

**UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION**

In re:

LYDIA CLADEK, INC.,

Case No. 3:10-bk-02805-PMG

Debtor.

(Consolidated by Prior Court Order with Case
No. 10-bk-02800-PMG)

ORDER LIMITING NOTICE AND ESTABLISHING NOTICE PROCEDURES

This matter came before the Court upon the motion (the "Motion")¹ of Michael Phelan, the Chapter 11 Trustee of the consolidated Chapter 11 cases of Lydia Cladek, Inc., pursuant to 11 U.S.C. §§ 105(a) and 1108 and Rules 2002(m) and 9007 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), for the entry of an order limiting the persons and entities to whom notice of certain matters be provided; and the Court having reviewed the Motion; and the Court having held an hearing on the Motion on June 9, 2010 (the "Hearing"); and the Court finding that (i) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); (iii) notice of the Motion and the Hearing was sufficient under the circumstances and no other or further notice need be given; and (iv) 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 the objections, if any, to the relief requested in the Motion having been overruled;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.

¹ Capitalized terms used but not specifically defined herein shall have the respective meanings ascribed to them in the Motion.

2. All motions, notices and other pleadings other than those required by Bankruptcy Rules 2002(a)(1), 2002(a)(4), 2002(a)(5), 2002(a)(7), 2002(b) and 2002(f), need be served only on the "Official Service List" as hereinafter designated (referred to as the Short List in the Motion), unless the Court orders otherwise as to a specific person, entity or matter. Notices shall be provided to all creditors and parties in interest of those matters described in the aforementioned Bankruptcy Rules.

3. For purposes of this case, the " Official Service List" shall include:

- (a) The Chapter 11 Trustee and his counsel;
- (b) The Debtor and purported counsel for the prior debtor in possession;
- (c) Lydia I. Cladek;
- (d) The United States Trustee for the Middle District of Florida, Jacksonville Division;
- (e) The United States Attorney for the Middle District of Florida;
- (f) The Debtor's twenty (20) largest unsecured creditors, or their respective counsel; *provided, however*, that if an official committee of unsecured creditors is appointed in this case pursuant to 11 U.S.C. § 1102, notice hereunder will be limited to counsel for the committee and appointed members of the committee;
- (g) The District Director of the Internal Revenue Service;
- (h) The Florida Department of Revenue;
- (i) The Securities and Exchange Commission;
- (j) All other governmental agencies required to receive notice under the Bankruptcy Rules; and

(k) All parties in interest who serve upon the Chapter 11 Trustee and his counsel and file with the Clerk of Court a request that all notices be mailed to them pursuant to Bankruptcy Rule 2002(g).

4. Any creditor or party in interest desiring to be added to the "Official Service List" shall file their request, noting a mailing address, telephone number, and electronic mail address (if they have one) with the Clerk, United States Bankruptcy Court, Middle District of Florida, 300 N. Logan Street, Suite 3-350, Jacksonville, Florida 32202.

5. Unless otherwise ordered by this Court, service of the following notices and pleadings will not be limited (the "Material Matters"):

(a) the time fixed for filing objections to and the hearing on approval of a disclosure statement;

(b) the time fixed for filing objections to and the hearing on confirmation of a plan;

(c) the time fixed for accepting or rejecting a proposed material modification to a plan; and

(d) notice of bar date for filing proofs of claims.

6. **The parties in interest required to receive notice of proceedings in the Chapter 11 case would be limited to those parties included on the Official Service List and any other persons whose rights or interests will be directly affected by a specific pleading or proceeding in the case. ACCORDINGLY IF A PARTY WISHES TO RECEIVE NOTICE OF FUTURE PROCEEDINGS THEY MUST FOLLOW THE PROCEDURES FOR NOTICE SET FORTH IN PARAGRAPH 4 OF THIS ORDER FOR FILING**

WRITTEN REQUEST WITH COURT TO BE INCLUDED ON OFFICIAL SERVICE LIST FOR NOTICE OF PROCEEDINGS.

7. Upon receipt of each request to be added to party-in-interest list, short list, or Official Service List, counsel for the Chapter 11 Trustee shall (i) update the Official Service List to include such party requesting notice, and (ii) commence service to such additional party no later than the fifth (5th) business day following the actual receipt by counsel for the Chapter 11 Trustee of such notice and request. Additionally, beginning in July 2010, counsel for the Chapter 11 Trustee shall file an amended Official Service List on or before the twentieth (20th) day of any month following which counsel for the Chapter 11 Trustee has updated the Official Service List. Subject to the exceptions constituting Material Matters described above, the Official Service List shall be the official list for service in the Chapter 11 case whenever notice of a proceeding is required by the Bankruptcy Code or any Federal Rule of Bankruptcy Procedure or Local Bankruptcy Rule to be given to creditors or parties in interest. The Official Service List will be presumed to comply with due process requirements and to be consistent with service and notice requirements under the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and Local Bankruptcy Rules, other than when used in relation to Material Matters; provided however, nothing in this Order will preclude the Chapter 11 Trustee or any other party in interest from seeking to lengthen or shorten notice periods if the facts and circumstances so warrant.

8. The Chapter 11 Trustee shall serve papers to those on the Official Service List but is not required to attach the Official Service List to the service copy sent to interested parties. The Chapter 11 Trustee is authorized to send only one notice on a creditor who may be listed multiple times as a result of different account numbers and addresses except that if a creditor is

shown with different account numbers and a different address, a notice shall be sent to each address. The Chapter 11 Trustee shall file a Certificate of Service, attaching the Official Service List and indicating the parties upon whom the referenced document was served. The Chapter 11 Trustee shall file the Certificate of Service with the Court and serve a copy on the United States Trustee's Office.

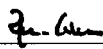
9. With respect to any party in interest otherwise entitled to receipt of a hard copy of any pleading or filing filed in this case, the Chapter 11 Trustee is authorized to serve, in lieu of a complete copy of the pleading or filing, a one-page notice of the filing (i) identifying the pleading, (ii) specifically noting that such pleading will be made available for download on his website (www.cladektrustee.com) in portable document format (PDF), and (iii) making such pleading available for download as set forth above. Alternatively, the Chapter 11 Trustee is authorized to serve, in lieu of regular mail, a complete copy of any pleading via electronic mail to those creditors, investors and parties in interest who submitted their electronic mail addresses at the 341 Meeting, in their request to be on the Official Service List or their notice of appearance in the case, or subsequently provide electronic mail addresses and consent to service by electronic mail.

10. This Order is without prejudice to the rights of any party in interest, for cause shown, to request different notices procedures with respect to any particular entity or matter. Furthermore, the unsecured creditors committee shall have twenty (20) days from the date of this Order to propose additional or alternative notice procedures by filing a notice with the Court specifically setting forth any such additional or alternative notice procedures. If such notice is filed, the Court will schedule a hearing to consider such additional or alternative notice procedures.

11. A copy of this Order shall be furnished on all known creditors and parties in interest. The Chapter 11 Trustee shall also serve a copy of this Order on any additional creditors and parties in interest identified in amended schedules within ten (10) business days of filing such schedules and file a certificate of service with respect to the service of this Order on said additional creditors and parties in interest.

12. The Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of the Order and the relief requested in the Motion.

DATED: June 15, 2010, at Jacksonville, Florida.



Paul M. Glenn
Chief United States Bankruptcy Judge

Copies furnished to:

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and all known creditors and parties in interest.