

**Exhibit II-6. Local Rule on Motion to Use Cash Collateral or Obtain Credit  
(United States Bankruptcy Court for the Eastern District of Michigan)**

**RULE 4001-2 Motion for Use of Cash Collateral or to Obtain Credit**

(a) A motion to use cash collateral under 11 U.S.C. § 363(c)(2) or to obtain credit under 11 U.S.C. § 364(c) or (d) shall explicitly state the adequate protection offered the creditor and the moving party's position as to the value of each of the secured interests to be protected, and shall contain a summary of the other essential terms of the proposed use of cash collateral or post-petition credit, including, in the case of a motion to obtain credit under § 364(c) or (d), the interest rate, maturity date and a statement of the total amount of credit sought. Appraisals and projections, to the extent pertinent, shall be summarized in the motion.

(b) Except in Chapter 13 cases, the motion shall be filed with a cover sheet in the form attached as Appendix 1 to these rules. The requirement to identify the location in the proposed order of the provisions set forth in Appendix 1 is not to be construed as an approval of or prohibition against the inclusion of any such provisions in the order in any particular case. The Court will make such determination in each case based upon an assessment of all the facts and circumstances.

(c) If a debtor files a motion for the entry of an order approving an agreement to use cash collateral or to obtain credit on an expedited basis, the Court may enter the order without a hearing if:

- (1) the order is approved by all creditors who may have an interest in the cash collateral to be used or the credit to be extended, by the chairperson or attorney for each official committee and by the United States Trustee;
- (2) the order provides for the debtor to use cash collateral or to obtain credit in a maximum specified dollar amount necessary to avoid immediate and irreparable harm only until the earlier of a final hearing or the order becoming a final order;
- (3) the order provides for a final hearing, the date and time for which shall be filled in by the Court when the order is entered;
- (4) the order provides that the debtor shall, within 24 hours of its entry, serve a copy of the motion with its attachments and the order upon all parties who are required to be served under Bankruptcy Rule 4001(d);
- (5) the order provides:
  - (A) that objections to the order must be filed within 15 days from the entry of the order, except that an official committee may file objections within 15 days after it is served with the order;
  - (B) that upon filing of an objection, the final hearing will be held; and
  - (C) that if no objections are timely filed, the order may become a final order;

and

- (6) the motion is accompanied by an affidavit or declaration of the debtor or a principal of the debtor stating the facts upon which the debtor relies in seek-

ing the entry of the order on an expedited basis, and the amount of money needed to avoid immediate and irreparable harm.

**(d)** If a debtor files a motion to use cash collateral or to obtain post-petition financing, but the debtor's pre-petition secured creditors have not consented to the relief sought in the motion, the Court may enter an interim order granting the relief requested on an expedited basis if:

- (1) the debtor has served a copy of the motion and proposed order, and a notice of the hearing on the motion, upon the non-consenting secured creditors in the manner set forth in Local Rule 9013-1;
- (2) the Court has held a hearing on the motion at which the non-consenting secured creditors were given an opportunity to be heard;
- (3) the order complies with each of the requirements of subparagraphs (c)(2)–(6) of this rule; and,
- (4) the Court makes a specific finding of fact that the protection offered to the non-consenting secured creditor is adequate and such adequate protection is incorporated into the interim order.

If the Court enters an interim order under this subparagraph over the objection of a secured creditor, or if a secured creditor does not appear at the hearing or object to the motion, such secured creditor will have the right to object to the interim order as provided in subparagraph (c)(5) of this rule.

**(e)** On timely motion, the Court may enlarge or reduce the time within which an objection must be filed, except that the Court may not reduce the time within which a non-consenting secured creditor must file an objection under subparagraph (c)(5) of this rule. In its discretion, the Court may schedule a hearing on the debtor's motion at any time, with such notice as it deems appropriate, provided such notice and hearing are consistent with subparagraph (d) of this rule.

**APPENDIX 1**

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
\_\_\_\_\_ DIVISION

IN RE: \_\_\_\_\_ CASE NO.: \_\_\_\_\_

CHAPTER 11

DEBTOR : HON: \_\_\_\_\_

**COVER SHEET FOR MOTION TO USE CASH  
COLLATERAL OR TO OBTAIN CREDIT**

The debtor has filed a motion to use cash collateral or to obtain postpetition financing, which is attached to this Cover Sheet. In accordance with LBR 4001-2(b) (E.D.M.), the debtor has identified below, by page and paragraph number, the location in the proposed order accompanying the motion of each of the following provisions:

Provision	Contained in Proposed Order	Location in Proposed Order
(1) Provisions that grant liens on the estate's claims and causes of action arising under Chapter 5 of the Code.	____ Yes ____ No	Page __, ¶ __
(2) Provisions that grant cross-collateralization protection to the prepetition secured creditor (i.e., clauses that secure prepetition debt with categories of collateral that were not covered by the secured party's lien prepetition) other than liens granted solely as adequate protection against diminution in value of a prepetition creditor's collateral.	____ Yes ____ No	Page __, ¶ __
(3) Provisions that establish a procedure or conditions for relief from the automatic stay.	____ Yes ____ No	Page __, ¶ __
(4) Provisions regarding the validity or perfection of a secured creditor's prepetition liens or that release claims against a secured creditor.	____ Yes ____ No	Page __, ¶ __

Provision	Contained in Proposed Order	Location in Proposed Order
(5) Provisions that prime any lien without that lien holder's consent.	<input type="checkbox"/> Yes <input type="checkbox"/> No	Page __, ¶ __
(6) Provisions that relate to a sale of substantially all of the debtor's assets.	<input type="checkbox"/> Yes <input type="checkbox"/> No	Page __, ¶ __
(7) Provisions for the payment of professional fees of the debtor or any committees, including any carve-outs for such payments.	<input type="checkbox"/> Yes <input type="checkbox"/> No	Page __, ¶ __
(8) Provisions for the payment of prepetition debt.	<input type="checkbox"/> Yes <input type="checkbox"/> No	Page __, ¶ __
(9) Provisions that waive the debtor's exclusive right to file or solicit acceptances of a plan during the time periods specified in 11 U.S.C. § 1121.	<input type="checkbox"/> Yes <input type="checkbox"/> No	Page __, ¶ __
(10) Provisions that require the debtor's plan to be on terms acceptable to the secured creditor.	<input type="checkbox"/> Yes <input type="checkbox"/> No	Page __, ¶ __
(11) Provisions that require or prohibit specific terms in the debtor's plan.	<input type="checkbox"/> Yes <input type="checkbox"/> No	Page __, ¶ __
(12) Provisions establishing that proposing a plan inconsistent with the order constitutes a default.	<input type="checkbox"/> Yes <input type="checkbox"/> No	Page __, ¶ __
(13) Provisions that waive surcharge under 11 U.S.C. § 506(c).	<input type="checkbox"/> Yes <input type="checkbox"/> No	Page __, ¶ __
(14) Provisions that address the rights and obligations of guarantors or co-obligors.	<input type="checkbox"/> Yes <input type="checkbox"/> No	Page __, ¶ __
(15) Provisions that prohibit the debtor from seeking approval to use cash collateral without the secured creditor's consent.	<input type="checkbox"/> Yes <input type="checkbox"/> No	Page __, ¶ __

Provision	Contained in Proposed Order	Location in Proposed Order
(16) Provisions that purport to bind a subsequent trustee.	<input type="checkbox"/> Yes <input type="checkbox"/> No	Page __, ¶ __
(17) Provisions that obligate the debtor to pay any of a secured creditor's professional fees.	<input type="checkbox"/> Yes <input type="checkbox"/> No	Page __, ¶ __

Date: \_\_\_\_\_

\_\_\_\_\_

[Debtor's counsel]