

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> , ¹)	Case No. 09 - _____ ()
)	
Debtors.)	Joint Administration Pending
)	

**DEBTORS’ MOTION FOR ENTRY OF INTERIM AND FINAL ORDERS
AUTHORIZING DEBTORS TO MAINTAIN CUSTOMER PROGRAMS
AND HONOR RELATED PREPETITION OBLIGATIONS**

The above-captioned debtors, as debtors and debtors in possession (collectively, the “Debtors”), file this motion (the “Motion”) for entry of an interim order, substantially in the form attached hereto as **Exhibit A** (the “Interim Order”), and a final order, substantially in the form attached hereto as **Exhibit B** (the “Final Order”), authorizing the Debtors to honor their prepetition customer program obligations and maintain their customer programs postpetition. In support of the 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.

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

3. The statutory bases for the relief requested herein are sections 105(a) and 363 of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 6003 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

Background²

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

² 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.

Customer Programs

9. As described in the First Day Declaration, maintaining the loyalty and goodwill of customers is critical to the Debtors’ reorganization efforts. The Debtors believe the ability to

honor their obligations related to Customer Programs (as defined herein) in the ordinary course of business is vital to retaining their customer base and reputation for quality.

10. In the ordinary course of business, the Debtors have implemented various customer-related programs to encourage new purchases, enhance satisfaction, sustain goodwill, and ensure the Debtors remain competitive. These programs are generally categorized as follows: (a) marketing programs; (b) promotional programs; and (c) transportation programs (collectively, the “Customer Programs”). The Debtors’ most significant Customer Programs are described in greater detail below.

A. Marketing Program

11. The Debtors maintain a marketing program consisting of branding and promotional campaigns of television, radio, print, internet, billboard, and direct-mail/email advertisements (the “Marketing Program”). The Debtors employ a marketing agency, Advanced Results Marketing, to design and execute the Marketing Program. The Marketing Program is crucial to increasing the overall awareness of the Debtors’ businesses, as well as maintaining the Debtors’ market share in both the Providence, Rhode Island and Boston, Massachusetts designated market areas. In 2008, the Debtors paid an aggregate amount of approximately \$3.7 million to sustain the Marketing Program. As of the Petition Date, the Debtors believe that all Marketing Program prepetition obligations have been paid and are herein requesting the authority to continue the Marketing Program in the ordinary course of business on a postpetition basis.

B. Promotional Programs

12. The Debtors maintain a series of programs to promote their business, most notably a rewards program (“Rewards Program”), in which customers who gamble in the

Debtors' facility can earn and "store" points that are redeemable for meals, retail merchandise, or bonus gaming. The points earned by customers are saved on cards that are capable of storing electronic data, similar to a credit card, for use at a later date. By incenting customers to increase the frequency and length of their visits to the Debtors' facility, the Rewards Program is essential to the Debtors' operations. In 2008, the Debtors paid an aggregate amount of approximately \$3.6 million to sustain the Rewards Program. As of the Petition Date, the Debtors believe they owe approximately \$550,000 Rewards Program obligations, of which approximately \$217,000 is owed in the 20 days following the Petition Date.

13. Customers that frequently play at the Debtors' facility are sometimes rewarded with discounted or complimentary entertainment, meals, and accommodations (the "Discount Program"). The Discount Program encourages an important segment of high-spending customers to frequent the Debtors' operations. In 2008, the Debtors paid an aggregate amount of approximately \$110,000 to sustain the Discount Program. The Debtors believe that, as of the Petition Date, all Discount Program prepetition obligations have been paid.

14. The Debtors also provide player rewards or coupons to customers via a direct-mail/e-mail program (the "Direct-Mail Program"). The Direct-Mail Program is another important method the Debtors use to attract new customers and encourage repeat business. In 2008, the Debtors spent approximately \$8 million on the Direct-Mail Program. As of the Petition Date, the Debtors believe they owe approximately \$400,000 in Direct-Mail Program obligations of which approximately \$195,000 is owed in the 20 days following the Petition Date.

15. In 2008, the Debtors spent an aggregate amount of approximately \$11.7 million on the Rewards Program, Discount Program, and Direct-Mail Program (collectively, the "Promotional Programs"). As of the Petition Date, the Debtors believe they owe approximately

\$950,000 in obligations related to the Promotional Programs, of which approximately \$412,000 is owed in the 20 days following the Petition Date. The Debtors are herein requesting to honor those prepetition obligations on an interim and final basis and to continue the Promotional Programs in the ordinary course of business on a postpetition basis.

C. Transportation Program

16. The Debtors provide limited bus transportation to and from the Debtors' facility (the "Transportation Program"). The Transportation Program consists of an aggregate of approximately 30 bus trips per month. The buses provide an affordable method of transportation and encourage repeat business. In 2008, the Debtors spent approximately \$16,000 on the Transportation Program. The Debtors believe that, as of the Petition Date, all Transportation Program obligations have been paid and are herein requesting the authority to continue the Transportation Program in the ordinary course of business on a postpetition basis.

17. The Customer Programs are designed to develop and maintain customer loyalty, encourage repeat business, and ensure customer satisfaction, thereby retaining current customers, attracting new customers and, ultimately, increasing revenue. Therefore, the Debtors believe, in their sound business judgment, that the continuation of the Customer Programs on a postpetition basis, including the honoring of prepetition obligations related thereto, is essential to the successful reorganization of their businesses, and are herein requesting the authority to for such relief.

Relief Requested

18. By this Motion, the Debtors seek entry of the Interim and Final Orders authorizing the Debtors to pay outstanding prepetition amounts related to the Customer

Programs, and to continue such programs in the ordinary course of business on a postpetition basis.³

19. This Motion is proceeding on an interim and final basis. The Debtors believe that they will need to make payments, in the approximate aggregate amount of \$412,000, on an interim basis, including: (a) approximately \$217,000 for Rewards Program obligations; and (b) approximately \$195,000 for Direct-Mail Program obligations. On a final basis, the Debtors do not believe that their prepetition Customer Program obligations will exceed an approximate aggregate amount of \$950,000.

Basis for Relief

20. The Debtors respectfully submit the Court may grant the relief requested in this motion pursuant to sections 105(a) and 363(b) of the Bankruptcy Code. First, the Court may rely on its general equitable powers as codified in section 105(a), which provides that the Court may “issue any order, process, or judgment that is necessary to carry out the provisions of this title.” 11 U.S.C. § 105(a). A bankruptcy court’s use of its equitable powers to “authorize the payment of pre-petition debt when such payment is needed to facilitate the rehabilitation of the debtor is not a novel concept.” In re Ionosphere Clubs, Inc., 98 B.R. 174, 175-176 (Bankr. S.D.N.Y. 1989) (citing Miltenberger v. Logansport, C. & S.W. R.Co., 106 U.S. 286 (1882)). Section 105(a) authorizes a court to “permit pre-plan payment of a pre-petition obligation when essential to the continued operation of the debtor.” In re NVR L.P., 147 B.R. 126, 127 (Bankr. E.D. Va. 1992); see also In re Just for Feet, Inc., 242 B.R. 821, 825 (D. Del. 1999).

³ The Debtors believe that continuation of the Customer Programs postpetition constitutes “ordinary course” transactions, which the Debtors are authorized to conduct without Court approval pursuant to section 363(c) of the Bankruptcy Code. Out of an abundance of caution, however, and because the Debtors are seeking to honor prepetition obligations associated with the Customer Programs, the Debtors are seeking Court authorization to continue the Customer Programs in the ordinary course of their business.

21. Application of section 105(a) here is appropriate because the relief requested in the Motion is consistent with the rehabilitative policy of chapter 11 of the Bankruptcy Code. A debtor in possession is a fiduciary with a duty to protect and preserve the estate, including the value of the business as a going concern. In re CoServ, L.L.C., 273 B.R. 487, 497 (Bankr. N.D. Tex. 2002) (“There are occasions when this [fiduciary] duty can only be fulfilled by the preplan satisfaction of a prepetition claim.”). Granting the relief requested in this Motion will enhance the likelihood of the Debtors’ successful rehabilitation and maximize the value of the estates’ assets, and thus benefit the estates’ creditors and other parties in interest.

22. Second, the Court may grant the relief requested herein pursuant to section 363 of the Bankruptcy Code which provides, in relevant part, that “[t]he [debtor], after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b)(1). Under this section, a court may authorize a debtor to pay certain prepetition claims. See Ionosphere Clubs, 98 B.R. at 175 (affirming lower court order authorizing payment of prepetition wages pursuant to section 363(b)). To do so, “the debtor must articulate some business justification, other than mere appeasement of major creditors.” Id. at 175. As discussed herein, payment of the Customer Programs obligations will benefit the estate and its creditors by maintaining the good will of the Debtors’ clientele, which is critical to the Debtors’ businesses.

A. Continuation of the Customer Programs Is in the Best Interests of the Debtors’ Estates.

23. The Debtors’ request for relief in this Motion is appropriate under each of the foregoing standards. Most, if not all, of the Customer Programs are standard practice in the Debtors’ industry. The Debtors seek to continue their Customer Programs without interruption during the pendency of the Chapter 11 Cases, which will inure to the benefit of all of the

Debtors' creditors and other parties in interest. In contrast, if the Debtors do not honor their Customer Programs in the ordinary course of business, the Debtors would be significantly less competitive, which undoubtedly would lead to a decrease in business. Moreover, the Debtors would risk alienating certain customer constituencies or, possibly, encouraging them to initiate business relationships with the Debtors' competitors. Failure to honor prepetition obligations related to the Customer Programs could erode the Debtors' hard-earned reputation and brand loyalty, which in turn could adversely affect the Debtors' prospects for a successful reorganization.

24. The Debtors believe that the relief requested herein will pay dividends with respect to the long-term reorganization of their business, both in terms of profitability and the engendering of goodwill, especially at this critical time following the filing of the Chapter 11 Cases. The Customer Programs are designed to develop customer loyalty, encourage repeat business, and ensure customer satisfaction, thereby retaining current customers, attracting new customers and, ultimately, increasing revenue.

25. Courts in this Circuit and others have consistently recognized that retaining patronage and customer loyalty is critical to a debtor's prospects for a successful reorganization and, accordingly, have granted relief similar to the relief requested herein. See, e.g., In re Diomed, Inc., Case No. 08-40749 (Bankr. D. Mass. Mar. 18, 2008); In re Lexington Jewelers Exchange, Inc., Case No. 08-10042 (Bankr. D. Mass. Jan. 4, 2008); In re Syratech Corp., Case No. 05-11062 (Bankr. D. Mass. Feb. 18, 2005); In re ACT Mfg., Inc., Case No. 01-47641 (Bankr. D. Mass. Mar. 28, 2002); In re Trendlines, Inc., Case No. 00-15431 (Bankr. D. Mass. Aug. 17, 2000); In re FBI Dist. Corp. (f/k/a/ Filene's Basement), Case No. 99-16984 (Bankr. D. Mass. Aug. 24, 1999); In re Masonite Corp., Case No. 09-10844 (Bankr. D. Del. Mar. 17, 2009);

In re Pierre Foods, Inc., Case No. 08-11480 (Bankr. D. Del. July 13, 2008); In re Tropicana Entm't, LLC, Case No. 08-10856 (Bankr. D. Del. May 6, 2008); In re Leiner Health Prods. Inc., Case No. 08-10446 (Bankr. D. Del. Mar. 12, 2008); In re Buffets Holdings, Inc., Case No. 08-10141 (Bankr. D. Del. Jan. 1, 2008); In re Tweeter Home Entm't Group, Inc., Case No. 07-10787 (Bankr. D. Del. June 13, 2007); In re Pope & Talbot, Inc., Case No. 07-11738 (Bankr. D. Del. Nov. 21, 2007).

B. Cause Exists to Authorize the Debtors' Financial Institutions to Honor Checks and Electronic Fund Transfers.

26. The Debtors have sufficient availability of funds to pay the amounts described herein in the ordinary course of business by virtue of expected cash flows from ongoing business operations and anticipated access to cash collateral. Also, under the Debtors' existing cash management system, checks or wire transfer requests can be readily identified as relating to an authorized payment made to or for one of the Customer Programs. Accordingly, the Debtors believe that checks or wire transfer requests, other than those relating to authorized payments, will not be honored inadvertently. The Debtors therefore request that all applicable financial institutions be authorized and directed, when requested by the Debtors, to receive, process, honor, and pay any and all checks or wire transfers related to the payment of any Customer Programs.

C. The Debtors Respectfully Assert They Have Satisfied the Requirements of Bankruptcy Rule 6003.

27. Bankruptcy Rule 6003 empowers a court to grant relief within the first 20 days after the Petition Date "to the extent that relief is necessary to avoid immediate and irreparable harm." If the Debtors do not honor their Customer Programs in the ordinary course of business, the Debtors will be significantly less competitive, which undoubtedly will lead to a decrease in

business. Moreover, the Debtors risk alienating certain customer constituencies or, possibly, encouraging them to initiate business relationships with the Debtors' competitors, which damage will be costly to reverse.

Waiver of Bankruptcy Rules 6004(a) and 6004(h)

28. To implement the foregoing successfully, the Debtors seek a waiver of the notice requirements under Bankruptcy Rule 6004(a) and the 10-day stay of an order authorizing the use, sale, or lease of property under Bankruptcy Rule 6004(h). As described above, the Debtors will suffer immediate and irreparable harm if their ability to honor prepetition obligations related to the Customer Programs is delayed for even a brief period.

The Debtors' Reservation of Rights

29. Nothing contained herein is intended or should be construed as an admission of the validity of any claim against the Debtors, a waiver of the Debtors' rights to dispute any claim, or an approval or assumption of any agreement, contract, or lease under section 365 of the Bankruptcy Code. The Debtors expressly reserve their rights to contest any invoice or claim with respect to Customer Program claims in accordance with applicable non-bankruptcy law.

Motion Practice

30. 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 and Forms of the United States Bankruptcy Court for the District of Rhode Island.

Notice

31. The Debtors have provided notice of this Motion either by electronic mail or facsimile and/or by overnight mail to: (a) 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 the equity sponsors; (f) counsel to those certain contractors who have asserted mechanic's liens against the Debtors; (g) the Internal Revenue Service; and (h) the Securities and Exchange Commission. 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

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

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WHEREFORE, for the reasons set forth herein and in the First Day Declaration, the Debtors respectfully request that the Court enter the Interim and Final Orders, substantially in the forms attached hereto as **Exhibit A** and **Exhibit B**, respectively, 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 Interim Order

**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> , ¹)	Case No. 09 - _____ ()
)	
Debtors.)	Joint Administration Pending
)	

**INTERIM ORDER AUTHORIZING DEBTORS TO MAINTAIN CUSTOMER
PROGRAMS AND HONOR RELATED PREPETITION OBLIGATIONS**

Upon the motion (the "Motion")² of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an interim order (the "Interim Order") authorizing the Debtors to maintain their Customer Programs and honor related prepetition obligations to customers, 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' Chapter 11 Petitions and 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

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

² All capitalized terms used but otherwise not defined herein shall have the meaning ascribed in the Motion.

(the "Hearing") was appropriate under the particular 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 herein on an interim basis.
2. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Interim Order in accordance with the Motion.
3. A final hearing shall be held on _____, 2009 at __:__ a.m./p.m. (prevailing Eastern Time) (the "Final Hearing"). Any objections or responses to the Motion shall be filed on or before ___ business days prior to the Final Hearing and served in accordance with applicable law.
4. The Debtors are authorized, but not directed, on an interim basis, to maintain and administer, in the ordinary course of business, the Customer Programs on a postpetition basis, and to pay prepetition obligations, outstanding thereunder, in the approximate aggregate amount of \$412,000.
5. Each of the financial institutions at which the Debtors maintain their accounts relating to the payment of Customer Program claims is authorized, and directed, on an interim basis, to honor checks presented for payment and all fund transfer requests made by the Debtors related thereto, to the extent that sufficient funds are on deposit in such accounts.

6. The Debtors are authorized, on an interim basis, to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any prepetition checks or fund transfer requests in respect of Customer Program Claims that are dishonored or rejected.

7. Nothing in the Motion or this Interim Order, nor as a result of the Debtors' payment of claims pursuant to this Interim Order, shall be deemed or construed as: (a) an admission as to the validity or priority of any claim against the Debtors; (b) a waiver of the Debtors' or other parties in interest's rights to dispute any claim; or (c) an approval or assumption of any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code.

8. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied by the contents of the Motion and the First Day Declaration or otherwise deemed waived.

9. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014, or otherwise, the terms and conditions of this Interim Order shall be immediately effective and enforceable upon its entry.

10. All time periods set forth in this Interim Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

11. The Court retains jurisdiction with respect to all matters arising from or related to the interpretation or implementation of this Interim Order.

Dated: _____, 2009
Providence, Rhode Island

Arthur N. Votolato
United States Bankruptcy Judge

EXHIBIT B

Proposed Final Order

**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> , ¹)	Case No. 09 - _____ ()
)	
Debtors.)	Joint Administration Pending
)	

**FINAL ORDER AUTHORIZING DEBTORS TO MAINTAIN CUSTOMER
PROGRAMS AND HONOR RELATED PREPETITION OBLIGATIONS**

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of a final order (the “Final Order”) authorizing the Debtors to maintain their Customer Programs and honor related prepetition obligations to customers, 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’ Chapter 11 Petitions and First Day Motions (the “First Day Declaration”); and the Court having entered an interim order approving the Motion on an interim basis on _____, 2009 [Docket No. __] (the “Interim Order”); 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,

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

² All capitalized terms used but otherwise not defined herein shall have the meaning ascribed in the Motion.

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 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 herein on a final basis.
2. The Debtors are authorized, but not directed, to maintain and administer, in the ordinary course of business, the Customer Programs on a postpetition basis, and to pay any prepetition amounts outstanding thereunder.
3. Each of the financial institutions at which the Debtors maintain their accounts relating to the payment of Customer Program claims is authorized and directed to honor checks presented for payment and all fund transfer requests made by the Debtors related thereto, to the extent that sufficient funds are on deposit in such accounts.
4. The Debtors are authorized to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any prepetition checks or fund transfer requests in respect of Customer Program Claims that are dishonored or rejected.
5. Nothing in the Motion or this Final Order, nor as a result of the Debtors' payment of claims pursuant to this Final Order, shall be deemed or construed as: (a) an admission as to the validity or priority of any claim against the Debtors; (b) a waiver of the Debtors' or other

parties in interest's rights to dispute any claim; or (c) an approval or assumption of any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code.

6. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied by the contents of the Motion and the First Day Declaration or otherwise deemed waived.

7. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014, or otherwise, the terms and conditions of this Final Order shall be immediately effective and enforceable upon its entry.

8. All time periods set forth in this Final Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

9. The Court retains jurisdiction with respect to all matters arising from or related to the interpretation or implementation of this Final Order.

Dated: _____, 2009
Providence, Rhode Island

Arthur N. Votolato
United States Bankruptcy Judge