

## EXERCISE FIRST DAYS

### *Background*

You represent a distressed company that's preparing for a traditional Chapter 11 filing. You've been working on the matter for several months and have prepared several First Day Motions, including a First Day Affidavit from the CEO and a motion for a Debtor in Possession financing that you negotiated with the company's largest secured creditor. You plan to file the company's petition next week.

The company's CEO is familiar with the term "First Days" but doesn't know what it means. She wants to know what to expect once you file, including what order things happen in and when she can expect to get approval to continue operating the business.

### *Instructions*

Come prepared to discuss what you'll tell the client, being sure to cover:

- The term "First Days" and what it encompasses.
- Which motions are typically heard in the First Days and what they would allow the company to do if the relief requested is granted.
- What responsibilities the CEO has in the First Days.
- The general process and timing of the First Day Hearings, including why there is an initial and final hearing and how this can affect the relief the company receives.
- What the company has to prove at the hearings.