UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

In re:	)	
	)	**Chapter 11**
PATRIOT COAL CORPORATION, *et al*.,	)	**Case No. 12-51502-659**
	)	**(Jointly Administered)**
Debtors.	)	
	)	**Re: Docket No. 417**
	)	
	)	**Reply Deadline:**
	)	**April 19, 2013**
	)	
	)	**Hearing Date:**
	)	**April 23, 2013**
	)	
	)	**Hearing Location:**
	)	**Courtroom 7 North**

OBJECTION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS TO THE MOTION FOR THE APPOINTMENT OF AN OFFICIAL COMMITTEE OF EQUITY SECURITY HOLDERS

The Official Committee of Unsecured Creditors (the "**Committee**") of the above debtors and debtors-in-possession (collectively, the "**Debtors**") hereby objects (the "**Objection**") to the motion to appoint a committee of equity security holders (the "**Motion**," ECF No. 417) filed by CompassPoint Partners, L.P., Frank Williams, and Eric Wagoner (collectively, the "**Interested Shareholders**") and respectfully represents as follows:

PRELIMINARY STATEMENT

1. Two separate Offices of the United States Trustee – Region 2 and Region 13 (including this district) – have now determined that the appointment of an equity committee in these cases is not "necessary to assure the adequate representation of . . . equity security holders." See 11 U.S.C. § 1102(b). Unsatisfied with those determinations, the Interested

Shareholders now move for an order granting the extraordinary relief of overruling them. That Motion should be denied.

2. Because they seek extraordinary relief, the Interested Shareholders must prove both (i) a substantial likelihood that there will be a meaningful distribution to equity holders in the case and (ii) equity holders' inability to adequately represent their interests without an official committee. Their Motion and anticipated "expert" testimony, however, do not remotely satisfy these demanding standards.

3. The Interested Shareholders cannot demonstrate a substantial likelihood of a meaningful distribution for equity holders. As explained in the expert report of Matthew A. Mazzucchi (the "**Mazzucchi Expert Report**", Exhibit 1 to the Declaration of Matthew A. Mazzucchi, which is attached hereto as **Exhibit A)** a straightforward review of the trading prices of the Debtors' public securities over the last nine months establishes, unfortunately, that the Debtors are deeply insolvent. The Interested Shareholders initially sought to sidestep this obvious fact by arguing that the Debtors' prepetition financial statements reflected a positive book value of equity. Not only was the use of that metric debatable in the abstract, but the Debtors' substantial business reversals have caused it to collapse – as of the end of February, the book value of the Debtors' equity was *negative $308.3 million*. As a result, the Interested Shareholders now rely on a collection of "expert" reports, which (i) on their face, do not satisfy the evidentiary showing required by this Court, (ii) are shot through with glaring methodological and factual errors, and (iii) are the culmination of a months-long effort by the purported "expert" witnesses to drum up paying roles for themselves in these cases. They are incorrect and incredible and cannot justify the relief the Interested Shareholders seek.

4. As importantly, the Interested Shareholders have made no showing at all that appointment of an equity committee is necessary for their interests to be adequately represented in these cases. In addition to the active and very capable oversight by the United States Trustee, the estate already has two official fiduciaries – the Debtors and the Committee – who are intently focused on maximizing estate value. The Interested Shareholders offer no basis on which to conclude that the fiduciaries' interests or efforts are inconsistent with those of equity. Since this case was filed, moreover, the Interested Shareholders have played virtually no formal or informal role in these cases beyond prosecuting this Motion. Their inactivity confirms that whatever interests they have are being more than adequately protected by the Debtors and the Committee.

5. In short, there is no evidence that the appointment of an equity committee is appropriate at this juncture in the case. The Motion should therefore be denied.

BACKGROUND

6. On July 9, 2012 (the "**Petition Date**"), the Debtors each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**"). On July 18, 2012, the United States Trustee (the "**U.S. Trustee**") for the Southern District of New York, pursuant to section 1102 of the Bankruptcy Code, appointed the Committee in these chapter 11 cases. The Debtors' cases were transferred to this Court pursuant to an order dated December 19, 2012.

7. By letter dated July 18, 2012, the Interested Shareholders requested that the Region 2 U.S. Trustee appoint an official committee of equity security holders (the "**Letter Request**"). At the U.S. Trustee's request, the Committee detailed its opposition to the Letter Request – for reasons consistent with those stated herein – in a letter to the U.S. Trustee dated

August 15, 2012. On August 24, the U.S. Trustee declined the Interested Shareholders' request for the appointment of an official committee. The Interested Shareholders filed the instant Motion thereafter. They also reiterated their request in a letter to the Region 13 U.S. Trustee (including the Eastern District of Missouri) dated December 20, 2013. That request was denied by the U.S. Trustee for the Eastern District of Missouri on January 15, 2013.

8. Since that time, pursuant to a timetable agreed among the Interested Shareholders, the Debtors, and the Committee, the Interested Shareholders presented the Declaration of Christopher Wu (the "**Wu Declaration**") and made Mr. Wu and Jeffrey Stufsky of KLR Group, which prepared a valuation report attached as Exhibit A to the Wu Declaration (the "**Stufsky Report**"), available for deposition.[1]

A. Appointment of an Equity Committee Is Extraordinary Relief

9. Section 1102 of the Bankruptcy Code provides that a court "may" order the appointment of an additional committee for equity holders if "necessary" to assure adequate representation of equity security holders. 11 U.S.C. § 1102(a)(2) (emphasis added). The statute, however, does not define "adequate representation," thereby "leaving the bankruptcy courts with discretion to examine the facts of each case to determine if additional committees are warranted." In re Interco, Inc., 141 B.R. 422, 424 (Bankr. E.D. Mo. 1992) (citations omitted); accord, In re Williams Commc'ns Group, Inc., 281 B.R. 216, 220 (Bankr. S.D.N.Y. 2002) ("the

[1] The Wu Declaration, including the Stufsky Report, is attached as Exhibit D to the Declaration of Amelia T.R. Starr in Support of Debtors' Objection to Motion of Certain Interested Shareholders for Entry of an Order Directing the Appointment of an Official Committee of Equity Security Holders Pursuant to Bankruptcy Code § 1102(a)(2) (the "**Starr Declaration**") filed by the Debtors on the date hereof. The Stufsky Report is also attached as Exhibit E to the Starr Declaration and entitled "a report prepared by the KLR Group entitled 'Patriot Coal: Indication of Estimated Value to Existing Equity Holders and Discussion'". Furthermore, the transcript of the deposition of Jeffrey Stufsky, dated March 13, 2013, is attached as Exhibit H to the Starr Declaration and the transcript of the deposition of Christopher Wu, dated March 15, 2013, is attached as Exhibit I to the Starr Declaration.

court retains the discretion to appoint an equity committee based on the facts of each case") (citations omitted).

10. This discretion, however, is not unlimited. Section 1102 authorizes appointment of an additional committee only where it is "necessary" to assure "adequate representation." The provision, courts recognize, erects "a high standard that is far more onerous than if the statute merely provided that a committee be useful or appropriate." In re Eastman Kodak Co., Case No. 12-10202 (ALG), 2012 Bankr. LEXIS 2944, at *4-5 (Bankr. S.D.N.Y. June 28, 2012) citing In re Oneida Ltd., No. 06-10489, 2006 Bankr. LEXIS 780, at *3 (Bankr. S.D.N.Y. May 5, 2006) (citations omitted). As such, there is "uniform recognition" that "appointment of an equity committee constitutes extraordinary relief," and that such committees should be the "rare exception" in chapter 11 cases. Kodak, 2012 Bankr. LEXIS 2944, at *5 (citations omitted); see also In re Spansion, Inc., 421 B.R. 151, 156 (Bankr. D. Del. 2009) (equity committee should be "rare exception") (citations omitted).[2] Where, moreover, two United States Trustees have considered and rejected the Interested Shareholders' request, their determinations are entitled to significant deference. See In re Enron Corp., 279 B.R. 671, 685 (Bankr. S.D.N.Y. 2002) ("ordering the appointment of additional committees, particularly given that the matter is often first reviewed and addressed by the U.S. Trustee, is an extraordinary remedy") (citations omitted); 7 Collier on Bankruptcy § 1102.07[1] (16th ed. 2012).

11. Because it is extraordinary relief, before an equity committee may be appointed, the proponent bears the heavy burden of proving both that "(i) there is a *substantial likelihood* that [equity] will receive a *meaningful* distribution in the case under a strict

[2] See also In re Dana Corp., 344 B.R. 35, 38 (Bankr. S.D.N.Y. 2006) (equity committee appointment is "extraordinary relief") (citations omitted); In re Nat'l R.V. Holdings, Inc., No. 6:07-17941-PC, 2008 Bankr. LEXIS 3465, at *31 (Bankr. C.D. Cal. Apr. 25, 2008) (appointment of an additional committee is "an extraordinary remedy which is left to the discretion of the court"); Exide Techs. v. Wis. Inv. Bd., Appeal No. C.A. No. 02-1572-SLR, Bank. Case No. 02-11125-KJC, Appeal No. C.A. No. 02-1610-SLR, Bank. Case No. 02-11125-KJC, 2002 U.S. Dist. LEXIS 27210, at *4 (D. Del. Dec. 23, 2002) (appointment "should be the rare exception").

application of the absolute priority rule, and (ii) [equity holders] are unable to represent their interests in the bankruptcy cases without an official committee."[3] Williams, 281 B.R. at 223 (emphasis added); Spansion, 421 B.R. at 156 (citations omitted); In re Northwestern Corp., Case No. 03-12872 (CGC), 2004 Bankr. LEXIS 635, at *5 (Bankr. D. Del. May 13, 2004) (citations omitted).

12. The Interested Shareholders have not made either showing. It is therefore clear that an official committee of equity holders would saddle the estate with needless expense for the benefit of parties with "no economic interest left to protect." See, e.g., Williams, 281 B.R. at 220.[4]

B. The Interested Shareholders Cannot Show a Substantial Likelihood that Equity Will Receive a Meaningful Distribution

i. The Interested Shareholders Rely on the Wrong Legal Standard

13. As an initial matter, the Interested Shareholders misstate the legal standard applicable to their Motion. In particular, they claim that appointment of an equity committee is appropriate so long as they can cite "credible evidence" that the Debtors are not "hopelessly insolvent" or show a "good faith dispute" about solvency. Motion at ¶ 20-26. This is incorrect. As noted above, the appointment of an equity committee requires a showing (i) that equity holders face a "substantial" likelihood of receiving a "meaningful" distribution and (ii) that shareholders are not capable of adequately representing their interests without an official

[3] Courts are also mindful of the cost posed by an additional committee, whether other stakeholders in the case can adequately represent equity interests, the timing of a motion relative to the status of the case, the number of shareholders, and the complexity of a case. See Kodak, 2012 Bankr. LEXIS 2944, at *4 (citing Williams, 281 B.R. at 220-21 and In re Leap Wireless Int'l, Inc., 295 B.R. 135, 137 (Bankr. S.D. Cal. 2003)). The relevant factors not addressed herein are dealt with in the Debtors' concurrent submission, which arguments are incorporated by reference.

[4] Consistent with the goal of avoiding needless expense for stakeholders with an undisputed economic interest and the fact that the movant bears the burden, courts have also recognized that a motion to appoint an equity committee should not cause the imposition of a costly valuation exercise on the estate. See Kodak, 2012 Bankr. LEXIS 2944, at *9-10 (denying shareholders' request for a valuation trial); Northwestern, 2004 Bankr. LEXIS 635, at *7 (denying shareholders' request for estate to fund valuation battle).

committee. E.g., Williams, 281 B.R. at 223; Spansion, 421 B.R. at 156 (citations omitted); Northwestern, 2004 Bankr. LEXIS 635, at *5 (citations omitted); see also Nat'l R.V. Holdings, Inc., 390 B.R. 690, 696 (Bankr. C.D. Cal. 2008) (citations omitted). The much older decisions relied on by the Interested Shareholders are plainly distinguishable or actually adopt the standard set forth above.[5] Moreover, the suggestion that the mere possibility of solvency is sufficient to warrant appointment of an equity committee is inconsistent with the extraordinary nature of that relief. If the Interested Shareholders were correct, equity committees would be commonplace, not a rare exception, and chapter 11 cases would routinely be burdened with an additional layer of unnecessary expense.

ii. The Public Markets Indicate That Debtors Are Insolvent

14. Setting aside the Interested Shareholders' disregard of their legal burden, they have, in the over eight months since these cases were filed, offered a variety of bases to assert that equity is in the money and that appointment of an equity committee is therefore appropriate. While their arguments have shifted over time, the Interested Shareholders have consistently ignored the most obvious indicator of the solvency of the Debtors' businesses: the trading value of the Debtors' public securities. Market prices are readily available, reflect the views of the investing public concerning the Debtors' enterprise, and are not driven by ad hoc litigation concerns. As such, they are valid, unbiased indicators of a debtor's value. Cf.

[5] In In re Emons Indus., Inc., 50 B.R. 692 (Bankr. S.D.N.Y. 1985) 692, an equity committee was appointed when opposition to the motion was withdrawn. The Emons court did not relieve the movant of the obligation of showing a substantial likelihood of a meaningful distribution. The debtor in In re Beker Indus. Corp., 55 B.R. 945 (Bankr. S.D.N.Y. 1985) actually conceded that it was solvent. Moreover, the court in In re Wang Lab., Inc., 149 B.R. 1 (Bankr. D. Mass. 1992), effectively required the equity committee to meet the substantial contribution standard before getting paid. Finally, Exide, 2002 U.S. Dist. LEXIS 27210, actually adopts the proper two part standard from Williams.

Williams, 281 B.R. at 221; Leap Wireless, 295 B.R. at 139 (denying an equity committee, citing "steep discount" of bond trading prices).[6]

15. The reason the Interested Shareholders have chosen not to rely on market prices is straightforward: they plainly indicate that the Debtors are insolvent. The Debtors have issued two series of bonds, $250 million in 8.25% senior notes (the "**OpCo Notes**") and $200 million in 3.25% convertible notes (the "**Convertible Notes**"). At the beginning of 2012, these securities were trading at or close to par, but as news of the Debtors' business reversals emerged in the spring of 2012, their trading values collapsed. See Mazzucchi Expert Report at 2. At the end of June 2012, nine days before the Petition Date, the OpCo Notes were trading at 35.8% of face value and the Convertible Notes were trading at 27.0 % of face value. Id. As of March 27, 2013, both series of bonds continue to trade far below par as illustrated below:

($ in millions)

Issuer	**Unsecured Bonds**	**Outstanding Principal**	**Mkt. Value**	**Trading Price**	**Implied Deficit**
Patriot Coal Corp.	8.25% OpCo Notes	$250	$118.75	47.5%	$131.25
Patriot Coal Corp.	3.25% Convertible Notes	$200	$21.0	10.5%	$179.0
Totals		**$450**	**$139.75**	**N/A**	**$310.25**

Id. These prices clearly reflect that the marketplace does not expect funded debt claims against the Debtor to be paid in full. In fact, the prices are consistent with a $310.25 million loss on such claims. Because unsecured claims must be paid in full prior to any distribution to equity,

[6] The market provides a paramount indicator of value in various contexts in a bankruptcy case. See, e.g., In re Boston Generating, LLC, 440 B.R. 302, 325 (Bankr. S.D.N.Y. 2010) ("behavior in the marketplace is the best indicator of enterprise value") (citations omitted); Iridium IP LLC v. Motorola, Inc. (In re Iridium Operating LLC), 373 B.R. 283, 293 (Bankr. S.D.N.Y. 2007) ("the public trading market constitutes an impartial gauge of investor confidence and remains the best and most unbiased measure of fair market value and, when available to the Court, is the preferred standard of valuation") (citations omitted).

see 11 U.S.C. § 1129(b)(2)(B)(ii), the market plainly does not anticipate that shareholders will receive any distribution in this case, let alone a meaningful one.

iii. The Interested Shareholders' Theories of Equity Value Are Baseless

16. Not only do the Interested Shareholders ignore this clear evidence of insolvency, but their factual arguments are patently deficient. In the Motion, the Interested Shareholders argue that the Debtors were solvent based on the "book" value of their equity as reported shortly before the Petition Date. See Motion at ¶ 1(a). Specifically, they relied on the Debtors' financial statements as of May 31, 2012 – approximately a month before the bankruptcy filing – to argue that the Debtors' equity value is in the hundreds of millions of dollars. But book value is not the proper measure of equity value for this proceeding. See, e.g., Cellmark Paper, Inc. v. Ames Merch. Corp. (In re Ames Dep't Stores Inc.), 470 B.R. 280, 283-84 (S.D.N.Y. 2012) (citation omitted); WRT Creditors Liquidation Trust v. WRT Bankruptcy Litig. Master File (In re WRT Energy Corp.), 282 B.R. 343, 369 (Bankr. W.D. La. 2001) ("Book value may not be equivalent to fair market value."); Orix Credit Alliance Inc. v. Harvey ex rel. Lamar Haddox Contractor (In re Lamar Haddox Contractor), 40 F.3d 118, 121 (5th Cir. 1994) (book value may not reflect fair value). Rather, the Court should look to the fair value of the Debtors' assets, computed on a going concern basis. See 11 U.S.C. § 101(32) (defining insolvency based on "fair valuation" of assets and liabilities).

17. Even if book value were a proper metric for purposes of this analysis, which it is not, it would not support the Interested Shareholders' position. Book value is, at best, a lagging indicator. As such, prepetition book value did not reflect the collapse in the coal markets in the Spring and Summer of 2012 or the substantial increase in Debtors' environmental expenses over the past year. See Mazzucchi Expert Report at 3. In fact, since May 2012, the book value of the Debtors' equity has dropped by 162%, and, as of February 28, 2013, was

negative $308.3 million. See Debtor-In-Poss. Op. Rep. at 12, ECF No. 3351. In other words, applying the Interested Shareholders' own metric, the Debtors are facially insolvent and their equity is far underwater.[7]

18. Undoubtedly recognizing that the valuation methodology they advanced in the Motion actually contradicts their position, the Interested Shareholders have attempted to change horses in midstream. In lieu of reliance on the Debtors' current book value of equity, they have produced several "expert" opinions concerning value. While the Committee will address the inadmissibility and irrelevance of these opinions as appropriate, for present purposes it is plain that these opinions cannot carry the Interested Shareholders' burden for three independent reasons.[8]

19. *First*, on their face, the opinions do not even purport to state that there is a substantial likelihood that equity will receive a material distribution. See Wu Declaration at ¶ 3 (claiming that based, in part, upon his review of the exhibits to his expert report, "it is reasonable to conclude that, at the very least, there is a likelihood of value" for equity holders); Stufsky Report at 11 (wanly asserting that "Patriot has a *potential* positive range of enterprise and equity values") (emphasis added); Stufsky Dep. Tr. at 194; 16-17 (when asked whether value for existing equity holders exists, stating "I'm not suggesting that there is or there is not"); Wu Dep. Tr. at 92; 22-25 (asked to quantify the distribution he anticipates for equity, stating "I am opining that they are not going to receive one penny. So I am opining that there is likelihood of value,

[7] The Interested Shareholders otherwise rely on the Debtors' net operating losses (which require taxable income and the satisfaction of 11 U.S.C § 382, which cannot yet be established) and possible fraudulent transfer claims (which have not even been brought) as the basis for their theory of value. Motion at ¶ 23. These highly contingent and speculative sources of potential value are ineligible as a basis to appoint an equity committee. See, e.g., Williams, 281 B.R. at 222 ("rank speculation" is no basis for establishing solvency); In re Hills Stores Co., 137 B.R. 4, 6-7 (Bankr. S.D.N.Y. 1992) (same).

[8] Whether by motion in advance of the hearing or at the hearing itself, the Court should expect that the Debtors and the Committee will jointly move to exclude these opinions on a variety of grounds.

and I am not opining on how much value that is."). They therefore cannot satisfy the Interested Shareholders' burden of proof.

20. *Second*, these opinions are defective by their own terms. Mr. Stufsky's opinion, which alone purports to analyze equity value, is expressly based on "simulated" data. In their brief and expert reports, the Debtors comprehensively demonstrate that Mr. Stufsky's methods are full of errors and that if he corrected such errors and relied on the Debtors' actual results, rather than hypothetical numbers, his analysis would establish that the Debtors are insolvent. Debtors' Br. at ¶¶ 46-55.

21. Just as importantly, Mr. Stufsky purports to analyze the value of the Debtors' equity, but then, remarkably, his analysis makes no attempt to account for the great majority of the claims already asserted against the Debtors' estates. While the Debtors' financial statements have identified approximately $2.3 billion in liabilities subject to compromise that must be satisfied prior to any distribution to equity holders, Mr. Stufsky has ignored *all* of those obligations (other than $101 million in trade payable claims[9] and $450 million of funded debt), as well as a number of significant liabilities the Debtors have stated they intend to reinstate. See Mazzucchi Expert Report at 5. For example:

- although Mr. Stufsky's analysis is premised on the assumption that the Debtors will use this case to eliminate hundreds of millions of dollars in labor and benefit obligations through section 1113/1114 proceedings, in computing the value of equity, he includes no claim arising from the rejection of a collective bargaining agreement or the modification of employee benefits;

- in computing a "simulated" EBITDA, Mr. Stufsky ignores (a) over $90 million in annual cash expenses relating to environmental liabilities (labeled "asset retirement obligations" – or "ARO" – in the Debtors' financial statements) and (b) over $187 million in expenses relating to employee benefits (labeled "past mining obligations" – or "PMO" – in the Debtors' financial statements), id.; and

[9] As of December 31, 2012, trade payable claims classified as liabilities subject to compromise were $78 million.

- in computing an equity value, Mr. Stufsky disregards (a) more than $731 million in liabilities relating to ARO, (b) more than $1.5 billion in liabilities relating to employee benefits, and (c) employs an incorrect and grossly inflated cash figure. Id.

Therefore, not only are Mr. Stufsky's conclusions legally insufficient, they are defective on their own terms. Not surprisingly, the Interested Shareholders' remaining "experts" do nothing to cure these defects. Mr. Wu's opinion is based entirely on the work of Mr. Stufsky and Mr. Foight and contains no analysis or evidence of work of any kind. It is, in short, not an admissible expert opinion at all. Similarly, there is no evidence that Mr. Foight has any expertise at all or that Mr. Wu properly relied on it in forming his "opinion."

22. *Third*, the Interested Shareholders' experts effectively admitted at deposition that their opinions are the culmination of an extended effort to develop a paying role for themselves in these cases. At his deposition, Christopher Wu admitted that, last Fall, he and the Interested Shareholders' other purported expert, Mr. Stufsky, agreed to collaborate to develop opportunities for an engagement in connection with the Patriot bankruptcy. Wu Dep. Tr. at 31:16-32;11. Based on this agreement, Mr. Wu contacted the Interested Shareholders' counsel to offer their services and entered into an engagement letter. Id. at 95:23-96;16. The objective of this call was to be retained by the equity committee, *if* one were to be appointed. See Stufsky Tr. at 38;16-19. If the motion is denied, they will *not* receive such an engagement. Id. at 38; 2-6. In short, these purported experts have a financial stake in the outcome of this motion, and their testimony is, by definition, not credible. See, e.g., In re Oneida Ltd., 351 B.R. 79, 92 (Bankr. S.D.N.Y. 2006) (expert testimony not credible due to witness' profit motive); In re Granite Broadcasting Corp., 369 B.R. 120, 142 (Bankr. S.D.N.Y. 2007) (same).

C. An Official Committee Is Not "Necessary" for the Interests of Equity to be Adequately Represented

23. A party seeking the formation of an official equity committee must also show that such a committee is "*necessary* to assure *adequate representation* . . . of equity security holders." 11 U.S.C. § 1102(a)(2) (emphasis added). The Interested Shareholders, however, have offered no evidence sufficient to establish that appointment of an equity committee is necessary for this purpose. Even if they had tried to do so, that effort would have failed.

24. The application of Section 1102(a)(2) of the Bankruptcy Code does not turn on "whether the shareholders are 'exclusively' represented, but whether they are 'adequately' represented." Williams, 281 B.R. at 223 (citing In re Edison Bros. Stores, Inc., Case No. 95-01354 (PJW), Civil Action No. 96-177-SLR, 1996 U.S. Dist. LEXIS 13768, at *14 (D. Del. Sept. 17, 1996)). The record in this case is clear: the interests of equity holders are adequately represented by the existing estate fiduciaries, and no separate equity committee is required.

25. The Debtors are fiduciaries obligated to maximize value for all stakeholders. Smart World Techs., LLC v. Juno Online Servs., Inc. (In re Smart World Techs., LLC), 423 F.3d 166, 175 (2d Cir. N.Y. 2005) (citing debtor-in-possession's fiduciary duty to maximize estate value). This fiduciary duty extends to the Interested Shareholders. See Kodak, 2012 Bankr. LEXIS 2944, at *6 ("The insolvency of a company does not absolve the board of its fiduciary duty to the shareholders.") (citing Commodities Futures Trading Commc'n v. Weintraub, 471 U.S. 343, 355 (1985)). The existence of these duties creates a presumption that the board of directors "will pay due (perhaps special) regard to the interests of shareholders in bankruptcy." Kodak, 2012 Bankr. LEXIS 2944, at *7. As a result, "the existence of a

functioning board of directors supports the inference that equity's interests will be adequately represented notwithstanding the absence of an official equity committee." Id. (citations omitted).

26. The Interested Shareholders offer no evidence to rebut this common sense presumption. They complain about the alleged impact of prepetition management decisions on the price of their shares. Motion ¶ 27-28. But, once again, they offer *no* evidence that any specific decision affected their share value, and completely ignore the impact of broad economic factors such as low natural gas prices, the evolving regulatory environment, and the softening global economy. As importantly, they fail to demonstrate how any past management decision could compromise the Debtors' current ability to fulfill their fiduciary duties to their constituents.

27. Numerous members of the Debtors' senior management are themselves shareholders. In such circumstances, there is simply no basis to find that the Debtors will disregard the interests of equity. See Kodak, 2012 Bankr. LEXIS 2944, at *7 (where Kodak's directors and officers owned over 10 million shares of the company, "there is no reason to think that the interests of shareholders will be ignored in these cases").

28. The Interested Shareholders similarly have offered no evidence that the Committee cannot adequately represent the interests of equity in these cases. Rather, at this stage of proceedings, the "economic interests of bondholders and shareholders appear to be the same – that is to find the highest value for company. And it is the fiduciary duty of the [Committee] to do so." Leap Wireless, 295 B.R. at 139-40; accord Williams, 281 B.R. at 221 ("A higher valuation is in both the Creditors' Committee's and Shareholders' interest."). To date, the Committee has actively sought to maximize value in these cases. Among other things, the Committee and its advisors have:

- Investigated and monitored the operations and financial results of the Debtors, including meeting on numerous occasions with the Debtors' management and advisors on a variety of topics;

- Actively participated in the negotiation of the Debtors' selenium–related environmental obligations;

- Actively negotiated the Debtors' proposed executive compensation plans;

- Monitored and, where appropriate, participated in the Debtors' labor-related negotiations, including analysis and discussion of proposed plans of reorganization;

- Actively negotiated claims settlement and rejection procedures;

- Monitored post-petition transactions and adversary proceedings and their potential impact on stakeholder recoveries;

- Provided a forum for stakeholder concerns to be collected and addressed with the Debtors or the Court; and

- Critically evaluated all relief sought by the Debtors.

29. In the face of this extensive activity, the Interested Shareholders offer no evidence that the Committee has failed in its duties or has sacrificed the interests of equity. Without a specific showing of how the Committee is ignoring its obligations or unable to maximize estate value, the Interested Shareholders have not met their burden. [10] See Kodak, 2012 Bankr. LEXIS 2944, at *7-8 (proponent of equity committee failed to show "that the [Committee] will cease to attempt to maximize value once the point is reached at which creditors will be paid in full").

30. Moreover, if any issue in the case were to implicate unique shareholder interests that the Debtors and the Committee could not protect, the Interested Shareholders are fully able to participate. They appear to be sophisticated parties who have retained experienced counsel. Under Section 1109(b) of the Bankruptcy Code, they would certainly be entitled to be heard on

[10] See Edison Bros., U.S. Dist. LEXIS 13768, at *15 (affirming denial of motion to appoint equity committee based on "pure speculation" regarding fiduciary's ability to protect equity interests).

issues relating to these cases. See Leap Wireless, 295 B.R. at 140 (noting the right of equity holders to be heard "on any issue" in accordance with section 1109(b)). Moreover, they can recover the cost of their participation to the extent they make a "substantial contribution" to the case. See 11 U.S.C. § 503(b)(3)(D); Kodak, Bankr. LEXIS 2944, at *8-9. The existence of these provisions militate strongly against the formation of an equity committee. See, e.g., In re Ampex Corp., Case No. 08-11094 (ALG), 2008 Bankr. LEXIS 1536, at *6-7 (Bankr. S.D.N.Y. May 14, 2008); Hills Stores, 137 B.R. at 8 (creditors who were denied an official committee advised to retain professionals and seek reimbursement for making "substantial contribution" when warranted); Leap Wireless, 295 B.R. at 140 (noting availability of reimbursement under section 503(b)(3)). Given this availability of reimbursement when justified, the estate should not be preemptively "forced to fund a constituency that appears to be out of the money." Kodak, Bankr. LEXIS 2944, at *9.

31. Finally, the Interested Shareholders' own behavior belies any conclusion that an equity committee is required to protect shareholder interests. Since this case was filed in late July 2012, the Interested Shareholders' role in these proceedings has been essentially limited to seeking the appointment of a committee to retain their professionals.[11] At *no* point – none – have the Interested Shareholders intervened in the case to challenge any conduct by the Debtors, nor have they raised any specific concerns, formally or informally, about the Committee's efforts in these matters. That they did not confirms that their interests have adequately been protected by the actions of the existing fiduciaries.

[11] The Interested Shareholders also filed a pro forma joinder in the United States Trustee's motion to transfer venue.

D. The Costs and Delay of an Equity Committee Support Denial of the Motion

32. A court's exercise of its discretion to appoint an equity committee "gives rise to a concern for cost, since appointment of additional committees is 'closely followed by applications to retain attorneys and accountants.'" Interco, 141 B.R. at 424 (citations omitted). An equity committee would need to retain professionals, including financial advisors and accountants, in order to be a functional participant in this case. That addition of professionals would delay the progress of this case at a time when whether unsecured creditors will receive full recovery on their claims is highly in doubt. The expense posed by an equity committee would only exacerbate those deficits for unsecured creditors. Unless and until there is a demonstration that a recovery by equity holders is a legitimate possibility, the administrative burden, increased cost, and delay posed by an equity appointment outweigh any putative benefit.

[*Signature page follows*]

CONCLUSION

33. The Interested Shareholders have failed to fulfill their burden of demonstrating a substantial likelihood of a meaningful distribution in these cases and their inability to represent their interests without an official committee. As a result, an equity committee should not be appointed at this time and the Motion should be denied.

Dated: March 29, 2013

CARMODY MacDONALD P.C.

/s/ Gregory D. Willard
Gregory D. Willard (MO 30192)
Angela L. Schisler (MO 57678)
120 South Central Avenue, Suite 1800
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Telephone: (314) 854-8600
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KRAMER LEVIN NAFTALIS & FRANKEL LLP

Thomas Moers Mayer (admitted *pro hac vice*)
Adam C. Rogoff (admitted *pro hac vice*)
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1177 Avenue of the Americas
New York, New York 10036
Telephone: (212) 715-9100
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Counsel for the Official
Committee of Unsecured Creditors

CERTIFICATE OF SERVICE

I certify that on March 29, 2013 a copy of the foregoing pleading was served through the Court's CM/ECF system on those parties receiving ECF notices in these proceedings.

/s/ Gregory D. Willard
Gregory D. Willard

EXHIBIT A

Declaration of Matthew A. Mazzucchi

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

In re:	:	
	:	**Chapter 11**
PATRIOT COAL CORPORATION, *et al.*,	:	**Case No. 12-51502-659**
	:	**(Jointly Administered)**
Debtors.	:	
	:	**Re: Docket No. 417**
	:	
	:	**Reply Deadline:**
	:	**April 19, 2013**
	:	
	:	**Hearing Date:**
	:	**April 23, 2013**
	:	
	:	**Hearing Location:**
	:	**Courtroom 7 North**
	:	

DECLARATION OF MATTHEW A. MAZZUCCHI IN SUPPORT OF THE OBJECTION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS TO THE MOTION OF CERTAIN INTERESTED SHAREHOLDERS FOR ENTRY OF AN ORDER DIRECTING THE APPOINTMENT OF AN OFFICIAL COMMITTEE OF EQUITY SECURITY HOLDERS PURSUANT TO BANKRUPTCY CODE § 1102(a)(2)

Matthew A. Mazzucchi declares, under penalty of perjury pursuant to 28 U.S.C. § 1746, as follows:

1. My name is Matthew A. Mazzucchi, and I am over 21 years of age. I am of sound mind and, if called to testify, I will attest to the facts described herein and incorporated herein by reference.

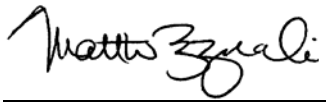
2. I am a Managing Director at Houlihan Lokey Capital Inc. ("**Houlihan Lokey**"). Houlihan Lokey is retained as the Financial Advisor and Investment Banker to the Official Committee of Unsecured Creditors of Patriot Coal Corporation, et al. (the "**Committee**") and I lead the engagement for Houlihan Lokey.

3. I make this declaration (the "**Declaration**") in support of the objection of the Committee to the above-captioned motion to appoint an official committee of equity security holders pursuant to 11 U.S.C. § 1102(a)(2) (the "**Equity Committee Motion**").

4. Annexed hereto as **Exhibit 1** is the "Houlihan Lokey Response to the Declaration of Christopher K. Wu" (the "**Houlihan Report**"). The Houlihan Report sets forth the substance and bases of the opinions to which I will testify in connection with the Equity Committee Motion.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

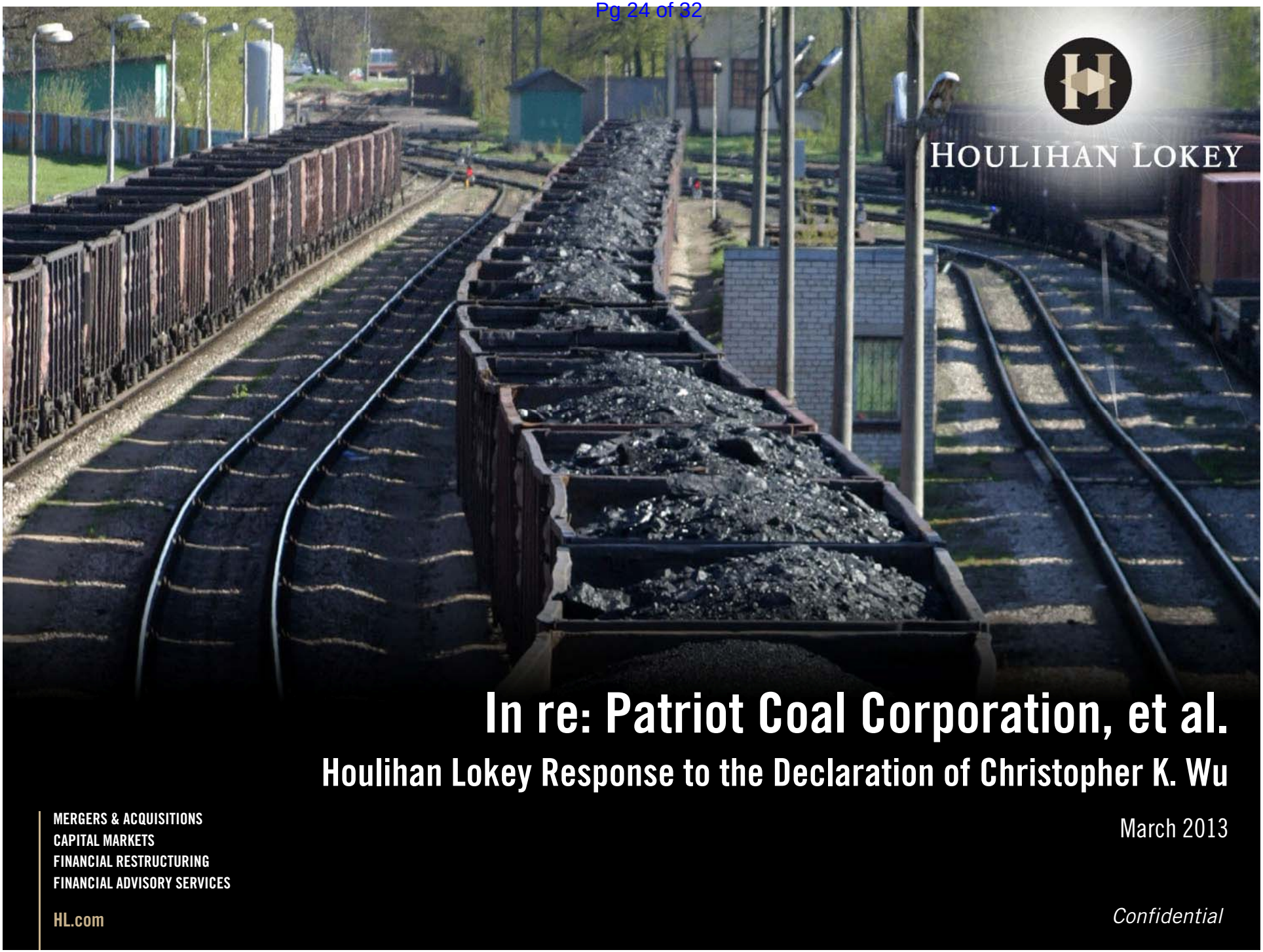
Executed on: March 29, 2013



Matthew A. Mazzucchi

EXHIBIT 1

Houlihan Lokey Response to the Declaration of Christopher K. Wu



In re: Patriot Coal Corporation, et al.

Houlihan Lokey Response to the Declaration of Christopher K. Wu

March 2013

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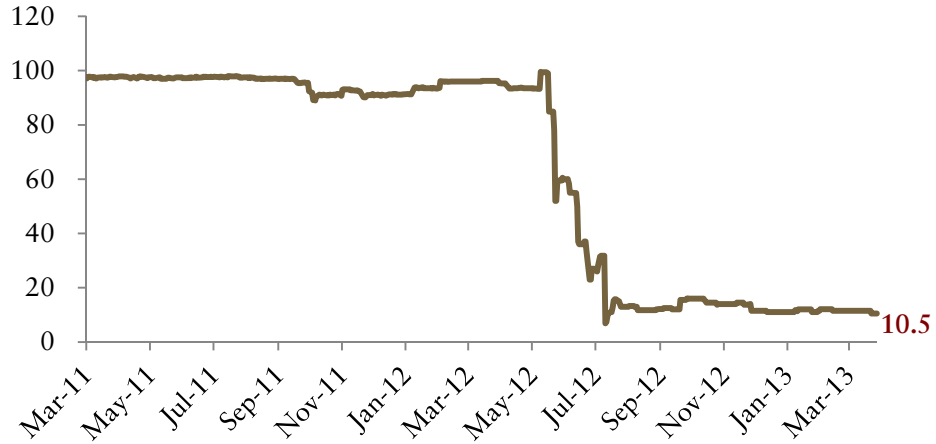
Introduction

- This report was prepared by Matthew A. Mazzucchi, a Managing Director at Houlihan Lokey Capital Inc. ("Houlihan Lokey")
  - Houlihan Lokey is retained as the Financial Advisor and Investment Banker to the Official Committee of Unsecured Creditors of Patriot Coal Corporation, et al. (the "Committee")
    - Neither Mr. Mazzucchi nor Houlihan Lokey are being separately compensated for this report. Houlihan Lokey has been retained pursuant to a retention order [Docket No. 1773]. Houlihan Lokey's engagement letter, retention order and fee statements are on file with the court
  - Mr. Mazzucchi leads this engagement for Houlihan Lokey and is being proffered as an expert witness by the Committee in rebuttal to testimony that may be given at the behest of certain interested shareholders (the "Interested Shareholders"). This report has been prepared to address specific assertions included in the valuation report prepared by the KLR Group (the "Interested Shareholders' Report") and attached as Exhibit A to the Declaration of Christopher K. Wu
- This report highlights several valuation related issues omitted in the Interested Shareholders' Report, including:
  - The Interested Shareholders' Report does not address the public market indication of value for Patriot Coal as evidenced by current trading prices of the Company's unsecured indebtedness;
  - The Interested Shareholders' Report ignores one of the primary arguments raised in the Interested Shareholders' motion to appoint an equity committee – that book value of equity is an appropriate indication of equity value – now that there is substantial *negative* book value of equity; and
  - In purporting to calculate a hypothetical equity value for Patriot Coal Corporation and its debtor affiliates (the "Debtors"), the Interested Shareholders' Report fails to account for a number of significant liabilities (while simultaneously omitting the related expenses in determining enterprise value) and uses an incorrect and overstated cash balance
- Additionally, Mr. Mazzucchi believes the Interested Shareholders' Report relies on a number of flawed operating and macroeconomic assumptions
- This report represents the views of Mr. Mazzucchi. Mr. Mazzucchi and Houlihan Lokey have not relied on the valuation or other work product of any other professional for purposes of the valuation related analyses contained herein

Market Value of Debt

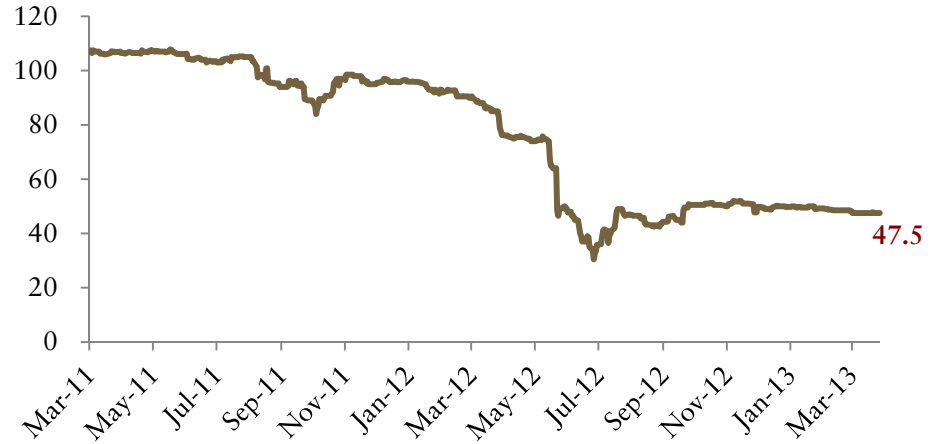
- The market price of publicly traded securities is an important indication of value that was ignored in the Interested Shareholders' Report
  - The trading prices of liquid public securities are generally regarded as true, independent benchmarks for valuation
  - When debt securities of bankrupt companies trade at a deep discount to stated par values, such securities are trading on an estimated aggregate recovery of principal, not yield basis, as investors believe the debtor(s) will be unable to pay its creditors in full
  - In such situations where indebtedness is trading at significant discounts between willing buyers and sellers, shareholders often receive little or no value
- Patriot Coal has two publicly traded debt instruments, the $250 million 8.25% Senior Notes due 2018 (the "OpCo Notes") and the $200 million 3.25% Convertible Senior Notes due 2013 (the "Convertible Notes")
- As of March 27, 2013, the OpCo Notes and the Convertible Notes traded at 47.5 and 10.5, respectively
  - The pricing on these notes has trended downward since the Spring of 2012 as coal markets have become more challenged
    - Prior to the Company's filing in July, the securities traded at extremely low levels (the OpCo Notes and Convertible Notes traded at 35.8 and 27.0 respectively on June 29, 2012)
  - The trading price of the Convertible Notes suggests there may be little, if any, recovery for these securities
- With both tranches of notes trading significantly below par, the market is indicating that Patriot Coal is deeply insolvent and unsecured creditors are likely to recover far less than the contractual amounts owed to them, thus precluding any payment to equity under the Absolute Priority Rule

Convertible Notes Pricing



Source: Capital IQ

OpCo Notes Pricing

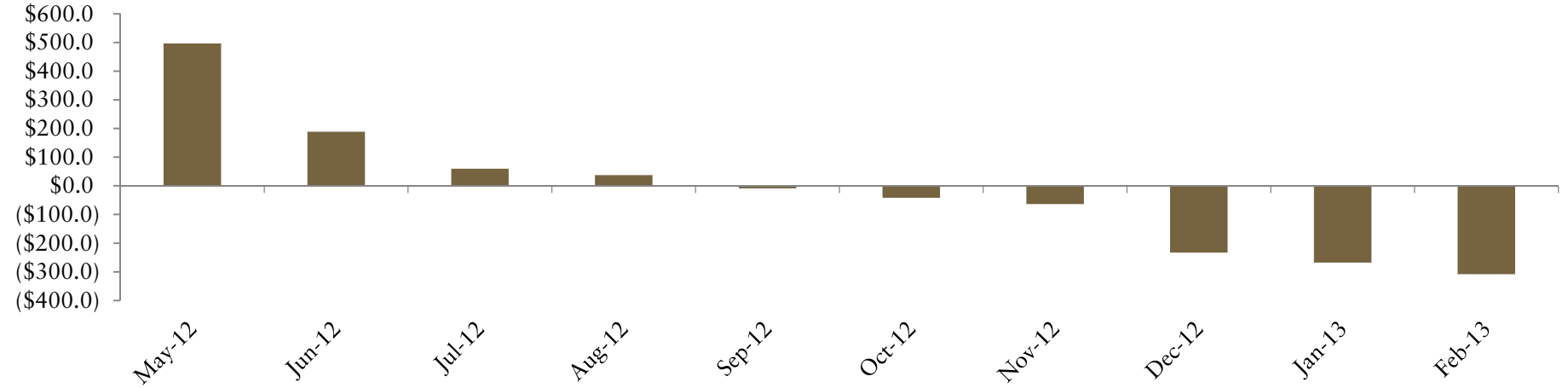


Source: Capital IQ

Book Value of Equity

- In the *Motion Of Certain Interested Shareholders For Entry Of An Order Directing The Appointment Of An Official Committee Of Equity Security Holders Pursuant To Bankruptcy Code § 1102(a)(2)* [Docket No. 417], the Interested Shareholders posited that, "Patriot Coal's own numbers indicate that there is meaningful equity value available to the Company's shareholders. On a balance sheet basis, Patriot Coal's book value of its assets exceeds its liabilities by over $495 million."
  - In general, book equity value as represented in financial statements is based on information that is outdated when it is reported (the figure stated by the Interested Shareholders was as of May 31, 2012, over a month prior to the petition date)
    - As such, Patriot's reported book equity value as of May 31, 2012 did not incorporate the rapidly weakening coal market and a significant increase in environmental liabilities (selenium) which were recognized over the summer and that have continued to this day
  - While a positive book value is not always an accurate predictor of equity value or of the potential for distribution to equity, it is worth noting Patriot Coal's reported book value of equity steadily decreased from $496.6 million on May 31, 2012 to negative $308.3 million on February 28, 2013 (a 162% decline)
    - Patriot's reported book equity value has declined every month, as coal markets remain challenged and the Company continues to incur significant losses (total net loss between July 1, 2012 and February 28, 2013 was $390.3 million)
    - Additionally, Patriot's switch from the ZVI to IFSeR selenium water treatment technology (required to attempt to meet selenium treatment mandates set by court and environmental authorities) resulted in a $307.4 million increase in the Company's selenium liability during Q2 2012 (which was not reflected in the book equity value cited in the Interested Shareholders' Motion)

Book Value of Equity ($ in mm)



Source: Declaration of Mark N. Schroeder; monthly operating reports

Recent Performance

- The decline in Patriot's book value of equity also reflects the challenging market environment in which the Company is operating
  - Since June 30, 2011, the price of hard coking coal has decreased from $330 per metric ton to $165 per metric ton while thermal coal prices in the Central Appalachian region have decreased from $78 per short ton to $56 per short ton
- As a result of the weak pricing and demand environment, and the Company's current cost structure, Patriot suffered substantial losses in the first two months of 2013
  - The Company incurred operating losses of $40.1 million and $37.9 million in January and February respectively
  - Patriot's net loss for the first two months of 2013 was $89.3 million
- In addition to substantial price declines, the Company is also anticipating a further reduction in sales volume during 2013
  - In 2012, the Company shuttered two mine complexes and idled or curtailed production at certain other mines
  - As of December 31, 2012, the Company had 16.5 million tons of coal committed for 2013, an estimated 70% - 75% of its 2013 production
  - This implies estimated 2013 coal sales of 22.0 million to 23.6 million tons, down from 24.9 in 2012
- The Company does not expect a near-term recovery in coal prices or volumes, which would be necessary for shareholders to have any prospect of a recovery in Patriot's bankruptcy
  - As stated in the Debtors' filings related to its 1113 and 1114 motion, Patriot believes that, absent significant concessions from its union employees and retirees, there is a high probability it will be forced to liquidate given current and projected market conditions
    - ➢ Mr. Mazzucchi believes that either or both a significant change in thermal and met market fundamentals (not in evidence) or significant concessions and savings will be necessary to avoid liquidation

January & February 2013 Income Statements ($ in mm)

	Month Ended 1/31/2013	2/28/2013	Total
Revenues			
Sales	$108.4	$104.2	$212.6
Other Revenues	1.0	0.9	1.8
Total Revenues	**$109.4**	**$105.1**	**$214.4**
Costs & Expenses			
Operating Costs & Expenses	($125.5)	($120.3)	($245.8)
Depreciation, Depletion & Amortization	(15.0)	(14.5)	(29.5)
Asset Retirement Obligation Expense	(5.8)	(5.8)	(11.6)
Impairment & Restructuring Charge	(0.0)	(0.0)	(0.0)
Selling & Administrative Expense	(3.2)	(3.3)	(6.5)
Net Gain on Disposal or Exchange of Assets	0.0	2.1	2.1
Loss from Equity Affiliates	0.0	(1.2)	(1.2)
Operating Loss	**($40.1)**	**($37.9)**	**($78.0)**
Interest Expense & Other	($4.9)	($4.3)	($9.1)
Interest Income	0.0	0.0	0.0
Loss (before Reorganization Items & Income Taxes)	**($44.9)**	**($42.2)**	**($87.2)**
Reorganization Items			
Professional Fees	($5.3)	($4.9)	($10.2)
Accounts Payable Settlement Gains	8.0	0.0	8.0
Interest Income	0.0	0.0	0.0
Reorganization Items (Net)	**$2.8**	**($4.9)**	**($2.2)**
Loss (before Income Taxes)	**($42.2)**	**($47.1)**	**($89.3)**
Income Tax Benefit (Expense)	0.0	0.0	0.0
Net Loss	**($42.2)**	**($47.1)**	**($89.3)**

Source: Monthly operating reports

Calculation of Equity Value

- The Interested Shareholders' Report calculates equity as: Enterprise Value less (i) DIP Loan; (ii) Senior Notes; (iii) Convertible Senior Notes; and (iv) Unsecured Trade Payables; plus (v) Cash
- Importantly, the Interested Shareholders' Report does not account for asset retirement obligations ("ARO") and past mining obligations ("PMO") in their calculation of equity value, nor are the ongoing expenses related to these liabilities included in the EBITDA used to determine Enterprise Value
  - ARO cash payments relate to (i) reclamation of surface lands and supporting infrastructure at both surface and underground mines and (ii) selenium water treatment. ARO expenses are for state and federal mandated costs of remediation and are not discretionary
    - As of the December 31, 2012, the liabilities associated with the Company's ARO amounted to $731.6 million and the 2012 cash expense related to these liabilities was $90.4 million
  - PMO expenses relate to Patriot's postretirement benefit obligations, workers' compensation obligations and multi-employer retiree healthcare and pension plans. Annual PMO expense is approximately $187 million
- In aggregate, the Company has already identified $2.3 billion of liabilities that are subject to compromise
  - Under absolute priority rule, liabilities subject to compromise would need to be satisfied in full before shareholders would be entitled to receive any value from the estate
  - The Interested Shareholders' Report only accounts for "Trade Payables" and "Unsecured Debt" in its calculation of equity value and ignores the other $1.7 billion of liabilities subject to compromise as well as ARO, Coal Act liabilities and potential claims related to the UMWA 1974 Benefit Plan

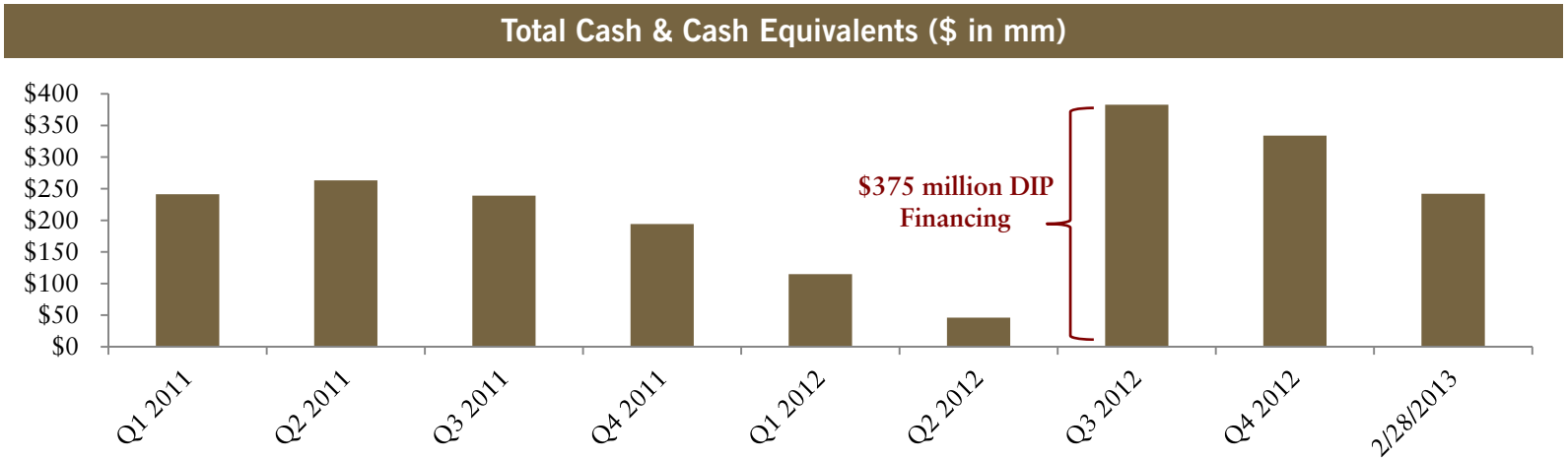
Liabilities Subject to Compromise as of December 31, 2012 ($ in mm)	
Postretirement Benefit Obligations (excl. Coal Act)	$1,517.3
Unsecured Debt	458.5
Interest Payable	4.8
Rejected Executory Contracts & Leases	151.4
Trade Payables	78.1
Other Accruals	52.2
Total	**$2,262.3**

- In addition, the Interested Shareholders' Report also fails to account for the payment of significant administrative and priority claims, which will be required if Patriot is to emerge from chapter 11

Source: Patriot Coal Corporation 2012 10-K

Calculation of Equity Value (cont.)

- In calculating equity value, the Interested Shareholders' Report incorporates the Company's cash balance as of September 30, 2012 - $383 million
  - This amount is overstated because it (a) ignores the Company's actual financial performance from September to February, (b) uses a total cash balance instead of excess cash in calculating equity value, and (c) fails to account for additional cash losses that will be incurred until Patriot is able to emerge from bankruptcy
- Excess cash (total cash less the level of minimum operating cash required to run the business) is the correct metric that should be used in determining the equity value of a Company
  - Excess cash is the portion of total cash that exceeds minimum and customary cash required to operate a company
  - Excess cash is deducted from Total Debt to arrive at Net Debt, which has the effect of increasing equity value if there is a positive excess cash balance
- Patriot's actual total cash balance has declined by approximately $140 million ($383 million to $242 million) from September 30, 2012 to February 28, 2013
  - Over this period of time Patriot has burned approximately $28 million of cash per month
  - Difficult market conditions and bankruptcy related costs are the primary drivers of this decline
- Patriot has stated in its 1113 and 1114 filings that unless significant savings related to collective bargaining agreements and retiree healthcare obligations are achieved, the Company anticipates further declines in liquidity and cash, which could ultimately result in a liquidation of the estate
  - Given this expected diminution in *total cash*, there is likely to be little, if any, *excess cash* on the Company's balance sheet when or if it is able to emergence from bankruptcy



Source: Monthly operating reports

Qualifications of Matthew Mazzucchi

Mr. Mazzucchi is a Managing Director in Houlihan Lokey's Minneapolis office, a senior banker in its financial restructuring group and co-head of the firm's Energy Group.

Since joining the firm in 1997, Mr. Mazzucchi has led and advised on many of the firm's largest restructuring assignments on behalf of companies, creditors committee's and other parties-in-interest, as well as on energy industry mergers, acquisitions, restructuring and financial advisory assignments. Selected completed assignments include the restructurings of Dynegy Inc., NewPage Corporation, Lehman Brothers (Eagle Energy and Champion Energy assets), LyondellBasell Industries, Smurfit-Stone Container Corporation, Wise Metals Group, SemGroup L.P., Enron Corporation, NRG Energy, Mirant Corporation (MAGI) – now known as GenOn Energy Holdings, Calpine Corporation, NorthWestern Corporation (Montana Power), Entergy New Orleans, Entegra Power, Kelson Energy, Covanta Energy, Klamath Falls Cogeneration, Reliant Energy Channelview, Westmoreland Coal, Gulf States Steel, Laidlaw Inc., Metal Management, Uniforet, Shepherd Tissue, Heilig-Meyers Furniture, Levitz Furniture, Pioneer Companies, Purina Mills, Payless Cashways, Home Holdings, Alabama River Group and Great Lakes Pulp & Fibre, among others.

Within the energy sector, Mr. Mazzucchi has advised on numerous mergers & acquisition, valuation, opinion and board advisory assignments for past clients of the firm including Edison Mission Energy, NRG Energy, Florida Public Utilities, Commonwealth Edison, MidAmerican Energy, Aquila, CapRock Energy, Elk Horn Coal Company, INGENCO, CIC Energy, Dynegy, Midland Cogeneration Ventures, NiSource, Stream Energy and TC Pipelines, LP.

Current active engagements include the firm's efforts on behalf of the Official Creditors Committee of Patriot Coal, the Ad Hoc Group of Noteholders of Edison Mission Energy in connection with its chapter 11 reorganization and work on behalf of the Steering Group of Lenders of Longview Power and its associated Mepco Coal subsidiary.

Mr. Mazzucchi is a frequent speaker on energy and financial restructuring topics. Past speaking engagements include at the 2012 Credit Suisse Global High Yield Conference, Restructuring Track; White & Case 2012 Energy Industry Developments Conference – Dynegy Case Study: Navigating Energy Company Bankruptcies; 2012 Cadwalader Distressed Energy Investments Conference; Houlihan Lokey's 2012 Merchant Energy Conference, A 360-Degree Perspective on Assets, Markets & Regulation; 2012 Global Absolute Return Congress Meetings – Merchant Energy Panel; ABI Annual Spring Meeting: Power Sector Restructurings, Lessons Learned from the Last Wave; University of Wisconsin School of Business Directors' Summit, The Board's Role in Strategy, M&A and Restructuring; Fulbright Forum series - Acquiring Distressed Assets.

Mr. Mazzucchi served on the Board of Directors of BosPower Partners, LLC, a Texas-based, natural-gas fired, wholesale power producer, after its emergence from chapter 11 through its sale to Calpine Corporation (2011 – 2013).

Mr. Mazzucchi was recognized as a Finalist in the 2012 40 UNDER 40 M&A Advisor Recognition Awards – Central Region, The M&A Advisor.

Mr. Mazzucchi graduated with a B.A. in economics from the University of Minnesota, where he was a James S. Kemper Scholar.

Mr. Mazzucchi is registered with FINRA as a General Securities Representative (Series 7 and 63) and a Limited Representative – Investment Banking (Series 79).

Source Documents

- Memorandum of Law in Support of Debtors' Motion to Reject Collective Bargaining Agreements
- Declaration of Mark N. Schroeder
- Monthly operating reports (July 2012 – February 2013)
- Patriot Coal Corporation 2012 10-K
- Patriot Coal Corporation Q3'2012 10-Q
- Bloomberg
- Capital IQ
- Platts