

Third Motion of Florida Chinese Drywall Plaintiffs for Entry of an Order Allowing Late Filed Claim (the “Third Florida Extension Motion”)

By the Third Florida Extension Motion, owners (collectively, the “Movants”) of approximately 26 homes constructed by the Debtors in Parkland, Florida (the “Homes”) seek permission to file their proofs of claim approximately five months after the deadline established for filing proofs of claim (the “Bar Date”).¹

The Movants allege that (i) as of August 4, 2008 (the petition date), the Debtors had completed construction of the Homes, (ii) the Homes show symptoms of containing tainted drywall imported from China (“Chinese Drywall” and the claims related thereto, the “Drywall Claims”), (iii) the Movants were not fully apprised of the Drywall Claims prior to the Bar Date, (iv) the Debtors did not generally acknowledge the problems of Chinese Drywall prior to the Bar Date, and (v) the Debtors continue to inspect homes in Parkland, and such inspections are scheduled to occur for some of the Movants.

As a result of the foregoing allegations, the Movants assert that (i) they were not aware of the existence of the Drywall Claims prior to the Bar Date and acted expeditiously to have their Drywall Claims deemed timely filed, (ii) the Debtors were generally aware of the assertion of the Drywall Claims prior to the Bar Date, and (iii) allowing the Movants to file their claims would not prejudice other creditors.

¹ In May, a summary of a motion seeking similar relief filed by a different group of movants owning homes in Parkland, Florida (the “First Florida Extension Motion”) was posted to the Committee website. The Court approved the First Florida Extension Motion on May 12, 2009. In June, a summary of a motion seeking similar relief filed by an additional group of movants owning homes in Parkland (the “Second Florida Extension Motion”) was posted to the Committee website. The Court approved the Second Florida Extension Motion on June 15, 2009.