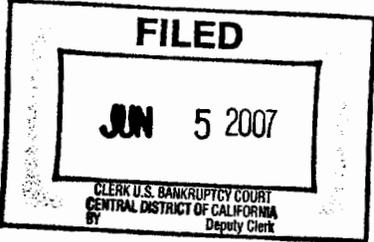


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**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA**

In re
CHAPTER 15 PROCEDURES

GENERAL ORDER 07-01

1. Chapter 15 Motions: Form and Service.

A motion under chapter 15 shall comply with Federal Rule of Bankruptcy Procedure (Rule) 9013. In addition, the motion shall be served on the 20 largest unsecured creditors located in the United States, the administrator appointed in any foreign proceeding with respect to the debtor or a member of the same corporate group as the debtor, the 20 largest unsecured creditors in each such foreign proceeding, all United States secured creditors, all secured creditors in foreign countries who are known to the movant, and the United States Trustee. Furthermore, every such motion other than one which may be considered ex parte shall be served by the moving party on the trustee, if the motion arises in a case filed under chapter 7, 9, 11, 12 or 13.

2. Authorization to Act in a Foreign Country.

Every trustee or other entity (including an examiner) appointed in a bankruptcy case pending in the United States (except for a case under Chapter 15) shall obtain authority under § 1505 before acting in a foreign country. Authorization to act in a foreign country pursuant to § 1505 shall be made on motion of the trustee or other

1 entity seeking such authorization. The motion shall be made in compliance with Rule
2 9013, and shall be served as provided in paragraph 1. An order pursuant to this
3 provision may be granted after notice and a hearing.

4 **3. Requirement to Obtain Order for Recognition.**

5 Any foreign representative seeking to appear in any United States court or the
6 court of any State in the United States shall first obtain an order for recognition under
7 § 1517. No such order is required if the sole purpose of the appearance is to collect
8 accounts receivable on behalf of the foreign debtor.

9 **4. Motion for Comity or Cooperation.**

10 A request for comity or cooperation under § 1509(b)(3) shall be made by motion
11 pursuant to paragraph 1.

12 **5. Advice of Foreign Representative's Intent to Commence a Case Under**
13 **§ 1511.**

14 Any foreign representative who intends to commence a case under § 1511(a)
15 shall file a notice of intent to commence a domestic bankruptcy case with the court that
16 has granted a petition for recognition under § 1515. Such a notice shall be served as
17 provided by paragraph 1.

18 **6. Filing Proof of Claim or Equity Security Interest by Foreign Creditor or**
19 **Equity Security Holder in Chapter 9 Municipality or Chapter 11 Reorganization**
20 **Case.**

21 (a) Applicability of rule. This rule applies in all cases under this title, to creditors
22 and equity security holders that do not have addresses in the United States.

23 (b) Every secured creditor described in subparagraph (a) hereof shall file a
24 proof of claim. This obligation applies to every such creditor claiming rights in rem
25 against property of the debtor (whether moveable or immoveable), or holding a claim
26 based on a registration in a public register or based on intellectual property (such as a
27 patent or trademark).

28 (c) The filing of a claim or statement of interest under Rule 3003 by a foreign

1 creditor or security interest holder shall be made as provided by that rule.

2 (d) Notice to a foreign creditor or security interest holder shall be given at least
3 90 days before the deadline for filing a claim or notice of interest, unless otherwise
4 ordered by the court.

5 (e) Notice of a deadline to file a claim or security interest under Rule 3003 shall
6 be given in the official language of the country to which the notice is directed. In
7 addition, the notice shall be delivered by the same means that domestic notices and
8 legal proceedings are delivered in that country, unless the court orders otherwise.

9 **7. Application for Recognition.**

10 (a) A foreign representative's petition for recognition shall be filed with the
11 bankruptcy court in the proper venue as provided by 28 U.S.C. § 1410. In addition, it
12 shall be set for hearing pursuant to paragraph 1 upon notice as required by Local
13 Bankruptcy Rule 9013-1 or, if applicable, Local Bankruptcy Rule 9075-1.

14 (b) A petition for recognition shall be served pursuant to paragraph 1.

15 (c) If a petition for recognition requests the recognition of a foreign proceeding
16 as a foreign main proceeding, the petition shall be accompanied by evidence of the
17 location of the debtor's registered office, or the debtor's residence in the case of an
18 individual. All such documents shall be translated into English pursuant to § 1515(d).

19 (d) A party contending that a foreign proceeding is not a foreign main
20 proceeding shall file evidence complying with Rule 7056 in support of the party's
21 contention.

22 (e) A party seeking to rebut the presumption of § 1516(c), that the debtor's
23 registered office or habitual residence is the center of the debtor's main interests, shall
24 file evidence complying with Rule 7056 in opposition to such a determination. Should it
25 appear from the affidavits or declarations of such a party that the party cannot for
26 reasons stated present evidence essential to justify the party's opposition, the court
27 may order a continuance to permit evidence to be obtained or discovery to be had or
28 may make such other order as is just. When a motion for recognition of a foreign main

1 proceeding is made and supported as provided in this rule, an adverse party may not
2 rest upon the mere allegations or denials of the adverse party's pleading, but the
3 adverse party's response, supported by admissible evidence, must set forth specific
4 facts showing that there is a genuine issue for trial.

5 (f) If the court finds that there is a genuine issue for trial on the recognition of a
6 foreign main proceeding, the court shall conduct an evidentiary hearing at the earliest
7 practicable time, consistent with § 1517(c).

8 **8. Relief from Automatic Stay: Prohibiting or Conditioning Use, Sale, or**
9 **Lease or Property; Use of Cash Collateral.**

10 (a) A motion for relief from stay, prohibiting or conditioning the use, sale, or
11 lease of property shall be made pursuant to Rule 4001(a). A motion for use of cash
12 collateral shall be made pursuant to Rule 4001(b). A motion pursuant to this rule shall
13 be served pursuant to paragraph 1.

14 (b) A motion for relief from the automatic stay of §§ 361 and 362, as provided
15 by § 1520, shall be made pursuant to Rule 4001(a).

16 **9. Adversary Proceedings Under Rule 7001.**

17 (a) Rule 7001 applies to adversary proceedings under chapter 15.

18 (b) In addition to those proceedings listed in Rule 7001, the following
19 proceedings in a chapter 15 case are adversary proceedings governed by the rules of
20 Part VII:

21 (1) A proceeding to recover money or property under §§ 549 or 552;

22 (2) A proceeding to obtain an injunction or other equitable relief under
23 § 1519;

24 (3) A request for relief under § 1521(a)(1), (2), (3) or (6);

25 (4) An action initiated by a foreign representative pursuant to § 1523.

26 **10. Protection of Creditors and Other Interested Persons.**

27 Any request for security or bond sought in connection with relief under § 1522(b)
28 or (c) shall be made by motion pursuant to paragraph 1.

1 **11. Intervention by a Foreign Representative.**

2 Intervention in any proceedings in a state or federal court in the United States by
3 a foreign representative shall be pursuant to the rules applicable to that court.

4 **12. Cooperation and Direct Communication Between the Trustee and**
5 **Foreign Courts.**

6 A trustee or other person, including an examiner, authorized by the court shall
7 obtain authorization from the court to communicate directly with a foreign judge. Such
8 authorization may be requested by application after notice and a hearing.

9 **13. Protocols.**

10 A party seeking approval in the form of a protocol of an agreement concerning
11 the coordination of proceedings shall seek such approval by motion pursuant to
12 paragraph 1.

13 **14. Recognition of Domestic Case as a Main or Non-Main Proceeding.**

14 (a) A party in interest may request that the court designate a case under
15 chapter 7, 9, 11, 12 or 13 as a main proceeding or a non-main proceeding. Such a
16 request shall be made by motion, and shall comply with the requirements of
17 paragraph 1.

18 (b) A motion for designation of a case as a main proceeding pursuant to
19 paragraph (a) shall be supported by evidence that the center of the debtor's main
20 interests is located in the United States.

21 (c) A motion for designation of a case as a non-main proceeding pursuant to
22 paragraph (a) shall be supported by evidence that the debtor has an establishment in
23 the United States.

24 **15. Final Report By Foreign Representative.**

25 A foreign representative who has been recognized pursuant to § 1517 shall file a
26 final report when the purpose of the representative's appearance in a court in the
27 United States is completed. A representative shall report completely and accurately on
28 the nature and results of the representative's activities in the court in the United States.

1 **16. Foreign Authorities.**

2 Any paper filed with the court that cites a foreign or international authority in a
3 case under title 11, shall attach a copy of the international foreign authority, with a
4 translation into English.

5 **17. Court-to-Court Communication.**

6 (a) A court may communicate with a foreign court in connection with matters
7 relating to proceedings before it for the purposes of coordinating and harmonizing
8 proceedings before it with those in the other State.

9 (b) A court may communicate with an administrator in a foreign State or an
10 authorized representative of the court in that State in connection with the coordination
11 and harmonization of the proceedings before it with the proceedings in the other State.

12 (c) A court may permit a duly authorized administrator to communicate with a
13 foreign court directly, subject to the approval of the foreign court, or through an
14 administrator in the other jurisdiction or through an authorized representative of the
15 foreign court on such terms as the court considers appropriate.

16 (d) A court may receive communications from a foreign court or from an
17 authorized representative of the foreign court or from a foreign administrator. The
18 court may respond directly if the communication is from a foreign court (subject to
19 paragraph (f) of this rule) in the case of two-way communications and may respond
20 directly or through an authorized representative of the court or through a duly
21 authorized administrator if the communication is from a foreign administrator.

22 (e) Communications from a court to a foreign court may take place by or
23 through:

24 (1) Sending or transmitting copies of formal orders, judgments, opinions,
25 reasons for decision, endorsements, transcripts of proceedings, or other
26 documents directly to the foreign court and providing advance notice to
27 counsel for affected parties in such manner as the court considers
28 appropriate;

1 (2) Directing counsel, a foreign administrator or a trustee to transmit or
2 deliver copies of documents, pleadings, affidavits, factums, briefs or other
3 documents that are filed or to be filed with the court to the foreign court in
4 such fashion as may be appropriate and providing advance notice to
5 counsel for affected parties in such manner as the court considers
6 appropriate;

7 (3) Participating in two-way communications with the foreign court by
8 telephone or video conference call or other electronic means, subject to
9 paragraph (f).

10 (f) In the event of communications between the courts in accordance with
11 paragraphs (a) and (d) by means of telephone or video conference call or other
12 electronic means, unless otherwise directed by either of the two courts:

13 (1) Counsel for all affected parties may participate in person during the
14 communication. Advance notice of the communication shall be given to
15 all parties in accordance with the rules of procedure applicable in each
16 court;

17 (2) The communication between the courts shall be on the record;

18 (3) The courts and judges in each court may communicate fully with each
19 other to establish appropriate arrangements for the communication
20 without the necessity for participation by counsel unless otherwise
21 ordered by either of the courts.

22 (g) In the event of communications between the court and an authorized
23 representative of the foreign court or a foreign administrator in accordance with
24 paragraphs (b) and (d) by means of telephone or video conference call or other
25 electronic means, unless otherwise directed by the court:

26 (1) Counsel for all affected parties may participate in person during the
27 communication. Advance notice of the communication shall be given to
28 all parties in accordance with the rules of procedure applicable in each

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court;

- (2) The communication shall be on the record;
- (3) Judges in each court may communicate fully with the authorized representative of the foreign court or the foreign administrator to establish appropriate arrangements for the communication without necessity for participation by counsel unless otherwise ordered by the court.

(h) A court may conduct a joint hearing with another court. In connection with any such joint hearing, the following applies, unless otherwise ordered or unless otherwise provided in any previously approved protocol applicable to such joint hearing:

- (1) Each court shall be able to simultaneously hear the proceedings in the other court;
- (2) Evidentiary or written materials filed or to be filed in one court shall be transmitted to the other court or made available electronically in a publicly accessible system in advance of the hearing. Transmittal of such material to the other court or its public availability in an electronic system shall not subject the party filing the material in one court to the jurisdiction of the other court;
- (3) Submissions or applications by the representative of any party should be made only to the court in which the representative making the submissions is appearing unless the representative is specifically given permission by the other court to make submissions to it;
- (4) Subject to paragraph (f)(2), the court may communicate with the foreign court in advance of a joint hearing, with or without counsel being present, to establish guidelines for the orderly making of submissions and rendering of decisions by the courts, and to coordinate and resolve any procedural, administrative or preliminary matters relating to the joint hearing;

1 (5) Subject to paragraph (f)(2), the court, subsequent to the joint hearing,
2 may communicate with the foreign court, with or without counsel
3 present, for the purpose of determining whether coordinated orders could
4 be made by both courts to coordinate and resolve any procedural or non-
5 substantive matters relating to the joint hearing.

6 (i) The court may, except upon proper objection on valid grounds and then
7 only to the extent of such objection, recognize and accept as authentic
8 the provisions of statutes, statutory or administrative regulations, and
9 rules of court of general application applicable to the proceedings in the
10 foreign jurisdiction without the need for further proof or exemplification
11 thereof.

12 (j) The court may, except upon proper objection on valid grounds and then only
13 to the extent of such objection, accept that orders made in the proceedings in the other
14 jurisdiction were duly and properly made or entered on or about their respective dates
15 and accept that such orders require no further proof or exemplification for purposes of
16 the proceedings before it, subject to all such proper reservations as in the opinion of
17 the court are appropriate regarding proceedings by way of appeal or review that are
18 actually pending in respect of any such orders.

19 (k) The court may coordinate proceedings before it with proceedings in another
20 State by establishing a service list that may include parties that are entitled to receive
21 notice of proceedings before the court in the other State ("non-resident parties"). The
22 court may also order that all notices, applications, motions, and other materials served
23 for purposes of the proceedings before the court be provided to or served on the non-
24 resident parties by making such materials available electronically in a publicly
25 accessible system or by facsimile transmission, certified or registered mail or delivery
26 by courier, or in such other manner as may be directed by the court.

27 (l) The foreign administrator or a representative of creditors in the proceedings
28 in the other State or an authorized representative of the court in the other State may

1 appear and be heard by the court without thereby becoming subject to the jurisdiction
2 of the court.

3 (m) The court may direct that any stay of proceedings affecting the parties
4 before it shall, subject to further order of the court, not apply to applications or motions
5 brought by such parties before the other court or that relief be granted to permit such
6 parties to bring such applications or motions before the other court on such terms and
7 conditions as it considers appropriate. Court-to-court communications in accordance
8 with paragraphs (e) and (f) hereof may take place if an application or motion brought
9 before the court affects or might affect issues or proceedings in the court in the other
10 State.

11 (n) A court may communicate with a foreign court or with an authorized
12 representative of such court in the manner prescribed by this rule for purposes of
13 coordinating and harmonizing proceedings before it with proceedings in the other
14 jurisdiction regardless of the form of the proceedings before it or before the foreign
15 court wherever there is commonality among the issues and/or the parties in the
16 proceedings.

17 (o) Directions issued by the court under this rule are subject to such
18 amendments, modifications, and extensions as may be appropriate for the purposes
19 described in this rule and to reflect the changes and developments from time to time in
20 the proceedings before it and before the foreign court. Any directions may be
21 supplemented, modified, and restated from time to time and such modifications,
22 amendments, and restatements should become effective upon being accepted by both
23 courts. If either court intends to supplement, change or abrogate directions issued
24 under this rule in the absence of joint approval by both courts, the court shall give the
25 foreign courts involved reasonable notice of its intention to do so.

26 (p) Arrangements contemplated under this rule do not constitute a compromise
27 or waiver by the court of any powers, responsibilities or authority and do not constitute
28 a substantive determination of any matter in controversy before the court or before the

1 foreign court nor a waiver by any of the parties of any of their substantive rights and
2 claims or a diminution of the effect of any of the orders made by the court or the foreign
3 court.

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DATED: June 5, 2007



VINCENT P. ZURZOLO
Chief Judge, United States Bankruptcy Court