

**Chapter 11 Guidelines**

The following guidelines are provided to facilitate presentation and requests for authority to pay essential suppliers and/or critical vendors for Chapter 11 proceedings. These guidelines supplement the Federal and Local Rules of this District. In the event of conflict, the Federal Rules of Bankruptcy Procedure shall control.

**Essential Suppliers and Critical Vendors (“collectively “Critical Vendors”).**

- (1) Critical Vendor Motions. Motions seeking authority to pay pre-petition claims of Critical Vendors pursuant to 11 U.S.C. §§105(a), 363 or otherwise relating to goods received by the debtor, shall be governed by the following guidelines. The Critical Vendor Motions shall attach or include the following:
  - (a) The basis and justification of the request to make such payment(s) to each Critical Vendor;
  - (b) The harm or detriment to be suffered by the debtor if the payment to each Critical Vendor is not made.
  - (c) The ability of the debtor to obtain alternative goods or services and the additional costs and delays to be suffered by the debtor if forced to change vendors and secure replacement goods and services.
  - (d) The process performed by the debtor to review the facts and circumstances for each Critical Vendor and determine that payment of such Critical Vendor would benefit the debtor’s Chapter 11 estate by promoting a successful reorganization.
  - (e) The prospective commitment obtained from the Critical Vendor to supply goods or services in exchange for and as a condition to the payment of the Critical Vendor;
  - (f) The maximum aggregate amount to be paid on account of Critical Vendor expenditures; and
  - (g) The debtor shall attach to the Critical Vendor motion a matrix

containing (x) the name of each Critical Vendor requested to receive a payment on account of the Critical Vendor Motion, (xx) the amount of each made payment, and (xxx) a brief description of the goods and services provided by the Critical Vendor for which such payment will be made. Such matrix may be filed under seal upon proper motion as provided in 11 U.S.C. § 107, and subject to the debtor providing a copy of the matrix to (x) the United States Trustee, (xx) counsel to any official committee of unsecured creditors that may be appointed in the Chapter 11 case, and (xxx) counsel to the lenders under the debtor's proposed debtor in possession secured credit facility.