

ABI COMMISSION TO STUDY THE REFORM OF CHAPTER 11

Financing Chapter 11 Advisory Committee

March 6, 2013

Meeting (by Telephonic Conference Call)

MINUTES/SUMMARY

The Financing Chapter 11 Advisory Committee (the “Committee”) of the ABI Commission to Study the Reform of Chapter 11 (the “Commission”) held a meeting on Wednesday, March 6, 2013, via teleconference. *The following individuals participated in the meeting:* Jo Ann Brighton, Rebecca Roof, William Fox, Paul Singerman, Michelle Harner, Robert Keach, Judge Gregg Zive, Elliot Ganz, Eli Vonnegut for Marshall Huebner, Nathan Lebioda, and Felton Parrish. *Committee members not in attendance:* Norma Corio; Judge Robert Drain; Howard Novikoff; James Seery; David Skeel; Marc Abrams; and, Christopher Mirick.

Ms. Brighton commenced the meeting at approximately 3:00 p.m. prevailing Eastern time. The following matters were discussed during the course of the meeting:

Approval of minutes. The minutes from the February 20, 2013, meeting of the Committee were approved.

Report from Commission. Mr. Keach and Ms. Harner reported on a session held by the Commission on March 5, 2013, including feedback to the report on roll-ups prepared by the Committee. Mr. Keach first thanked the Committee for preparing the roll-up report and said that it had provoked thoughtful discussion by the Commission and generated additional questions. Although the Commission was not yet taking any formal position on roll-ups, the general consensus seemed to be that there are some cases where pre/post cross-collateralization should exist with questions remaining regarding when and under what circumstances. Other issues for consideration include whether the automatic stay should continue to apply to the rolled up portion and whether the rolled up portion should also be afforded administrative priority which may provide a plan veto right. Ms. Harner also thanked the Committee for the roll-up report and requested that the Committee prepare in the ordinary course an update of its roll-up report based on the Commission’s comments.

Report from Defining/Redefining Adequate Protection Subcommittee. Ms. Brighton reported that Nathan Lebioda has begun researching this topic. Mr. Fox reported that he is talking to some hedge funds on the issue to generate discussion.

Report from Equities of the Case Exception Subcommittee. No Report.

Report from Priming Subcommittee. Although Mr. Abrams and Ms. Corio were not able to participate in the meeting, they did circulate prior to the meeting a short memo discussing their thoughts. They suggested that this subcommittee be combined with the Subcommittee on Adequate Protection and that the combined committee should coordinate with the Committee on

Valuation. The Committee discussed this suggestion, and it was generally agreed that this would be the right approach.

Report from Pay to Play Subcommittee. Mr. Singerman reported that he had circulated a memo to the subcommittee with some background materials and that a very initial draft of a report had been prepared.

Other Business.

- Ms. Roof reminded the Committee of upcoming field hearings to be held by the Commission on March 14, April 19 and May 15.
- It was reported that both Judge Zive and Judge Drain testified at the Las Vegas field hearing.
- Elliot Ganz reported that the Avoiding Powers Committee had requested LSTA data regarding liens on avoidance actions.

Conclusion. Ms. Brighton concluded the meeting by thanking everyone for their participation in the meeting and dedication to the work of the Committee.

The meeting adjourned at approximately 3:45 p.m. prevailing Eastern time.