

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF RHODE ISLAND**

	)	
In re:	)	Chapter 11
	)	
UTGR, INC. d/b/a TWIN RIVER, <u>et al.</u> , <sup>1</sup>	)	Case No. 09 - _____ ( )
	)	
Debtors.	)	Joint Administration Pending
	)	

**DEBTORS’ MOTION FOR ENTRY OF ORDER EXTENDING  
DEADLINE TO FILE SCHEDULES OF ASSETS AND  
LIABILITIES, SCHEDULES OF EXECUTORY CONTRACTS  
AND UNEXPIRED LEASES AND STATEMENTS OF FINANCIAL AFFAIRS**

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The above-captioned debtors, as debtors and debtors in possession (collectively, the “Debtors”), file this motion (the “Motion”) for entry of an order, substantially in the form attached hereto as **Exhibit A**, extending the deadline by which the Debtors must file in their chapter 11 cases schedules of assets and liabilities, schedules of executory contracts and unexpired leases, and statements of financial affairs (collectively, the “Schedules and Statements”). In support of this Motion, the Debtors respectfully state as follows:

**Jurisdiction**

1. The United States Bankruptcy Court for the District of Rhode Island has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).
2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The statutory bases for the relief requested herein are sections 105(a) and 521 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 1007(c) of the Federal Rules of

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<sup>1</sup> The Debtors in these chapter 11 cases are BLB Management Services, Inc., BLB Worldwide Holdings, Inc., and UTGR, Inc.

Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 1007-1(d) of the Local Bankruptcy Rules and Forms of the United States Bankruptcy Court for the District of Rhode Island (the “Local Bankruptcy Rules”).

### **Background**<sup>2</sup>

4. The Debtors’ principal asset is Twin River, a greyhound track and casino located in Lincoln, Rhode Island. BLB Investors, L.L.C. (“BLB Investors”), the direct and indirect parent of each of the Debtors, acquired Twin River in 2005. BLB Investors is a joint venture among three of the world’s most accomplished leisure and gaming operators, developers, and managers: Starwood Capital Group I Global, L.L.C., Kerzner International Holdings Ltd., and Waterford Group, LLC. (collectively, the “Sponsors”). The Sponsors purchased Twin River for \$470 million and then invested another \$220 million towards renovating Twin River into a world class facility.

5. Twin River today is the preeminent racing-casino (sometimes referred to as a “racino”) in New England. In many respects, the Debtors’ businesses have been great successes. Since 2005, the Debtors have grown Twin River to over 500,000 square feet, including more than 156,000 square feet of gaming space and over 4,700 slot machines, and have improved revenues year over year as their primary regional competitors’ revenues have slipped.

6. As successful as the Debtors’ operations have been, their revenues cannot support the substantial demands imposed by the State of Rhode Island (the “State”) tax rate and the Debtors’ debt service obligations. Significantly, the State retains 61.5% of every dollar

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<sup>2</sup> The facts and circumstances supporting this Motion are further set forth in the Declaration of George Papanier, President and Chief Operating Officer of UTGR, Inc., in Support of First Day Motions (the “First Day Declaration”), filed contemporaneously herewith.

generated at Twin River (after winning customers have been paid), and reimburses Twin River less than 28% of every dollar.

7. Shortly before the filing of these chapter 11 cases (the “Chapter 11 Cases”), the Debtors reached an agreement with holders holding over 50% of the first lien debt and a substantial amount of the second lien debt, and the executive branch of the State on the terms of a preliminary restructuring transaction (the “Restructuring”), which is expected to eliminate approximately \$290 million in debt. The Restructuring provides for approximately \$11 million in annual support from the State in the form of promotional and marketing initiatives. Significantly, the Restructuring is conditioned on obtaining certain legislative enactments and amendments to the Master Video Lottery Terminal Contract (the “VLT Contract”) between the State’s Division of Lotteries and UTGR, Inc., which, among other things, will eliminate the requirement to maintain greyhound racing, approve 24-hour gaming at the facility, seven days a week, and enable the exercise of extension options under the VLT Contract, thus maintaining the tax rate for the facility. The Restructuring requires the Lenders to conduct a marketing process to identify a new operator of Twin River immediately, so that the Sponsors may transition out of the management and ownership of the facility.

8. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in these Chapter 11 Cases. The Debtors have requested that the Court grant procedural consolidation and joint administration of these Chapter 11 Cases.

**Relief Requested**

9. By this Motion, the Debtors seek entry of an order extending the deadline by which the Debtors must file the Schedules and Statements by 45 days, so that the Schedules and Statements shall be due 60 days after the Petition Date i.e., August 24, 2009, without prejudice to the Debtors' rights to request additional time for cause shown.

**Basis for Relief**

10. Pursuant to section 521 of the Bankruptcy Code and Bankruptcy Rule 1007(c), the Debtors are required to file the Schedules and Statements within 15 days after the Petition Date. As described below, the Debtors believe that they will need additional time beyond that provided in the Bankruptcy Rules and Local Bankruptcy Rules to complete the Schedules and Statements.

11. Pursuant to Bankruptcy Rules 1007(c) and 9006(b), and Local Bankruptcy Rule 1007-1(d), the Court has authority to extend the Debtors' deadline for filing the Schedules and Statements "for cause." Specifically, Bankruptcy Rule 1007(c) provides that "[a]ny extension of time for the filing of schedules and statements may be granted only on motion for cause shown . . . ." FED. R. BANKR. P. 1007(c). Bankruptcy Rule 9006(b) provides, in pertinent part, that:

when an act is required or allowed to be done at or within a specified period by these rules . . . 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 . . . .

FED. R. BANKR. P. 9006(b)(1). Local Bankruptcy Rule 1007-1(d) provides, in pertinent part, that:

In all voluntary cases, where the petition is not accompanied by the required schedules, statements, and other documents . . . the debtor shall file such missing documents according to the time limits

imposed by federal or local rule, or, if cause exists, move within that time for an order extending the time to make the required filings.

Local Bankruptcy Rule 1007-1(d).

12. The size and complexity of the Chapter 11 Cases is sufficient cause to grant the extension of time requested herein. The highly regulated nature of the Debtors' businesses and the significant and constant movement of funds necessary to maintain their operations require the Debtors to maintain voluminous records and complex accounting systems, which only a small number of the Debtors' employees are qualified to analyze to obtain the information required to produce the Schedules and Statements. Furthermore, certain prepetition invoices have not yet been received or entered into the Debtors' financial accounting system. The Debtors therefore require a short extension of the deadline to file the Schedules and Statements to properly perform a thorough and accurate accounting of amounts owed to their approximately 300 potential creditors.

13. Further, the commencement of the Chapter 11 Cases has placed significant additional demands on the Debtors' management and senior employees. Although the Debtors recognize the importance to other parties in interest of promptly filing the Schedules and Statements, and are working diligently to complete those disclosures as quickly as practicable, granting the relief requested herein will allow the Debtors' key personnel to focus on critical operational issues during the early days of the Chapter 11 Cases, which is essential to the Debtors' ability to make a smooth transition into chapter 11 and maximize the value of the Debtors' estates for the benefit of creditors and all parties in interest. Moreover, the proposed extension of the filing deadline will not harm creditors and other parties in interest because, even under the extended deadline, the Debtors will file the Schedules and Statements in advance of any deadline for filing proofs of claim in the Chapter 11 Cases.

14. Accordingly, the substantial size, scope, and complexity of the Chapter 11 Cases, the volume of material that must be compiled and reviewed by the Debtors' staff in order to complete the Schedules and Statements for each Debtor, and the operational and other demands on the Debtors' key personnel during the initial days of the Chapter 11 Cases provide ample "cause" for granting the requested 45 day extension of the deadline for the Debtors to file the Schedules and Statements, and granting such an extension is in the best interests of the Debtors and their estates.

15. Courts have regularly found "cause" to extend the deadline for filing schedules and statements in cases similar to the Chapter 11 Cases, which involve complex business operations with numerous creditors. See, e.g., IDC Clambakes, Inc., Case No. 05-12267 (Bankr. D.R.I. July 7, 2005) (granting 28-day extension); In re Bess Eaton Donut Co. Inc., Case No. 04-10630 (Bankr. D.R.I. Mar. 18, 2004) (granting four-day extension); see also In re Educ. Res. Inst., Case No. 08-12540 (Bankr. D. Mass. Apr. 15, 2008) (granting 60-day extension); In re Syratech Corp., Case No. 05-11062 (Bankr. D. Mass. Feb. 17, 2005) (granting 40-day extension); In re Divine, Inc., Case No. 03-11472 (Bankr. D. Mass. Mar. 14, 2003) (granting 40-day extension); In re Arch Wireless, Case No. 01-47330 (Bankr. D. Mass. Dec. 6, 2001) (granting 60-day extension); In re Muzak Holdings LLC, Case No. 09-10422 (Bankr. D. Del. Mar. 12, 2009) (granting 32-day extension); In re Flying J Inc., Case No. 08-13384 (Bankr. D. Del. Feb. 4, 2009) (granting 60-day extension); In re Pierre Foods, Inc., Case No. 08-11480 (Bankr. D. Del. Aug. 13, 2008) (granting 30-day extension); In re Tropicana Entm't, LLC, Case No. 08-10856 (Bankr. D. Del. May 29, 2008) (same); In re Buffets Holdings, Inc., Case No. 08-10141 (Bankr. D. Del. Mar. 11, 2008) (granting 45-day extension); In re Tweeter Home Entm't

Group, Inc., Case No. 07-10787 (Bankr. D. Del. June 13, 2007) (granting 30-day extension);  
In re Dura Auto. Sys., Inc., Case No. 06-11202 (Bankr. D. Del. Nov. 20, 2006) (same).

### **Motion Practice**

16. This Motion includes citations to the applicable rules and statutory authorities upon which the relief requested herein is predicated, and a discussion of their application to the Motion. Accordingly, the Debtors submit that the Motion satisfies Rule 9013-1(a) of the Local Bankruptcy Rules.

### **Notice**

17. The Debtors have provided notice of this Motion either by electronic mail or facsimile and/or by overnight mail to: (a) the Office of the United States Trustee for the District of Rhode Island; (b) the entities listed on the Consolidated List of Creditors Holding the 40 Largest Unsecured Claims filed pursuant to Bankruptcy Rule 1007(d); (c) applicable local, state, and federal regulatory entities; (d) counsel to the Administrative Agents for the First and Second Lien Lenders; (e) counsel to those certain contractors who have asserted mechanic's liens against the Debtors; (f) the Internal Revenue Service; (g) the Securities and Exchange Commission; and (h) the applicable Authorities. Due to the urgency of the circumstances surrounding this Motion (as more fully described in the First Day Declaration) and the nature of the relief requested herein, the Debtors respectfully submit that no further notice of this Motion is required.

### **No Prior Request**

18. No prior motion for the relief requested herein has been made to this or any other court.

WHEREFORE, for the reasons set forth herein and in the First Day Declaration, the Debtors respectfully request that the Court enter an order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein and granting such other and further relief as the Court deems appropriate.

Dated: June 23, 2009  
Providence, Rhode Island

**WINOGRAD, SHINE & ZACKS, P.C.**

*/s/ Allan M. Shine*

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Proposed Counsel for the Debtors and Debtors in Possession

**EXHIBIT A**

**Proposed Order**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF RHODE ISLAND**

	)	
In re:	)	Chapter 11
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UTGR, INC. d/b/a TWIN RIVER, <u>et al.</u> , <sup>1</sup>	)	Case No. 09 - _____ ( )
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Debtors.	)	Joint Administration Pending
	)	

**ORDER EXTENDING DEADLINE TO FILE SCHEDULES OF ASSETS  
AND LIABILITIES, SCHEDULES OF EXECUTORY CONTRACTS  
AND UNEXPIRED LEASES AND STATEMENTS OF FINANCIAL AFFAIRS**

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Upon the motion (the “Motion”)<sup>2</sup> of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order extending the deadline by which the Debtors must file schedules of assets and liabilities, schedules of executory contracts and unexpired leases, and statements of financial affairs (collectively, the “Schedules and Statements”), and as more fully set forth in the Motion; and upon the Declaration of George Papanier, President and Chief Operating Officer of UTGR, Inc., in Support of the Debtors’ First Day Motions (the “First Day Declaration”); and the Court having found that it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having found that venue of this proceeding and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found that the relief requested is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and the Court having found that notice of the Motion and of the hearing on the Motion (the “Hearing”) was appropriate under the particular

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<sup>1</sup> The Debtors in these chapter 11 cases are BLB Management Services, Inc., BLB Worldwide Holdings, Inc., and UTGR, Inc.

<sup>2</sup> All capitalized terms used but otherwise not defined herein shall have the meaning ascribed to them in the Motion.

circumstances; and the Court having reviewed the Motion and the First Day Declaration, and having heard the statements in support of the relief requested therein at the Hearing; and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted as set forth in this order (the "Order").
2. The time within which the Debtors must file their Schedules and Statements is extended for an additional 45 days, through and including August 24, 2009, without prejudice to the Debtors' rights to seek an additional extension upon cause shown therefor.
3. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order.
4. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).
5. The Court retains jurisdiction with respect to all matters arising from or related to the interpretation or implementation of this Order.

Dated: \_\_\_\_\_, 2009  
Providence, Rhode Island

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Arthur N. Votolato  
United States Bankruptcy Judge