Case 11-12804-KG Doc 5041 Filed 03/23/17 Docket #5041 Date Filed: 03/22/2017

IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

In re:

NEWPAGE CORPORATION, et al.,

Reorganized Debtors. 1

Chapter 11

Case No. 11-12804 (KG)

Jointly Administered

Hearing Date: April 27, 2017 at 2:00 p.m. (ET) Objection Deadline: April 5, 2017 at 4:00 p.m. (ET)

FIFTEENTH MOTION OF LITIGATION TRUSTEE, PURSUANT TO BANKRUPTCY RULES 9006(b) AND 9027, FOR ORDER FURTHER EXTENDING TIME TO FILE NOTICES OF REMOVAL OF CIVIL ACTIONS TO THE EXTENT NECESSARY TO RESOLVE DISPUTED GENERAL UNSECURED CLAIMS AND COMMITTEE LITIGATION CLAIMS

PIRINATE Consulting Group, LLC, the Litigation Trustee of the NP Creditor Litigation Trust (the "Litigation Trustee") appointed in the chapter 11 cases of NewPage Corporation and its affiliated reorganized debtors (collectively, the "Reorganized Debtors," and prior to the Effective Date (as defined below), the "Debtors"), by and through its undersigned counsel, hereby files this motion (the "Motion") for entry of an order further extending the time within which the Litigation Trustee must file notices of removal of related civil actions and proceedings pursuant to 28 U.S.C. § 1452 and Rules 9006(b) and 9027 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") to the extent necessary to resolve disputed General

The Reorganized Debtors in these chapter 11 cases are: Chillicothe Paper Inc. (6154), Escanaba Paper Company (5598), Luke Paper Company (6265), NewPage Canadian Sales LLC (5384), NewPage Consolidated Papers Inc. (8330), NewPage Corporation (6156), NewPage Energy Services LLC (1838), NewPage Group Inc. (2465), NewPage Holding Corporation (6158), NewPage Port Hawkesbury Holding LLC (8330), NewPage Wisconsin System Inc. (3332), Rumford Paper Company (0427), Upland Resources, Inc. (2996), and Wickliffe Paper Company LLC (8293). The Reorganized Debtors' corporate headquarters is located at 8540 Gander Creek Drive, Miamisburg, OH 45342.



Unsecured Claims and Committee Litigation Claims.² In support of the Motion, the Litigation Trustee respectfully states as follows:

JURISDICTION

1. The Court has jurisdiction to consider and determine this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

A. General Case Background

- 2. On September 7, 2011, each of the Debtors filed voluntary petitions for relief under chapter 11 the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the "Court"). No trustee or examiner has been appointed in these cases.
- 3. On December 14, 2012, the Court confirmed the Plan and entered the *Findings of Fact and Conclusions of Law Regarding Confirmation of Debtors' Modified Fourth Amended Joint Chapter 11 Plan* [Docket No. 2944] and the *Order Confirming Debtors' Modified Fourth Amended Joint Chapter 11 Plan* [Docket No. 2945] (the "Confirmation Order"). On December 21, 2012 (the "Effective Date"), all conditions to the effectiveness of the Plan had been satisfied or waived, and the Plan was substantially consummated. On December 28, 2012, the Confirmation Order became a final order.
- 4. On the Effective Date, the Litigation Trust was established as the successor to the Debtors for purposes of resolving disputed General Unsecured Claims and pursuing potential preference actions. Specifically, the Litigation Trust is responsible for (i) administering the Litigation Trust Assets (including the prosecution of the Committee Litigation Claims for the

Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the *Debtors' Modified Fourth Amended Joint Chapter 11 Plan* [Docket No. 2904] (the "<u>Plan</u>").

benefit of the Litigation Trust Beneficiaries), (ii) evaluating and prosecuting (a) objections to disputed General Unsecured Claims and (b) Committee Litigation Claims, and (iii) making all Distributions on account of Litigation Trust Interests or Settlement Cash as provided for under the Plan.

B. Prior Extensions of Removal Period

- 5. On November 22, 2011, the Debtors moved the Court for an extension of the deadline by which the Debtors were permitted to file notices of removal of civil actions and proceedings in which the Debtors or the Reorganized Debtors are, or may become, a party (collectively, the "Civil Actions"). On December 9, 2011, the Court entered an order extending the time for the removal of Civil Actions by 120 days through and including April 4, 2012 [Docket No. 682]. The deadline to remove Civil Actions was subsequently extended four times for the Debtors, through and including December 16, 2013 [Docket No. 3388].
- 6. On March 30, 2013, the Litigation Trustee filed the *Motion of Litigation Trustee*Pursuant to Bankruptcy Rules 9006(b) and 9027 for Order Extending Time to File Notices of

 Removal of Civil Actions [Docket No. 3283]. On April 18, 2013, the Court entered an order

 extending the time within which the Litigation Trustee must file notices of removal of the Civil

 Actions to the extent necessary to resolve disputed General Unsecured Claims and Committee

 Litigation Claims through and including December 16, 2013 [Docket No. 3345]. Upon the

 motions of the Litigation Trustee [Docket Nos. 4535, 4638, 4681, 4734, 4760, 4789, 4826, 4854,

 4879, 4909, 4938, 4970, and 5016] and by orders of the Court [Docket Nos. 4548, 4655, 4695,

 4746, 4773, 4837, 4867, 4887, 4916, 4945, 4985, and 5021], the time within which the Litigation

 Trustee must file notices of removal of the Civil Actions to the extent necessary to resolve

disputed General Unsecured Claims and Committee Litigation Claims has been further extended through and including March 31, 2017.³

C. <u>Deadline to Object to Claims</u>

- 7. Section 7.1.2 of the Plan provides that all objections to Claims filed in these chapter 11 cases must be served and filed on or before 360 days after the Effective Date (*i.e.*, December 16, 2013) unless that deadline is extended by an order of the Court (the "Claims Objection Deadline").
- 8. Under the Plan, the original Claims Objection Deadline by which the Litigation Trustee and the Reorganized Debtors were required to object to all Claims (including the General Unsecured Claims and the Other Disputed Claims, respectively) was December 16, 2013. Upon the motions of the Reorganized Debtors and/or the Litigation Trustee [Docket Nos. 4400, 4598, 4680, 4733, 4759, 4788, 4825, 4853, 4878, 4908, 4937, and 4969] and by orders of the Court [Docket Nos. 4471, 4611, 4696, 4747, 4774, 4804, 4836, 4866, 4888, 4917, 4946, and 4984], the Claims Objection Deadline has been extended through and including December 2, 2016.
- 9. Concurrently with this Motion, the Litigation Trustee filed the Fourteenth Motion of Litigation Trustee, Pursuant to Bankruptcy Code Sections 105(a) and 502, Bankruptcy Rules 3007 and 9006, and Section 7.1.2 of Confirmed Plan of Reorganization, for Entry of Order Further Extending Time to File Objections to Claims (the "Claims Objection Deadline Extension Motion") seeking to extend the Claims Objection Deadline through and including July 28, 2017.

Rule 9006-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules") provides that where "a motion to extend the time to take any action is filed before the expiration of the period prescribed by the Code, the Fed. R. Bankr. P., these Local Rules or Court order, the time shall automatically be extended until the Court acts on the motion, without the necessity for the entry of a bridge order." Del. Bankr. L.R. 9006-2. Accordingly, the deadline to remove Civil Actions shall be automatically extended until the Court acts on this Motion.

RELIEF REQUESTED

10. The Litigation Trustee respectfully requests entry of an order, substantially in the form attached hereto as **Exhibit A** (the "Proposed Order"), pursuant to Bankruptcy Rules 9006(b) and 9027, extending the time within which the Litigation Trustee may file notices of removal of Civil Actions (the "Removal Deadline") to the extent necessary to resolve disputed General Unsecured Claims and the Committee Litigation Claims through and including **July 28**, **2017**.

BASIS FOR RELIEF REQUESTED

- 11. Section 1452 of title 28 of the United States Code provides for the removal of civil claims or actions related to bankruptcy cases. Specifically, section 1452 provides in pertinent part:
 - (a) A party may remove any claim or cause of action in a civil action other than a proceeding before the United States Tax Court or a civil action by a governmental unit to enforce such governmental unit's police or regulatory power, to the district court for the district where such civil action is pending, if such district court has jurisdiction of such claim or cause of action under section 1334 of this title.
 - (b) The court to which such claim or cause of action is removed may remand such claim or cause of action on any equitable ground. An order entered under this subsection remanding a claim or cause of action, or a decision to not remand, is not reviewable by appeal or otherwise.

28 U.S.C. § 1452.

12. Bankruptcy Rule 9027 sets forth the time periods for the filing of notices to remove claims or causes of action. Specifically, Bankruptcy Rule 9027 provides, in pertinent part:

If the claim or cause of action in a civil action is pending when a case under the Code is commenced, a notice of removal may be

filed only within the longest of (A) 90 days after the order for relief in the case under the Code, (B) 30 days after entry of an order terminating a stay, if the claim or cause of action in a civil action has been stayed under § 362 of the Code, or (C) 30 days after a trustee qualifies in a chapter 11 reorganization case but not later than 180 days after the order for relief.

FED. R. BANKR. P. 9027(a)(2).

13. Bankruptcy Rule 9006 permits the court to extend the period provided by Bankruptcy 9027 to remove civil claims or actions. Specifically, Bankruptcy Rule 9006 provides, in pertinent part:

Except as provided in paragraphs (2) and (3) of this subdivision, when an act is required or allowed to be done at or within a specified period by these rules or by a notice given thereunder or by order of court, the court for cause shown may at any time in its discretion (1) with or without motion or notice order the period enlarged if the request therefor is made before the expiration of the period originally prescribed or as extended by a previous order or (2) on motion made after the expiration of the specified period permit the act to be done where the failure to act was the result of excusable neglect.

FED. R. BANKR. P. 9006(b)(1).

14. It is well-settled, in this district and others, that the Court is authorized to extend, for cause, the removal period provided under 28 U.S.C. § 1452 and Bankruptcy Rule 9027. *See Pacor, Inc. v. Higgins*, 743 F.2d 984, 996 n. 17 (3d Cir. 1984) (stating the bankruptcy court's power to grant an extension of the removal period pursuant to Bankruptcy Rule 9006(b) is "clear"); *see also Caperton v. A. T. Massey Coal Co., Inc.*, 251 B.R. 322, 325 (S.D. W. Va. 2000) (noting Bankruptcy Rule 9006 provides authority to enlarge time periods for removing actions under Bankruptcy Rule 9027); *In re World Fin. Servs. Ctr., Inc.*, 81 B.R. 33, 39 (Bankr. S.D. Cal. 1987) (noting United States Supreme Court intended to give bankruptcy judges the power to enlarge the filing periods under Bankruptcy Rule 9027(a) pursuant to Bankruptcy Rule

9006(b)); *Raff v. Gordon*, 58 B.R. 988, 990 (E.D. Pa. 1986) (finding an expansion of time to file notices of removal is authorized under the Bankruptcy Rules).

Cause Exists to Extend Removal Period to the Extent Necessary to Resolve Disputed General Unsecured Claims and Committee Litigation Claims

- 15. The current Removal Deadline is March 31, 2017. By this Motion, the Litigation Trustee seeks to extend the Removal Deadline for the Litigation Trustee to the extent necessary to resolve disputed General Unsecured Claims and Committee Litigation Claims.
- 16. Under the Claims Objection Deadline Extension Motion, the Litigation Trustee has sought to extend the Claims Objection Deadline to July 28, 2017. Accordingly, extending the Removal Deadline through and including July 28, 2017, for the Litigation Trustee, to the extent necessary to resolve disputed General Unsecured Claims and Committee Litigation Claims, will allow the Litigation Trustee time to complete the claims reconciliation process and determine whether it is necessary to remove any Civil Actions to the Court. While it is highly unlikely that any Civil Actions will need to be removed to the Court for adjudication, it is impossible to know for certain until the claims reconciliation process is complete.
- 17. For the foregoing reasons, the Litigation Trustee submits that cause exists to grant the relief requested herein.

NOTICE

18. Notice of this Motion has been provided to: (a) counsel to the Reorganized Debtors; (b) the Office of the United States Trustee for the District of Delaware; (c) counsel to Bank of New York Mellon, as indenture trustee for the 11.375% senior secured first-lien notes due 2014; (d) counsel to Wilmington Trust, National Association, as successor indenture trustee for the (i) 10% fixed rate senior secured second lien notes due 2012, and (ii) floating rate senior secured second lien notes due 2012; (e) counsel to the informal group of certain holders of the

10% fixed rate senior secured second lien notes and floating rate senior secured second lien notes; (f) counsel to the ad hoc steering committee of certain holders of 11.375% senior secured first lien notes; and (g) all parties requesting notice pursuant to Bankruptcy Rule 2002 and Local Rule 2002-1(b).

WHEREFORE, the Litigation Trustee respectfully requests that the Court (i) enter the Proposed Order and (ii) grant the Litigation Trustee such other and further relief as is warranted and just.

Dated: March 22, 2017

Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ Andrew L. Magaziner

M. Blake Cleary (No. 3614) Jaime Luton Chapman (No. 4936) Andrew L. Magaziner (No. 5426) Rodney Square 1000 North King Street Wilmington, DE 19801 Telephone: (302) 571-6600

Fax: (302) 571-1253

-and-

PAUL HASTINGS LLP Luc A. Despins Michael E. Comerford 200 Park Avenue New York, NY 10166

Telephone: (212) 318-6000

Co-Counsel to the Litigation Trustee

IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

In re:

NEWPAGE CORPORATION, et al.,

Reorganized Debtors. 1

Chapter 11

Case No. 11-12804 (KG)

Jointly Administered

Hearing Date: April 27, 2017 at 2:00 p.m. (ET) Objection Deadline: April 5, 2017 at 4:00 p.m. (ET)

NOTICE OF MOTION

TO: (A) COUNSEL TO THE REORGANIZED DEBTORS; (B) THE OFFICE OF THE UNITED STATES TRUSTEE FOR THE DISTRICT OF DELAWARE; (C) COUNSEL TO BANK OF NEW YORK MELLON, AS INDENTURE TRUSTEE FOR THE 11.375% SENIOR SECURED FIRST-LIEN NOTES DUE 2014; (D) COUNSEL TO WILMINGTON TRUST, NATIONAL ASSOCIATION, AS SUCCESSOR INDENTURE TRUSTEE FOR THE (I) 10% FIXED RATE SENIOR SECURED SECOND LIEN NOTES DUE 2012, AND (II) FLOATING RATE SENIOR SECURED SECOND LIEN NOTES DUE 2012; (E) COUNSEL TO THE INFORMAL GROUP OF CERTAIN HOLDERS OF THE 10% FIXED RATE SENIOR SECURED SECOND LIEN NOTES AND FLOATING RATE SENIOR SECURED SECOND LIEN NOTES; (F) COUNSEL TO THE AD HOC STEERING COMMITTEE OF CERTAIN HOLDERS OF 11.375% SENIOR SECURED FIRST LIEN NOTES; AND (G) ALL PARTIES REQUESTING NOTICE PURSUANT TO BANKRUPTCY RULE 2002 AND LOCAL RULE 2002-1(B)

PIRINATE Consulting Group, LLC, the Litigation Trustee of the NP Creditor Litigation Trust (the "<u>Litigation Trustee</u>") appointed in the chapter 11 cases of NewPage Corporation and its affiliated reorganized debtors, has filed the attached **Fifteenth Motion of Litigation Trustee**, **Pursuant to Bankruptcy Rules 9006(b) and 9027, for Order Further Extending Time to File Notices of Removal of Civil Actions to the Extent Necessary to Resolve Disputed General Unsecured Claims and Committee Litigation Claims (the "<u>Motion</u>").**

The Reorganized Debtors in these chapter 11 cases are: Chillicothe Paper Inc. (6154), Escanaba Paper Company (5598), Luke Paper Company (6265), NewPage Consolidated Papers Inc. (8330), NewPage Corporation (6156), NewPage Energy Services LLC (1838), NewPage Wisconsin System Inc. (3332), Rumford Paper Company (0427), Upland Resources, Inc. (2996), and Wickliffe Paper Company LLC (8293). The Reorganized Debtors' corporate headquarters is located at 8540 Gander Creek Drive, Miamisburg, OH 45342.

Responses, if any, to the relief requested in the Motion must be filed with the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 3rd Floor, Wilmington, Delaware 19801 on or before **April 5, 2017 at 4:00 p.m. (ET)**. At the same time, you must serve a copy of your response upon the undersigned counsel.

A HEARING ON THE RELIEF REQUESTED IN THE MOTION WILL BE HELD ON <u>APRIL 27, 2017 AT 2:00 P.M. (ET)</u> BEFORE THE HONORABLE KEVIN GROSS, UNITED STATES BANKRUPTCY JUDGE, IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 N. MARKET STREET, 6TH FLOOR, COURTROOM 3, WILMINGTON, DELAWARE 19801.

IF YOU FAIL TO RESPOND TO THE MOTION IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED THEREIN WITHOUT FURTHER NOTICE OR A HEARING.

Dated: March 22, 2017 Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ Andrew L. Magaziner

M. Blake Cleary (No. 3614) Jaime Luton Chapman (No. 4936) Andrew L. Magaziner (No. 5426) Rodney Square 1000 North King Street Wilmington, DE 19801 Telephone: (302) 571-6600

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-and-

PAUL HASTINGS LLP Luc A. Despins Michael E. Comerford 200 Park Avenue New York, NY 10166 Telephone: (212) 318-6000

Co-Counsel to the Litigation Trustee

EXHIBIT A

Proposed Order

IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

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NEWPAGE CORPORATION, et al.,

Reorganized Debtors.1

Chapter 11

Case No. 11-12804 (KG)

Jointly Administered

Docket Ref. No. ____

FIFTEENTH ORDER EXTENDING TIME TO FILE NOTICES OF REMOVAL OF CIVIL ACTIONS TO THE EXTENT NECESSARY TO RESOLVE DISPUTED GENERAL UNSECURED CLAIMS AND COMMITTEE LITIGATION CLAIMS

Upon consideration of the motion (the "Motion")² of the Litigation Trustee for entry of an order further extending the time within which the Litigation Trustee must file notices of removal of related civil actions and proceedings pursuant to 28 U.S.C. § 1452 and Bankruptcy Rules 9006(b) and 9027 to July 28, 2017, all as more fully set forth in the Motion; and it appearing that this Court has jurisdiction to consider the Motion and the relief requested therein; and due notice of the Motion having been provided; and it appearing that no other or further notice need be provided; and after due deliberation and sufficient cause appearing therefor; it is hereby **ORDERED** that:

1. The Motion is GRANTED as set forth herein.

The Reorganized Debtors in these chapter 11 cases are: Chillicothe Paper Inc. (6154), Escanaba Paper Company (5598), Luke Paper Company (6265), NewPage Canadian Sales LLC (5384), NewPage Consolidated Papers Inc. (8330), NewPage Corporation (6156), NewPage Energy Services LLC (1838), NewPage Group Inc. (2465), NewPage Holding Corporation (6158), NewPage Port Hawkesbury Holding LLC (8330), NewPage Wisconsin System Inc. (3332), Rumford Paper Company (0427), Upland Resources, Inc. (2996), and Wickliffe Paper Company LLC (8293). The Reorganized Debtors' corporate headquarters is located at 8540 Gander Creek Drive, Miamisburg, OH 45342.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them to the Motion.

2. The time provided by Bankruptcy Rule 9027 within which the Litigation Trustee must file notices of removal of the Civil Actions to the extent necessary to resolve disputed General Unsecured Claims and Committee Litigation Claims is extended through and including July 28, 2017.

3. The Litigation Trustee shall consult with the Reorganized Debtors prior to removing any Civil Action.

4. This Order shall be without prejudice to the right of the Litigation Trustee to request a further extension of time to file notices of removal of Civil Actions.

5. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated: Wilmington, Delaware	
April, 2017	
-	KEVIN GROSS
	UNITED STATES BANKRUPTCY JUDGE