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Debtors-in-Possession

In re:  
  
RIH ACQUISITIONS NJ, LLC,  
  
Debtor-in-Possession.

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF NEW JERSEY  
CASE NO. 13-  
  
Chapter 11

In re:  
  
RIH PROPCO NJ, LLC,  
  
Debtor-in-Possession.

CASE NO.13-  
  
**NOTICE OF MOTION FOR AN ORDER  
DIRECTING THE JOINT  
ADMINISTRATION OF THE DEBTORS'  
CHAPTER 11 CASES PURSUANT TO  
FED. R. BANKR. P. 1015(b) AND  
GRANTING OTHER RELATED RELIEF**

**HEARING DATE AND TIME:**  
\_\_\_\_\_, 2013, at \_\_\_\_: \_\_\_\_ .m.

**ORAL ARGUMENT REQUESTED**

TO: All Parties-in-Interest

PLEASE TAKE NOTICE that pursuant to an Order Regarding Application For Expedited Consideration of First Day Matters served herewith, on the \_\_\_\_ day of November, 2013, at \_\_\_\_ .m., or as soon thereafter as counsel may be heard, the undersigned, proposed counsel for RIH Acquisitions NJ, LLC d/b/a The Atlantic Club Casino Hotel and RIH Propco



NJ, LLC, the within debtors and debtors-in-possession (the “**Debtors**”), shall move before the assigned United States Bankruptcy Judge, at the United States Bankruptcy Court, Mitchell H. Cohen U.S. Courthouse, 400 Cooper Street, 4<sup>th</sup> Floor, Camden, New Jersey 08101, for entry of an Order directing the joint administration of the Debtors’ Chapter 11 cases pursuant to Fed. R. Bankr. P. 1015(b) (the “**Motion**”) .

PLEASE TAKE FURTHER NOTICE that in support of the Motion, the undersigned shall rely on the “First Day” Affidavit of Eric Matejevich and the accompanying Application, which collectively set forth the relevant factual and legal bases upon which the relief requested should be granted. A proposed Order granting the relief requested in the Motion also is submitted herewith.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the relief requested in the Motion shall be presented in accordance with the Order Regarding Application for Expedited Consideration of First Day Matters.

PLEASE TAKE FURTHER NOTICE that unless objections are timely presented, the Motion shall be deemed uncontested in accordance with D.N.J. LBR 9013-1(a) and the relief requested may be granted without a hearing.

PLEASE TAKE FURTHER NOTICE that the undersigned requests oral argument on the return date of the Motion.

COLE, SCHOTZ, MEISEL,  
FORMAN & LEONARD, P.A.  
Proposed attorneys for RIH Acquisitions NJ, LLC, *et al.*,  
Debtors-in-Possession

By: /s/ Warren A. Usatine  
Michael D. Sirota  
Warren A. Usatine  
Ryan T. Jareck  
Nicholas B. Vislocky

DATED: November 6, 2013

**COLE, SCHOTZ, MEISEL,  
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In re:  
  
RIH ACQUISITIONS NJ, LLC,  
  
Debtor-in-Possession.

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UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF NEW JERSEY  
CASE NO. 13-

Chapter 11

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In re:  
  
RIH PROPCO NJ, LLC,  
  
Debtor-in-Possession.

---

CASE NO. 13-

**APPLICATION IN SUPPORT OF MOTION  
FOR AN ORDER DIRECTING THE JOINT  
ADMINISTRATION OF THE DEBTORS'  
CHAPTER 11 CASES PURSUANT TO  
FED. R. BANKR. P. 1015(b) AND  
GRANTING OTHER RELATED RELIEF**

**HEARING DATE AND TIME:**

\_\_\_\_\_, 2013, at \_\_\_\_: \_\_\_\_ .m.

**ORAL ARGUMENT REQUESTED**

TO: Honorable Judge of the  
United States Bankruptcy Court

The Application of RIH Acquisitions NJ, LLC d/b/a The Atlantic Club Casino Hotel  
("RIH Acquisitions") and RIH Propco NJ, LLC ("RIH Propco"), the within debtors and  
debtors-in-possession (collectively, the "**Debtors**"), by and through their proposed counsel, Cole,  
Schotz, Meisel, Forman & Leonard, P.A., respectfully represents:

## **I. INTRODUCTION AND JURISDICTION**

1. This Application is submitted in support of the Debtors' motion for an order directing the joint administration of their Chapter 11 cases pursuant to Fed. R. Bankr. P. 1015(b) (the "**Motion**").

2. This Court has jurisdiction over the Motion pursuant to 28 U.S.C. §§ 1334 and 157(b). This is a "core" proceeding pursuant to 28 U.S.C. § 157(b)(2)(A) and (O).

3. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

## **II. BACKGROUND**

4. On November 6, 2013 (the "**Filing Date**"), the Debtors filed voluntary petitions for relief pursuant to Chapter 11 of the Bankruptcy Code. Since the Filing Date, the Debtors have remained in possession of their assets – and RIH Acquisitions continues management of its business – as debtors-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

5. A detailed description of RIH Acquisitions' business and the facts precipitating the filing of the Debtors' Chapter 11 proceedings are set forth in the Affidavit of Eric Matejevich in support of the Debtors' various "First Day Motions" (the "**Matejevich Affidavit**"). Those facts are incorporated herein by reference.

6. As set forth in the Matejevich Affidavit, RIH Acquisitions is in the hotel and gaming business and owns and operates The Atlantic Club Casino Hotel (formerly The Atlantic City Hilton and ACH) located at Boston Ave. & The Boardwalk in Atlantic City, New Jersey (the "**Atlantic Club Casino**"). The Atlantic Club Casino has 801 hotel rooms, over 75,000 square feet of casino gaming space including state of the art low denomination slots and table games, as well as seven restaurants. The Atlantic Club Casino also offers over 37,000 square feet of versatile event space and can accommodate gatherings of up to 1,600 people.

**III. RELIEF REQUESTED AND BASIS THEREFOR**

7. The Debtors respectfully request entry of an Order directing that their Chapter 11 cases be jointly administered pursuant to Fed. R. Bankr. P. 1015(b). As set forth herein, RIH Acquisitions and RIH Propco are “affiliates” of each other within the meaning of 11 U.S.C. § 101(2)(B). Moreover, joint administration will result in a more economical and efficient administration of these Chapter 11 cases than would be achieved if each of the Debtors’ Chapter 11 proceedings were administered separately.

8. Rule 1015 of the Federal Rules of Bankruptcy Procedure governs the joint administration of Chapter 11 cases. That rule provides in pertinent part:

(b) Case Involving Two or More Related Debtors. If a joint petition or two or more petitions are pending in the same court by or against . . . (4) a debtor and an affiliate, the court may order a joint administration of the estates. Prior to entering an order the court shall give consideration to protecting creditors of different estates against potential conflicts of interest.

Fed. R. Bankr. P. 1015(b).

9. The Advisory Committee Note to Rule 1015 recognizes that the joint administration of bankruptcy cases can promote expedience and cost-efficiency by “using a single docket for the matters occurring in the administration, including the listing of filed claims, the combining of notices to creditors of the different estates, and the joint handling of other purely administrative matters[.]” Advisory Committee Note to Fed. R. Bankr. P. 1015(b).

**A. The Debtors are “Affiliates” Within the Meaning of 11 U.S.C. § 101(2)(B)**

10. Joint administration is particularly appropriate when an affiliated group of corporations files for bankruptcy relief. See 9 Collier on Bankruptcy, 1015.03, p. 1015-6 (15<sup>th</sup> ed. rev. 1999). When closely related corporations file for relief under Chapter 11, “the

success of one affiliate's reorganization effort may depend largely on the success of the other affiliate's efforts." Id.

11. The term "affiliate" is defined broadly in the Bankruptcy Code. Section 101(2) of the Bankruptcy Code defines an affiliate as:

(A) [an] entity that directly or indirectly owns, controls, or holds with power to vote, 20 percent or more of the outstanding voting securities of the debtor...[or]

(B) [a] corporation 20 percent or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote, by the debtor, or by an entity that directly or indirectly owns, controls, or holds with power to vote, 20 percent or more of the outstanding voting securities of the debtor.

11 U.S.C. § 101(2).

12. The broad definition of "affiliate" is designed "to help the Bankruptcy Court to administer economically and efficiently different estates with substantial interests in common." In re A&S Transp. Co., Inc., 55 B.R. 786, 791 (Bankr. M.D. Tenn. 1982) (quoting In re Brookhollow Assocs., 435 F.Supp. 763, 766 (D. Mass. 1977), aff'd, 575 F.2d 1003 (1st Cir. 1978)). Thus, the term "affiliate" is broad enough to encompass a corporation that is a wholly owned subsidiary of the debtor. See, e.g., In re Baton Rouge Marine Repair & Drydock, Inc., 57 B.R. 19 (Bankr. M.D. La. 1985); Tavormina v. Weiss (In re Behr Contracting, Inc.), 79 B.R. 84 (Bankr. S.D. Fla. 1987).

13. As set forth in the Matejevich Affidavit, RIH Propco is a wholly owned subsidiary of RIH Acquisitions, the proposed "lead" debtor. As a result, the Debtors clearly are affiliates under the Bankruptcy Code and applicable caselaw, and their bankruptcy cases are appropriate for joint administration under Bankruptcy Rule 1015(b).

**B. Joint Administration Will Result In An Economical and Efficient Administration Of These Chapter 11 Cases**

14. The Debtors believe joint administration of their Chapter 11 cases will allow the cases to be administered more efficiently, expeditiously and economically, and will not prejudice any creditors of the Debtors' individual estates.

15. The Debtors anticipate that numerous notices, applications, motions, other pleadings, hearings and orders in their Chapter 11 cases will affect all of them. The failure to jointly administer these cases would result in numerous duplicative pleadings filed for each issue and served upon separate service lists. Such duplication of substantially identical documents would be wasteful and would unnecessarily overburden the Clerk of the Court with voluminous filings.

16. Joint administration of the Debtors' Chapter 11 cases will permit the Clerk of the Court to utilize a single general docket for the Chapter 11 cases. Additionally, joint administration will permit counsel for all parties-in-interest to include the Debtors' estates in a single caption on the documents served and filed in the Chapter 11 cases, thus enabling parties-in-interest in each of the Chapter 11 cases to be apprised of the various matters before the Court. Therefore, the rights of parties-in-interest will not be prejudiced by entry of an order directing joint administration of the Debtors' separate Chapter 11 cases.

17. Accordingly, the Debtors respectfully submit that joint administration of the within Chapter 11 cases pursuant to Federal Rule of Bankruptcy Procedure 1015 is appropriate and in the best interests of their estates.

WHEREFORE, the Debtors respectfully request that the Court enter an order granting the Motion and such other relief as the Court deems just and appropriate under the circumstances.



Respectfully submitted,

COLE, SCHOTZ, MEISEL,  
FORMAN & LEONARD, P.A.  
Proposed attorneys for RIH Acquisitions  
NJ, LLC, *et al.*, Debtors-in-Possession

By: /s/ Warren A. Usatine  
Michael D. Sirota  
Warren A. Usatine  
Ryan T. Jareck  
Nicholas B. Vislocky

DATED: November 6, 2013

|   |                               |
|---|-------------------------------|
| UNITED STATES BANKRUPTCY COURT<br>DISTRICT OF NEW JERSEY  |                               |
| <b>Caption in Compliance with D.N.J. LBR 9004-2(c)</b><br>COLE, SCHOTZ, MEISEL,<br>FORMAN & LEONARD, P.A.<br>A Professional Corporation<br>Court Plaza North<br>25 Main Street<br>P.O. Box 800<br>Hackensack, NJ 07602-0800<br>Michael D. Sirota, Esq.<br>Warren A. Usatine, Esq.<br>Ryan T. Jareck, Esq.<br>Nicholas B. Vislocky, Esq.<br>(201) 489-3000<br>(201) 489-1536 Facsimile<br>Proposed attorneys for RIH Acquisitions NJ LLC,<br><i>et al.</i> , Debtors-in-Possession |                               |
| In re:  | Case No. 13-                  |
| RIH ACQUISITIONS NJ, LLC,   | Judge:                        |
| Debtor-in-Possession.   | Chapter 11                    |
|   | <b>Hearing Date and Time:</b> |
|   | _____, 2013, at ____:____.m.  |
| In re:  | Case No. 13-                  |
| RIH PROPCO NJ, LLC,   |                               |
| Debtor-in-Possession.   |                               |

The relief set forth on the following pages, numbered two (2) through three (3), is hereby **ORDERED**.

(Page 2)

Debtors: RIH ACQUISITIONS NJ, LLC, *et al.*  
Case No. 13-  
Caption of Order: ORDER DIRECTING JOINT ADMINISTRATION OF THE DEBTORS'  
CHAPTER 11 CASES PURSUANT TO FED. R. BANKR. 1015(b)

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THIS MATTER having been opened to the Court by RIH Acquisitions NJ, LLC d/b/a The Atlantic Club Casino Hotel and RIH Propco NJ, LLC, the within debtors and debtors-in-possession (the “**Debtors**”), by and through their proposed counsel, Cole, Schotz, Meisel, Forman & Leonard, P.A., upon a motion (the “**Motion**”) for an Order directing joint administration of the Debtors’ Chapter 11 cases pursuant to Fed. R. Bankr. P. 1015(b); and good and sufficient notice of the hearing on the Motion having been provided in accordance with the Order Regarding Application for Expedited Consideration of First Day Matters previously entered by the Court, as evidenced by the Affidavit of Service filed with the Court; and the Court having considered the moving papers, the opposition thereto, if any, and the arguments of counsel; and good cause appearing for the entry of this Order,

IT IS ORDERED as follows:

1. The Debtors’ Chapter 11 cases shall be jointly administered.
2. The caption of the Debtors’ jointly administered cases shall read:

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In re:  
RIH ACQUISITIONS NJ, LLC, *et al.*,  
  
Debtors-in-Possession.

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UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF NEW JERSEY  
HONORABLE  
CASE NO. 13-

(Jointly Administered)

Chapter 11

(Page 3)

Debtors: RIH ACQUISITIONS NJ, LLC, *et al.*  
Case No. 13-  
Caption of Order: ORDER DIRECTING JOINT ADMINISTRATION OF THE DEBTORS'  
CHAPTER 11 CASES PURSUANT TO FED. R. BANKR. 1015(b)

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3. An entry on the docket for each of the Debtors' cases shall be made noting that the cases are being jointly administered and that parties should consult the docket for

Case No. 13- \_\_\_\_\_ for all matters relevant to the within jointly-administered cases.

4. A true copy of this Order shall be served on all parties-in-interest by regular mail within seven (7) days hereof.