UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re:	:	Chapter 11
BUILDING MATERIAL HOLDING CORPORATION, et al.[1]	:	Case No. 09-12074 (KJC)
	:	Jointly Administered
Debtors.	:	**Hearing Date: September 10, 2009 at 3:00pm** **Obj. Deadline: September 4, 2009 at 5:00pm**
		Re: Docket No. 19

OBJECTION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS TO THE DISCLOSURE STATEMENT WITH RESPECT TO JOINT PLAN OF REORGANIZATION FOR THE DEBTORS UNDER CHAPTER 11 OF THE BANKRUPTCY CODE AMENDED JULY 27, 2009

The Official Committee of Unsecured Creditors (the "Committee") of Building Materials Holding Corporation and its affiliates, as debtors and debtors-in-possession (collectively, the "Debtors"), by and through its undersigned proposed counsel, hereby submits this objection (the "Objection") to the Disclosure Statement with Respect to Joint Plan of Reorganization for the Debtors under Chapter 11 of the Bankruptcy Code Amended July 27, 2009 (the "Disclosure Statement"). In support of the Objection, the Committee respectfully represents as follows:

PRELIMINARY STATEMENT

1. The Disclosure Statement should not be approved in its current form because it does not contain the information necessary to enable a hypothetical reasonable investor to make an

[1] The Debtors, along with the last four digits of each Debtor's tax identification number, are as follows: Building Materials Holding Corporation (4269); BMC West Corporation (0454); SelectBuild Construction, Inc. (1340); SelectBuild Northern California, Inc. (7579); Illinois Framing, Inc. (4451); C Construction, Inc. (8206); TWF Construction, Inc. (3334); H.N.R. Framing Systems, Inc. (4329); SelectBuild Southern California, Inc. (9378); SelectBuild Nevada, Inc. (8912); SelectBuild Arizona, LLC (0036); and SelectBuild Illinois, LLC (0792).

informed judgment about the Plan.[2] A disclosure statement represents the primary source of information for creditors to determine whether to vote to accept or reject a proposed plan and it is commonly recognized as "a pivotal concept of Chapter 11 reorganization." *Kunica v. St. Jean Financial Inc.*, 233 B.R. 46, 54 (S.D.N.Y. 1999). In the present case, the information presented in the Disclosure Statement is extremely complex and often confusing. Indeed, it is difficult for the Committee's professionals to truly understand the Debtors' proposed restructuring. Therefore, a real concern exists that unsophisticated creditors, who are unrepresented, will find it almost impossible to comprehend. While the Committee recognizes that every plan of reorganization contains an element of risk, this complex Disclosure Statement raises an even greater risk due to the pervasive ambiguities that will prevent any unsecured creditor from being able to cast a truly informed vote.

2. Due to the nature of the Debtors' business, their creditor body is not comprised of sophisticated, financially savvy investors capable of understanding the complex financial transactions contained in the Disclosure Statement. Rather, a large percentage of the unsecured claims are held by individual creditors, many of them retirees, or small businesses. This fact heightens the normal importance of the Disclosure Statement as a vehicle to explain, in plain English, the terms of the proposed Plan, and emphasizes the necessity for clear, unambiguous, and straightforward language laying out the details and risks of the Plan.[3]

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[2] Capitalized terms used herein but not otherwise defined shall have the meaning ascribed to such terms in the Disclosure Statement.

[3] The Committee raises its concerns as to the Disclosure Statement only and does not seek to raise objections that are more appropriate for the hearing on approval of the Plan. Nothing herein shall be construed as the Committee's approval of the Plan as proposed. The Committee has serious concerns about the Plan's feasibility and shall voice those concerns at the appropriate time.

BACKGROUND

3. The factual background relating to the Debtors' commencement of these cases is set forth in detail in the Declaration of Paul S. Street, Senior Vice President, Chief Administrative Officer, General Counsel, and Corporate Secretary of Building Materials Holding Corporation, in Support of the Debtors' Chapter 11 Petitions and First Day Motions, filed by the Debtors on June 16, 2009 and for purposes of brevity, will not be restated herein except when necessary.

4. The Debtors initiated these "pre-pack" cases by filing the Plan and accompanying Disclosure Statement. The Plan contemplates a restructuring of the Debtors' balance sheet and ownership structure, as well as an immediate cash distribution to unsecured creditors and an opportunity for such creditors to receive "full payment" from the Reorganized Debtors, depending on future business performance. The Debtors have indicated that they expect to operate under Chapter 11 as they implement the restructuring proposal embodied in the Plan, which the Debtors believe will provide their creditors with the best means of maximizing the value of their estates.

5. On June 26, 2009, the Office of the United States Trustee for Region 3 appointed the Committee pursuant to Sections 1102(a) and 1102(b) of the Bankruptcy Code. The Committee selected the undersigned as counsel, subject to Court approval.

JURISDICTION AND VENUE

6. This Court has jurisdiction over this Objection pursuant to 28 U.S.C. §§ 157 and 1334(b). Venue of these proceedings is proper in this Judicial District pursuant to 28 U.S.C. §§ 1408 and 1409.

OBJECTION

7. The Disclosure Statement should not be approved because it fails to meet the standards and, more importantly, the purpose, of section 1125 of the Bankruptcy Code. For the reasons described fully below, the Court should enter an order denying approval of the Disclosure

Statement, or in the alternative, require the Debtors to amend the Disclosure Statement to provide adequate, comprehensible and clear information sufficient to allow creditors to cast an informed vote for or against the Plan.

ARGUMENT

A. Statutory Requirement of Adequate Information.

8. Section 1125(b) of the Bankruptcy Code provides that an acceptance or rejection of a plan of reorganization may not be solicited until after a disclosure statement approved by the Bankruptcy Court as containing "adequate information" has been prepared and distributed to creditors. Section 1125 of the Bankruptcy Code defines the term "adequate information" as:

> [I]nformation of a kind, and in sufficient detail, as far as is reasonably practicable in light of the nature and history of the debtor and the condition of the debtor's books and records, including a discussion of the potential material Federal tax consequences of the plan to the debtor, any successor to the debtor, and a hypothetical investor typical of the holder of claims or interests in the case, that would enable such a hypothetical investor of the relevant class to make an informed judgment about the plan, but adequate information need not include such information about any other possible or proposed plan and in determining whether a disclosure statement provides adequate information, the court shall consider the complexity of the case, the benefit of additional information to creditors and other parties in interest, and the cost of providing additional information.

11 U.S.C. § 1125(a)(1).

9. "A party seeking chapter 11 bankruptcy protection has an affirmative duty to provide creditors with a disclosure statement containing adequate information to enable a creditor to make an informed judgment about the Plan." *Krystal Cadillac-Oldsmobile GMC Truck, Inc. v. General Motors Corp.*, 337 F.3d 314, 321 (3rd Cir. 2003) (explaining that "the importance of full disclosure is underlaid by the reliance placed upon the disclosure statement by the creditors and the court. Given this reliance, we cannot overemphasize the . . . obligation to provide sufficient data to satisfy the Code standard of adequate information").

10. "Precisely what constitutes adequate information in any particular instance will develop on a case by case basis. Courts will take a practical approach as to what is necessary under the circumstances of each case. . . ." H.R. REP. NO. 95-595, at 409 (1977). As the legislative history surrounding the passage of section 1125 of the Bankruptcy Code makes clear, Congress intended for bankruptcy judges to exercise a great deal of discretion when considering the "adequacy of information" provided by a disclosure statement. *In re Phoenix Petroleum Co.*, 278 B.R. 385, 393 (Bankr. E.D. Pa. 2001) (*citing Matter of Texas Extrusion Corp*. 844 F.2d 1142, 1157 (5th Cir. 1988)); *In re Monroe Well Serv., Inc.*, 80 B.R. 324, 331 (Bankr. E.D. Pa. 1987). To assist in this analysis, courts have developed the following non-exclusive list of pertinent factors:

(a) the history of the debtor and a description of the debtor's business(es);

(b) a complete description of the available assets and their value;

(c) the anticipated future of the debtor;

(d) the source of the information provided in the disclosure statement;

(e) a disclaimer, which typically indicates that no statements of information concerning the debtor or its assets or securities are authorized, other than those set forth in the disclosure statement;

(f) a recitation of the events precipitating the chapter 11 filing;

(g) the condition and performance of the debtor while in chapter 11;

(h) information regarding claims against the estate;

(i) a liquidation analysis setting forth the estimated return that creditors would receive under chapter 7;

(j) a statement of the accounting method utilized to produce the financial information contained in the disclosure statement and an identification of the accountant(s) responsible for deriving the information as well as the valuation methods used to provide the financial information in the disclosure statement;

(k) information regarding the future management of the debtor including the amount of compensation to be paid to any insiders, directors, and/or officers of the debtor;

(l) a summary of the plan of reorganization;

(m) an estimate of all administrative expenses, including attorneys' fees and accountants' fees;

(n) the collectability of any accounts receivable;

(o) any financial information, valuations or *pro forma* projections that would be relevant to a creditor's determinations of whether to accept or reject the plan;

(p) information relevant to the risks being taken by the creditors and interest holders;

(q) the actual or projected value that can be obtained from avoidable transfers;

(r) the existence, likelihood and possible success of non-bankruptcy litigation;

(s) the tax consequences and a statement of the tax attributes of the debtor and of a plan of reorganization;

(t) the relationship of the debtor with affiliates;

(u) a disclosure of transactions with insiders; and

(v) a statement as to how the plan is to be executed.

See In re Phoenix Petroleum Co., 278 B.R. at 393; *In re Oxford Homes, Inc.*, 204 B.R. 264, 269 n.17 (Bankr. D. Me. 1991); *In re Dakota Rail, Inc.*, 104 B.R. 138, 142-43 (Bankr. D. Minn. 1989).

11. Although each disclosure statement need not contain every item of information set forth above, these criteria developed by the courts provide a useful guide in evaluating the adequacy of information provided in a disclosure statement. Where, as here, a disclosure statement fails to provide information material to the proffered plan, courts will deny approval of the disclosure statement. *See In re American Capital Equipment, Inc*., 405 B.R. 415, 421 (Bankr. W.D. Pa. 2009) (finding that because disclosure statement described a facially unconfirmable plan it had to be rejected); *In re New Haven Radio, Inc.*, 18 B.R. 977 (Bankr. D. Conn. 1982) (finding disclosure statement inadequate because it failed to provide sufficient information concerning the debtor's assets and liabilities, specifically the identity of creditors, an indication as to the amount or classification of claims, and disclosure of the status of the debtor's FCC license).

B. The Disclosure Statement Does Not Contain Adequate Information About The Funding of The Plan of Reorganization.

12. The Disclosure Statement states that the Reorganized Debtors will obtain exit financing from a Revolving Credit Agreement in the amount of $100 million. However, the description of the availability and uses of such funds is so complex and confusing as to be meaningless to the average creditor. *See* Disclosure Statement § I. B. 2 at p. 4. This section should be modified to make it easier for creditors voting on the Plan to understand this critical piece of information. Such language should also be consistent with the language found in Section VIII. B. 1. (p. 62) of the Disclosure Statement.

13. The Disclosure Statement further provides that the Reorganized Debtors will enter into a Term Loan Credit Agreement of $135 million that may be increased to as much as $190 million, depending on the extent to which the Prepetition Letters of Credit are drawn upon. *See* Disclosure Statement § I. B. 2 at p. 4 & § VIII. B. 1-2. at p. 62. Nowhere does the Disclosure Statement describe the risks associated with this arrangement. Specifically, there is no discussion of the impact on the Debtors' ability to service its secured debt going forward and the resulting effect on cash flow (and thus the proposed 55.2% distribution proposed to unsecureds) if the term notes increase to the full $190 million. The Disclosure Statement further fails to prominently display the relatively short three-year term of the exit revolver and the Debtors' need to refinance that debt upon its expiration in the near future.

14. The Disclosure Statement further provides for a Liquidating Trust from which allowed claims of general unsecured creditors are to be paid. *See* Disclosure Statement § I. B. 4 at p. 5 & § VIII. C. at pp. 64-66. The description of the Liquidating Trust and related treatment of unsecured claims suffers from numerous infirmities:

a. A casual reading of the Disclosure Statement, at least the first two pages summarizing the Plan, could lead a creditor to believe that the Liquidating

Trust is entitled to 20% of EBITDA after the initial $50 million. However, this is far from the case. Indeed, it is not until page 63 of the Disclosure Statement that a creditor learns the true treatment. That section provides: beginning on the first anniversary of the Effective Date, and continuing thereafter through the Liquidating Trust Share of Excess Cash Flow Maturity Date (the earlier of December 31, 2015 or the full payment of the aggregate Liquidating Trust Share of Excess Cash Flow), Reorganized BMHC will pay to the Liquidating Trust cash equal to, generally, 20% of Excess Cash Flow in any year in which the EBITDA of Reorganized BMHC equals or exceeds $50 million. Yet, that section goes on to state "less the sum of changes in working capital, capital expenditures, cash interest, and cash taxes." The difference is truly meaningful, as what is being proposed is not a true 20% of EBITDA, rather, it is 20% of EBITDA -- net of expenses. However, there is no way for the creditors to determine how much of a reduction these additional expenses will amount to. At a minimum, these additional expenses should be discussed in § I. B. 4 at p. 5, which is the section of the Disclosure Statement that most creditors will read.

b. It is likely that most creditors will not understand the concept of EBITDA. Accordingly, the Disclosure Statement should provide an explanation as to what, how, and why it is being used as a payment barometer. Moreover, other than what is buried in the Feasibility Analysis, the Disclosure Statement makes no attempt to inform creditors as to the revenue levels that must be achieved for the foregoing provisions to apply so that Excess Cash Flow can be deposited into the Liquidating Trust. Because the creditors' ability to obtain a meaning distribution in these cases lies in these very provisions, it in incumbent upon the Debtors to provide clear and concise information detailing how and why they expect to achieve such results. In its current form, the Disclosure Statement does not provide this information, which is necessary to allow creditors to assess the risks inherent in the Debtors' Plan.

c. The reduction to the Unsecured Cash Fund in the event one or more subclasses votes against the Plan will undoubtedly confuse and alarm unsecured creditors. Yet, the Disclosure Statement does not explain why, if one or more subclasses rejects the Plan, the portion of the $10 million attributable to that subclass does not remain available to the accepting subclasses, rather than, presumably, reverting to the Debtors' secured lenders (and then owners). If the Pre-Petition Lenders are requiring this term, as the Committee presumes they are, the Debtors should make that clear and why the Debtors believe it is appropriate.

C. The Disclosure Statement Inadequately Describes Class Treatment.

15. As noted previously, the Debtors' unsecured creditors consist mostly of individuals and small businesses, and the Debtors have an obligation to provide not only adequate information, but also information that can be followed and understood by all creditors, allowing them to cast an informed vote. The Disclosure Statement not only fails to provide adequate information, but the information that is provided is done so in an unnecessarily burdensome and confusing way. Indeed, even after hours of careful review and analysis of the various provisions of the Disclosure Statement, the Committee's professionals still do not fully understand a number of the provisions in both the Disclosure Statement and Plan. Unsecured creditors will certainly have the same problem comprehending the information provided by the Disclosure Statement. The summary of the treatment of various classes and their projected recoveries, set forth at pages 6-17 and again at pages 43-53, is particularly confusing.

16. One example will more than illuminate this point. In the summary of Classes 2(a)-(l), the Funded Lender Claims, the Disclosure Statement includes the following *sentence*:

> Each Holder of an Allowed Funded Lender Claim shall, in full satisfaction, release, and discharge of and in exchange for such Claim, receive (i) the Funded Lender's Share of Sale Cash Collateral Excess Proceeds Account Effective Date Amount as to such Claim, (ii) a Term Note issued by the Reorganized BMHC under the Term Loan Credit Agreement in an original principal amount equal to the Maximum Funded Lenders Term Note Cap multiplied by such Holder's Pro Rata share of all Allowed Funded Lender Claims, and (iii) its Pro Rata share of the Reorganized BMHC Equity Interest Funded Lender Issuance, subject to dilution by (a) any Reorganized BMHC Equity Interests issued on the Effective Date and from time to time thereafter to the Holders of Allowed L/C Lender Claims and (b) any Reorganized BMHC Equity Interests issued after the Effective Date in respect of the Long Term Incentive Plan.

17. The many long and confusing defined terms in this sentence are not defined in the Disclosure Statement itself, but rather in a separate "Glossary." Even there, the definitions are not informative. "Long Term Incentive Plan," for example, is defined as "that certain post-Effective

18. Several of the other definitions are equally confusing and uninformative, and on occasion, a definition appears in neither the Disclosure Statement nor the Glossary, but rather in another document altogether or a document yet to be filed. S*ee* Disclosure Statement at 64 (noting that the "precise" definition of "Excess Cash Flow" will be set forth in the Term Loan Credit Agreement). As set forth above, the Disclosure Statement provides, in part, that a Holder of an Allowed Funded Lender Claim shall receive the "Funded Lender's Share of Sale Cash Collateral Excess Proceeds Account Effective Date Amount." This thirteen-word "term" is unnecessarily confusing and the Glossary provides no clarity. Indeed, the Glossary attempts to define this term by referring to the "Sale Cash Collateral Excess Proceeds Account Effective Date Amount." *See* Glossary at p. 7, ¶ 76. Yet, in crossing referencing the definition of this defined term, the Glossary states that "it shall have the meaning assigned to such term in the DIP Facility." *See* Glossary at p. 14, ¶ 156. Therefore, in the unlikely event a determined creditor takes the time to go through the maze of trying to determine precisely how the Pre-Petition Lenders are being treated, they will come to a dead end with no explanation. In short, the Disclosure Statement's significant reliance on defined terms is unnecessarily confusing and burdensome; especially considering the make-up

of the unsecured creditor body whose interests the Disclosure Statement is presumably meant to serve.

19. Similarly, the summary of the treatment of Classes 3(a)-3(l), the L/C Lender Claims, is all but unreadable (except, presumably, to the L/C Lenders) – continuing for nearly two single-spaced pages with more than 25 defined terms from the Glossary and almost half a dozen dense and complex sentences that are 10 lines or more in length. Classes 5(a)-(l), the L/C General Unsecured Claims, are entirely undefined. The Disclosure Statement fails to provide what these general unsecured claims are or how and why they will be reinstated and paid in full.

20. The vast majority of general unsecured claims are covered by Classes 6(a)-6(l), and while the summaries of these Classes are difficult to comprehend, they also suffer from an additional, more substantive infirmity. As stated above, the Disclosure Statement describes a Plan that appears to afford these Classes a "take it or leave it" alternative pursuant to which the creditors receive virtually nothing if they fail to vote in favor of the Plan. *See* Disclosure Statement § I. C. at pp. 9-16 (Treatment of Classes 6(a)-(l)). The Disclosure Statement does not explain the reason for this unnecessarily punitive treatment toward the general unsecured creditors who have supported the company for years. This is particularly worrisome due to the harsh reality that, presumably, the Debtors can rely on the Pre-Petition Lenders as an impaired accepting class and thus do not need the general unsecured creditors to vote in favor of the Plan in order to achieve confirmation. Such harsh treatment will undoubtedly have a negative effect on general unsecured creditors, who are the true stakeholders in these cases, thus, explanation is essential.

21. In addition, the Disclosure Statement's Feasibility Analysis provides misleading information because it is based almost entirely on projections, with absolutely no reference to the Debtors' historical performance. *See* Disclosure Statement § XVII. B. 2. at p. 90. This

information is critical because the Debtors seek to solicit acceptances based on a proposed 55.2% distribution, the vast majority of which will allegedly come from future Cash Flow. Yet, the Debtors' projected Cash Flow, as stated in the Feasibility Analysis, has no historical reference upon which creditors can weigh the viability of the future projections. Nor is there any information about starts of construction, which drive sales. Without further disclosure, the creditors cannot assume that the Debtors' projections are accurate without reference or other perspective. In short, the Disclosure Statement inappropriately provides only half the information necessary to make a decision on the critical issue of the Debtors' ability to fund distributions.

22. It is also inappropriate to presume that the average creditor will even read a Feasibility Analysis contained solely in one of numerous exhibits, moreover, understand it. Because this information is absolutely critical to the proposed distribution (upon which creditors are being asked to vote), the feasibility should be clearly described within the Disclosure Statement itself.

23. These infirmities and the summary and description of the treatment of claims and recoveries will make it impossible for creditors in the various classes to understand the treatment of their claims in order to make an informed decision as to whether to accept or reject the Plan. As a result, the Disclosure Statement, as currently submitted, should not be approved.

D. <u>The Summary of Prepetition Indebtedness and Financing Is Confusing and Inadequate.</u>

24. At page 29, the Disclosure Statement purports to summarize the Debtors' prepetition indebtedness and financing, but the discussion raises almost as many questions as it answers. For example:

(a) The Disclosure Statement (at p. 29) recites that the Debtors owe prepetition payment-in-kind interest of approximately $6 million under the Prepetition Term Loan, but does not explain how this interest operates or how it will be satisfied.

(b) Under the heading "Trade Credit/Expense Accrual" in the earlier Disclosure Statement, the Debtors estimate that they owe approximately $31 million to their unsecured trade creditors. At the Debtors' request, however, the Court has approved payments to critical vendors, who are presumably included within this amount. The amended Disclosure Statement does not explain how much of this $31 million is covered by the critical vendor order, and instead contains a bracket where that amount purportedly will be entered in the future. There is no way for the creditors to ascertain what the aggregate unpaid trade debt will ultimately consist of. Further, the Liquidation Analysis states that total unsecured claims exceed $100 million, which appears inconsistent with the Disclosure Statement and an explanation should be given. *See* Liquidation Analysis, note (e), p.6.

25. Further, in several different filings with the Court, the aggregate amount of the Debtors' outstanding pre-petition secured debt has changed. The precise amount and a breakdown of each component should be clearly set forth in the Disclosure Statement.

26. The Disclosure Statement describes a Supplemental Employee Retirement Plan ("SERP") maintained by the Debtors, pursuant to which the Debtors have apparently accrued obligations of $21 million. *See* Disclosure Statement § IV. B. at p. 30. It does not explain, however, the details of the SERP or how the Debtors intend to address it. The Disclosure Statement also notes that the SERP is funded by life insurance policies, held by BMHC in a rabbi trust, with a cash surrender value of approximately $16 million. *Id*. The Disclosure Statement states that it is the Debtors' belief that such funds are available to "pay all BMHC creditors," but

notably fails to state whether the proceeds of such policies will in fact be surrendered and made available to general unsecured creditors. Indeed, the Disclosure Statement is noticeably silent on this issue. In view of the amounts at issue, answers to these questions are essential to an understanding of the Plan that will permit creditors to vote intelligently.

27. In addition, the Disclosure Statement refers generally to two class action proceedings that are pending against the Debtors, but fails to describe the potential exposure of these actions and the effect that they might have on the proposed 55% distribution to unsecured creditors. The Disclosure Statement should contain more detail describing these actions, their posture, the Debtors' efforts at resolving them, the likelihood of success on the merits and the resulting potential claims against the estates, including, but not limited to, whether such claim could be entitled to priority. The discussion of pending litigation appears to be out of date, and the throwaway paragraph at the end captioned "Other Litigation" does not describe what the "other litigation" is, or how much is at issue. *See* Disclosure Statement § IV. C. 2. p. 32. Again, the information provided is inadequate to permit an informed vote.

E. <u>Other Issues</u>

28. The Disclosure Statement asserts that Avoidance Actions are expressly reserved and "Avoidance Actions are expressly preserved and shall vest in the applicable Reorganized Debtor on the Effective Date." *See* Disclosure Statement § VIII. C. 4. at p. 63. Even if this treatment were appropriate – and the Committee does not believe it is – much more is needed in this description. The Debtors should describe the Avoidance Actions with specificity, including a discussion of the amounts at issue and the likelihood of success if such Avoidance Actions are pursued.

29. The Liquidation Analysis lists a $7 million priority tax liability with a reference to a note (a). Yet, note (a) explains the security interests of the "Pre-Petition Secured Lender Claim" rather than a priority tax liability.

30. The Disclosure Statement contains a paragraph regarding management of the Reorganized Debtors, but even this paragraph lacks any useful information. Instead, it recites that the identity of the Reorganized Debtors' officers and directors will be set forth in a Plan Supplement. With a Plan that proposes to pay general unsecured creditors largely on the basis of the Debtors' future success, it is essential that those creditors know the identity of the individuals on whom they will be compelled to rely *before* they vote "yes" or "no" on the Plan. Including that information only in a Plan Supplement, which may or may not be available before the date by which ballots are due, is entirely insufficient.

RESERVATION OF RIGHTS

31. The Committee reserves the right to further address the Disclosure Statement and other ancillary issues and respond to any reply of the Debtors, or any party, either by further submission to this Court, at oral argument, or by testimony to be presented at any hearing. In addition to the major issues discussed above, there are a number of minor and less important provisions that should be clarified before the Disclosure Statement can be approved. The Committee expressly reserves the right to supplement this Objection at any time prior to or during the hearings on the Debtors' Disclosure Statement.

CONCLUSION

WHEREFORE, for all the foregoing reasons, the Committee respectfully requests that this Court enter an order denying approval of the Disclosure Statement, or in the alternative, require the Debtors to amend the Disclosure Statement to provide additional and adequate information, and granting such further relief as is appropriate.

Dated: September 4, 2009

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