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8
 9 UNITED STATES BANKRUPTCY COURT
 10 EASTERN DISTRICT OF CALIFORNIA
 11 SACRAMENTO DIVISION

13 In re:
 14 CITY OF STOCKTON, CALIFORNIA,
 15 Debtor.

Case No. 2012-32118

Chapter 9

**STIPULATION BETWEEN THE CITY
 OF STOCKTON AND THE COUNTY
 OF SAN JOAQUIN RE EXTENDING
 THE DEADLINE SET BY
 BANKRUPTCY CODE § 546(a)(1)**

[No Hearing Required]

20 The City of Stockton (the “City”) and the County of San Joaquin (the “County” and,
 21 together with the City, the “Parties”) hereby enter into the following stipulation:

RECITALS

23 1. The City filed a voluntary petition initiating this chapter 9 case on June 28, 2012.
 24 The order for relief was filed on April 1, 2013 [Dkt. No. 844]. The City’s plan of adjustment was
 25 confirmed by an order filed on February 4, 2015, and went effective on February 25, 2015 [Dkt.
 26 Nos. 1875 and 1915, respectively].

27 2. On March 12, 2015, the County filed two proofs of claim (Nos. 280 and 281)
 28 (together, the “Proofs of Claim”) and a pleading entitled Reservation of Rights by County of San

1 Joaquin in Response to Notice of Rejection of Executory Contract; Notice of Potential Claims
2 [Dkt. No. 1921] (the “Reservation of Rights” and, together with the Proofs of Claim, the “County
3 Claims”).

4 3. The City has represented to the County that it intends to file an avoidance action
5 in response to the County Claims if certain disputes between the City and the County cannot be
6 resolved consensually.

7 4. In light of the April 1, 2013, date of the order for relief, the deadline under
8 Bankruptcy Code § 546(a)(1) for filing avoidance actions is on or about March 31, 2015.

9 5. The Parties have agreed to extend the § 546(a)(1) deadline by 90 days from March
10 31, 2015, to and including June 29, 2015, in order to provide them the opportunity to resolve their
11 disputes without the cost of litigation.

12 Accordingly, the Parties hereby stipulate and agree as follows:

13 **STIPULATION**

14 1. The deadline imposed by Bankruptcy Code § 546(a)(1) for the City to file an
15 avoidance action against the County is extended to and including June 29, 2015.

16 Dated: March 24, 2015

Orrick, Herrington & Sutcliffe LLP

18 By: /s/ Marc A. Levinson
19 **Marc A. Levinson**
20 **Attorneys for Debtor**
21 **City of Stockton**

22 Dated: March 24, 2015

Downey Brand LLP

24 By: /s/ Jamie Dreher
25 **Jamie Dreher**
26 **Attorneys for County of San Joaquin**