

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF WISCONSIN**

In re:	§	Chapter 11
	§	
CAPITOL LAKES, INC., ¹	§	Case No. 16-10158
	§	
Debtor.	§	Hon. Robert D. Martin

MOTION OF DEBTOR PURSUANT TO 11 U.S.C. § 521 AND FED. R. BANKR. P. 1007(c) REQUESTING AN EXTENSION OF TIME TO FILE SCHEDULES OF ASSETS AND LIABILITIES, SCHEDULES OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND STATEMENTS OF FINANCIAL AFFAIRS

Capitol Lakes, Inc., the above-captioned debtor and debtor in possession (the “Debtor”), by and through its undersigned proposed attorneys, hereby moves (the “Motion”) this Court for entry of an order, pursuant to sections 105(a) and 521 of title 11 of the United States Code (the “Bankruptcy Code”) and Rules 1007 and 9006 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), extending the deadline by which the Debtor must file its Schedules and Statements (as such terms are hereinafter defined). In support of this Motion, the Debtor respectfully represents as follows:

JURISDICTION AND VENUE

1. The Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334, and the General Order of Reference from the United States District Court for the Western District of Wisconsin dated June 12, 1984. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

2. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

¹ The debtor in this chapter 11 case, along with the last four (4) digits of its taxpayer identification number, is: Capitol Lakes, Inc. (2320). The mailing address of the debtor, solely for purposes of notices and communications, is: 333 W. Main St, Madison, WI 53703.

3. The statutory bases for the relief requested herein is Bankruptcy Code sections 105(a) and 521 and Bankruptcy Rules 1007 and 9006.

BACKGROUND

4. On January 20, 2016 (the "Petition Date"), the Debtor commenced this case by filing a voluntary petition for relief under chapter 11 of the Bankruptcy Code.

5. The Debtor remains in possession of its assets and continues to operate and manage its businesses as a debtor in possession pursuant to Bankruptcy Code sections 1107 and 1108.

6. No trustee, examiner or committee of creditors has been appointed in this case.

7. The factual background regarding the Debtor, including its current and historical business operations and the events precipitating this chapter 11 filing, is set forth in detail in the *Declaration of Tim Conroy in Support of Chapter 11 Petition and First Day Motions of Capitol Lakes, Inc.* (the "Conroy Declaration"), filed contemporaneously herewith and incorporated herein by reference.

RELIEF REQUESTED

8. Pursuant to Bankruptcy Code section 521 and Bankruptcy Rule 1007(b), if the bankruptcy petition is accompanied by a list of all the debtor's creditors and their addresses, a debtor is required, within fourteen days from the date of filing, to file with the court (a) a schedule of assets and liabilities, (b) a schedule of current income and expenditures, (c), a statement of executory contracts and unexpired leases, (d) a statement of financial affairs, and (e) a list of equity security holders as required by section 1007(a)(3) of the Bankruptcy Rules (collectively, the "Schedules and Statements"). By this Motion, the Debtor seeks an order extending the required time for filing the Schedules and Statements through and including February 10, 2016.

BASIS FOR RELIEF

9. The Court may grant the relief requested herein pursuant to Bankruptcy Rule 1007(c), which provides that “[a]ny extension of time to file schedules [and] statements . . . may be granted only on motion for cause shown and on notice to the United States trustee, any committee . . . trustee, examiner, or other party as the court may direct.” Fed. R. Bank. P. 1007(c).

10. Furthermore, section 105(a) of the Bankruptcy Code also empowers the Court to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of [the Bankruptcy Code.]” 11 U.S.C. § 105(a).

11. In addition to running its day-to-day business operations, the Debtor has spent a significant amount of time in the weeks leading up to the filing of this case working with its professionals to prepare necessary pleadings and other papers.

12. In addition, although the Debtor has commenced preparation of its Schedules and Statements, as a result of the large numbers of creditors and parties in interest in the Debtor’s chapter 11 case, the fourteen-day automatic extension of time to file such Schedules and Statements provided by Bankruptcy Rule 1007(c) will not be sufficient to permit completion of the Schedules and Statements. At this juncture, the Debtor estimates that an extension through and including February 10, 2016 will provide sufficient time to prepare and file the Schedules and Statements. The Debtor thus requests that the Court establish February 10, 2016 as the date on or before which it must file its Schedules and Statements, without prejudice to the Debtor’s right to seek any further extensions from this Court, or to seek a waiver of the requirement of filing certain Schedules.

13. Courts in this and other jurisdictions have previously granted similar relief. See, e.g., In re Cardiac Science Corp., Case No. 15-13766 (Bankr. W.D. Wis. Nov. 2, 2015); In re Grede Foundries, Inc., Case No. 09-14337 (Bankr. W.D. Wis. July 14, 2009); In re Rockford Products Corp., Case No. 07-71768 (Bankr. N.D. Ill. Aug. 9, 2007).

14. For the forgoing reasons, the Debtor submits that the relief requested in this Motion should be granted.

NOTICE

15. Notice of this Motion has been provided to (a) the Office of the United States Trustee for the Western District of Wisconsin; (b) the Office of the Attorney General of the State of Wisconsin; (c) the Wisconsin Office of the Commissioner of Insurance; (d) each of the Debtor's twenty (20) largest unsecured creditors; (e) U.S. Bank, N.A. as trustee; (f) counsel to Santander Bank, N.A.; (g) counsel to KBC Bank N.V.; and (h) the Internal Revenue Service and state taxing authorities. The Debtor submits that, in light of the nature of the relief requested, no other or further notice is necessary or required.

CONCLUSION

WHEREFORE, the Debtor respectfully requests that the Court enter an order (a) extending the time for filing the Schedules and Statements through and including February 10, 2016, and (b) granting such other and further relief as is just and proper.

Dated: January 21, 2016

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