Docket #0091 Date Filed: 1/31/2013

MORRISON & FOERSTER LLP
1290 Avenue of the Americas
New York, New York 10104
Telephone: (212) 468-8000
Facsimile: (212) 468-7900
Gary S. Lee
Joel C. Haims
Counsel to the Debtors and Debtors in Possession

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	Case No. 12-12020 (MG)
RESIDENTIAL CAPITAL, LLC, et al.,	Chapter 11
Debtors.	Jointly Administered
RESIDENTIAL CAPITAL, LLC, et al.,	Case No. 12-ap-01671 (MG)
Plaintiffs,	
v.	Bankruptcy Case No. 12-12020 (MG)
ALLSTATE INS. CO., THE OTHER PARTIES LISTED ON EXHIBIT A TO THE AMENDED COMPLAINT, JOHN DOES 1-1000,	Jointly Administered
Defendants.	

MOTION PURSUANT TO FED. R. BANKR. P. 9006 AND LOCAL RULES9006-1 AND 9077 FOR ENTRY OF AN ORDER SHORTENING THE TIME FOR NOTICE OF AND SCHEDULING A HEARING TO CONSIDERTHE DEBTORS' MOTION TO EXTEND THE STAY AND ENJOINPROSECUTION OF THE WESTERN & SOUTHERN ACTIONAGAINST DEBTORS' NON-DEBTOR AFFILIATES

The debtors and debtors in possession in the above-captioned cases (collectively, the "Debtors") respectfully submit this motion (the "Motion to Shorten") pursuant to Rule 9006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rules 9006-1(b) and 9077 of the Local Bankruptcy Rules for the Southern District of New York (the "Local Bankruptcy Rules") to shorten the time for notice of and scheduling a hearing to consider the

12120201301310000000000023

Debtors' Motion to Extend the Stay and Enjoin Prosecution of the Western & Southern Action Against Debtors' Non-Debtor Affiliates (the "Stay Motion"):

JURISDICTION

1. This Court has subject matter jurisdiction to consider this Motion to Shorten pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b). Venue of these cases and this Motion to Shorten in this District is proper under 28 U.S.C. §§ 1408 and 1409. The statutory and legal predicates for the relief requested herein are Bankruptcy Rule 9006(c) and Local Bankruptcy Rules 9006-1(b) and 9077.

BACKGROUND

2. On May 14, 2012, each of the Debtors filed a voluntary petition with the Court for relief under Chapter 11 of the Bankruptcy Code. The Debtors are managing and operating their businesses as debtors in possession pursuant to Bankruptcy Code sections 1107(a) and 1108. No trustee has been appointed in these chapter 11 cases.

3. On May 25, 2012, the Debtors filed a Motion to Extend the Automatic Stay or, in the Alternative, for Injunctive Relief Enjoining Prosecution of Certain Pending Litigation Against Debtors' Directors and Officers and Non-Debtor Corporate Affiliates.

4. The plaintiffs in twenty-three of the MBS Actions[1] agreed to a stay until October 31, 2013 pursuant to so ordered stipulations. One other case, brought by Western & Southern, was stayed though the same date pursuant to an order of this Court following a contested hearing.

5. Parties to twenty-three of those same twenty-four stayed MBS Actions, including Western & Southern and to one additional MBS Action not subject to the original

[1] Capitalized terms not defined herein have the same meaning as used in the Stay Motion.

stay, consented to further extensions of the stay until January 31, 2013, which were so ordered by this Court.

RELIEF REQUESTED

6. By this Motion to Shorten, the Debtors seek entry of an order (a) shortening the notice period for the Stay Motion such that it may be heard by the Court on February 7, 2013 at 10:00 a.m. (Prevailing Eastern Time) and scheduling the hearing for the Stay Motion for such date, and (b) requiring that objections to the Stay Motion, if any, be filed and served so that they are received by 4:00 p.m. (Prevailing Eastern Time) on February 6, 2013.

BASIS FOR RELIEF

7. Local Bankruptcy Rule 9006-1 and Federal Rule of Bankruptcy Procedure 9014 permit the Bankruptcy Court to shorten the notice period for cause shown on an *ex parte* basis. Pursuant to Bankruptcy Rule 9014, "reasonable notice and opportunity for hearing shall be afforded the party against whom relief is sought" in contested matters not otherwise governed by the Bankruptcy Rules. Fed R. Bankr. P. 9014. Bankruptcy Rule 9006(c)(1) and Local Bankruptcy Rule 9006-1(b) authorize the Court, for cause shown, to reduce the notice period required for a hearing.

8. The shortened time is necessary because the current stay of the W&S Action expires on January 31, 2013. Debtors have sought to resolve the Stay Motion without need for hearing, and they informed counsel for Western & Southern that they would be filing a motion prior to expiration of the stay if an agreement could not be reached.

9. The Debtors seek an extension of the automatic stay as to the Non-Debtor Affiliates in the W&S Action through April 30, 2013.

10. It is imperative that the Stay Motion be heard on an expedited basis to prevent a lapse in the extension of the stay. To this end, *ex parte* relief is warranted so that the Stay Motion may be heard on February 7, 2013 at 10:00 a.m. (Prevailing Eastern Time).

11. The Debtors believe that no party in interest would be unduly prejudiced by the shortened notice requested herein or by the approval of this Motion to Shorten on an *ex parte* basis.

NOTICE

12. The Debtors have provided notice of this Motion to Shorten in accordance with the Case Management Procedures Order, approved by this Court on May 23, 2012, to the Court and to counsel for Western & Southern.

CONCLUSION

13. Based on the foregoing, the Debtors respectfully submit that cause exists for the Court to shorten notice with respect to the Stay Motion, set February 7, 2013 at 10:00 a.m. (Prevailing Eastern Time) as the date for the Hearing, and to set the deadline for the service and filing of objections to the Stay Motion to February 6, 2013 at 4:00 p.m. (Prevailing Eastern Time).

NO PRIOR REQUEST

14. No prior request for the relief requested herein has been made to this or any other Court.

WHEREFORE, the Debtors respectfully request that this Court (a) enter an order substantially in the form attached as Exhibit 1 hereto shortening the time for notice of the Stay Motion and (b) grant such other and further relief to the Debtors as the Court may deem just and proper.

Dated: January 31, 2013
New York, New York

/s/ Joel C. Haims

Gary S. Lee
Joel C. Haims
Jonathan C. Rothberg
MORRISON & FOERSTER LLP
1290 Avenue of the Americas
New York, New York 10104
Telephone: (212) 468-8000
Facsimile: (212) 468-7900

Counsel for the Debtors and Debtors in Possession

EXHIBIT 1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re: RESIDENTIAL CAPITAL, LLC, et al., Debtors.	Case No. 12-12020 (MG) Chapter 11 Jointly Administered
RESIDENTIAL CAPITAL, LLC, et al., Plaintiffs, v. ALLSTATE INS. CO., THE OTHER PARTIES LISTED ON EXHIBIT A TO THE AMENDED COMPLAINT, JOHN DOES 1-1000, Defendants.	Case No. 12-ap-01671 (MG) Bankruptcy Case No. 12-12020 (MG) Jointly Administered

ORDER PURSUANT TO FED. R. BANKR. P. 9006 AND LOCAL RULES 9006-1 AND 9077 FOR ENTRY OF AN ORDER SHORTENING THE TIME FOR NOTICE OF AND SCHEDULING A HEARING TO CONSIDER THE DEBTORS' MOTION TO EXTEND THE STAY AND ENJOIN PROSECUTION OF THE WESTERN & SOUTHERN ACTION AGAINST DEBTORS' NON-DEBTOR AFFILIATES

Upon consideration of the Motion to Shorten,[1] dated January 31, 2013, of the Debtors for entry of an order pursuant to Fed. R. Bankr. P. 9006(c) and Local Bankruptcy Rule 9006-1(b) shortening the time for notice of and scheduling a hearing to consider the Debtors' Motion to Extend the Stay and Enjoin Prosecution of the Western & Southern Action Against Debtors' Non-Debtor Affiliates; and the Court having determined that granting the relief requested in the Motion to Shorten is appropriate; and it appearing that due and adequate notice of the Stay Motion has been given under the circumstances, and that no other or further notice need be given; and after due deliberation and sufficient cause appearing therefor, it is hereby

[1] Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion to Shorten.

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion to Shorten is granted as set forth herein.

2. The hearing to consider the Stay Motion shall be held on February 7, 2013 at 10:00 a.m. (Prevailing Eastern Time) before the Honorable Judge Martin Glenn, One Bowling Green, New York, NY 10004, Courtroom 501. The hearing on the Stay Motion may be adjourned from time to time without further notice other than an announcement of the adjourned date or dates in open court. Notice of such adjourned date(s) will be available on the electronic case filing docket.

3. The Debtors shall serve a copy of this Order as promptly as practicable on the day of entry thereof by fax, e-mail, or overnight mail, on the Notice Parties (as defined below) and counsel to Western & Southern.

4. Any objections to the approval of the Motion ("Objections") shall be filed and served so that they are received no later than 4:00 p.m. (Prevailing Eastern Time) on February 6, 2013, by the following parties (the "Notice Parties"): (a) counsel for the Debtors, Morrison & Foerster LLP, 1290 Avenue of the Americas, New York, NY 10104 (Attn: Gary S. Lee (glee@mofo.com) and Joel C. Haims (jhaims@mofo.com); (b) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, NY 10004 (Attn: Tracy Hope Davis, Linda A. Riffkin and Brian S. Masumoto); (c) the Office of the United States Attorney General, U.S. Department of Justice, 950 Pennsylvania Avenue NW, Washington, DC 20530-0001 (Attn: U.S. Attorney General, Eric H. Holder, Jr.); (d) Office of the New York State Attorney General, The Capitol, Albany, NY 12224-0341 (Attn: Nancy Lord, Esq. and Enid N. Stuart, Esq.); (e) Office of the U.S. Attorney for the Southern District of New York, One St. Andrews Plaza, New York, NY 10007 (Attn: Joseph N. Cordaro, Esq.); (f) counsel for Ally Financial Inc., Kirkland & Ellis LLP, 153 East 53rd Street, New York, NY 10022 (Attn:

Richard M. Cieri); (g) counsel to Barclays Bank PLC, as administrative agent for the DIP lenders, Skadden, Arps, Slate, Meagher & Flom LLP, Four Times Square, New York, NY 10036 (Attn: Ken Ziman & Jonathan H. Hofer); (h) counsel for the committee of unsecured creditors, Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, NY 10036 (Attn: Kenneth Eckstein (keckstein@kramerlevin.com) & Greg Horowitz (ghorowitz@kramerlevin.com)); (i) counsel for Ocwen Loan Servicing, LLC, Clifford Chance US LLP, 31 West 52nd Street, New York, NY 10019 (Attn: Jennifer C. DeMarco (jennifer.demarco@cliffordchance.com & Adam Lesman (adam.lesman@cliffordchance.com)); (j) counsel for Berkshire Hathaway, Inc., Munger, Tolles & Olson LLP, 355 South Grand Avenue, Los Angeles, CA 90071 (Attn: Seth Goldman (seth.goldman@mto.com) & Thomas B. Walper (thomas.walper@mto.com); (k) Internal Revenue Service, P.O. Box 7346, Philadelphia, PA 19101-7346 (if by overnight mail, to 2970 Market Street, Mail Stop 5-Q30.133, Philadelphia, PA 19104-5016); (*l*) Securities and Exchange Commission, New York Regional Office, 3 World Financial Center, Suite 400, New York, NY 10281-1022 (Attn: George S. Canellos, Regional Director).

5. Objections not timely filed and served in the manner set forth above shall not be considered and shall be overruled.

6. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Dated: New York, New York
January __, 2013

_____
THE HONORABLE MARTIN GLENN
UNITED STATES BANKRUPTCY JUDGE