

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re: : Chapter 11  
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THE CHRISTIAN BROTHERS' INSTITUTE, *et al.* : Case No.: 11-22820 (RDD)  
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Debtors. : (Jointly Administered)  
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**ORDER PURSUANT TO 11 U.S.C. §§ 105(a) AND 363 AND RULE  
6004 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE (I)  
APPROVING SALE PROCEDURES IN CONNECTION WITH THE  
SALE OF CERTAIN REAL ESTATE, (II) SCHEDULING AN AUCTION AND A SALE  
HEARING, AND (III) APPROVING THE FORM OF NOTICE OF SUCH SALE**

Upon the motion, dated August 23, 2012 (the "Motion")<sup>1</sup> of The Christian Brothers' Institute, debtor and debtor in possession herein ("CBI" or the "Debtor"), for, among other things, the entry of an order pursuant to 11 U.S.C. §§ 105(a) and 363 and Rule 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") (a) approving sale procedures in connection with the sale of certain real estate (houses located in New Rochelle, New York), (b) scheduling an auction and a sale hearing, and (c) approving the form of notice of such sale procedures, the auction and the sale hearing; and there being due and sufficient notice of the interim relief requested in the Motion and the hearing thereon; and the Court having reviewed the Motion and the attachments thereto and the limited objection of the Official Committee of Unsecured Creditors; and upon the record of the hearing held by the Court on September 6, 2012 on the interim relief requested in the Motion and the Court having determined that the relief requested in the Motion and granted herein is in the best interest of the Debtor, its estate, creditors and other parties in interest; and after due deliberation thereon; and good and sufficient cause appearing therefor, it is hereby

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<sup>1</sup> Capitalized term not otherwise defined herein shall have the meaning ascribed to it in the Motion.

**FOUND AND DETERMINED THAT:**

A. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157(a) and 1334(b) and the Standing Order of Referral of Cases to Bankruptcy Court Judges of the District Court for the Southern District of New York, dated July 10, 1984 (Ward, Acting C.J.), as amended by order M-431 dated January 31, 2012 (Preska, C.P.J.).

B. The statutory predicates for the relief sought in the Motion and the basis for the approvals and authorizations herein are 11 U.S.C. §§ 105 and 363 and Rules 2002 and 6004 of the Bankruptcy Rules.

C. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (N), and (O).

D. Venue of this case and the Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

E. Good and sufficient notice of the relief sought in the Motion and granted herein has been given under the circumstances, and no further notice thereof is required, and such notice complied with all applicable requirements of 11 U.S.C. §§ 102 and 363, Rules 2002, 6004 and 9008 of the Bankruptcy Rules and any other applicable provision of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules and any Administrative Orders. A reasonable opportunity to object or be heard regarding the interim relief requested in the Motion (including, without limitation, with respect to the proposed Sale Procedures, as defined below) has been afforded to all interested persons and entities including, but not limited to: (i) the Office of the United States Trustee for the Southern District of New York; (ii) counsel for the Committee; (iii) counsel to Iona College; and (iv) all other parties that have filed a notice of appearance and

demand for service of papers in this bankruptcy case under Bankruptcy Rule 2002 (the “Bidding Procedures Notice Parties”).

F. The Debtor’s proposed notice of the Sale Procedures (as defined below), the Auction (if necessary) and the Sale Hearing, as set forth in the Motion, is appropriate and reasonably calculated to provide all interested parties with timely and proper notice, and no other or further notice is required.

G. The sale procedures substantially in the form attached as **Exhibit “A”** hereto (the “Sale Procedures”) are fair, reasonable and appropriate and are designed to maximize the net recovery for the Debtor and its estate in respect of the Sale.

H. The entry of this Procedures Order is in the best interests of the Debtor, its estate, its creditors and parties in interest; and it is therefore

**ORDERED, ADJUDGED AND DECREED THAT:**

1. The Sale Procedures, attached hereto as **Exhibit “A,”** are hereby approved in all respects and shall apply with respect to, and shall govern all proceedings related to, (i) the Purchase Agreement, (ii) the Auction, and (iii) the Sale.

2. The Debtor is authorized to take any and all actions reasonably necessary or appropriate to implement the Sale Procedures.

3. The notice procedures for the Auction and Sale Hearing, as described in the Motion, are approved in all respects, and the form of Notice of Auction and Sale Hearing, in substantially the form attached to the Motion as **Exhibit “C”** is hereby approved.

4. Notwithstanding anything herein or in the Sale Procedures to the contrary, the Purchase Agreement is deemed a Qualified Bid and Iona College is deemed a Qualified Bidder.

5. If a Qualified Bid is timely received in accordance with the Sale Procedures from an entity other than Iona College, the Auction shall be scheduled for **October 29, 2012, at 10:00 a.m. (EST)** at the offices of Tarter Krinsky & Drogin LLP, 1350 Broadway, 11<sup>th</sup> Floor, New York, New York 10018 unless rescheduled to a later date in accordance with the Sale Procedures.

6. No later than three (3) business days after entry of this Procedures Order, CBI (or its agents) shall serve a copy of the Procedures Order (including the Notice of Auction and Sale Hearing substantially in the form attached as to the Motion as **Exhibit “C”**) upon the following by first-class mail: (i) the Office of the United States Trustee for the Southern District of New York; (ii) counsel for Iona College; (iii) counsel to the Committee; and (iv) all other entities (or counsel therefor) known to have asserted any liens, claims or encumbrances in or upon the Premises; (v) all federal, state and local regulatory or taxing authorities or recording offices that are reasonably known by CBI to have an interest in the relief requested by the Motion; (vi) all parties known by CBI to have expressed a *bona fide* interest in acquiring any or all or the Premises; (vii) the Internal Revenue Service; (viii) the United States Attorney’s office; and (ix) all entities who have filed a notice of appearance and request for service of papers in the Debtors’ cases (collectively, the “Auction and Sale Notice Parties”).

7. No later than five (5) business days after entry of the Procedures Order, CBI (or its agents) shall cause the Notice of Auction and Sale Hearing substantially in the form attached to the Motion as **Exhibit “C”** to be served upon all other known prepetition creditors of the Debtor.

8. No later than ten (10) business days after entry of the Procedures Order by the Bankruptcy Court, CBI (or its agents) shall arrange to place an advertisement in *Real Estate*

*Weekly* or a local newspaper where real estate ads are customarily placed (the "Advertisement"), and any other publication which the Debtor (after consultation with the Committee) deems appropriate, advertising the Sale of the Premises and advising interested parties of the Bid Deadline, date of Auction and how such parties could receive additional information. The Advertisement shall contain the salient terms set forth in the Notice of Auction.

9. Any objections to the Sale of the Premises must: be in writing; conform to the requirements of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules of the United States Bankruptcy Court for the Southern District of New York; set forth the name of the objector; set forth the nature and amount of the objector's claims against or interests in the Debtor's estate or property; state the legal and factual basis for the objection and the specific grounds therefor; be filed with the United States Bankruptcy Court for the Southern District of New York, 300 Quarropas Street, White Plains, New York 10601 on or before **4:00 p.m. (EST) on October 30, 2012**; and be served so as to be received by (i) undersigned attorneys for the Debtor, Tarter Krinsky & Drogin LLP, 1350 Broadway, New York, New York 10018 (Attn: Scott S. Markowitz, Esq.), (ii) counsel to the Committee, Pachulski Stang Ziehl & Jones, 10100 Santa Monica Boulevard, 13<sup>th</sup> Floor, Los Angeles, California 90067 (Attn: James I. Stang, Esq.) (iii) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York 10004 (Attn: Paul K. Schwartzberg, Esq.), with a copy the Court's chambers no later than **4:00 p.m. (EST) on October 30, 2012**.

10. Nothing herein shall limit or otherwise affect the Committee's rights to object to the sale of any or all of the Premises to Iona College.

11. The Sale Hearing to consider approval of the Debtor's entry into and consummation of a transaction with a Successful Bidder shall be held on **November 1, 2012 at**

**10:00 a.m. (EST)** unless rescheduled to an earlier or later date in accordance with the Sale Procedures.

12. The Debtor is hereby authorized and empowered to take such steps, expend such sums of money and do such other things as may be necessary to implement and effect the terms and requirements established by this Procedures Order.

13. This Court shall retain jurisdiction over any matters related to or arising from the implementation of this Procedures Order, including (but not limited to) the right to amend this Procedures Order.

Dated: White Plains, New York  
September 11, 2012

/s/Robert D. Drain  
HONORABLE ROBERT D. DRAIN  
UNITED STATES BANKRUPTCY JUDGE