

Hearing Date: September 18, 2008 at 10:00 a.m.
Objection Deadline: September 16, 2008 at 4:00 p.m.

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

In re

Quebecor World (USA) Inc., et al.,

Debtors.

Chapter 11

Case No. 08-10152 (JMP)
Jointly Administered

Honorable James M. Peck

**SECOND MOTION OF THE DEBTORS FOR AN ORDER PURSUANT TO 11
U.S.C. § 1121(d) EXTENDING THE PERIOD DURING WHICH THE DEBTORS
HAVE THE EXCLUSIVE RIGHT TO FILE A PLAN OF REORGANIZATION
AND SOLICIT ACCEPTANCES THEREOF**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) hereby move the Court, pursuant to section 1121(d) of title 11 of the United States Code (the “Bankruptcy Code”), for an order (i) extending the period during which the Debtors have the exclusive right to file a plan or plans of reorganization (the “Exclusive Filing Period”) by approximately four (4) months, through and including

January 31, 2009; and (ii) extending the period during which the Debtors have the exclusive right to solicit acceptances thereof (the “Exclusive Solicitation Period” and, together with the Exclusive Filing Period, the “Exclusive Periods”) through and including March 31, 2009, or approximately sixty (60) days after the expiration of the Exclusive Filing Period, as extended. In support of this Motion, the Debtors rely on the Declaration of Jeremy Roberts submitted herewith, and respectfully represent as follows:

Jurisdiction

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334.

This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory predicate for the relief requested herein is section 1121 of title 11 of the United States Bankruptcy Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”).

Background

4. On January 21, 2008 (the “Petition Date”), the 53 Debtors filed their voluntary petitions for relief (the “Chapter 11 Cases”) under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”).

5. The Debtors are operating their businesses and managing their properties as debtors-in-possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code. No request has been made for the appointment of a trustee or examiner in these cases.

6. On January 31, 2008, an Official Committee of Unsecured Creditors (the “Creditors’ Committee”) was appointed.

7. On January 20, 2008 the Debtors' corporate parent, Quebecor World Inc. ("QWI"), together with each of the Debtors, commenced a proceeding before the Superior Court, Commercial Division, for the Judicial District of Montreal (the "Canadian Court") for a plan of compromise or arrangement (the "Canadian Proceeding") under the Canadian Companies' Creditors Arrangement Act ("CCAA").¹ Each of the Debtors was joined in the Canadian Proceeding, in order that each Debtor may obtain the protection of a stay under the CCAA as well as under the Bankruptcy Code.

The Debtors' Business

8. The Debtors collectively operate the second largest commercial printing business in the United States, maintaining approximately 78 facilities in 29 states. QWI is a Canadian corporation and the corporate parent of the Debtors, having been incorporated on February 23, 1989 pursuant to the Canada Business Corporations Act to combine the assets constituting what was then the printing division of Quebecor Inc. (QWI, together with the Debtors and all of QWI's debtor and non-debtor subsidiaries and affiliates are referred to herein as "QW World").

9. QW World's key customers include the largest publishers, retailers and catalogers in the geographic areas in which QW World operates. In the magazine group, QW World prints magazines for publishers, including, for example, 15 magazine titles for Time, Inc.,² *Cosmopolitan* for Hearst Corp., *Elle* for Hachette-Filippachi Magazines US, *ESPN the Magazine* for Walt Disney Corp., *Forbes* for Forbes Inc. and *In Touch Weekly*

¹ The Canadian Court appointed Ernst & Young, Inc. to serve as Monitor for the Canadian Proceeding, and UBS Investment Bank is serving as QWI's financial advisor.

² These include *Time*, *Fortune*, *Money*, *Sports Illustrated*, *People*, *Entertainment Weekly*, *Southern Living*, *Cooking Light* and *Coastal Living*.

for Bauer Publishing USA, while QW World's retail insert group includes customers such as CVS, Sears, JC Penney, Kohl's, and Walgreens. QW World's operations also encompass (a) catalogs for customers such as Williams-Sonoma, Oriental Trading Company, Victoria's Secret, IKEA, Cabelas and Bass Pro, (b) books for McGraw-Hill, Scholastic, Simon & Schuster, Thomas Nelson, Time-Warner and Pearson Education, (c) directories for Yellow Book USA, RH Donnelly, Windstream and Frontier in the United States, the Yellow Pages Group in Canada, as well as Telemex and Telefonica in Latin America and (d) direct mail services.

Relief Requested

10. On April 7, 2008, the Debtors filed a motion for an order (i) extending the period during which the Debtors have the exclusive right to file a plan or plans of reorganization through and including September 30, 2008; and (ii) extending the period during which the Debtors have the exclusive right to solicit acceptances thereof through and including November 28, 2008 ("The First Extension Motion"). On April 17, 2008, the Court granted the relief requested. See Order Extending the Period During Which the Debtors Have the Exclusive Right to File a Plan of Reorganization and Solicit Acceptances Thereof, Docket Entry No. 572. The relief granted was specifically without prejudice to the Debtors' right to seek further extensions of the exclusive filing or exclusive solicitation period.

11. The Debtors hereby request a further extension of the Exclusive Filing Period for an additional approximately four (4) months, through and including January 31, 2009, and an extension of the Exclusive Solicitation Period through and including March

31, 2009, or approximately sixty (60) days after the expiration of the Exclusive Filing Period, as extended.

Basis for Relief Requested

12. Pursuant to section 1121(b) of the Bankruptcy Code, a debtor has the exclusive right to file a plan of reorganization during the first 120 days following the commencement of a chapter 11 case. If a debtor files a plan during this exclusive filing period, section 1121(c)(3) of the Bankruptcy Code grants an additional 60 days during which the debtor may solicit acceptances of that plan and no other party in interest may file a plan.

13. Section 1121(d) of the Bankruptcy Code provides that “on request of a party in interest made within the respective periods specified in subsections (b) and (c) of this section and after notice and a hearing, the court may for cause reduce or increase the 120-day period or the 180-day period referred to in this section.” However, the 120-day period “may not be extended beyond a date that is 18 months after the [petition] date” and the 180-day period “may not be extended beyond a date that is 20 months after the [petition] date.” 11 U.S.C. § 1121 (d)(2).

14. Although the Bankruptcy Code does not define “cause,” a number of courts have construed the term by examining the Bankruptcy Code’s underlying legislative history. See, Bunch v. Hoffinger Indus., Inc. (In re Hoffinger Indus., Inc), 292 B.R. 639, 643 (B.A.P. 8th Cir. 2003); In re Newark Airport/Hotel Ltd. P’ship, 156 B.R. 444, 451 (Bankr. D.N.J.), affd sub nom. FGH Realty Credit Corp. v. Newark Airport/Hotel Ltd. P’ship, 155 B.R. 93 (D.N.J. 1993). As discussed below, the legislative history of section

1121(d) and the applicable case law support the Debtors' requested extension of the Exclusive Periods.

15. In determining whether cause exists for an extension of a debtor's exclusive periods, courts have relied on a variety of factors, each of which may constitute sufficient grounds for extending the periods. These factors typically consist of:

- (a) the size and complexity of the case;
- (b) the necessity for sufficient time to permit the debtor to negotiate a plan of reorganization and prepare adequate information;
- (c) the existence of good faith progress toward reorganization;
- (d) the fact that the debtor is paying its bills as they come due;
- (e) whether the debtor has demonstrated reasonable prospects for filing a viable plan;
- (f) whether the debtor has made progress in its negotiations with creditors;
- (g) the amount of time that has elapsed in the case;
- (h) whether the debtor is not seeking to extend exclusivity to pressure creditors to accede to the debtor's reorganization demands; and
- (i) the existence of an unresolved contingency.

See In re Adelphia Commc'n Corp., 352 B.R. 578, 587 (Bankr. S.D.N.Y. 2006); see also In re Lionel L.L.C., 2007 WL 2261539 at *6 (Bankr. S.D.N.Y. Aug. 3, 2007); In re McLean Indus. Inc., 87 B.R. 830, 834 (Bankr. S.D.N.Y. 1987). Each of the foregoing factors favors an extension of the Exclusive Periods.

Size and Complexity of the Debtors' Chapter 11 Cases

16. Both Congress and the courts have recognized that the size and complexity of a debtor's case alone may constitute cause for extension of a debtor's exclusive periods. "[I]f an unusually large company were to seek reorganization under Chapter 11, the Court would probably need to extend the time in order to allow the debtor to reach an agreement." H.R. REP. No. 95-595, at 231, 232, 406 (1978), reprinted in 1978 U.S.C.C.A.N. 5787, 6191, 6362; see also In re Texaco Inc., 76 B.R. 322, 326 (Bankr. S.D.N.Y. 1987) ("The large size of the debtor and the consequent difficulty in formulating a plan of reorganization for a huge debtor with a complex financial structure are important factors which generally constitute cause for extending the exclusivity periods").

17. The Debtors' Chapter 11 Cases qualify as complex cases. The Debtors are one of the two largest commercial printers in the United States and, taken together, constitute a complex and sophisticated operation. The Debtors consist of 53 different entities with operations in 29 states that encompass numerous forms of printing and binding, direct mail operations, and freight and transportation services. The Debtors employ approximately 19,500 employees, of which approximately 4,380 are represented by labor unions. In addition to the geographic reach of the Debtors' operations and the variety of services that they provide to their customers, each of the Debtors' printing and/or mailing facilities is itself a complicated business operation. Moreover, the Debtors' operations are linked to their Canadian parent, QWI, and to QWI's international operations.

18. The complexity of the Debtors' businesses and corporate structure support the requested extension of the Exclusive Periods. During the early stages of these Chapter

11 Cases, the Debtors devoted significant time and resources to reducing and eliminating inefficiencies, stabilizing their postpetition business operations and solidifying their relationships with customers, vendors, employees, lessors, service providers and other key constituencies.

19. Nearly eight months into these Chapter 11 Cases, the Debtors have made enormous progress toward successfully reorganizing their businesses. Nevertheless, as might be expected, many unexpected challenges have arisen during this time period, and additional challenges remain for the Debtors. These challenges arise, in part, from the intricacies of the cross-border relationship that the Debtors maintain with their ultimate corporate parent, QWI, and its non-debtor affiliates, as well as from the complex financial structure necessitated by the multi-national nature of the Debtors' businesses.

20. Accordingly, subsequent to the Debtors filing of their First Extension Motion, the Debtors have determined that, in light of the size of these cases, the need to address the operational issues associated with their businesses and the challenges arising from the cross-border nature of their financial affairs, the Debtors will require a period of time longer than the four month extension of time initially granted by this Court in order to formulate and confirm a plan of reorganization.

21. Indeed, as a result of the many operational, corporate and cross-border issues that confronted the Debtors during the early stages of these Chapter 11 Cases, the Debtors have only recently been able to file their Schedules of Assets and Liabilities and Statements of Financial Affairs (the "Schedules"). Now that the Schedules are completed and filed, the Debtors are finally in a position to establish a claims bar date, which will

allow the Debtors to begin the process of evaluating the universe of claims against their estates and developing a plan that addresses these claims consistent with the requirements of the Bankruptcy Code. In light of the cross-border nature of their restructuring efforts, the Debtors are coordinating this claims process with the procedures being implemented in the Canadian proceedings of QWI, and anticipate filing an application seeking approval of a claims bar date and applicable procedures and notices thereof with this Court in the near future.

22. Moreover, in light of the extensive nature of the Debtors' business operations and the complexity of these Chapter 11 Cases, as well as the cross-border issues that must be accommodated in connection with the restructuring of their financial affairs, the Debtors respectfully submit that an extension of the Exclusive Periods is justified, as the Debtors' ongoing dialogue with their various creditor groups has now advanced, and a level of confidence has been achieved, such that the Debtors are in a position to develop a comprehensive restructuring plan that will serve as the basis for a plan of reorganization.

The Debtors' Progress in These Chapter 11 Cases

23. During the first seven months of these Chapter 11 Cases, the Debtors have made substantial progress in addressing a number of the major issues facing their estates as of the Petition Date.

24. The Debtors' achievements in resolving key restructuring issues to date include:

- Conducting ongoing negotiations with the Debtors' prepetition and postpetition lenders, the Creditors' Committee, other creditor constituencies

and parties in interest regarding the terms and conditions of the requisite loan documentation and final order authorizing the Debtors to obtain \$1 billion in postpetition financing, including the granting and perfection of the collateral package securing such financing;

- Addressing pressing issues related to preserving the Debtors' rights under certain prepetition leases and executory contracts that are essential to the Debtors' business operations;
- Entering into significant new or modified customer contracts, such as a new agreement with Simon & Schuster, Inc., a long term contract extension of a printing agreement with R.D. Manufacturing Corporation, a subsidiary of Readers Digest, and extended and expanded agreements with Dex Media Inc., Parade Publications and Local Insight Media Holdings, Inc.
- Conducting meetings with and providing information (including a detailed five year business plan) to key creditor constituencies, including the Creditors' Committee, an ad hoc committee of noteholders and the Debtors' prepetition lenders;
- Negotiating with the Debtors' insurers regarding the continuation of the Debtors' workers' compensation program;
- Negotiating with utility providers in order to ensure uninterrupted utility service to the Debtors;
- Addressing daily operational issues including inquiries from, and negotiations with, customers, vendors, shipping companies and warehouses;

- Enforcing the Debtors' rights under the automatic stay;
- Seeking relief authorizing the Debtors to pay and honor certain prepetition obligations to employees, including plant managers and salespeople;
- Seeking authority to continue and implement certain management incentive compensation programs;
- Coordinating with the Debtors' Canadian affiliates, Canadian professionals and the Canadian Court regarding the Canadian Proceeding and the implementation of a cross-border insolvency protocol;
- Reviewing numerous reclamation claims and establishing procedures for section 503(b)(9) claims that have been filed since the Petition Date;
- Initiating a broad review of the Debtors' obligations under executory contracts and unexpired leases of real and personal property;
- Obtaining emergency relief in the form of authorization to assume certain executory contracts with the Debtors' freight forwarding stations and pay certain prepetition claims in connection therewith;
- Negotiating and closing on the sale of QWI's European operations, which was approved at a joint hearing in both the U.S. Proceedings and Canadian Proceedings on June 17, 2008; and
- Determining procedures for filing Monthly Operating Reports and filing such Reports;
- Filing the Schedules for all 53 Debtors;

- Analyzing the tax consequences incident to the restructuring of the Debtors' financial affairs;
- Reviewing all of the Debtors' unexpired nonresidential real property leases and seeking authority to assume, reject or extend the period by which the Debtors must assume or reject, the Debtors' nonresidential real property leases; and
- Working to resolve the numerous day-to-day operational issues that arise in connection with the commencement of chapter 11 cases by a multi-billion dollar business.

25. The fact that the Debtors have been largely devoted to these and other issues during the first seven months of the Chapter 11 Cases, particularly in light of the demonstrated success of the Debtors in making progress on these issues, justifies the requested extension of the Exclusive Periods.

The Debtors are Making Good Faith Progress Toward Reorganization

26. A debtor's progress with respect to stabilizing and improving its business operations, cooperation with stakeholders and good faith efforts to achieve emergence from chapter 11 indicate good faith progress toward reorganization. See In re Adelpia Commc'n Corp., 352 B.R. at 588. As noted above, the Debtors have been successful in stabilizing numerous aspects of their business operations by anticipating and addressing concerns from customers, employees, vendors and others. Moreover, the Debtors have been cooperative with all of the key stakeholders in these Chapter 11 Cases, including the

Creditors' Committee, the ad hoc committee of noteholders, prepetition lenders and trade vendors. The Debtors have no interest in creating any undue delay with respect to these Chapter 11 Cases. Indeed, the Debtors' goal is to minimize the time that they spend in chapter 11, move forward expeditiously with formulating a plan of reorganization and, ultimately, successfully emerge from chapter 11.

27. Accordingly, a further extension of the Exclusive Periods is warranted based on the Debtors' good faith efforts and progress toward reorganization.

The Debtors are Generally Paying their Bills as they Come Due

28. Courts considering an extension of exclusivity may also assess a debtor's liquidity and solvency. See McLean Indus. Inc., 87 B.R. at 834. Clearly, the \$1 billion secured debtor in possession financing facility approved by the Court provides the Debtors with sufficient liquidity to pay their postpetition bills in the ordinary course of business. Further, the Debtors are continuing to seek to lower costs by disposing of underperforming assets and reducing overhead. As a result, the Debtors are satisfying their postpetition obligations and have the ability to continue to do so.

Reasonable Prospects for Filing a Viable Plan

29. The Debtors' efforts to-date demonstrate that reasonably strong prospects exist for the Debtors to file a viable plan of reorganization. The Debtors have successfully attended to pressing issues that arose within the first several weeks of these Chapter 11 Cases, and have stabilized their business operations. Customers continue to place new orders and enter into new contracts with the Debtors, and vendors and creditors are continuing to do business with the Debtors.

30. This factor requires only that a debtor “be able to attain confirmation of at least *some* viable plan . . .” In re Adelpia Commc’n Corp., 352 B.R. at 588. Here, although it would be premature at this stage of these Chapter 11 Cases for the Debtors to have formulated the details of a plan of reorganization, the developments summarized in the foregoing sections indicate that the Debtors are well positioned to implement additional restructuring initiatives and formulate a viable plan of reorganization in due course.

Progress in Negotiations with Creditors

31. In light of the magnitude and complexity of these Chapter 11 Cases, it would be unrealistic to expect the Debtors to have resolved all issues with their creditor constituents. The Debtors have, however, successfully worked with creditor groups in a number of areas, including matters related to the Debtors’ postpetition financing facility; employee benefits and compensation; treatment of certain trade creditors, vendors, utility providers and lessors; asset dispositions and retention of professionals. A suitable extension of the Exclusive Periods will give the Debtors the flexibility and time necessary to permit the Debtors to continue to make progress in creditor negotiations. Accordingly, the Debtors submit that this factor favors granting the Motion and extending the Exclusive Periods.

Time Elapsed in the Chapter 11 Cases

32. These Chapter 11 Cases were commenced on January 21, 2008 and are still in their early stages in comparison to other large chapter 11 cases. An extension of the Exclusive Periods for an additional period of approximately four (4) months is reasonable in light of the time necessary for the Debtors to stabilize their extensive business

operations, address creditor concerns and begin formulating a plan of reorganization. In light of the fact that large chapter 11 cases can take multiple years to reach confirmation of a plan of reorganization, the Debtors do not believe it is unreasonable to request a four (4) month extension of the Exclusive Periods.

The Debtors are not Seeking an Extension to Pressure Creditors

33. The Debtors are not seeking an extension of the Exclusive Periods to pressure creditors into accepting the Debtors' reorganization demands. These Chapter 11 Cases have not been pending long enough to result in material prejudice to any creditors, and there is no indication that the Debtors are using the chapter 11 process to extract particular demands from any creditor group. To the contrary, the purpose of the Debtors' present request for an extension of the Exclusive Periods is, among other things, to ensure that the Debtors have an opportunity to respond to and address the concerns of all creditor groups in formulating restructuring proposals and, ultimately, a plan of reorganization.

Unresolved Contingencies

34. Courts have also relied on the need to resolve an important contingency as a justification for extending a debtor's exclusivity periods. See, e.g., McLean Indus., Inc., 87 B.R. at 834. Several contingencies exist in these Chapter 11 Cases, including (a) establishment of a claims bar date; (b) a complete review of the Debtors' unexpired equipment leases and executory contracts; (c) consideration of potential dispositions of certain of the Debtors' assets; and (d) development and implementation of restructuring initiatives across the Debtors' lines of business. Only after Debtors address these and other

issues may the Debtors be in a position to formulate a viable plan for the Debtors' emergence from chapter 11.

Conclusion

35. For the reasons set forth above, the Debtors respectfully submit that ample cause exists under the Bankruptcy Code and the applicable case law for the requested extensions of the Exclusive Periods. Relief similar to the relief requested herein has been granted in this District. See, e.g., In re Dana Corp., No. 06-10354 (BRL) (Bankr. S.D.N.Y. June 28, 2006 and Dec. 19, 2006) (exclusivity initially extended by approximately six months and further extended for approximately an additional eight months); (In re Calpine Corp., No. 05-60200 (BRL) (Bankr. S.D.N.Y. Apr. 11, 2006 and Dec. 6, 2006) (exclusivity initially extended by approximately eight months and further extended for approximately an additional seven months); In re Delphi Corp., No. 05-44481 (RDD) (Bankr. S.D.N.Y. Jan. 1, 2006 and June 19, 2006) (exclusivity initially extended by approximately six months and further extended by an additional six months after initial extension); In re Delaco Co., No. 04-10899 (PCB) (Bankr. S.D.N.Y. June 16, 2004 and Nov. 17, 2004) (exclusivity initially extended by approximately five months and further extended by approximately six months after initial extension); In re Loral Space & Comm. Ltd., Case No. 03-41710 (RDD) (Bankr. S.D.N.Y. Nov. 12, 2003 and Mar. 17, 2004) (exclusivity initially extended by approximately four months and subsequently extended for approximately another four months); In re NRG Energy Inc. No. 03-13024 (PCB) (Bankr. S.D.N.Y. May 14, 2003 and Feb. 26, 2004) (exclusivity initially extended by

approximately four months and further extended by an additional four months after initial extension); In re Enron Corp., No. 01-16034 (AJG) (Bankr. S.D.N.Y. Apr. 24, 2002 and Nov. 26, 2002) (exclusivity initially extended for approximately six months and subsequently extended for approximately an additional five months); In re Adelphia Communications Corp., No. 02-41729 (REG) (Bankr. S.D.N.Y. Oct. 25, 2002 and Mar. 20, 2003) (exclusivity initially extended for approximately four months and subsequently extended for approximately an additional five months); In re Bethlehem Steel; No. 01-15288 (BRL) (Bankr. S.D.N.Y. Feb. 5, 2002 and June 24, 2002) (exclusivity initially extended for approximately five and a half months and subsequently extended for approximately an additional five months).

36. The Debtors reserve the right to request further extensions of the Exclusive Periods pursuant to section 1121(d) of the Bankruptcy Code.

Notice

37. Notice of this Motion has been provided to all parties on the Notice List as set forth in the Case Management Order. A copy of the Motion is also freely available on the website of the Debtors' claim and noticing agent, Donlin, Recano & Company, Inc. at www.donlinrecano.com.

No Prior Request

38. No prior motion for the relief requested herein, other than the First Extension Motion discussed above, has been made to this or any other court.

WHEREFORE, the Debtors respectfully request an entry of an order, substantially in the form attached hereto as Exhibit A, (i) extending the Exclusive Filing Period by approximately four (4) months, through and including January 31, 2009, (ii) extending the Exclusive Solicitation Period through and including March 31, 2009 and (iii) granting such other and further relief as the Court deems just and appropriate.

Dated: September 8, 2008
New York, New York

Respectfully submitted,

/s/ Michael J. Canning
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EXHIBIT A

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

In re

Quebecor World (USA) Inc., et al.,

Debtors.

Chapter 11

Case No. 08-10152 (JMP)
Jointly Administered

Honorable James M. Peck

**ORDER PURSUANT TO 11 U.S.C. § 1121(d) EXTENDING THE PERIOD
DURING WHICH THE DEBTORS HAVE THE EXCLUSIVE RIGHT TO FILE A PLAN
OF REORGANIZATION AND SOLICIT ACCEPTANCES THEREOF**

Upon the motion (the “Motion”)* of the above-captioned debtors (collectively, the “Debtors”) for entry of an Order (i) extending the period during which the Debtors have the exclusive right to file a plan or plans of reorganization (the “Exclusive Filing Period”) by approximately four (4) months, through and including January 31, 2009 and (ii) extending the period during which the Debtors have the exclusive right to solicit acceptances thereof (the “Exclusive Solicitation Period”) through and including March 31, 2009; the Court having reviewed the Motion and considered the statements of counsel at a hearing before the Court (the “Hearing”); and the Court having found that (a) it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), (c) venue of this proceeding and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409 and (d) notice of the Motion was appropriate under the circumstances; and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish grounds for the relief granted herein;

* Capitalized terms not defined in this Order shall have the meaning ascribed to them in the Motion.

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. The Exclusive Filing Period is hereby extended through and including January 31, 2009, pursuant to section 1121(d) of the Bankruptcy Code.
3. The Exclusive Solicitation Period is hereby extended through and including March 31, 2009, pursuant to section 1121(d) of the Bankruptcy Code.
4. The relief granted in this order is without prejudice to the Debtors' right to seek further extensions of the Exclusive Filing Period or the Exclusive Solicitation Period.

Dated: September _____, 2008

United States Bankruptcy Judge