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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

In re	:	**Chapter 11**
TEXAS RANGERS BASEBALL PARTNERS,	:	**Case No. 10-43400 (DML)-11**
Debtor.	:	

DEBTOR'S MOTION PURSUANT TO SECTIONS 105(a), 363(c), AND 345(b) OF THE BANKRUPTCY CODE FOR (I) AUTHORIZATION TO (A) CONTINUE USING THE EXISTING CASH MANAGEMENT SYSTEM (B) MAINTAIN EXISTING BANK ACCOUNTS, AND (II) AN EXTENSION OF TIME TO COMPLY WITH THE REQUIREMENTS OF SECTION 345(b) OF THE BANKRUPTCY CODE

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Texas Rangers Baseball Partners ("TRBP" or the "Debtor") hereby files this motion (the "Motion") for (i) authorization to (a) continue the Debtor's existing cash management system (b) maintain existing bank accounts, and (ii) an extension of the time to comply with the requirements of section 345(b) of the Bankruptcy Code. In support of the

Motion, the Debtor submits the Declaration of Kellie Fischer in Support of the Debtor's Chapter 11 Petition and Requests for First Day Relief (the "Fischer Declaration"), filed contemporaneously herewith, and respectfully represents as follows:

Background

1. On the date hereof (the "Commencement Date"), the Debtor commenced with this Court a voluntary case under chapter 11 of title 11 of the United States Bankruptcy Code (the "Bankruptcy Code"). The Debtor is authorized to continue to operate its business and manage its properties as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

TRBP Partnership Structure

2. TRBP owns and operates the Texas Rangers Major League Baseball Club, a professional baseball club (the "Texas Rangers") in the Dallas/Fort Worth Metroplex, pursuant to the Major League Constitution (the "Major League Constitution") and the Membership Agreement, dated as of November 18, 1960, by and between The American League of Professional Baseball Clubs, as assumed by the Office of the Commissioner of Baseball (the "BOC"), and WBC Baseball Club, Inc., as assumed by TRBP pursuant to an Assumption Agreement, dated as of June 16, 1998.

3. TRBP is a Texas general partnership, in which Rangers Equity Holdings, L.P. ("Rangers Equity LP"), a Delaware limited partnership, holds a 99% partnership interest and Rangers Equity Holdings GP, LLC ("Rangers Equity GP"), a Texas limited liability company, holds a 1% partnership interest. Rangers Equity GP is a wholly-owned subsidiary of Rangers Equity LP. Both Rangers Equity LP and Rangers Equity GP are holding companies with no operating assets and are indirect, wholly-owned subsidiaries of HSG Sports Group LLC ("HSG"). HSG is a sports and entertainment holding company, which is an affiliate of, and

indirectly controlled by, Thomas O. Hicks ("Mr. Hicks"). The Texas Rangers have had five owners since the team moved to Arlington in 1972. Mr. Hicks became the fifth owner in the history of the Texas Rangers on June 16, 1998, when HSG completed the acquisition of the franchise from the George W. Bush/Edward W. Rose partnership.

Major League Baseball

4. With a history and tradition dating back to 1869, professional baseball is one of America's oldest organized league sports. From April through the end of September every year, Major League Baseball ("MLB") runs a 162-game regular season. MLB's clubs are divided into two leagues (American and National) and six divisions (AL East, AL Central, AL West, NL East, NL Central and NL West).

5. The BOC, doing business as Major League Baseball, is an unincorporated association of its 30 member clubs. It is headquartered in New York City and is governed by the Major League Constitution. The primary purpose of the BOC is to undertake centralized activities on behalf of the 30 clubs. Among other things, the BOC hires and maintains the sport's umpiring crews, and negotiates marketing, labor, and television contracts.

The Texas Rangers

6. The Texas Rangers are located in the fourth largest metropolitan area and the largest metropolitan market with a single MLB franchise. The Texas Rangers are one of only 30 MLB franchises and one of two MLB clubs in the state of Texas and its bordering states. The Texas Rangers have a rich and colorful history and have established themselves as a young, up-and-coming contender supported by a strong fan base. The team's executives have successfully combined players from their farm system with key veterans to produce a team that today is in first place in the American League's West Division. Founded in 1961 as the second incarnation of the Washington Senators, the franchise moved to Texas in 1972 and currently competes in the

American League West together with the Los Angeles Angels of Anaheim, the Oakland Athletics, and the Seattle Mariners.

7. The Texas Rangers' home field, the Rangers Ballpark in Arlington (the "Ballpark"), is located in Arlington, Texas and is an open-air, natural grass ballpark that was designed and built with tradition and intimacy in mind. The proximity of the fans to the action is one of the closest in MLB. The overall seating of the Ballpark is 49,170 seats on five levels, making it MLB's sixth largest ballpark.

Prepetition Indebtedness

8. Pursuant to that certain First Lien Credit Agreement and that certain Second Lien Credit Agreement (together, the "HSG Credit Agreement"), HSG and certain affiliates of HSG are indebted to the Lenders (as defined below) in the amount of $525 million. The HSG Credit Agreement is guaranteed by certain of HSG's subsidiaries, although the guaranties of the Texas Rangers and the security interests securing them are limited to $75 million (the "TRBP Guaranty Cap"). The First Lien Credit Agreement is secured by a first lien on substantially all of the assets of HSG and its affiliates including a pledge of the equity interests those entities have in their subsidiaries, including TRBP, and the Second Lien Credit Agreement is secured by a second lien on substantially all of the assets of HSG, its affiliates, including a pledge of the equity interests those entities have in their subsidiaries, including TRBP.

9. TRBP is also party to that certain Amended and Restated Secured Revolving Promissory Note, dated November 25, 2009, by TRBP in favor of Baseball Finance LLC, an affiliate of the BOC (the "Baseball Finance Note"). Pursuant to the Baseball Finance Note, Baseball Finance agreed to make available to TRBP a secured revolving loan facility in an aggregate principal amount not to exceed $25 million. The loans under the Baseball Finance

Note are secured by liens on substantially all of the assets of TRBP that are junior in priority to the liens granted pursuant to the HSG Credit Agreement that are subject to the TRBP Guaranty Cap. As of the Commencement Date, approximately $18.45 million in principal is outstanding under the Baseball Finance Note, plus accrued interest.

Events Leading to TRBP's Chapter 11 Filing

10. Since 2005, TRBP has experienced, and continues to experience, cash flow deficiencies. For the entire period that Mr. Hicks has owned the Texas Rangers, he has provided financial support to the team through capital contributions and loans to HSG in excess of $100 million.

11. Beginning in August 2008, HSG retained advisors to provide financial advice and assistance in connection with a capital raise, potential restructuring, or sale. While HSG and TRBP explored their options, TRBP continued to suffer operating losses. As a result of such losses, HSG was unable to service its $525 million long-term debt obligations under the HSG Credit Agreement. On March 31, 2009, HSG failed to make a scheduled interest payment under the HSG Credit Agreement, and on April 7, 2009, the lenders to the HSG Credit Agreement (the "Lenders") accelerated the entire amount of indebtedness thereunder. As a result of the acceleration, the Lenders under the HSG Credit Agreement have claims against TRBP on account of TRBP's secured guaranty of $75 million of such indebtedness, as discussed above.

Sale Process

12. During the second half of 2008 and throughout 2009, HSG and TRBP, in conjunction with their advisors, pursued a variety of options for a capital raise or a sale of the Texas Rangers. Ultimately, they concluded that a sale of the Texas Rangers was the only viable option. A lengthy and active marketing process culminated with an agreement among HSG, TRBP and Rangers Baseball Express LLC (the "Purchaser"), whose principals include the

current President of the Texas Rangers, Nolan Ryan, and Chuck Greenberg, a sports lawyer and minor league club owner, dated as of January 23, 2010 (the "January APA"), governing the sale of the Texas Rangers franchise and certain related assets.

13. Pursuant to the terms of the January APA, consummation of the sale required, among other closing conditions, the consent of the Lenders pursuant to the terms of the HSG Credit Agreement. Despite HSG's, TRBP's, and the Purchaser's lengthy good faith negotiations with the Lenders following the execution of the January APA, the Lenders refused to consent to the transactions contemplated by the January APA and thus prevented TRBP from moving forward with the sale of the Texas Rangers. Ultimately, TRBP, in consultation with MLB, concluded that a chapter 11 filing designed to facilitate a sale of TRBP's assets to the Purchaser (the "Sale") pursuant to a prepackaged plan of reorganization ("the Prepackaged Plan") was the most efficient manner in which to consummate the Sale and was, therefore, in the best interests of the Texas Rangers franchise, its fans, MLB and all other parties involved, including TRBP's creditors. As described herein, the Prepackaged Plan will facilitate the sale of the Texas Rangers franchise to the Purchaser and the payment of all of TRBP's creditors in full, allowing the Texas Rangers franchise to compete successfully on and off the field with assurance of long-term financial stability.

Asset Purchase Agreement

14. On May 23, 2010, after further negotiation, in anticipation of the implementation and consummation of the Sale through a chapter 11 plan of reorganization, the parties to the January APA terminated the January APA and entered into that certain Asset

Purchase Agreement (the "Asset Purchase Agreement") for the sale of the Texas Rangers franchise and certain related assets.[1]

15. Under the Asset Purchase Agreement, substantially all of the Debtor's assets, including the Texas Rangers franchise and substantially all contractual rights related the operation of the Texas Rangers will be sold to the Purchaser. The aggregate consideration paid and obligations assumed by the Purchaser at the Closing will equal more than $500 million. Pursuant to the Sale, the Purchaser will also assume virtually all of the obligations of the Texas Rangers, including deferred compensation obligations, sponsorship, ticketholder, employee and specified tax obligations, with the exception of certain excluded liabilities that will be paid under the Prepackaged Plan. Under the Asset Purchase Agreement and the Prepackaged Plan, TRBP also intends to assume and assign to the Purchaser all contracts relating to the Texas Rangers franchise, including all marketing, media, advertising, and merchandising contracts, all minor league and major league player contracts and certain real property Leases. The Sale anticipates a complete and orderly transition of the operations of the team — all tickets to games and other events will be fully honored, and all employees will keep their jobs. Although accomplished through a chapter 11 plan, the Sale will resemble in all significant respects the sale of any other sports franchise.

16. The Sale will allow TRBP's creditors that are Lenders under the HSG Credit Agreement to recover 100 percent of their guaranty claims against TRBP. As described more fully below, subject to Court approval, the Sale is expected to be completed by mid-

[1] A more thorough description of the Asset Purchase Agreement and the Prepackaged Plan are contained in the Declaration of Kellie L. Fischer in Support of Debtor's Chapter 11 Petition and Request for First Day Relief, filed contemporaneously herewith and incorporated herein by reference.

summer, allowing the franchise to exit the chapter 11 process expeditiously in order to reduce any potential adverse impact to the Texas Rangers and its operations.

MLB Approval

17. The Debtor, as a member of Major League Baseball, is subject to the rules and regulations of MLB. In particular, any sale of the Texas Rangers franchise cannot be consummated without first obtaining the requisite approval from the BOC and 75% of the MLB clubs. The sale of any MLB club must comply with the process set forth in the Major League Constitution and the MLB ownership guidelines. Accordingly, TRBP has worked very closely with MLB throughout the negotiation of the Asset Purchase Agreement and all related events leading to the filing of the chapter 11 case. As of the date hereof, the Debtor is not aware of any opposition by MLB or the requisite percentage of MLB clubs required to consent to the Sale.

The Prepackaged Plan

18. As stated above, concurrently herewith, the Debtor has filed its Prepackaged Plan. The primary purpose of the Prepackaged Plan is to bridge the impasse between TRBP and the Lenders under the HSG Credit Agreement and to effectuate the Sale of the Texas Rangers franchise to the Purchaser and satisfy TRBP's creditors in full.

19. The Prepackaged Plan provides for the Sale to be consummated on the effective date (the "Effective Date") and sets forth the distribution that each class of the Debtor's creditors and equity holders is to receive on the Effective Date under the Prepackaged Plan. All TRBP's creditors will be paid in full under the Prepackaged Plan or have their claims assumed by the Purchaser under the Asset Purchase Agreement. Specifically, each holder of an (i) Allowed Priority Non-Tax Claim, (ii) Allowed First Lien Holder Claim, (iii) Allowed Second Lien Holder Claim, (iv) Allowed MLB Prepetition Claim, (v) Allowed Secured Tax Claim, (vi) Allowed Other Secured Claim, (vii) Allowed Assumed General Unsecured Claim, (viii) Allowed

Non-Assumed General Unsecured Claim, (ix) Allowed Emerald Diamond Claim, (x) Allowed Overdraft Protection Agreement Claim, (xi) Allowed Intercompany Claim, and (xii) Allowed TRBP Equity Interest (all as defined in the Prepackaged Plan) is unimpaired and will be paid in full.

20. Additionally, TRBP believes that the Purchaser will build on past team successes and that the future of the Texas Rangers will be in the hands of an ownership group that will be a good steward for the game.

21. TRBP believes that because the Prepackaged Plan satisfies in full all claims against TRBP, is supported by TRBP's equity holders, and will lead to the least disruption to the Texas Rangers' business of playing baseball, the Prepackaged Plan is in the best interests of the Texas Rangers franchise and all parties in interest.

Jurisdiction

22. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

Relief Requested

23. By this Motion, the Debtor requests entry of an order for (i) authorization to continue to use the Cash Management System (as defined below), including to fund its operations in the ordinary course of business, consistent with its prepetition practices, (ii) authorization to maintain the Debtor's existing Bank Accounts (as defined below), and (iii) an extension of time to comply with section 345(b) of the Bankruptcy Code. Without the requested relief, the Debtor will be unable to maintain its financial operations effectively and efficiently, which would cause significant harm to the Debtor and its estate and creditors.

The Debtor's Cash Management System

24. To manage its business efficiently and seamlessly, the Debtor utilizes a centralized cash management system (the "Cash Management System") to collect and transfer the funds generated by its operations and to disburse funds to satisfy its financial obligations. The Cash Management System facilitates the Debtor's cash monitoring, forecasting, reporting, and enables the Debtor to maintain control over the administration of its bank accounts (the "Bank Accounts"), all but one of which is held at PlainsCapital Bank ("PlainsCapital Bank")[2]. The Debtor has one Bank Account for minor league petty cash disbursements ("TRBP Minor League Account"), which is held at Bank of America ("Bank of America")[3]. A list of the Bank Accounts and a description of each account's primary use is attached hereto as Exhibit A. A diagram of the Cash Management System flow of funds is attached hereto as Exhibit B.

25. The Debtor's banks automatically debit the Debtor's Bank Accounts once a month for bank fees (the "Bank Fees") incurred in connection with the Cash Management System. The Debtor's average Bank Fees are approximately $3,000 per month. The amount of monthly Bank Fees will vary depending upon several factors, including the balances in the Debtor's Bank Accounts and the number and type of transactions that are requested. As of the Commencement Date, the Debtor estimates that $1,838.63 in Bank Fees are outstanding.

26. The Cash Management System can be broken down into several distinct segments: cash collection, concentration, disbursements, credit card, and payroll.

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[2] Although the Bank Accounts at PlainsCapital Bank were specifically dedicated to the Debtor's sole use, the Bank Accounts were previously held in the name of HSG Sports Group Holdings LLC ("HSG"), the indirect parent of the Debtor. Prior to the Commencement Date, the ownership of the Bank Accounts was changed from HSG to the Debtor.

[3] The TRBP Minor League Account held at Bank of America typically has a balance of less than $35,000.

A. Cash Collection

27. The Debtor generates revenue from, among other things, (i) ticket sales for Rangers home games, (ii) merchandise and other game-related sales, (iii) television and radio broadcast sales, and (iv) advertising sales. The funds generated from these sources, along with the funds generated from the Debtor's other business segments, are deposited into various Bank Accounts (the "Collection Accounts").

28. Sales by the Debtor of tickets, merchandise and other items are completed by both credit card and cash transactions. The revenue generated from these sales are generally deposited to certain designated Collection Accounts on a daily basis; however, all cash generated at the ballpark on event days, which includes, among other things, sales of tickets, parking and merchandise, is aggregated at the end of each event and transported the next business day via armored car carrier to PlainsCapital Bank. The funds are then deposited into the appropriate Collection Account.

B. Concentration

29. The Collection Accounts are "zero balance accounts" which means the Debtor maintains a zero end-of-day balance. At the end of each day, funds flow out of the Collection Accounts to the centralized holding account (the "TRBP Operating Account"). Prior to the Commencement Date, any balances over $50,000 in the TRBP Operating Account at the end of each day were placed in a Bank Account maintained by PlainsCapital Bank that was an overnight, interest-bearing account ("Overnight Sweep Account"). The Debtor has requested PlainsCapital Bank to discontinue the Overnight Sweep Account.

C. Disbursements

30. The Debtor maintains several disbursement accounts (the "Disbursement Accounts") from which the Debtor meets its payment obligations. Funds in the TRBP Operating

Account are transferred, as needed, into Disbursement Accounts used to fund the Debtor's operating expenses, including, but not limited to, (i) accounts payable, (ii) operations, and (iii) petty-cash and other *de minimis* cash needs. To the extent a check is drawn on a Disbursement Account that is underfunded at the time of the transaction, the Disbursement Account is automatically credited with funds from the TRBP Operating Account. By linking the TRBP Operating Account to the various Disbursement Accounts, the Debtor ensures that sufficient funds are available. Payments made on behalf of the Debtor are processed from these primary Disbursements Accounts. One exception is the TRBP Minor League Account which is not directly linked to the TRBP Operating Account and is pre-funded as required.

D. Credit Card Expenses

31. For corporate credit card expenses, the Debtor currently uses a corporate credit card issued by JP Morgan Chase Bank ("JP Morgan") and maintained by HSG. Due to financial liquidity issues, the Debtor is unable to obtain a separate credit card to pay for its ordinary business expenses. The Debtor has provided a security deposit of $590,000 into a control account maintained by HSG and controlled by JP Morgan. Every thirty days the Debtor reviews the credit card billing statement and identifies those expenses incurred by the Debtor. The Debtor then transfers funds from the TRBP Operating Account to a HSG bank account used solely to pay for credit card expenses. HSG then submits the funds to JP Morgan. The average monthly credit card expenses of the Debtor is approximately $590,000. The majority of the credit card expenses are related to travel and lodging expenses of TRBP employees, which includes all of the baseball players. As of the Commencement Date, the Debtor estimates that $420,000 in credit card expenses have been incurred but not paid for by the Debtor. The Debtor expects to discontinue the use of this credit card after the sale of the Debtor's business, as contemplated by the Prepackaged Plan, is completed.

E. Payroll

32. To minimize disruptions to the Debtor's employees and the payroll system, the Debtor relies upon HSG to disburse payroll funds to the Debtor's employees, including its baseball players. Twice a month, the Debtor transfers payroll funds to HSG. On the same date, HSG disburses the payroll funds to the Debtor's employees. The Debtor also expects to transition from the current payroll system after the sale of the Debtor's business, as contemplated by the Prepackaged Plan, is completed.

The Intercompany Accounting System

33. Other than credit card expenses and payroll, HSG does not issue payments or receive cash on behalf of the Debtor through HSG's bank accounts. Therefore, intercompany payables or receivables are minimized.

34. While the Debtor generally has very few intercompany payables or receivables, to the extent that any exist, HSG maintains a detailed intercompany accounting system to track the intercompany payables and receivables that are generated as part of the Cash Management System. In addition, as of July 2009, intercompany payables and receivables have been funded daily between the cash accounts.

Continuing the Cash Management System Is in the Best Interests of the Debtor, Its Creditors, and All Other Parties in Interest

35. The relief sought by the Debtor is contemplated by the Bankruptcy Code. Section 363(c)(1) of the Bankruptcy Code authorizes the debtor in possession to "use property of the estate in the ordinary course of business without notice or a hearing." 11 U.S.C. § 363(c)(1). The purpose of section 363(c)(1) of the Bankruptcy Code is to provide a debtor in possession with the flexibility to engage in the ordinary transactions required to operate its business without unneeded oversight by its creditors or the court. *In re Roth Am., Inc.*, 975 F.2d 949, 952 (3d Cir.

1992) ("Section 363 is designed to strike [a] balance, allowing a business to continue its daily operations without excessive court or creditor oversight and protecting secured creditors and others from dissipation of the estate's assets.") (internal quotation omitted); *In re Nellson Nutraceutical, Inc.*, 369 B.R. 787, 796 (Bankr. D. Del. 2007). *Med. Malpractice Ins. Ass'n v. Hirsch* (*In re Lavigne*), 114 F.3d 379, 384 (2d Cir. 1997); *In re Git-N-Go, Inc.*, 322 B.R. 164, 171 (Bankr. N.D. Okla 2004); *In re Enron Corp.*, No. 01-16034 (ALG), 2003 WL 1562202, at *15 (Bankr. S.D.N.Y. Mar. 21, 2003); *In re Atlanta Retail, Inc.*, 287 B.R. 849, 856 (Bankr. N.D. Ga. 2002); *Chaney v. Official Comm. of Unsecured Creditors of Crystal Apparel, Inc.* (*In re Crystal Apparel, Inc.*), 207 B.R. 406, 409 (S.D.N.Y. 1997). Included within the purview of section 363(c) is a debtor's ability to continue the "routine transactions" necessitated by a debtor's cash management system. *Amdura Nat'l Distrib. Co. v. Amdura Corp. (In re Amdura Corp.)*, 75 F.3d 1447, 1453 (10th Cir. 1996); *see Charter Co. v. Prudential Ins. Co. of Am. (In re Charter Co.)*, 778 F.2d 617, 621 (11th Cir. 1985) (holding a debtor's continued use of its existing cash management system is consistent with section 363(c)(1)).

36. The Debtor seeks authorization to continue to participate in the Cash Management System consistent with its prepetition practices and operations and in accordance with any postpetition financing orders entered in its chapter 11 case. Absent the relief requested, the Debtor would incur significant expenses implementing an independent cash management system.

37. The Debtor's Cash Management System constitutes an ordinary course and essential business practice providing significant benefits to the Debtor, including, among other things, the ability to (i) control corporate funds; (ii) ensure the maximum availability of funds when and where necessary; and (iii) reduce borrowing costs and administrative expenses

by facilitating the movement of funds and the development of more timely and accurate account balance information. Moreover, the transactions with HSG enable the Debtor to perform important functions, such as paying its employees and make purchases on credit cards. Based upon the foregoing, maintenance of the existing Cash Management System is in the best interests of the Debtor and its estate.

38. Similar relief has been granted in other chapter 11 cases. *See, e.g., In re Pilgrim Corporation, et al.,* Case No. 08-45664 (DML) (Bankr. N.D. Tex. Dec. 1, 2008) [Docket No. 69]; *In re Mirant Corporation, et al.*, Case No. 03-46590 (DML) (Bankr. N.D. Tex. July 16, 2003) [Docket No. 47]; *In re Aleris Int'l, Inc.*, Ch. 11 Case No. 09-10478 (BLS) (Bankr. D. Del. Feb. 13, 2009) [Docket No. 36]; *In re Landsource Comtys. Dev. LLC*, Ch. 11 Case No. 08-11111 (KJC) (Bankr. D. Del. June 10, 2008) [Docket No. 29]; *In re Sharper Image Corp.*, Ch. 11 Case No. 08-10322 (KG) (Bankr. D. Del. Feb. 20, 2008) [Docket No. 43].[4]

Maintenance of the Debtor's Existing Bank Accounts is Warranted

39. The Office of the United States Trustee for the Northern District of Texas "Guidelines for Chapter 11 Debtors-in Possession" (the "Guidelines") mandate the closure of the Debtor's prepetition bank accounts, the opening of new accounts, including special accounts for the payment of taxes and segregation of cash collateral, and the immediate printing of new checks. If the Debtor was required to comply with these Guidelines, its operations would be severely harmed by the disruption, confusion, delay, and cost that would most certainly result from the closure of its existing Bank Accounts, the opening of new accounts and the immediate printing of new checks.

[4] Because of the voluminous nature of the orders cited herein, they are not annexed to this Motion. Copies of these orders are available upon request of Debtor's counsel.

40. The Debtor believes, therefore, that its transition to chapter 11 will be smoother and more orderly, with minimum disruption and harm to its operations, if the Bank Accounts are continued following the Commencement Date with the same account numbers. By preserving business continuity and avoiding the disruption and delay to the Debtor's collection and disbursement procedures that would necessarily result from closing the Bank Accounts and opening new accounts, all parties in interest, including employees, vendors, and customers, will be best served. Accordingly, the Debtor respectfully requests authority to maintain the Bank Accounts in the ordinary course of business and to pay any Bank Fees that may be incurred in connection with the Bank Accounts prior to or following the Commencement Date. Payment of any Bank Fees, including those incurred prepetition, is also warranted because PlainsCapital Bank and Bank of America may hold setoff rights and are entitled to automatically debit the Bank Accounts every month for the amounts owed by the Debtor.

41. Unless otherwise ordered by this Court, no bank shall honor or pay any check issued on account of a prepetition claim. The banks may honor any checks issued on account of prepetition claims where this Court has specifically authorized such checks to be honored. Furthermore, the Debtor requests that the banks be authorized to accept and honor all representations from the Debtor as to which checks should be honored or dishonored consistent with any order(s) of this Court, whether or not the checks are dated prior to, on, or subsequent to the Commencement Date. The banks shall not be liable to any party on account of following the Debtor's instructions or representations regarding which checks should be honored. The banks also shall be permitted to accept and process chargebacks against the Bank Accounts arising out of returned deposits into such accounts without regard to the date such return item was deposited.

42. The relief requested in this Motion is routinely granted in other chapter 11 cases. *See, e.g., In re Pilgrim Corporation, et al.*, Case No. 08-45664 (DML) (Bankr. N.D. Tex. Dec. 1, 2008) [Docket No. 69]; *In re Mirant Corporation, et al.*, Case No. 03-46590 (DML) (Bankr. N.D. Tex. July 16, 2003) [Docket No. 47]; *In re Aleris Int'l, Inc.*, Ch. 11 Case No. 09-10478 (BLS) (Bankr. D. Del. Feb. 13, 2009) [Docket No. 36]; *In re Landsource Comtys. Dev. LLC*, Ch. 11 Case No. 08-11111 (KJC) (Bankr. D. Del. June 10, 2008) [Docket No. 29]; *In re Sharper Image Corp.*, Ch. 11 Case No. 08-10322 (KG) (Bankr. D. Del. Feb. 20, 2008) [Docket No. 43].[5] Similar authorization is appropriate in this chapter 11 case.

Extension of Time to Comply with Section 345(b)

43. Section 345 of the Bankruptcy Code governs a debtor's deposit and investment of cash during a chapter 11 case and authorizes deposits or investments of money as "will yield the maximum reasonable net return on such money, taking into account the safety of such deposit or investment." 11 U.S.C. § 345(a). For deposits or investments that are not "insured or guaranteed by the United States or by a department, agency, or instrumentality of the United States or backed by the full faith and credit of the United States," section 345(b) requires the estate to obtain from the entity with which money is deposited or invested a bond in favor of the United States and secured by the undertaking of an adequate corporate surety, unless the Court for cause orders otherwise. *Id.* § 345(b). In the alternative, the estate may require the entity to deposit governmental securities pursuant to 31 U.S.C. § 9303, which provides that when a person is required by law to give a surety bond, that person, in lieu of a surety bond, may

[5] Because of the voluminous nature of the orders cited herein, they are not annexed to this Motion. Copies of these orders are available upon request of Debtor's counsel.

instead provide an eligible obligation, designated by the Secretary of the Treasury as an acceptable substitute for a surety bond. *See* 31 U.S.C. §§ 9301, 9303.

44. The Debtor's Bank Accounts are held at PlainsCapital Bank and Bank of America, which are banks that have been approved by the United States Trustee for the Northern District of Texas (the "U.S. Trustee") as authorized depositories ("Authorized Depositories"). Accordingly, the Debtor believes that any funds that are deposited in these accounts are secure and, thus, the Debtor is in compliance with section 345 of the Bankruptcy Code.[6]

45. However, in the event that the U.S. Trustee or any other interested party objects to the Debtor's compliance with section 345(b) of the Bankruptcy Code, the Debtor seeks a forty-five (45) day extension of the time to comply with section 345(b) of the Bankruptcy Code. During the extension period, the Debtor proposes to engage the U.S. Trustee in discussions to determine what modifications to its investment guidelines, if any, would be appropriate under the circumstances. The Debtor believes that the benefits of the requested extension far outweigh any harm to the Debtor's estate. *See generally In re Serv. Merchandise Co., Inc.*, 240 B.R. 894 (Bankr. M.D. Tenn. 1999).

46. Strict compliance with the requirements of section 345(b) of the Bankruptcy Code would, in a case such as this, be inconsistent with section 345(a), which permits a debtor in possession to make such investments of money of the estate "as will yield the maximum reasonable net return on such money." 11 U.S.C § 345. Thus, in 1994, to avoid "needlessly handcuff[ing] larger, more sophisticated debtors," Congress amended section 345(b) of the Bankruptcy Code to provide that its strict investment requirements may be waived or

[6] As discussed above, the Debtor has requested PlainsCapital Bank to discontinue the use of the Overnight Sweep Account.

modified if the Court so orders "for cause." 140 Cong. Rec. H. 10,767 (Oct. 4, 1994), 1994 WL 54773.

47. The Debtor believes that funds held in the Bank Accounts, even when in an amount in excess of the amounts insured by the Federal Deposit Insurance Corporation, are secure and that obtaining bonds to secure those funds, as required by section 345(b) of the Bankruptcy Code, is unnecessary and detrimental to the Debtor's estate and creditors. The Debtor submits that "cause" exists pursuant to section 345(b) of the Bankruptcy Code to extend the time to comply with such requirement because, among other considerations, (i) the Debtor's banks are highly rated and are federally chartered banks subject to supervision by federal banking regulators, (ii) the Debtor retains the right to remove funds held at the banks and establish new bank accounts as needed, (iii) the cost associated with satisfying the requirements of section 345 is burdensome, and (iv) the process of satisfying those requirements would lead to needless inefficiencies in the management of the Debtor's business. Moreover, strict compliance with the requirements of section 345 of the Bankruptcy Code would not be practical in this chapter 11 case. A bond secured by the undertaking of a corporate surety would be prohibitively expensive, if such bond is available at all. Finally, as noted, the Debtor expects to remain in chapter 11 for only a short period of time, thus minimizing any risk resulting from non-compliance with section 345 of the Bankruptcy Code.

48. Similar extensions have been granted in other chapter 11 cases. *See, e.g.*, *In re Pilgrim Corporation, et al.*, Case No. 08-45664 (DML) (Bankr. N.D. Tex. Dec. 1, 2008) [Docket No. 69]; *In re Mirant Corporation, et al.*, Case No. 03-46590 (DML) (Bankr. N.D. Tex. July 16, 2003) [Docket No. 47]; *In re Vertis Holdings, Inc. et al*, Case No. 08-11460 (CSS) (Bankr. D. Del. July 15, 2008); *In re Whitehall Jewelers Holdings, Inc.*, Ch. 11 Case No. 08-

11261 (KG) (Bankr. D. Del. June 24, 2008); *In re Landsource Comty. Dev. LLC*, Ch. 11 Case No. 08-11111 (KJC) (Bankr. D. Del. June 10, 2008); *In re Sharper Image Corp.*, Case No. 08-10322 (KG) (Bankr. D. Del. Feb. 20, 2008).[7]

49. Based on the foregoing, the Debtor submits that the relief requested herein is necessary and appropriate, is in the best interests of its estate and all other interested parties, and should be granted in all respects.

Payment of Corporate Credit Card Expenses is Warranted

50. Maintaining the corporate credit card is critical to the continued operation of the Debtor's business. The nonpayment of any corporate credit card expenses could result in JP Morgan terminating the corporate credit card. Termination of the corporate credit card could result in significant disruption to the current Major League Baseball season by causing the Texas Rangers baseball team to be unable to attend baseball games outside of Arlington, Texas due to the inability to reserve and pay for airline and hotel expenses—a risk that is not prudent in these circumstances.

51. In addition, payment of the corporate credit card expenses will not be to the detriment of other creditors in this case. As discussed herein, JP Morgan is a secured creditor and holds a security deposit of $590,000 in an account it controls. The nonpayment of any corporate credit card expenses could result in the forfeiture of the security deposit and the termination of the corporate credit card.

[7] Because of the voluminous nature of the orders cited herein, they are not annexed to this Motion. Copies of these orders are available upon request of Debtor's counsel.

The Debtor Satisfies Bankruptcy Rule 6003

52. Bankruptcy Rule 6003 provides that, except to the extent the relief requested herein is necessary to avoid the immediate and irreparable harm, the court shall not, within 21 days after the filing of the petition, grant relief regarding a motion to use, sell, lease, or otherwise incur an obligation regarding property of the estate, including a motion to pay all or part of a claim that arose before the filing of the petition. As detailed above and as set forth in the Fischer Declaration, the Debtor submits that such relief is necessary to avoid immediate and irreparable harm to the Debtor and its estate and, accordingly, submit that Bankruptcy Rule 6003 is satisfied.

Waiver of Bankruptcy Rules 6004(a) and (h)

53. Unless the Court orders otherwise, Bankruptcy Rule 6004(a) requires the Debtor provide 21 days notice to all creditors and certain other parties in interest of the use of property outside the ordinary course of business. Moreover, unless the Court orders otherwise, Bankruptcy Rule 6004(h) automatically stays for 14 days any order granting such relief. As described above and in the Fischer Declaration, the relief requested in this Motion is necessary to avoid immediate and irreparable harm to the Debtor that would otherwise be caused by a delay in the relief requested herein. Therefore, to the extent applicable, the Debtor requests the Court waive (i) the notice requirements under Bankruptcy Rule 6004(a) and (ii) the stay of the order authorizing the use, sale, or lease of property under Bankruptcy Rule 6004(h).

The Relief Requested is Appropriate

54. The requested relief is further supported by the prepackaged nature of this case. As set forth above and in greater detail in the Fischer Declaration, the Prepackaged Plan contemplates the payment of all classes in full, in cash, or reinstates the claims and equity interest of all classes. The most critical and complex task required to effectuate a successful

reorganization—the negotiation and formulation of a chapter 11 plan of reorganization—has already been accomplished. Thus, the Debtor respectfully submits that given the backdrop of this case, the relief requested herein is appropriate inasmuch as such relief will assist the Debtor to move towards expeditious confirmation of the Prepackaged Plan with the least possible disruption or harm to its business. Based on the foregoing, the Debtor submits that the relief requested is necessary and appropriate, is in the best interests of its estate and creditors, and should be granted in all respects.

Notice

55. No trustee, examiner or statutory creditors' committee has been appointed in this chapter 11 case. Notice of this Motion has been provided to: (i) the Office of the United States Trustee for the Northern District of Texas; (ii) the Debtor's thirty largest unsecured creditors; (iii) counsel to JPMorgan Chase Bank, N.A., as administrative agent under the First Lien Credit Facility; (iv) counsel to GSP Finance LLC, as successor in interest to Barclays Bank PLC, as administrative agent under the Second Lien Credit Facility; (v) counsel to Major League Baseball; (vi) counsel to the Major League Baseball Players Association; (vii) counsel to the Purchaser; (viii) PlainsCapital Bank; and (ix) Bank of America (collectively, the "Notice Parties"). The Debtor respectfully submits that no further notice of this Motion is required.

No Previous Request

56. No previous request for the relief sought herein has been made by the Debtor to this or any other Court.

WHEREFORE, the Debtor respectfully request that the Court grant the relief requested herein and such other and further relief as the Court may deem just and proper.

Dated: May 24, 2010
Fort Worth, Texas

/s/ Martin A. Sosland

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Attorneys for Debtor and
Debtor in Possession

EXHIBIT A

Bank Accounts

Plains Capital Bank

Company	ACCT #	Account Name	Description
RGR	3100036221	Texas Rangers Operating Account	master account
RGR	3100036072	Texas Rangers Credit Card	checking account
RGR	3100036114	Texas Rangers Ticket Office	checking account
RGR	3100036155	Texas Rangers Deposit & Vault Svcs	lockbox
RGR	3100036130	Texas Rangers Merchandise	checking account
RGR	9990000375	Texas Rangers Road Account (Petty Cash)	checking account
RGR	3100035553	Texas Rangers Sponsorship	lockbox
RGR	9990000409	Texas Rangers Payroll	checking account
RGR	9990000417	Texas Rangers AP	checking account
RGR	3100035546	Texas Rangers TaxSaver Benefits	checking account
RGR	3100036213	MLB Deferred Comp	deposit account
RGR	3100035686	Texas Rangers Overnight Sweep	discontinued prior to filing date

Bank of America

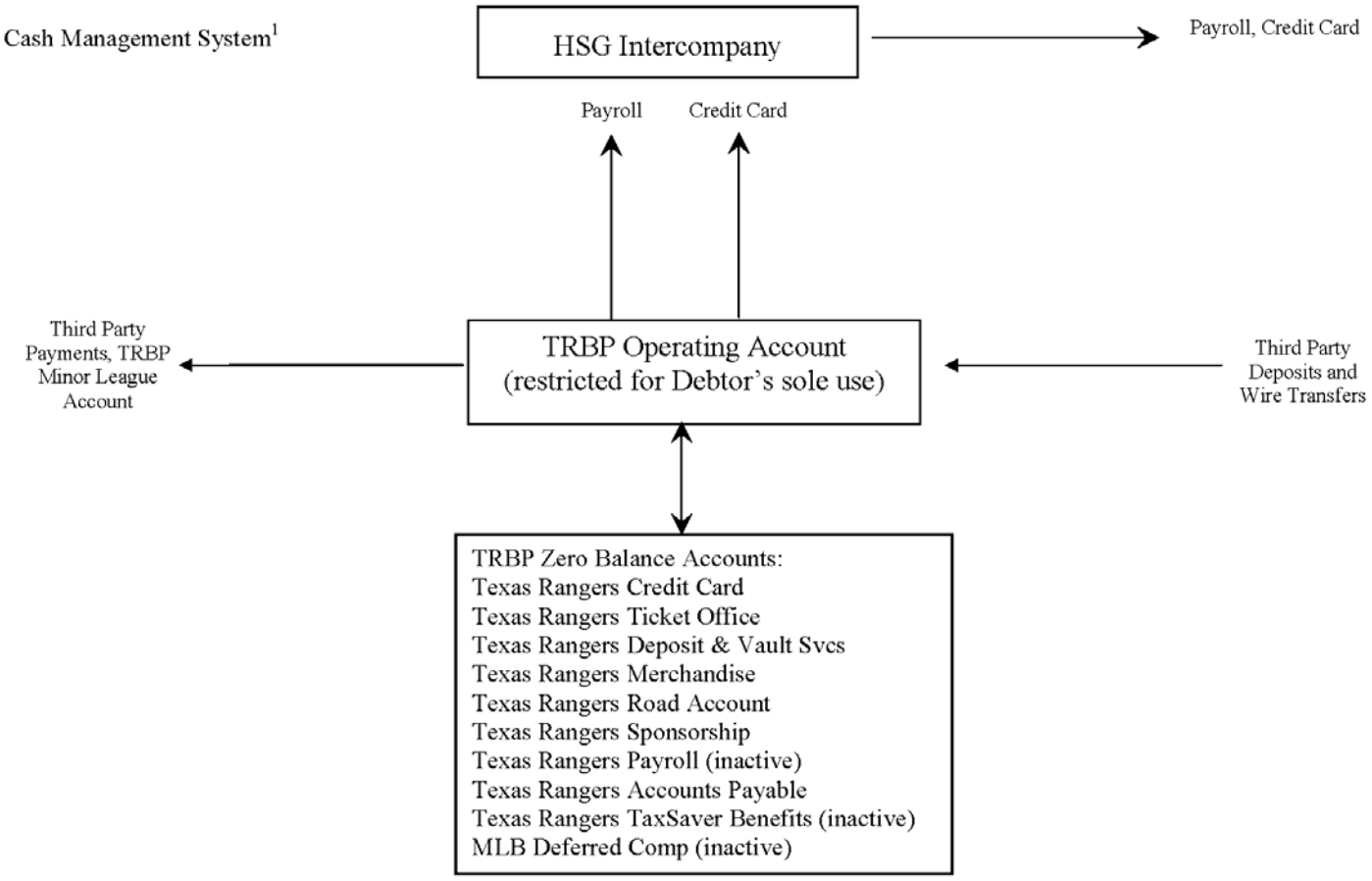
Company	ACCT #	Account Name	
RGR	4683134250	Texas Rangers Minor League Petty Cash	checking account

JP Morgan Chase

Company	ACCT #	Account Name	
HSG	2916523240	Collateral Account for corporate credit card	account controlled by JPM

EXHIBIT B

Diagram of the Cash Management System



[1] The TRBP Minor League Account which is held at Bank of America is a separate account from the Cash Management System.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

In re	:	**Chapter 11**
TEXAS RANGERS BASEBALL PARTNERS	:	**Case No. 10-43400 (DML)-11**
Debtor.	:	

ORDER PURSUANT TO SECTIONS 105(a), 363(c), AND 345(b) OF THE BANKRUPTCY CODE (I) AUTHORIZING DEBTOR TO (A) CONTINUE USING EXISTING CASH MANAGEMENT SYSTEM (B) MAINTAIN EXISTING BANK ACCOUNTS, AND (II) GRANTING AN EXTENSION OF TIME TO COMPLY WITH THE REQUIREMENTS OF SECTION 345(b) OF THE BANKRUPTCY CODE

Upon the motion (the "Motion"), dated May 24, 2010 of Texas Rangers Baseball Partners as debtor and debtor in possession in the above-captioned chapter 11 case (the "Debtor"), pursuant to sections 105(a) and 363(b) of the Bankruptcy Code,[1] for (i) authorization

[1] Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Motion.

to (a) continue to use its existing cash management system, (b) maintain its existing bank accounts, and (ii) an extension of time to comply with the requirements of section 345(b) of the Bankruptcy Code with respect to the Cash Management System, all as more fully described in the Motion; and upon consideration of the Declaration of Kellie L. Fischer in Support of the Debtor's Chapter 11 Petition and Requests for First Day Relief (the "Fischer Declaration"); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and due and proper notice of the hearing to consider the relief requested therein (the "Hearing") having been provided to: (i) the Office of the United States Trustee for the Northern District of Texas; (ii) the Debtor's thirty largest unsecured creditors; (iii) counsel to JPMorgan Chase Bank, N.A., as administrative agent under the First Lien Credit Facility; (iv) counsel to GSP Finance LLC, as successor in interest to Barclays Bank PLC, as administrative agent under the Second Lien Credit Facility; (v) counsel to Major League Baseball; (vi) counsel to the Major League Baseball Players Association; (vii) counsel to the Purchaser; (viii) PlainsCapital Bank; and (ix) Bank of America (collectively, the "Notice Parties"), and no further notice being necessary; and the legal and factual bases set forth in the Motion establishing just and sufficient cause to grant the relief requested therein; and the relief granted herein being in the best interests of the Debtor, its estate, creditors, and all parties in interest; and the relief granted herein being necessary to avoid immediate and irreparable harm; and the Court having held the Hearing with the appearances of interested parties noted in the record of the Hearing; and upon the entire record and all of the proceedings before the Court, the Court hereby ORDERS that:

1. The Motion is granted to the extent set forth herein.

2. The Debtor is authorized and empowered, pursuant to sections 105(a) and 363(c)(1) of the Bankruptcy Code, to continue the Cash Management System maintained by the Debtor before the commencement of this chapter 11 case, and to collect, concentrate, and disburse cash in accordance with that Cash Management System.

3. The Debtor is authorized to: (i) designate, maintain, and continue to use any or all of the existing Bank Accounts, in the names and with the account numbers existing immediately prior to the commencement of this chapter 11 case; (ii) deposit funds into and withdraw funds from such accounts by all usual means including, without limitation, checks, wire transfers, automated transfers and other debits; and (iii) treat the Debtor's prepetition Bank Accounts for all purposes as debtor in possession accounts; *provided, however,* that nothing contained herein shall authorize any bank or financial institution in which a Bank Account is maintained (a "Bank"), to honor or pay any check issued on account of a prepetition claim, except as otherwise provided by order of this Court.

4. All Banks with which the Debtor maintains Bank Accounts as of the Commencement Date are authorized and directed to continue to treat, service, and administer the Bank Accounts as accounts of the respective Debtor as a debtor in possession without interruption and in the usual and ordinary course, and to receive, process, honor and pay any and all checks, drafts, wires, or other transfers by the holders or makers thereof, as the case may be which originated (i) prepetition and were presented prepetition but not honored until after the Commencement Date; (ii) prepetition but are not presented to the Banks for payment until after the Commencement Date; and (iii) postpetition and are presented to the Banks for payment after the Commencement Date.

5. Each Bank that maintains a Bank Account shall implement reasonable handling procedures designed to effectuate the terms of this Order, and no Bank that implements such handling procedures and then honors a prepetition check or other item drawn on any Bank Account that is the subject of this Order either (i) at the direction of the Debtor to honor such prepetition check or item, (ii) in good faith belief that the Court has authorized such prepetition check or item to be honored, or (iii) as a result of an innocent mistake made despite implementation of such handling procedures, shall be deemed in violation of this Order and shall have no liability for a prepetition or other item drawn on any Bank Account that is the subject of this Order.

6. The Debtor is directed to maintain records of each and every transfer within the Cash Management System occurring on or after the Commencement Date to the same extent maintained by the Debtor prior to the Commencement Date, such that all postpetition transfers and transactions shall be adequately and promptly documented in, and readily ascertainable from, the Debtor's books and records.

7. Nothing contained herein shall prevent the Debtor from opening any additional bank accounts, or closing any existing Bank Account(s), as the Debtor may deem necessary and appropriate, and the Banks, and any other bank the Debtor deems appropriate are authorized to honor the Debtor's requests to open or close, as the case may be, such Bank Accounts or additional bank accounts.

8. The Debtor is in compliance with section 345(b) of the Bankruptcy Code; *provided, however*, that in the event that the U.S. Trustee or any interested party objects to the Debtor's compliance with section 345(b) of the Bankruptcy Code, the Debtor's time to come into compliance with section 345(b) is hereby extended for a period of forty-five days from the

Commencement Date (the "Extension Period") and that such extension is without prejudice to the Debtor's right to request a further extension of the Extension Period or the waiver of the requirements of section 345(b) in this case.

9. The Debtor is authorized to continue performing its respective obligations, commitments and transactions constituting intercompany transactions with non-debtor affiliates in the ordinary course of the business, including the payments for payroll, credit card expenses, and Shared Services.

10. The Debtor is authorized and shall (i) pay undisputed prepetition amounts outstanding as of the date hereof, if any, owed to its Banks as service charges for the maintenance of the Cash Management System, and (ii) reimburse the Banks for any claims arising, or chargebacks of deposits made, before or after the Commencement Date in connection with customer checks or other deposits into the Bank Accounts that have been dishonored or returned for any reason, together with any fees and costs in connection therewith, to the same extent that the Debtor was responsible prior to the Commencement Date; *provided, however,* that none of the Banks shall be required to make transfers from or honor any draws against any of the Bank Accounts except to the extent of collected funds available in such respective Bank Accounts.

11. The Debtor is authorized to pay customary prepetition banking and custody fees owed to any of its Banks and any such customary postpetition banking and custody fees will have administrative priority.

12. Rule 6003 of the Federal Rules of Bankruptcy Procedure has been satisfied because the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtor.

13. Rules 6004(a) and (h) of the Federal Rules of Bankruptcy Procedure has been satisfied because the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtor.

14. The Debtor shall serve this Order within three business days of its entry on the parties in interest identified in Local Rule 2002.1, including the Notice Parties.

15. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

16. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

###END OF ORDER###