

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION**

In re:) Chapter 7
)
ESI SERVICE CORP.,) Case No. 16-07208-JMC-7A
)
Debtor.)

**MOTION TO EXTEND DEADLINE FOR FILING DEBTOR’S SCHEDULES
PURSUANT TO 11 U.S.C. § 521 AND FED. R. BANKR. P. 1007(c)**

ESI Service Corp. (“Debtor”) hereby files this motion (“Motion”) for entry of an order extending the date by which Debtor must file its Schedules of Assets and Liabilities, Statement of Financial Affairs, and Income and Expense Schedule (collectively, “Schedules”) pursuant to 11 U.S.C. § 521 and Rule 1007(c) of the Federal Rules of Bankruptcy Procedure (“Bankruptcy Rules”). A proposed form of order granting the Motion is attached hereto as Exhibit A.

JURISDICTION

1. On September 16, 2016 (“Petition Date”), Debtor filed with the United States Bankruptcy Court for the Southern District of Indiana, Indianapolis Division (“Court”), a voluntary petition for relief under chapter 7 of title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. as amended (“Bankruptcy Code”).

2. Deborah J. Caruso has been appointed as trustee (“Trustee”) in this case.

3. This Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A). Venue is proper before this Court under 28 U.S.C. §§ 1408 and 1409.

4. The statutory bases for the relief sought herein are §§ 105(a) and 521 of the Bankruptcy Code and Bankruptcy Rule 1007(c).

BACKGROUND AND EVENTS LEADING TO FILING

5. Debtor is a wholly-owned subsidiary of ITT Educational Services, Inc. (“ITT”) and an affiliate of Daniel Webster College, Inc. (“DWC”), both of whom filed their own voluntary petitions for relief on the Petition Date.

6. Due to actions taken by the United States Department of Education in August of 2016, ITT announced on September 6, 2016, that it would permanently discontinue academic operations and that it had eliminated the positions of the overwhelming majority of its more than 8,000 employees.

7. Debtor filed this chapter 7 case on the Petition Date to protect students of ITT and DWC and provide for the orderly liquidation of assets.

RELIEF REQUESTED

8. Pursuant to Bankruptcy Rule 1007(c), the current date by which Debtor is obligated to file the Schedules is September 30, 2016 (“Schedule Deadline”), which is fourteen days after the Petition Date.

9. Debtor seeks the entry of an order extending the Schedule Deadline up to and including October 17, 2016.

BASIS FOR RELIEF REQUESTED

10. Bankruptcy Rule 1007(c) provides that the Schedule Deadline may be extended “for cause shown.” Cause exists for extending the Schedule Deadline.

11. ITT has only four remaining employees. Those four remaining employees, with the assistance of Rust Consulting/Omni Bankruptcy (“Rust/Omni”), are in the process of assembling the information necessary to complete the Schedules as well as schedules for ITT and DWC. In total, Debtor and its affiliates have more than 150,000 potential parties in

interest, assets in at least thirty-seven states, and complicated insurance, employee and tax obligations. Even with Rust/Omni's assistance, Debtor reasonably requires additional time to ensure that it can accurately and completely fill out the Schedules.

NOTICE

12. Debtor will provide notice of this Motion to (i) the Service List (as such term is defined by Local Rule B-1000-1(b)(4)), (ii) the Department of Education, (iii) the Securities and Exchange Commission and (iv) the Internal Revenue Service.

CONSULTATION WITH U.S. TRUSTEE AND TRUSTEE

13. Pursuant to Rule B-1007-1(c)(2) of the Local Rules of the United States Bankruptcy Court for the Southern District of Indiana, the United States Trustee is "deemed to have no objection to the first motion for extension of time within which to file schedules or related documents." Nonetheless, Debtor's counsel discussed this Motion, and the relief requested herein, with counsel for the United States Trustee for the Southern District of Indiana, on September 22, 2016. The United States Trustee has no objection to the relief requested herein. The undersigned also discussed the relief requested in this Motion with counsel for the Trustee, and the Trustee has no objection to the relief requested in this Motion.

WHEREFORE, Debtor respectfully requests that the Court enter an order (a) extending the Schedule Deadline up to and including October 17, 2016, and (b) granting such other and further relief as this Court deems appropriate.

Respectfully submitted,

FAEGRE BAKER DANIELS LLP

/s/ Dustin R. DeNeal

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Counsel for Debtor

CERTIFICATE OF SERVICE

I hereby certify that on September 23, 2016, a copy of the foregoing pleading was filed electronically. Notice of this filing will be sent to the following parties through the Court's Electronic Case Filing System. Parties may access this filing through the Court's system.

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/s/ Dustin R. DeNeal

Exhibit A

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

In re:) Chapter 7
)
ESI SERVICE CORP.,) Case No. 16-07208-JMC-7A
)
Debtor.)

**ORDER GRANTING MOTION TO EXTEND DEADLINE FOR FILING DEBTOR'S
SCHEDULES PURSUANT TO 11 U.S.C. § 521 AND FED. R. BANKR. P. 1007(c)**

This matter is before the Court on the *Motion To Extend Deadline For Filing Debtor's Schedules Pursuant To 11 U.S.C. § 521 And Fed. R. Bankr. P. 1007(c)* ("Motion") filed by ESI Service Corp. ("Debtor"). The Motion requests entry of an order granting Debtor an extension of time, up to and including October 17, 2016, within which to file the Schedules.¹ The Court, having reviewed and considered the Motion, and being otherwise duly advised, hereby finds that good and sufficient cause exists for granting the relief requested in the Motion. Accordingly,

IT IS HEREBY ORDERED that:

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

1. The Motion is GRANTED in all respects.
2. Debtor's deadline to file the Schedules is hereby extended to October 17, 2016.
3. The extension granted in this order is without prejudice to Debtor's right to seek additional and further extensions of the Schedule Deadline.

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