

June 21, 2006

NOTICE OF OPPORTUNITY TO PROVIDE COMMENTS
ON PROPOSED GUIDELINES FOR THE CONDUCT OF ASSET SALES
IN THE BANKRUPTCY COURT FOR THE
SOUTHERN DISTRICT OF NEW YORK

The Judges of the United States Bankruptcy Court for the Southern District of New York hereby invite public comment on the following Guidelines for the Conduct of Asset Sales (the “Guidelines”).

By offering the Guidelines, this Court does not address the circumstances under which an asset sale or asset sale process is appropriate or express a preference for asset sales under section 363(b) of the Bankruptcy Code as opposed to those conducted in the context of confirming a chapter 11 plan, address other substantive legal issues, or establish any substantive rules. However, the Guidelines do require disclosure of the “Extraordinary Provisions” pertaining to the conduct of asset sales, which ordinarily will not be approved without substantial cause shown for such Extraordinary Provisions, or compelling circumstances, and reasonable notice.

The Guidelines are intended to supplement the requirements of section 363(b) and 365 of the Bankruptcy Code and Rules 2002 and 6004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rules 6004-1 and 6005-1 of the Court’s Local Rules. The Court thanks all those who participated in the initial draft of the proposed guidelines.

Members of the bar and all other interested parties are invited to submit comments on the Guidelines, which are available on the court’s website www.nysb.uscourts.gov, by forwarding them to the Clerk, United States Bankruptcy Court, Alexander Hamilton U.S. Custom House, One Bowling Green, New York, NY 10004-1408, or by emailing them to salesguidelines@nysb.uscourts.gov on or before August 21, 2006. The court will not accept anonymous comments.

Kathleen Farrell-Willoughby
Clerk of Court