



ORDERED in the Southern District of Florida on November 21, 2007.

**Paul G. Hyman, Chief Judge
United States Bankruptcy Court**

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
WEST PALM BEACH DIVISION
www.flsb.uscourts.gov

In re

SOUTHEAST BANKING CORPORATION,

Debtor.

Case No. 91-14561-BKC-PGH

Chapter 11

**ORDER APPOINTING LEGAL REPRESENTATIVE
FOR HOLDERS OF SEBC COMMON STOCK**

THIS MATTER came before the Court for hearing in West Palm Beach on November 19, 2007 at 1:00 p.m., for consideration of the *Trustee's Motion for Entry of Order Appointing Legal Representative for Holders of SEBC Common Stock* (the "Motion"), filed by Jeffrey H. Beck, Chapter 11 Trustee (the "Trustee") for the estate (the "Estate") of Southeast Banking Corporation ("SEBC"). By way of the Motion, the Trustee seeks entry of an order appointing a legal representative (the "Legal Representative") to represent and further the interests of the holders of SEBC common stock (the "Common Stock Holders"), generally in connection with the matters described in the Motion and hereinafter in this Order.

The Court having read and considered the Motion and supporting authorities, heard the argument and representations of counsel for the Trustee, and otherwise been duly advised in the premises, and no party in interest having objected to the requested relief, finds that appointment of a Legal Representative under Section 105(a) of the Bankruptcy Code, 11 U.S.C. §105(a), is appropriate in this instance in order to give effect to the right of an equity security holder to appear and be heard in a Chapter 11 case under Section 1109(b) of the Code, 11 U.S.C. §1109(b). Indeed, other courts have relied upon those same provisions in making similar appointments in order to protect the rights of other potentially disenfranchised parties in interest in other bankruptcy cases. *See, e.g., In re Amatex Corp.*, 755 F.2d 1034, 1042-1044 (3d Cir. 1985) (appointment of guardian *ad litem* for future asbestos claimants); *Robinson v. Johns-Manville Corp. (In re Johns-Manville Corp.)*, 52 B.R. 940, 943-44 (S.D.N.Y. 1985) (affirming bankruptcy court's appointment of legal representative for future asbestos claimants, and noting that it was "wholly appropriate" for representative to be compensated from estate funds); *In re Roman Catholic Archbishop*, No. 04-37154-ELPLL, 2005 WL 148775 (Bankr. D. Or. Jan. 10, 2005) (appointing future claims representative for certain unknown individuals with latent sexual abuse claims against the debtor); *In re Forty-eight Insulations, Inc.*, 58 B.R. 476, 477 (Bankr. N.D. Ill. 1986) (appointing legal representative for potential future asbestos claimants); *In re UNR Industries, Inc.*, 46 B.R. 671 (Bankr. N.D. Ill. 1985) (appointing legal representative for putative asbestos victims).¹

Accordingly, it is

ORDERED AND ADJUDGED THAT:

¹ In addition to these reported decisions, the requested relief is also consistent with the appointment of special representatives in this District for the benefit of otherwise disenfranchised classes, including for lot and home purchasers in the *General Development* cases in the early 1990's, and for future tort claimants in the *Piper Aircraft* case as well.

1. The Motion is **GRANTED**.

2. Jerry M. Markowitz, Esq., of the law firm of Markowitz, Davis, Ringel & Trusty, P.A., is appointed as Legal Representative for Holders of SEBC Common Stock, to serve in such capacity until the effective date of a confirmed Chapter 11 Plan or such other time as the Court may direct.

3. The Legal Representative is authorized to (a) negotiate on behalf of the Common Stock Holders with the Trustee, the plan sponsor and other constituencies in connection with the development, negotiation and confirmation of a Chapter 11 Plan; (b) advise on the form and substance of supplemental notice to Common Stock Holders and their participation in the Plan process, including communication with Common Stock Holders regarding Plan issues; (c) otherwise act on behalf of Common Stock Holders in connection with issues arising in connection with the development, confirmation and implementation of a Plan; (d) retain counsel (but not a financial advisor absent a showing of exceptional need to the Court), and enter into such confidentiality and other agreements as may be necessary to discharge the foregoing duties and responsibilities of the Legal Representative; (e) appear both individually and through counsel, as appropriate, and be heard before the Court as a party in interest pursuant to 11 U.S.C. § 1109(b) with respect to any issue falling within the scope of the duties described herein; and (f) seek payment of reasonable fees and reimbursement of expenses from the Estate for his services and those of his chosen counsel pursuant to 11 U.S.C. §§ 330 and 331.

4. The duties and responsibilities of the Legal Representative as set forth in the preceding paragraph of this Order shall not be modified or expanded absent further Order of the Court upon motion, notice and hearing.

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Submitted by:

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(Attorney Bloom shall serve a conformed copy of this Order upon all interested parties and shall file a certificate of service.)

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