

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF INDIANA  
INDIANAPOLIS DIVISION**

In re:

USA GYMNASTICS,<sup>1</sup>

Debtor.

Chapter 11

Case No. 18-9108-RLM-11

**MOTION TO SHORTEN NOTICE ON  
DEBTOR’S MOTION FOR ENTRY OF AN ORDER  
HOLDING THAT THE BOWLES LITIGATION VIOLATES THE AUTOMATIC STAY**

USA Gymnastics, as debtor and debtor in possession in the above-captioned chapter 11 case (“USAG”), hereby moves this Court (the “**Motion**”) for the entry of an order, substantially in the form attached hereto as Exhibit A, pursuant to Rule 9006(c) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), Rule 9006-1(a) of the Local Rules of the United States Bankruptcy Court for the Southern District of Indiana (the “**Local Rules**”), and section III.F of the Case Management Procedures (as defined below), shortening notice on the *Debtor’s Motion For Entry Of An Order Holding That The Bowles Litigation Violates The Automatic Stay* [Dkt. 1417] (the “**Stay Motion**”) and respectfully states as follows:

1. USAG filed the Stay Motion on February 1, 2021 seeking entry of an order holding that Plaintiffs violated the automatic stay by filing a lawsuit against USAG in the Eighth Judicial District Court for Clark County, Nevada (the “**Bowles Litigation**”).

2. Before filing the Stay Motion, USAG sought to resolve the matter without involving this Court and incurring additional legal fees. On January 20, 2021, counsel for USAG sent counsel for Plaintiffs a letter in which USAG explained that the Bowles Litigation violated

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<sup>1</sup> The last four digits of the Debtor’s federal tax identification number are 7871. The location of the Debtor’s principal office is 130 E. Washington Street, Suite 700, Indianapolis, Indiana 46204.

the automatic stay and asked Plaintiffs to immediately dismiss all allegations and claims against USAG. On January 26, 2021, USAG's counsel spoke with one of the attorneys for Plaintiffs and reiterated that the automatic stay required dismissal of the Bowles Litigation. Counsel refused to dismiss the suit, forcing USAG to file the Stay Motion.

3. Then, shortly after USAG filed the Stay Motion, USAG's counsel received a letter from Plaintiffs' counsel enclosing a summons issued in the Bowles Litigation. Counsel's letter was dated January 21, 2021—*i.e.*, one day after USAG notified Plaintiffs' counsel that the Bowles Litigation violated the automatic stay. Counsel thus knew at the time of mailing that the automatic stay did not permit the Bowles Litigation to proceed. Regardless, counsel mailed the summons anyway, and that summons purports to require USAG to answer the complaint within 20 days of receipt, and thus before the February 24, 2021 omnibus hearing.

4. Immediately after receiving this letter, USAG's counsel emailed Plaintiffs' counsel and demanded once again that Plaintiffs immediately withdraw all allegations and claims asserted against USAG. In the alternative, and so as not to burden this Court with a request for an expedited hearing, USAG requested that Plaintiffs promptly agree not to take any action in the Bowles Litigation prior to the February 24, 2021 omnibus hearing date. USAG's counsel requested a response by 5:00 p.m. CT on February 1, 2021. As of the filing of this Motion, USAG has received no response from Plaintiffs' counsel.

5. USAG does not wish to impose on this Court's schedule, but, unfortunately, Plaintiffs' failure to dismiss the Bowles Litigation or to agree not to take any action in the Bowles Litigation prior to February 24, 2021 compels USAG to seek an expedited hearing. Accordingly, USAG respectfully requests that the Court shorten notice on the Stay Motion so that it may be

heard on a date convenient for the Court during the week of February 8, 2021, prior to USAG's deadline to respond in the Bowles Litigation.

6. Bankruptcy Rule 9006(c), Local Rule 9006-1(a), and section III.F of the case management procedures appended to the *Order Granting Debtor's Motion For Order Establishing Certain Notice, Case Management, And Administrative Procedures* [Dkt. 213] (the "**Case Management Procedures**") permit the consideration of motions on shortened notice for cause. In addition, courts frequently shorten notice periods when a debtor identifies cause to do so. *See e.g., In re Fayette Memorial Hospital Assoc., Inc.*, Case No. 18-07762-JJG-11, Dkt. 206 (Bankr. S.D. Ind. Jan. 18, 2019); *In re Scotty's Holdings, LLC*, Case No. 18-09243-JJG-11, Dkt. 93 (Bankr. S.D. Ind. Dec. 28, 2018); *In re hhgregg, Inc.*, Case No. 17-01302-RLM-11, Dkt. 1292 (Bankr. S.D. Ind. June 30, 2017).

7. USAG submits that cause exists to hear the Stay Motion on shortened notice. If the Stay Motion is not heard prior to the February omnibus hearing and the Bowles Litigation is not promptly dismissed, USAG will be forced to respond to Plaintiffs' complaint, wasting time and resources that would otherwise be dedicated to USAG's restructuring effort. That will deprive USAG of the protection of the automatic stay and would not be in the estate's best interests.

8. USAG therefore requests, pursuant to Bankruptcy Rule 9006(c), Local Rule 9006-1(a), and section III.F of the Case Management Procedures, that the Court shorten notice on the Stay Motion and set the Stay Motion to be heard on a date convenient for the Court during the week of February 8, 2021.

#### NOTICE

9. USAG will provide notice of this Motion and any order entered hereon in accordance with the Case Management Procedures and Local Rules 9006-1(d) and 9006-1(e), including by electronic mail and first class mail to counsel for Plaintiffs in the Bowles Litigation.

In light of the nature of the relief requested herein, USAG submits that no other or further notice is necessary.

WHEREFORE, USAG respectfully requests entry of an order, substantially in the form attached as Exhibit A, granting the relief requested in this Motion and such other relief as is just and proper.

Dated: February 1, 2021

Respectfully submitted,

**JENNER & BLOCK LLP**

By: /s/ Catherine Steege

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**EXHIBIT A**

**Proposed Order**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF INDIANA  
INDIANAPOLIS DIVISION**

In re:

USA GYMNASTICS,<sup>1</sup>

Debtor.

Chapter 11

Case No. 18-9108-RLM-11

**ORDER SHORTENING NOTICE ON DEBTOR'S MOTION  
FOR ENTRY OF AN ORDER HOLDING THAT THE BOWLES  
LITIGATION VIOLATES THE AUTOMATIC STAY**

This matter came before the Court on the *Motion To Shorten Notice* (the “**Motion**”) on the *Debtor's Motion For Entry Of An Order Holding That The Bowles Litigation Violates The*

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<sup>1</sup>The last four digits of the Debtor's federal tax identification number are 7871. The location of the Debtor's principal office is 130 E. Washington Street, Suite 700, Indianapolis, Indiana 46204.

*Automatic Stay* (the “**Stay Motion**”), filed by USA Gymnastics as debtor and debtor in possession (the “**Debtor**”), for an order pursuant to Rule 9006(c) of the Federal Rules of Bankruptcy Procedure, Rule 9006-1(a) of the Local Rules of the United States Bankruptcy Court for the Southern District of Indiana (the “**Local Rules**”), and section III.F of the case management procedures appended to the *Order Granting Debtor’s Motion For Order Establishing Certain Notice, Case Management, And Administrative Procedures* [Dkt. 213] (the “**Case Management Procedures**”); and the Court finds that (i) it has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; (ii) this matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2)(A); (iii) the relief requested in the Motion is in the best interests of the Debtor, its estate, and creditors, and any party in interest; and after due deliberation, and good and sufficient cause appearing therefore, the Court hereby determines the Motion should be GRANTED.

IT IS HEREBY ORDERED:

1. The Motion is granted as set forth herein.
2. The Debtor shall serve this Order and certify such service in accordance with the Case Management Procedures and Local Rules 9006-1(d) and 9006-1(e).
3. The Stay Motion is set to be heard at a telephonic hearing (the “**Hearing**”) to be held on **February \_\_\_\_\_, 2021 at \_\_:\_\_.m. (prevailing Eastern time).**
4. A dial-in telephone number for interested parties to participate in the Hearing by conference call is 1-888-273-3658, passcode: 9247462#. All callers shall keep their phones muted unless addressing the Court. All callers must identify themselves and the party(ies) they represent when addressing the Court. Callers shall not place their phones on hold during the Hearing.

5. Any objections to the Stay Motion must be in writing and filed with the Clerk's Office and served, via the Court's ECF system, on or before **February \_\_\_\_\_, 2021 at \_\_:\_\_.m. (prevailing Eastern time).**

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

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