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APPEARANCES:

BERGER SINGERMAN, by
PAUL S. SINGERMAN, ESQUIRE (Via Telephone)
and
KIRKLAND & ELLIS, by
M. NATASHA LABOVITZ, ATTORNEY-AT-LAW (Via Telephone)
BRIAN SCHARTZ, ESQUIRE (Via Telephone)
on behalf of the Debtors

AKIN GUMP STRAUSS HAUER & FELD, by
NATALIE LEVINE, ATTORNEY-AT-LAW (Via Telephone)
and
STEARNS WEAVER, by
PATRICIA A. REDMOND, ATTORNEY-AT-LAW (Via Telephone)
on behalf of the Committee of Unsecured Creditors

CHADBOURNE & PARKE, by
SEVEN RIVERA, ESQUIRE (Via Telephone)
and
STICHTER RIEDEL BLAIN & PROSSER, by
RICHARD PROSSER, ESQUIRE (Via Telephone)
and
SMITH HULSEY & BUSEY, by
STEPHEN D. BUSEY, ESQUIRE (Via Telephone)
on behalf of CitiCorp

BILZIN SUMBERG BAENA PRICE & AXELROD, by
JEFFREY SNYDER, ESQUIRE (Via Telephone)
on behalf of the Second Lien Holders
and Wells Fargo, as successor administrative agent

PROCOPIO CORY HARGREAVES & SAVITCH, by
GERALD P. KENNEDY, ESQUIRE (Via Telephone)
on behalf of SC Design

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JACOB NEWTON, ESQUIRE (Via Telephone)
on behalf of Ana Maria Plazaola

ALSO PRESENT:

JEDD BELLMAN, Judge Olson's Law Clerk
CHRISTINA ROMERO, Courtroom Deputy

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1 (Thereupon, the Court called into the
2 conference call, after which the following
3 proceedings were had:)

4 THE COURT: Good morning. It's
5 Judge Olson. How are you?

6 UNIDENTIFIED SPEAKER: Good morning,
7 your Honor.

8 THE COURT: Who is on the line and
9 wishes to make an appearance?

10 MR. SCHARTZ: Your Honor, you've got
11 Brian Schartz from Kirkland & Ellis on behalf of
12 the debtors.

13 THE COURT: Good morning, Mr. Schartz.

14 MR. SCHARTZ: Good morning.

15 THE COURT: Anyone else?

16 MS. LABOVITZ: Natasha Labovitz is also
17 on the line. Good morning, your Honor.

18 THE COURT: Good morning, Ms. Labovitz.

19 MR. RIVERA: Good morning, your Honor.
20 Seven Rivera from Chadbourne & Parke on behalf of
21 the first lien agent.

22 THE COURT: Good morning, Mr. Rivera.

23 MS. LEVINE: Good morning, your Honor.
24 Natalie Levine from Akin Gump Stauss Hauer & Feld
25 on behalf of the official committee of unsecured

1 creditors.

2 THE COURT: Good morning.

3 MS. REDMOND: Good morning, your Honor.

4 Patricia Redmond, Stearns Weaver, also on behalf
5 of the committee.

6 THE COURT: Good morning, Ms. Redmond.

7 MR. SNYDER: Good morning, your Honor.

8 Jeffrey Snyder of Bilzin Sumberg on behalf of the
9 second lien agent.

10 THE COURT: Mr. Snyder, good morning.

11 MR. NEWTON: Good morning, your Honor.

12 This is Jacob Newton on behalf of Maria Plaza.

13 THE COURT: Mr. Newton, good morning.

14 MR. NEWTON: Good morning.

15 MR. PROSSER: Good morning, your Honor.

16 Richard Prosser on behalf of the first lien term.

17 THE COURT: Mr. Prosser, good morning.

18 MR. BUSEY: And Steve Busey on behalf

19 of the first lien revolver.

20 THE COURT: Mr. Busey, good morning.

21 Am I going to see you in Orlando this week,

22 Mr. Busey?

23 MR. BUSEY: No, sir, I have to work for

24 a living.

25 THE COURT: I'm pleased to hear that

1 someone is. I'll try to protect the Bar's
2 interest.

3 MR. BUSEY: I know which Bar ---

4 MR. SINGERMAN: Good morning, your
5 Honor. It's Paul Singerman from Berger
6 Singerman, as well.

7 THE COURT: You know which Bar I'm
8 protecting, Mr. Busey, was that what you were
9 about to say?

10 MR. BUSEY: Yes, sir.

11 MR. KENNEDY: Good morning, your Honor.
12 Gerald Kennedy on behalf of SC Design.

13 THE COURT: Good morning, Mr. Kennedy.

14 Okay. That sounds like the usual
15 lineup. I gather that we have only one matter,
16 Mr. Schartz?

17 MR. SCHARTZ: That is correct. It's
18 Ana Plaza's motion for entry of an order allowing
19 late filed class proof of claim.

20 I heard Mr. Newton on the phone and I'm
21 more than welcome to cede the podium to him, if
22 there's a podium on the phone, or what we've done
23 is we've reached an agreed order on the motion.
24 I can just walk through, would like to walk
25 through the terms of that proposed agreed order.

1 THE COURT: Why don't you just do that
2 since that's -- well, just go ahead and do that,
3 if you would, Mr. Schartz.

4 MR. SCHARTZ: Sure, no problem. The
5 motion seeks relief to file a class action proof
6 of claim after the general bar date in these
7 cases, which was May 19, 2008.

8 As described in the motion, the proof
9 of claim would relate -- will assert a claim
10 based on alleged damage arising from the debtors'
11 alleged use of drywall imported from China that
12 allegedly emits various sulfite gases and other
13 chemicals and other purported property damage and
14 potential health hazards.

15 THE COURT: Uh-huh.

16 MR. SCHARTZ: Ana Plaza is the lead
17 plaintiff in a class action lawsuit relating to
18 this Chinese drywall, which was filed in May 2009
19 in the 11th Judicial Circuit in Florida. None of
20 the TOUSA debtors were named as defendants in
21 that litigation.

22 The agreed order that we've reached
23 with Mr. Newton provides that Ana Plaza can file
24 a proof of claim, and that the proof of claim
25 will be deemed timely filed. Importantly, the

1 order will preserve the ability of the debtors,
2 the creditors' committee, and any other party in
3 interest, to object to the proof of claim on any
4 grounds other than timeliness. Those grounds
5 include, but are not limited to, the underlying
6 merits of the claim, as well as class
7 certification under Federal Rule of Civil
8 Procedure 23, made applicable by the Federal Rule
9 of Bankruptcy Procedure 7023.

10 No objections to the motion were filed,
11 and unless anyone has any questions or Mr. Newton
12 would like to add something, we would ask that
13 the Court grant the motion to the limited extent
14 provided in our agreed order.

15 THE COURT: I'd be grateful if either
16 you, Mr. Schartz, or someone for the committee
17 would explain to me why we should allow a late
18 filed proof of claim filed a year after the bar
19 date.

20 MR. SCHARTZ: Absolutely, your Honor,
21 and it's a good question. When we drafted the
22 bar date in these Chapter 11 cases, we were of
23 the mind that we wanted to preserve good will
24 with customers related to potential warranty
25 claims and there is an exception to the general

1 bar date that we believe would have excluded this
2 claim anyway.

3 Now, whether or not the debtors want to
4 file a motion and set a bar date for these type
5 of claims in the future, that is possible and
6 it's something that we are considering, but for
7 the time being, the debtors are of the mind that
8 this claim would not have been barred by the bar
9 date.

10 THE COURT: I see. Okay. Okay.
11 Anything you want to add, Mr. Newton?

12 MR. NEWTON: No, your Honor, that is a
13 correct summary of the order and I'd just add
14 that, of course, when we filed our class proof of
15 claim, we had just found out about the debtors'
16 bankruptcy filings a year ago and that's, of
17 course, why we didn't add any of the debtors as
18 defendants in our class action.

19 So I think the fact that these claims
20 have just now arisen, plus the exception to the
21 general bar date that Mr. Schartz just announced,
22 gives us sufficient cause to have these claims
23 allowed.

24 THE COURT: Okay. I will grant the
25 stipulated relief, preserving objections on the

1 merits that can be raised by either the debtors
2 or the committee and, Mr. Schartz, if you'd
3 upload the order in the usual fashion?

4 MR. SCHARTZ: Thank you. I will this
5 morning.

6 THE COURT: Thanks very much.

7 MR. SCHARTZ: I appreciate your time.

8 THE COURT: You're very welcome. We're
9 adjourned.

10 (Thereupon, the hearing was concluded.)

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CERTIFICATION

STATE OF FLORIDA:
COUNTY OF DADE:

I, Margaret Franzen, Shorthand Reporter
and Notary Public in and for the State of Florida
at Large, do hereby certify that the foregoing
proceedings were taken before me at the date and
place as stated in the caption hereto on Page 1;
that the foregoing computer-aided transcription is
a true record of my stenographic notes taken at said
proceedings.

WITNESS my hand this 3rd day of
July 2009.

Margaret Franzen
Court Reporter and Notary Public
in and for the State of Florida at Large
My Commission Expires: April 14, 2010

