

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

-----X  
In re : Chapter 11  
 :  
 : Case No. 09-12452 (CSS)  
RathGibson, Inc., et al.,<sup>1</sup> :  
 : Jointly Administered  
 :  
 Debtors. :  
 :  
 :  
-----X

**DEBTORS' MOTION FOR AN ORDER SHORTENING THE TIME FOR  
NOTICE OF THE DEBTORS' MOTION FOR ORDER APPROVING AND  
AUTHORIZING: (A) AMENDMENT TO POSTPETITION  
DEBTOR-IN-POSSESSION FINANCING FACILITY; AND (B) PAYMENT  
OF AMENDMENT, WAIVER AND EXTENSION FEE RELATED THERETO**

The debtors and debtors in possession in the above-captioned cases (collectively, the "Debtors") hereby move (the "Motion to Shorten"), pursuant to Rules 2002 and 9006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rules 2002-1(b) and 9006-1(e) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), for entry of an order (i) shortening the applicable notice period for the hearing to consider the *Debtors' Motion for Order Approving and Authorizing: (A) Amendment to Postpetition Debtor in Possession Financing Facility; and (B) Payment of Amendment, Waiver and Extension Fee Related Thereto* (the "Motion"), which the Debtors are filing concurrently herewith; (ii) permitting parties to file objections to the Motion, if any, on or before March 18, 2010 at noon (prevailing Eastern Time); and (iii) allowing the Motion to be heard at the hearing scheduled for March 23, 2010 at 1:00

---

<sup>1</sup> The last four digits of the taxpayer identification numbers of the Debtors follow in parentheses: (i) Greenville Tube Company (2689); (ii) RathGibson, Inc. (3283); (iii) RG Tube Holdings LLC (4080); and (iv) RGCH Holdings Corp. (9683). The Debtors' executive headquarters' address is 475 Half Day Road, Suite 210, Lincolnshire, Illinois 60069.

p.m. (prevailing Eastern Time). In support of this Motion to Shorten, the Debtors respectfully represent as follows:

1. Local Rule 9006-1(c)(i) requires that all motion papers be filed and served at least fourteen (14) days prior to the hearing date scheduled for such motion, and seventeen (17) days if notice is given by mail, unless the Bankruptcy Rules state otherwise. Bankruptcy Rule 2002 requires twenty-one (21) days' notice prior to the hearing on a motion seeking the "proposed use, sale, or lease of property of the estate other than in the ordinary course of business . . . ." Fed. R. Bankr. P. 2002(a)(2). Further, pursuant to Local Rule 9006-1(e), such period may be shortened by order of the Court upon written motion specifying the exigencies supporting shortened notice. See also Fed. R. Bankr. P. 2002(a)(2) (providing that the court for cause shown may shorten time or direct another method of providing notice).

2. For the reasons set forth herein, the Debtors believe that cause exists for consideration of the Motion on an expedited basis.

3. As this Court is aware, since the inception of these cases, the Debtors' chief goals have been to exit chapter 11 as expeditiously as possible, while at the same time maximizing value for their estates, creditors and stakeholders. To that end, on July 13, 2009 (the "Petition Date"), Debtors RathGibson, Inc. and Greenville Tube Company (the "Initial Plan Debtors") filed their *Joint Chapter 11 Plan for RathGibson, Inc. and Greenville Tube Company* [Docket No. 32] and the *Disclosure Statement for Joint Chapter 11 Plan for RathGibson, Inc. and Greenville Tube Company* [Docket No. 33] with the Court.

4. On August 28, 2010, the Initial Plan Debtors filed the *Disclosure Statement for First Amended Joint Chapter 11 Plan for RathGibson, Inc. and Greenville Tube Company* [Docket No. 231] (the "Initial Disclosure Statement") in connection with the *First*

*Amended Joint Chapter 11 Plan of RathGibson, Inc. and Greenville Tube Company* [Docket No. 260](the “Initial Plan”). At a hearing held on August 31, 2009, the Court approved the disclosure statement [Docket No. 242] (the “Initial DS Order”)<sup>2</sup> and the Debtors commenced solicitation of the Initial Plan in accordance with the Initial DS Order.

5. However, following the solicitation of votes in respect of the Initial Plan, the Debtors determined it was appropriate to amend the Initial Plan to, among other things, provide for the inclusion of RG Tube Holdings LLC and RGCH Holdings Corp. in the chapter 11 plan, implement a more tax efficient restructuring and settle and compromise certain potential intercompany and intercreditor disputes. Since completion of solicitation in connection with the Initial Plan, the Debtors have been working diligently with their key constituencies to enter into a global settlement of open issues and are filing an amended chapter 11 plan (the “Plan”) and related disclosure statement (the “Disclosure Statement”) contemporaneously herewith. The Plan reflects a global settlement of: (i) various intercompany claims; (ii) the Debtors’ dispute with the Ad Hoc RGCH PIK Noteholders Committee (as defined in the Motion); and (iii) issues raised by the Creditors’ Committee regarding various matters.

6. The Plan also provides for the sale, assumption, assignment and/or transfer of all or substantially all of the Debtors’ assets (the “Sale”) to the RathGibson Acquisition Co, LLC (the “Stalking Horse Bidder”) or such other person or entity that submits the highest or otherwise best bid for the Debtors’ assets. The Sale is an integral component to the Plan, and consummation of the Sale and consummation of the Plan are inextricably intertwined.

---

<sup>2</sup> On September 2, 2009, the Court entered an amended order approving the Initial Disclosure Statement [Docket No. 254].

7. To facilitate a robust Sale and solicitation process, the Debtors must (i) modify certain terms of the DIP Facility,<sup>3</sup> and (ii) obtain the Lenders' waiver of certain existing Events of Default and consent to an extension of the various Plan solicitation, confirmation and consummation deadlines. In furtherance of this goal, the Debtors, the Administrative Agent and the Lenders have agreed to amend the DIP Facility pursuant to the terms and conditions of that certain Third DIP Facility Amendment.<sup>4</sup> As consideration for entry into the Third DIP Facility Amendment, the Debtors have agreed to pay the Lenders an amendment, waiver and extension fee in an amount equal to approximately \$1.2 million. The amendment, waiver and extension fee, however, is payable *only* upon termination of the Backstop Purchase Agreement *and* a waiver by the Backstop Equity Investors of the Debtors' obligation to pay the Backstop Break-Up Fee in connection therewith. It is imperative that the Debtors be authorized to enter into the Third DIP Facility Amendment and pay the related amendment, waiver and extension fee as soon as possible so that the Debtors may proceed towards consummation of the Sale and confirmation of the Plan with the availability of the liquidity provided under the DIP Facility. The Debtors believe that consideration of the Motion on an expedited basis is in the best interests of the Debtors' estates, creditors and stakeholders.

8. Therefore, the Debtors respectfully request that (i) the Motion be heard at the hearing scheduled for March 23, 2010 at 1:00 p.m. (prevailing Eastern Time), and (ii) objections or responses to the relief requested in the Motion be filed and served on the

---

<sup>3</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

<sup>4</sup> As set forth in the Motion, the Debtors, the Administrative Agent and the Lenders previously entered into amendments and waivers of the DIP Facility on August 10, 2009 and August 14, 2009. Additionally, the Debtors, the Administrative Agent and the Lenders entered into limited waivers or amendments thereto of the DIP Facility on November 25, 2009, December 9, 2009, December 23, 2009 and February 1, 2010.

undersigned counsel for the Debtors by 12:00 p.m. (prevailing Eastern Time) on March 18, 2010, unless such time is extended by the Debtors.<sup>5</sup>

**NOTICE**

9. Notice of this Motion to Shorten has been provided to: (a) the U.S. Trustee; (b) counsel to the indenture trustee under RathGibson, Inc.'s 11.25% senior notes ("Senior Notes"); (c) counsel to the agent for RGCH Holdings Corp.'s prepetition unsecured lenders; (d) counsel to the agent for the Lenders, the Stalking Horse Bidder and the ad hoc committee of the holders of the Senior Notes; (e) counsel to the Creditors' Committee; and (f) those parties entitled to receive notices under Bankruptcy Rule 2002. The Debtors submit that, under the circumstances, no other or further notice is required.

**NO PRIOR REQUEST**

10. No previous request for the relief sought herein has been made to this or any other court.

*[Remainder of page intentionally left blank.]*

---

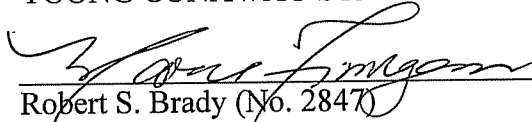
<sup>5</sup> Local Rule 9006-1(c)(ii) requires that the objection deadline with respect to motions be scheduled to permit all objections to be filed and served at least seven (7) days prior to the scheduled hearing date.

**CONCLUSION**

WHEREFORE, the Debtors respectfully request that the Court enter an order, substantially in the form attached hereto as Exhibit A, (i) approving the shortened notice period requested herein and the form, manner and sufficiency of notice of Motion; (ii) permitting parties to file objections to the Motion, if any, on or before March 18, 2010 at noon (prevailing Eastern Time); (iii) granting the Debtors' request to allow the Motion and any objections thereto to be heard at the hearing scheduled for March 23, 2010 at 1:00 p.m. (prevailing Eastern Time); and (iv) granting the Debtors such other and further relief as the Court deems just and proper.

Dated: Wilmington, Delaware  
March 8, 2010

YOUNG CONAWAY STARGATT & TAYLOR, LLP



Robert S. Brady (No. 2847)  
Matthew B. Lunn (No. 4119)  
Maris J. Finnegan (No. 5294)  
The Brandywine Building  
1000 West Street, 17th Floor  
Wilmington, Delaware 19801  
(302) 571-6600

-and-

WILLKIE FARR & GALLAGHER LLP  
Paul V. Shalhoub  
Robin Spigel  
787 Seventh Avenue  
New York, New York 10019-6099  
(212) 728-8000

*Co-Counsel to the Debtors and Debtors in Possession*

**EXHIBIT A**

**Proposed Order**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

	X	
In re	:	
	:	Chapter 11
RathGibson, Inc., <u>et al.</u> , <sup>1</sup>	:	Case No. 09-12452 (CSS)
	:	Jointly Administered
Debtors.	:	Re: Docket No. _____
	X	

**ORDER SHORTENING THE TIME FOR NOTICE OF THE DEBTORS' MOTION FOR ORDER APPROVING AND AUTHORIZING: (A) AMENDMENT TO POSTPETITION DEBTOR IN POSSESSION FINANCING FACILITY; AND (B) PAYMENT OF AMENDMENT, WAIVER AND EXTENSION FEE RELATED THERETO**

Upon the motion of the Debtors (the "Motion to Shorten")<sup>2</sup> for entry of an order shortening notice pursuant to Rules 2002 and 9006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rules 2002-1(b) and 9006-1(e) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), with respect to a hearing on the *Debtors' Motion for Order Approving and Authorizing: (A) Amendment to Postpetition Debtor in Possession Financing Facility; and (B) Payment of Amendment, Waiver and Extension Fee Related Thereto* (the "Motion"); and it appearing that the relief requested in the Motion to Shorten is in the best interests of the Debtors' estates, creditors and other parties in interest; and notice of the Motion to Shorten being

---

<sup>1</sup> The last four digits of the taxpayer identification numbers of the Debtors follow in parentheses: (i) Greenville Tube Company (2689); (ii) RathGibson, Inc. (3283); (iii) RG Tube Holdings LLC (4080); and (iv) RGCH Holdings Corp. (9683). The Debtors' executive headquarters' address is 475 Half Day Road, Suite 210, Lincolnshire, Illinois 60069.

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion to Shorten.

appropriate under the particular circumstances and no other or further notice need be given; and after due deliberation and sufficient cause appearing therefore,

IT IS HEREBY ORDERED that:

1. The Motion to Shorten is granted as set forth herein.
2. Parties shall file and serve objections to the Motion, if any, on or before March 18, 2010 at 12:00 p.m. (prevailing Eastern Time).
3. A hearing with respect to the Motion and any objections thereto shall be held on March 23, 2010 at 1:00 p.m. (prevailing Eastern Time).
4. This Court shall retain jurisdiction over any and all matters arising from or related to the implementation or interpretation of this Order.

Dated: March \_\_\_\_, 2010  
Wilmington, Delaware

---

THE HONORABLE CHRISTOPHER S. SONTCHI  
UNITED STATES BANKRUPTCY JUDGE