



Signed and Filed: August 29, 2009

Dennis Montali

DENNIS MONTALI
U.S. Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re Heller Ehrman LLP,
Debtor.

Case No. 08-32514
Chapter 11

ORDER ESTABLISHING PROCEDURES FOR JUDICIAL
SETTLEMENT CONFERENCE

Pursuant to the request of the parties, settlement conferences in the above-captioned case are hereby scheduled for **October 30, 2009 at 9:00 a.m.** and **November 16, 2009 at 9:00 a.m.** before the Honorable Randall J. Newsome, at a location to be determined.

By no later than **2:00 p.m. on September 22, 2009**, the Official Committee of Unsecured Creditors and the Debtor shall serve upon one another and the other parties and LODGE with chambers, **DO NOT FILE WITH THE CLERK'S OFFICE**, a Settlement Conference Statement of no longer than 10 pages in length, excluding exhibits.

By no later than **2:00 p.m. on October 28, 2009**, each of the various groups representing shareholders (herein collectively the "Shareholder Groups") shall serve upon one another and the other parties and LODGE with chambers, **DO NOT FILE WITH THE CLERK'S OFFICE**, a Settlement Conference Statement of no longer than 10 pages in length, excluding exhibits.

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1 Chambers is located at 1300 Clay Street, Courtroom 220, Oakland, California. Subject to
2 restrictions on document size, the Settlement Conference Statement may be **LODGED** via an e-mail
3 attachment in a PDF, WordPerfect or MS Word format sent to laura_lee@canb.uscourts.gov or to
4 ron_mastroianni@canb.uscourts.gov. Such e-mail address may be utilized only to **LODGE** a
5 Settlement Conference Statement and may not be utilized to communicate with the Court regarding this
6 or any other matter. Contact chambers at 510-879-3530 or 510-879-3532 **at least one day in advance**
7 **of the lodging deadline** to make arrangements to **LODGE** a Settlement Conference Statement.

8 The Settlement Conference Statement shall set forth in the upper right hand corner:
9 "**CONFIDENTIAL - NOT TO BE FILED PURSUANT TO ORDER OF THE COURT - LODGE**
10 **WITH THE CHAMBERS OF JUDGE NEWSOME.**"

11 The Settlement Conference Statement shall contain information which would be helpful to the
12 settlement judge, including:

- 13 (a) A brief statement of the facts specifying those facts upon which the parties agree and the
14 major facts in dispute;
- 15 (b) A brief statement of the claims and defenses, with citation of particular statutory or other
16 authority which is controlling in the matter;
- 17 (c) The specific relief sought;
- 18 (d) An estimate of the cost and time to be expended for further discovery, pretrial and trial;
- 19 (e) The history of past settlement discussions, including disclosure of prior and any presently
20 outstanding offers and demands;
- 21 (f) Any presently scheduled dates for a further status conference, pretrial conference or for trial;
22 and
- 23 (g) Copies of any governing contracts or other documents which are central to the case.

24 Counsel should be prepared to present orally to the settlement judge a forthright evaluation of
25 the likelihood of prevailing on claims and defenses. Counsel who will participate in a trial of the matter
26 must be present at the settlement conference. **AT LEAST ONE MEMBER FROM EACH OF THE**
27 **SHAREHOLDER GROUPS SHALL APPEAR IN PERSON AT THE SETTLEMENT**

1 **CONFERENCE.**

2 Participation in the settlement conference by or on behalf of a person or entity other than a party
3 as stated on the service list attached hereto, is within the sole discretion of the settlement judge. A
4 request for such non-party participation must be served upon the other parties and a copy lodged with
5 Judge Newsome’s chambers by no later than September 8, 2009 at 2:00 p.m. Any opposition to such
6 request must be served upon the other parties and lodged with chambers by September 14, 2009 at 2:00
7 p.m. Contact chambers at 510-879-3530 or 510-879-3532 to make arrangements to lodge such
8 pleadings. Such additional participants shall fully comply with this *Order*.

9 The settlement conference will not conclude absent leave of the settlement judge, who may
10 continue the conference from time to time at the judge's discretion. The settlement judge may issue any
11 order deemed appropriate to facilitate settlement or the expeditious resolution of the dispute. The
12 parties must make a good faith attempt to settle the matter before the settlement conference. Failure to
13 comply with the terms and spirit of this *Order* may lead to the imposition of sanctions under Bankruptcy
14 Rule 7016 and Fed.R.Civ.P. 16(f).

15 **IT IS SO ORDERED.**

 END OF ORDER

COURT SERVICE LIST

Counsel Name and Address

Represented Party

<p>JOHN D. FIERO Pachulski Stang Ziehl Young & Jones LLP 150 California Street, Suite 150 San Francisco, CA 94111 Tel: (415) 217-5101 Fax:(415) 263-7010 Email: jfiero@pszjlaw.com</p>	<p>Heller Ehrman LLP</p>
<p>THOMAS A. WILLOUGHBY Felderstein Fitzgerald Willoughby & Pascuzzi LLP 400 Capitol Mall, Suite 1450 Sacramento, CA 95814 Tel: (916) 329-7400, ext. 221 Fax:(916) 329-7435 Email: twilloughby@ffwplaw.com</p>	<p>The Official Committee of Unsecured Creditors</p>
<p>MICHAEL COOPER Wendel, Rosen, Black & Dean LLP 1111 Broadway, 24th Floor Oakland, CA 94607 Tel: (510) 834-6600 Fax:(510) 834-1928 Email: MCooper@wendel.com</p>	<p>Douglas Schwab and Paul Sugarman, former shareholders who retired in early 2008 and received their capital, who then remained at the firm until dissolution as salaried employees of Heller Ehrman LLP</p>
<p>CECILY A. DUMAS Friedman Dumas & Springwater LLP 150 Spear Street, Suite 1600 San Francisco, CA 941 Tel: (415) 834-3800 Fax: (415) 834-1044 Email: cdumas@friedumspring.com</p>	<p>Approximately 50 lower-compensated former shareholders who remained until after the firm voted to dissolve, including junior and fixed-income shareholders.</p>
<p>JOHN J. JEROME Saul Ewing, LLP 400 Madison Avenue, Suite 12B New York, NY 10017 Tel.: (212) 980-7212 Fax: (212) 980-7206 Email: jjjerome@saul.com</p>	<p>Approximately 18 more highly-compensated former shareholders who withdrew prior to the dissolution vote</p>

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<p>TOBIAS S. KELLER Jones Day 555 California Street 26th Floor San Francisco, CA 94104 Tel: (415) 626-3939 Fax:(415) 875-5700 Email: tkeller@jonesday.com</p>	<p>Approximately 18 former shareholders now working at Jones Day</p>
<p>DAVID M. STERN Klee, Tuchin, Bogdanoff & Stern LLP 1999 Avenue of the Stars Thirty-Ninth Floor Los Angeles, California 90067 United States of America Tel: (310) 407-4025 Fax:(310) 407-9090 Email: dstern@ktbslaw.com</p>	<p>Approximately 90 of the more highly-compensated former shareholders, who remained until after the firm voted to dissolve</p>
<p>VICTOR A. VILAPLANA Foley & Lardner 402 West Broadway Suite 2100 San Diego, CA 92101 LLP Tel: (619) 685-4651 Fax: (619) 234-3510 vavilaplana@foley.com</p>	<p>Five former shareholders now working at Foley & Lardner</p>

Notice Recipients

District/Off: 0971-3
Case: 08-32514

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Recipients of Notice of Electronic Filing:

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TOTAL: 2

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Tobias S. Keller	Jones Day	555 California St. 26th Fl	San Francisco, CA 94104
David M. Stern	Klee Tuchin Bogdanoff & Stern LLP	1999 Avenue of the Stars	Thirty Nith Floor
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TOTAL: 6