) A WAIVER OF THE REQUIREMENT TO FILE A LIST OF CREDITORS, (II) AUTHORITY TO ESTABLISH BAR DATES AT A LATER DATE AND (III) APPROVAL OF THE FORM AND MANNER OF NOTIFYING CREDITORS OF THE COMMENCEMENT OF THE DEBTORS’ CHAPTER 11 CASES

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Crescent Resources, LLC (“Crescent Resources”), its parent Crescent Holdings, LLC (“Crescent Holdings”) and their affiliated debtors as debtors and debtors in possession (collectively, “Crescent” or the “Debtors”),¹ respectfully represent:

Background

1. On the date hereof (the “Commencement Date”), each of the Debtors filed a voluntary case under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). The Debtors are authorized to continue operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. A motion seeking joint administration of the Debtors’ chapter 11 cases pursuant to Rule 1015(b) of

¹ A list of the Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, is attached hereto as Exhibit A.

the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) is currently pending before this Court.

Jurisdiction and Venue

2. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

Crescent’s Business

3. Crescent, which is headquartered in Charlotte, North Carolina, is a leading real estate development company that focuses on master-planned communities and commercial, industrial, and residential real estate primarily in the southeast, but also in other regions of the United States. In particular, Crescent has properties located in Arizona, Florida, Georgia, North Carolina, South Carolina, Tennessee, Texas, and Virginia. Although Crescent Resources and its predecessors-in-interest have been in existence since 1969, Crescent Holdings was created in 2006. Crescent Holdings’ equity interests are held 50% by Duke Energy Corporation (“Duke Energy”) and 50% by certain private equity limited partnerships known as Morgan Stanley Real Estate Fund V U.S. and/or its affiliates (“Morgan Stanley”). Throughout its history, Crescent and its predecessors have developed and sold over 20 million square feet of commercial and industrial projects, between 50 and 60 residential communities with a variety of features and amenities, and numerous other master-planned communities.

4. Currently, Crescent Resources has four real estate divisions: residential, commercial, multifamily, and land management. The residential division (the “Residential Division”) is Crescent Resources’ largest division, comprising 54% of the Debtors’ total assets. The Residential Division includes 41 master-planned communities and 4 condominium projects totaling 53,404 acres of developed land. The commercial property division (the “Commercial

Division”) accounts for 19% of Crescent Resources’ total assets. The Commercial Division has 9 active projects, including office, industrial, and retail projects currently under development, as well as 1,822 acres of commercially-zoned undeveloped land. The multifamily division (the “Multifamily Division”) accounts for 6% of Crescent Resources’ total assets. The Multifamily Division includes 4 projects in various stages of development totaling 1,308 units and an additional 195 acres of entitled, but undeveloped land.

5. In the 1960s, Duke Energy acquired approximately 300,000 acres of land in rural areas of North and South Carolina (the “Legacy Land”). Beginning in 1969, Duke Energy contributed the Legacy Land to Crescent Resources’ predecessor-in-interest. Since 2006, the Legacy Land has been managed by Crescent Resources (the “Land Management Division”). As the value of the Legacy Land has increased over time, the Legacy Land has been sold in accordance with a long-term, structured disposition plan, whereby the proceeds from the sales of Legacy Land are invested in commercial property projects in urban areas (the “Legacy Land Sales Plan”). The combined proceeds from the Legacy Land Sales Plan and the Debtors’ other real estate ventures have enabled Crescent to fund and operate its various real estate divisions. The Land Management Division, which manages the Legacy Land, accounts for 21% of Crescent Resources’ total assets.

6. Crescent and its non-debtor affiliates are comprised of various joint ventures and wholly-owned subsidiaries that serve as holding companies, management companies, and project-level operating companies. Crescent Resources operates its business on an integrated basis with centralized administration, leasing, and management functions that enable it to achieve operating efficiencies and revenue enhancements that benefit the overall enterprise. In 2007, Crescent Resources acquired 100% control of LandMar Group, LLC

(“LandMar Group”) and its subsidiaries. The LandMar Group represents a significant part of the Residential Division described above and maintains assets throughout Florida.

Prepetition Debt

7. As of the Commencement Date, certain of the Debtors were parties to the First Amended and Restated Credit Agreement, dated as of June 17, 2008 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “Prepetition Credit Agreement”), by and among Crescent Resources, as borrower, Crescent Holdings, the other guarantors identified therein, the lenders party thereto (the “Lenders”), and Bank of America, N.A. (“BOA”), as administrative agent and collateral agent.

8. The Prepetition Credit Agreement provides for (i) a term loan facility (the “Term Loan Facility”) in the principal amount of \$1,225,000,000, (ii) a revolving credit facility (the “Revolving Credit Facility”) in the principal amount of \$300,000,000, which reduces to the principal amount of \$275,000,000 after December 30, 2009, (iii) a swing line facility in the principal amount of \$50,000,000 (which reduces borrowings available under the revolving credit facility), and (iv) a letter of credit facility (the “Letter of Credit Facility”) in the principal amount of \$150,000,000 (which reduces borrowings available under the revolving credit commitment). Obligations arising under the Prepetition Credit Agreement are direct obligations of Crescent Resources. These direct obligations are guaranteed (the “Guaranty”) by (i) Crescent Holdings and (ii) most of the additional Debtors, pursuant to the terms of (A) the Prepetition Credit Agreement, (B) that certain Amended and Restated Joinder Agreement, dated as of June 17, 2008, by and between the entities party thereto and BOA, and (C) that certain Joinder Agreement, dated as of July 25, 2008, by and between the entities party thereto and BOA (the Joinder Agreements in (B) through (C), collectively, the “Joinder Agreements”).

9. Certain of the Debtors (the “Pledgors”) also entered into a pledge agreement, dated as of September 7, 2006 (the “Pledge Agreement”), by and between the Pledgors and BOA pursuant to which they pledged 100% of the capital stock of substantially all their domestic subsidiaries with certain exceptions.² In addition, certain of the Debtors granted mortgages or deeds of trust on their real properties, except for (x) real property constituting qualified Legacy Land to the extent that the value of such real property is less than or equal to \$500,000, or (y) any real property that, as of the closing date, was encumbered with non-recourse, project-level debt or security interests that prohibited the execution, delivery and recording of such mortgage instruments. Crescent Resources also entered into that certain Account, Security, Pledge, Assignment, and Control Agreement, dated as of August 24, 2007, pursuant to which Crescent Resources granted to BOA control over and a security interest in all deposit accounts opened by Crescent Resources with BOA.

10. The aggregate principal amount of indebtedness owing under the Prepetition Credit Agreement as of the Commencement Date is approximately \$1,487,890,752.

Property-Level Debt

11. Approximately 10 of the Debtors also have secured property-level debt in the form of construction loans, mortgage loans, and seller-financed loans. As of the Commencement Date, there is \$89,110,601 in outstanding property-level debt.

² The Pledgors, include: Crescent Resources; Crescent Holdings; CLT Development, LLC; Crescent Potomac Yard, LLC; Crescent Twin Creeks, LLC; Crescent/Arizona, LLC; Palmetto Bluff Development, LLC; Palmetto Bluff Investments, LLC; Twin Creeks Management, LLC; Twin Creeks Property, Ltd.; LandMar Group, LLC; Hawk’s Haven Joint Development, LLC; and Hawk’s Haven Sponsor, LLC.

Financials

12. As of the Commencement Date, Crescent Resources, as a whole, reported approximately \$2.2 billion³ in total assets and approximately \$1.9 billion in total liabilities, including \$297,244,484 outstanding under the Revolving Credit Facility (including outstanding letters of credit) and \$1,197,000,000 outstanding under the Term Loan Facility. For 2008, Crescent Resources reported consolidated revenue of approximately \$373 million. Crescent Resources employs 247 people. Additional information regarding the Debtors' business, capital structure, and the circumstances leading to these chapter 11 cases is contained in the declaration of Kevin H. Lambert, Chief Financial Officer of Crescent Resources filed concurrently herewith (collectively, the "Declaration").

Relief Requested

13. The Debtors request, pursuant to section 105(a) of the Bankruptcy Code: (i) a waiver of the requirement to file a list of creditors on the Commencement Date as required by section 521(a)(1) of the Bankruptcy Code, Bankruptcy Rule 1007(a)(1), and Rule 1007(a) of the Local Bankruptcy Rules for the Western District of Texas (the "Local Rules") (the "Notice Rules"), (ii) authority to establish, at a later date, bar dates to file proofs of claims, and (iii) authority to implement certain procedures (the "Procedures") for notifying creditors of the commencement of these chapter 11 cases and of the meeting of creditors to be held pursuant to section 341 of the Bankruptcy Code (the "Notice of Commencement"). The proposed form of Notice of Commencement is annexed hereto as Exhibit B.

14. Pursuant to the Notice Rules, a list of creditors must accompany a chapter 11 petition. Contemporaneously herewith, the Debtors have filed a motion for an

³ Based on the Debtors unaudited financial statements as of December 31, 2008.

extension of the time to file schedules of assets and liabilities, schedules of executory contracts and unexpired leases, and statements of financial affairs (the “Schedules”).

15. Contemporaneously herewith, the Debtors have also filed an application to retain and employ The Garden City Group, Inc., as a notice and claims processing agent (the “Notice and Claims Agent”) in these chapter 11 cases. The Debtors are requesting authorization to retain the Notice and Claims Agent pursuant to section 156(c) of title 28 of the United States Code, which empowers the Court to use outside facilities or services pertaining to the provision of notices and other administrative information to parties in interest when the Debtors pay the costs out of the estates’ assets. *See* 28 U.S.C. § 156(c). The Debtors propose that, pursuant to section 342(a) of the Bankruptcy Code and Bankruptcy Rules 2002(a) and (f), as soon as practicable after the Commencement Date, the Debtors furnish their list of creditors to the Notice and Claims Agent so that the Notice and Claims Agent may mail the Notice of Commencement to the parties identified thereon.

16. Because the Notice and Claims Agent will receive the list of creditors and mail the Notice of Commencement to the parties identified thereon, the Debtors believe that filing a list of creditors will serve no independent purpose, and therefore, the Court should waive the Notice Rules.

17. Moreover, Bankruptcy Rule 2002(a) provides in relevant part that “the clerk, or some other person as the court may direct, shall give the debtor, the trustee, all creditors and indenture trustees at least 20 days’ notice by mail of: the meeting of creditors under § 341 or § 104(b) of the Code.” Fed. R. Bankr. P. 2002(a). Furthermore, Bankruptcy Rule 2002(f) provides that notice of the order for relief shall be sent by mail to all creditors. Fed. R. Bankr. P. 2002(f).

18. In addition to the mailing by the Notice and Claims Agent of the Notice of Commencement, the Debtors propose to publish, as soon as practicable, the Notice of Commencement, substantially in the form of Exhibit B, once in (a) the national edition of *The Wall Street Journal*, (b) *USA Today*, (c) *The Charlotte Observer* and (d) *Austin American-Statesman*.⁴

19. Local Rule 3003 (“Time for Filing Proof of Claim or Equity Security Interest in Chapter 9 Municipality or Chapter 11 Reorganization Case; Claims Procedure for Administrative Claims”) provides that unless ordered by the Court, upon a motion and after notice and opportunity for hearing, unsecured creditors or equity security holders must file proofs of claim by the date established in the Notice of Meeting of Creditors pursuant to 11 U.S.C. § 341 (the “Bar Date”). Because of the complexity of these chapter 11 cases, the Debtors hereby seek authority to establish at a later date, upon motion to the Court, bar dates for filing proofs of claim, which bar dates may differ from the Bar Date established at the Meeting of Creditors.

20. Section 105(a) of the Bankruptcy Code empowers the Court to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). The Debtors submit that the relief requested is appropriate in these chapter 11 cases to provide adequate notice and is within the Court’s equitable powers under section 105 of the Bankruptcy Code.

⁴ The Court has authority under Bankruptcy Rule 2002(l) to “order notice by publication if it finds notice by mail is impracticable.” Fed. R. Bankr. P. 2002(l). The Debtors submit that publication of the Notice of Commencement is the most practical method by which to notify those creditors who do not receive the Notice of Commencement by mail and other parties in interest of the commencement of these chapter 11 cases and constitutes an efficient use of the estates’ resources.

Notice

21. No trustee, examiner or statutory creditors' committee has been appointed in these chapter 11 cases. Notice of this Motion has been provided to: (i) the United States Trustee for the Western District of Texas; (ii) the Debtors' thirty (30) largest creditors (on a consolidated basis); (iii) counsel to BOA, as agent to the Debtors' Lenders; and (iv) counsel to the Debtors' proposed postpetition lenders (collectively, the "Notice Parties"). The Debtors submit that no other or further notice need be provided.

WHEREFORE, the Debtors respectfully request that the Court grant the relief requested herein and such other and further relief as it deems just and proper.

Dated: June 10, 2009
Austin, Texas

/s/ Eric J. Taube
Eric J. Taube (19679350)
HOHMANN, TAUBE & SUMMERS, L.L.P.
100 Congress Avenue, Suite 1800
Austin, Texas 78701
Telephone: (512) 472-5997
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-and-

Martin A. Sosland (18855645)
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200 Crescent Court, Suite 300
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-and-

Marcia L. Goldstein (*pro hac vice* pending)
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

PROPOSED ATTORNEYS FOR
DEBTORS AND DEBTORS IN
POSSESSION

Exhibit A

No.	Name of Debtor:	Taxpayer Id. No.
1.	Crescent 210 Barton Springs, LLC	20-4614379
2.	Cornerstone Plaza, LLC	No EIN applicable
3.	Crescent Holdings, LLC	20-5543626
4.	Crescent Resources, LLC	57-0443582
5.	1780, LLC	20-4402277
6.	223 Developers, LLC	20-5924927
7.	Ballantyne Properties, LLC	56-1921507
8.	Bartram Crescent Development, LLC	20-8954449
9.	Black Forest on Lake James, LLC	20-0151855
10.	Bridgewater Lakeland Developers, LLC	20-2250831
11.	Brooksville East Developers, LLC	No EIN applicable
12.	Camp Lake James, LLC	20-4402407
13.	Carolina Centers, LLC (N.C. entity)	56-1853470
14.	Carolina Centers, LLC (Del. entity)	56-1124729
15.	Chaparral Pines Investors, L.L.C.	86-0781077
16.	Chaparral Pines Management, L.L.C.	86-1026788
17.	Chapel Cove at Glengate, LLC	26-0837243
18.	Citall Development, LLC	20-4153633
19.	Clean Water of NC, LLC	57-0443582
20.	CLT Development, LLC	56-1393851
21.	Club Capital, LLC	56-2107989
22.	Club Enterprises, LLC	56-1943831
23.	Club Villas Developers, LLC	26-2905087
24.	Colbert Lane Commercial, LLC	72-1552983
25.	Crescent Communities N.C., LLC	56-2030306
26.	Crescent Communities Realty, LLC	02-0532410
27.	Crescent Communities SC, LLC	56-2030305
28.	Crescent Lakeway, LLC	20-4613926
29.	Crescent Lakeway Management, LLC	20-4614072
30.	Crescent Land & Timber, LLC	56-1799013
31.	Crescent Multifamily Construction, LLC	26-1242507
32.	Crescent Potomac Greens, LLC	No EIN applicable
33.	Crescent Potomac Plaza, LLC	No EIN applicable
34.	Crescent Potomac Properties, LLC	No EIN applicable
35.	Crescent Potomac Yard Development, LLC	No EIN applicable
36.	Crescent Potomac Yard, LLC	No EIN applicable
37.	Crescent Realty Advisors, LLC	No EIN applicable
38.	Crescent Realty, LLC	26-0034004
39.	Crescent River, LLC	56-2226365
40.	Crescent Rough Hollow, LLC	20-4614882
41.	Crescent Seminole, LLC	58-2558302
42.	Crescent Southeast Club, LLC	56-2255725
43.	Crescent Twin Creeks, LLC	56-2230190

No.	Name of Debtor:	Taxpayer Id. No.
44.	Crescent Yacht Club, LLC	30-0100942
45.	Crescent/Arizona, LLC	57-0443582
46.	Crescent/Florida, LLC	No EIN applicable
47.	Crescent/Georgia, LLC	No EIN applicable
48.	Crescent/RGI Capital, LLC	83-0356151
49.	Falls Cove Development, LLC	20-8132241
50.	FP Real Estate One, L.L.C.	86-0846646
51.	Grand Haven Developers, LLC	59-3641286
52.	Grand Woods Developers, LLC	20-4845005
53.	Green Fields Investments, LLC	57-0443582
54.	Gulf Shores Waterway Development, LLC	20-5566844
55.	Hammock Bay Crescent, LLC	No EIN applicable
56.	Hampton Lakes, LLC	56-2153538
57.	Hampton Ridge Developers, LLC	59-3692235
58.	Hawk's Haven Developers, LLC	20-1091192
59.	Hawk's Haven Golf Course Community Developers, LLC	20-1203562
60.	Hawk's Haven Joint Development, LLC	20-2040337
61.	Hawk's Haven Sponsor, LLC	20-2040376
62.	Headwaters Development Limited Partnership	80-0059149
63.	Hidden Lake Crescent, LLC	20-3694587
64.	Joint Facilities Management, LLC	20-4347638
65.	Lake George Developers, LLC	20-4844965
66.	LandMar Group, LLC	56-2153538
67.	LandMar Management, LLC	56-2153540
68.	Lighthouse Harbor Developers, LLC	20-5741128
69.	May River Forest, LLC	57-1159262
70.	May River Golf Club, LLC	04-3750952
71.	McNinch-Hill Investments, LLC	56-2183378
72.	Milford Estates, LLC	57-0443582
73.	New Riverside, LLC	20-2071349
74.	Nine Corporate Centre Holding Company, LLC	No EIN applicable
75.	North Bank Developers, LLC	20-2687731
76.	North Hampton, LLC	56-2153544
77.	North River, LLC	20-3017701
78.	Old Wildlife Club, LLC	20-4402072
79.	Oldfield, LLC	56-2211481
80.	Osprey Development, LLC	59-3759515
81.	Palmetto Bluff Club, LLC	20-1154599
82.	Palmetto Bluff Development, LLC	56-2211383
83.	Palmetto Bluff Investments, LLC	No EIN applicable
84.	Palmetto Bluff Lodge, LLC	13-4250969
85.	Palmetto Bluff Real Estate Company, LLC	22-3864124

No.	Name of Debtor:	Taxpayer Id. No.
86.	Palmetto Bluff Uplands, LLC	No EIN applicable
87.	Panama City Development, LLC	20-2572207
88.	Park/Marsh, LLC	26-2813331
89.	Parkside Development, LLC	20-2854819
90.	Piedmont Row Development, LLC	20-2960566
91.	Portland Group, LLC	02-1251461
92.	Rim Golf Investors, L.L.C.	86-0894027
93.	River Paradise, LLC	20-2890831
94.	Roberts Road, LLC	20-2568601
95.	Sailview Properties, LLC	56-2053836
96.	Seddon Place Development, LLC	20-4771566
97.	Springfield Crescent, LLC	20-2966970
98.	StoneWater Bay Properties, LLC	56-2183379
99.	Stratford on Howard Development, LLC	20-4147491
100.	Sugarloaf Country Club, LLC	58-2221688
101.	Sugarloaf Properties, LLC	58-2202808
102.	Sugarloaf Realty, LLC	58-2208817
103.	The Farms, LLC	20-0354921
104.	The Oldfield Realty Company, LLC	56-2211481
105.	The Parks at Meadowview, LLC	20-3855366
106.	The Parks of Berkeley, LLC	20-2641670
107.	The Point on Norman, LLC	56-2053958
108.	The Ranch at the Rim, LLC	26-2813378
109.	The Reserve, LLC	20-0742753
110.	The Retreat on Haw River, LLC	26-0674124
111.	The River Club Realty, LLC	02-0595750
112.	The River Country Club, LLC	02-0595742
113.	The Sanctuary at Lake Wylie, LLC	57-0443582
114.	Trout Creek Developers, LLC	82-0560536
115.	Tussahaw Development, LLC	20-3330184
116.	Twin Creeks Holdings, Ltd.	74-2967903
117.	Twin Creeks Management, LLC	56-2230188
118.	Twin Creeks Operating Co., L.P.	20-1262789
119.	Twin Creeks Property, Ltd.	04-3592531
120.	Two Lake Pony Farm, LLC	56-2144680
121.	Winding River, LLC	20-2040280

EXHIBIT B

UNITED STATES BANKRUPTCY COURT, WESTERN DISTRICT OF TEXAS

In re:
Crescent Resources, LLC, et al.

Chapter 11
Case No.: 09-11507

**NOTICE OF COMMENCEMENT OF CASE UNDER CHAPTER 11 OF THE BANKRUPTCY CODE,
MEETING OF CREDITORS, AND OTHER MATTERS**

On June 10, 2009, Crescent Resources, LLC and certain of its affiliates (collectively, the “Debtors”) filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). You may be a creditor of one of the Debtors. **This notice lists important deadlines.** You may want to consult an attorney to protect your rights. **You are not being sued or forced into bankruptcy.** All documents filed with the Court, including lists of the Debtors’ assets and liabilities, are or will be available for inspection at the Office of the Clerk of the Bankruptcy Court, on the Court’s website, and on the website created for these chapter 11 cases (www.crescent-resourcesinfo.com). Note that you need a PACER password and login to access documents on the Court’s website (a PACER password is obtained by accessing the PACER website, http://pacer.psc.uscourts.gov).

NOTE: The staff of the Bankruptcy Clerk’s Office and the office of the United States Trustee cannot give legal advice.

<u>Name of Debtors</u>	<u>Case Numbers</u>	<u>Tax Identification Numbers</u>
See <u>Exhibit A</u> attached hereto		
<u>Attorneys for the Debtors:</u> Marcia L. Goldstein Martin A. Sosland Lydia T. Protopapas Weil, Gotshal & Manges LLP 200 Crescent Court, Suite 300 Dallas, Texas 75201 Telephone Inquiries: 1.800.934.0657	<u>Trustee:</u> NOT APPLICABLE	<u>Date Cases Filed</u> _____, 2009

**DATE, TIME, AND LOCATION OF MEETING OF CREDITORS
PURSUANT TO BANKRUPTCY CODE SECTION 341(a)**

_____, 2009, ____:____.m. (Eastern Time)

Austin, Texas

**DEADLINE TO FILE PROOFS OF CLAIMS AND TO FILE A COMPLAINT TO DETERMINE
DISCHARGEABILITY OF CERTAIN DEBTS WILL BE SET AT A LATER DATE**

Creditor With A Foreign Address:

A Creditor to Whom This Notice is Sent at a Foreign Address Should Read the Information Under “Claims” on the Reverse Side.

CREDITORS MAY NOT TAKE CERTAIN ACTIONS

Prohibited collection actions are listed in Bankruptcy Code § 362. In most instances, the filing of the bankruptcy case automatically stays certain collection and other actions against the debtor and the debtor’s property. Under certain circumstances, the stay may be limited to 30 days or not exist at all, although the debtor can request the court to extend or impose a stay. If you attempt to collect a debt or take other action in violation of the Bankruptcy Code, you may be penalized. Common examples of prohibited actions by creditors are contacting the Debtors to demand payment, taking action against the Debtors to collect money owed or to take property of the Debtors, and starting or continuing collection actions, foreclosure actions, or repossessions. Consult a lawyer to determine your rights in this case.

<u>Address of the Clerk of the Bankruptcy Court</u> Homer J. Thornberry Federal Judicial Bldg. 903 San Jacinto Blvd., Suite 322 Austin, TX 78701	Approved by the Clerk of the Bankruptcy Court,
<u>Hours Open:</u> 8:00 a.m. to 4:00 p.m., Monday through Friday	Date: _____, 2009

FILING OF CHAPTER 11 BANKRUPTCY CASE. A bankruptcy case under Chapter 11 of the Bankruptcy Code (title 11, United States Code) has been filed in this court by or against the debtor(s) listed on the front side, and an order for relief has been entered. Chapter 11 allows a debtor to reorganize or liquidate pursuant to a plan. A plan is not effective unless confirmed by the court. You may be sent a copy of the plan and a disclosure statement telling you about the plan, and you might have the opportunity to vote on the plan. You will be sent notice of the date of the confirmation hearing, and you may object to confirmation of the plan and attend the confirmation hearing. Unless a trustee is serving, the debtor will remain in possession of the debtor's property and may continue to operate any business.

LEGAL ADVICE. The staff of the Clerk of the Bankruptcy Court is not permitted to give legal advice.

MEETING OF CREDITORS. A meeting of creditors is scheduled for the date, time, and location listed on the front side. The debtor's representative must be present at the meeting to be questioned under oath by the trustee and by creditors. Creditors are welcome to attend, but are not required to do so. The meeting may be continued and concluded at a later date without further notice. The court, after notice and a hearing, may order that the United States trustee not convene the meeting if the debtor has filed a plan for which the debtor solicited acceptances before filing the case.

CLAIMS. A Proof of Claim is a signed statement describing a creditor's claim. If a Proof of Claim form is not included with this notice, you can obtain one at any bankruptcy clerk's office. You may look at the schedules that have been or will be filed at the bankruptcy clerk's office. If your claim is scheduled and is not listed as disputed, contingent, or unliquidated, it will be allowed in the amount scheduled unless you filed a Proof of Claim or you are sent further notice about the claim. Whether or not your claim is scheduled, you are permitted to file a Proof of Claim. If your claim is not listed at all or if your claim is listed as disputed, contingent, or unliquidated, then you must file a Proof of Claim or you might not be paid any money on your claim and may be unable to vote on a plan. The court has not yet set a deadline to file a Proof of Claim. If a deadline is set, you will be sent another notice. A secured creditor retains rights in its collateral regardless of whether that creditor files a Proof of Claim. Filing a Proof of Claim submits the creditor to the jurisdiction of the bankruptcy court, with consequences a lawyer can explain. For example, a secured creditor who files a Proof of Claim may surrender important nonmonetary rights, including the right to a jury trial. **Filing Deadline for a Creditor with a Foreign Address:** The deadline for filing claims will be set at a later court order and will apply to all creditors unless the order provides otherwise. If notice of the order setting the deadline is sent to a creditor at a foreign address, the creditor may file a motion requesting the court to extend the deadline.

DISCHARGE OF DEBTS. Confirmation of a chapter 11 plan may result in a discharge of debts, which may include all or part of your debt. See Bankruptcy Code § 1141(d). A discharge means that you may never try to collect the debt from the debtor, except as provided in the plan. If you believe that a debt owed to you is not dischargeable under Bankruptcy Code § 1141(d)(6)(A), you must start a lawsuit by filing a complaint in the bankruptcy clerk's office by the "Deadline to File a Complaint to Determine Dischargeability of Certain Debts" listed on the front side. The bankruptcy clerk's office must receive the complaint and any required filing fee by that deadline.

BANKRUPTCY CLERK'S OFFICE. Any paper that you file in these bankruptcy cases should be filed at the Office of the Clerk of the Bankruptcy Court at the address listed above.

CREDITORS WITH A FOREIGN ADDRESS. Consult a lawyer familiar with United States bankruptcy law if you have any questions regarding your rights in this case.