

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X In
Re: :
: :
Application for Exemption from the Electronic : General Order M-467
Public Access Fees by Katherine Waldock, :
-----X

This matter is before the Court upon the application and request by Katherine Waldock (the "Applicant") for exemption from the fees imposed by the Electronic Public Access Fee Schedule adopted by the Judicial Conference of the United States Courts.

The Court finds, based upon the attached letter dated February 7, 2014 and application from the Applicant, that the Applicant has demonstrated that an exemption is necessary in order to avoid unreasonable burdens and to promote public access to information.

Accordingly, the Applicant shall be exempt from the payment of fees for access via PACER to the electronic case files maintained in this Court, to the extent such use is incurred in connection with the project described in the attached letter and application. The Applicant shall not be exempt from the payment of fees incurred in connection with other uses of the PACER system in this Court.

Additionally, the following limitations apply:

1. This fee exemption applies only to the Applicant, and is valid only for the purposes stated above.
2. This fee exemption applies only to the electronic case files of this Court that are available through the PACER system;
3. By accepting this exemption, the Applicant agrees not to sell for profit any data obtained as a result of receiving this exemption.
4. This exemption is valid from the date of this order through February 28, 2016.

This exemption may be revoked at the discretion of the Court at any time. A copy of this Order shall be sent to the PACER Service Center.

Dated: New York, New York
February 20, 2014


CECELIA G. MORRIS
Chief United States Bankruptcy Judge

February 7th, 2014

United States Bankruptcy Court
Southern District of New York
One Bowling Green
New York, NY 10004

Dear Chief Judge Cecilia G. Morris,

My name is Katherine Waldoek and I am a doctoral candidate at the New York University Stern School of Business. I am writing in order to request an academic exemption from PACER fees associated with the Bankruptcy Court of the Southern District of New York. I am working as a co-author with Ruston M. Irani, an Assistant Professor of Finance at the University of Illinois at Urbana-Champaign, and Hanh T. Le, an Assistant Professor of Finance at the University of Illinois at Chicago, on a research project designed to investigate the impact of credit markets on corporate policies.

One of the papers that is included in this project studies the role of distressed debt investors in Chapter 11 reorganization. Its aim is to categorize the various strategies adopted by these investors and measure the impact of these strategies on real firm policies such as employment and plant productivity as well as their long-term impacts on corporate performance. My co-authors and I have received approval from the U.S. Census Bureau and the Internal Revenue Service to access restricted-use micro data from surveys of manufacturing plants. Please see the attached document for more information about our Census approval.

We would like to supplement the sources already listed with information from PACER. Since we are studying investor participation in the reorganization process, the relevant documents may include but are not limited to: bankruptcy petitions (2-50 pages including schedules and lists of claimants), creditor and equity committees (1-25 pages each), monthly operating reports (10-20 pages each), Chapter 11 plans (50-150 pages each), and motions for objections (20-30 pages each). We estimate that we may need to access up to 655 pages per case, amounting to a fee of \$65.50 per case.¹ Our sample of bankruptcies from 1993-2012 was obtained from the UCLA-LoPucki Bankruptcy Research Database and includes 141 cases that were filed in the Southern District of New York. The total estimated cost of PACER usage from your district is \$9,235.50, which exceeds the proportion of our research budget that has been allocated to this paper and thus constitutes an unreasonable burden.

In accordance with Judicial Conference policy, we agree not to sell, transfer, redistribute, or use for commercial purposes the data obtained through PACER. The results that we intend to publish will be sufficiently aggregated so that no bankruptcy- or firm-specific information will be disclosed. At the same time, however, we hope that by adding to the general understanding of investor participation in Chapter 11, we will promote public access to information about corporate bankruptcies.

As described in the Census approval form, the duration of this project is 36 months. While we expect that the empirical analysis will be complete well before the deadline, we request a two year exemption from PACER fees in order to accommodate revisions to the sample selection procedure or experimental design that may be suggested by conference participants, journal referees, or Census referees. The official start date of this project is February 17th, 2014.

¹ This estimate assumes that the average petition length is 20 pages and is filed once, the average creditor and equity committee description lengths are 10 pages and are each filed once, the average monthly operating report length is 15 pages, the average reorganization plan length is 100 pages and is submitted an average of 3 times, and the average objections motion length is 25 pages and is submitted an average of 3 times. The average bankruptcy duration in our sample is 16 months.

February 7th, 2014
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If the exemption is granted, please notify the PACER Service Center by mailing a copy of the exemption order to the address below. Please apply fee exemptions to PACER account kw2888. In addition, please send an electronic copy of the exemption order to kwaldock@stern.nyu.edu.

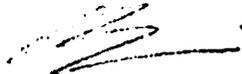
PACER Service Center
P.O. Box 780549
San Antonio, TX 78278
(800) 676-6856

Thank you for your consideration.

Sincerely,



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**Center for Economic Studies
Proposal Review Synopsis**

#1212 - "Credit Markets and Real Corporate Policies"

RDC - Chicago

Rustom Irani - University of Illinois, Urbana-Champaign

Hanh Le - University of Illinois at Chicago, College of Business Administration

Katherine Waldo - New York University, Stern School of Business

Requested Duration - 36 Months

Funding - University of Illinois Research Board, Faculty research budget

This project will investigate the impact of credit markets (real estate collateral values and private credit agreements) on plant level patterns of investment and employment. Benefits to the Census Bureau include linking external data on financial contracts and real estate prices and local supply elasticities to produce population estimates of how creditor intervention impact firm behavior. These estimates will be compared to existing estimates from other datasets and studies to explore the how well the LBD captures economic activity.

The researchers request all available years from 1993 through 2007 for each dataset plus additional years through 2012 if available.

Annual Survey of Manufactures (ASM)

Census of Manufactures (CMF)

Longitudinal Business Database (LBD)

Auxiliary Establishment - ES9200 (AUX)

Standard Statistical Establishment Listing - Name & Address File (SSL-NA)

Compustat-SSEL Bridge File

Research and public use datasets to be supplied by the researchers include:

Amir Sufi's website, information on covenant violations

Compustat

Standard & Poor's Capital IQ

Reuters Loan Pricing Corporation Deal Scan

Bankruptcy information from:

- *Lynne M. LoPucki's Bankruptcy Research Database*
- *New Generation Research's BankruptcyData.com*
- *Reorg Research*
- *Public Access to Court Documents (PACER)*

Office of Federal Housing Enterprise Oversight, data on real estate prices

Global Real Analytics, data on commercial real estate prices

Saiz (2009), data on Metropolitan Statistical Area local housing supply elasticities
Federal Reserve, information on interest rates
National Council of Real Estate Investment Fiduciaries, Property Index

The CES Project Review Committee and expert reviewers evaluated this proposal on the basis of five criteria: (1) Benefit to Census Bureau programs, (2) Scientific merit, (3) Feasibility, (4) Disclosure risk, and (5) Need for access to confidential microdata. Two content reviewers, Reviewer 1 and Reviewer 2, both rated the proposal as **Good**. The Census Bureau's Policy Coordination Office reviewed the proposal for conformance with Census Bureau policies, and found it to be acceptable.

Benefits

The researchers propose to benefit Census Bureau programs under:

- *Criterion 5. Understanding and/or improving the quality of data produced through a Title 13, Chapter 5 survey, census, or estimate.*
- *Criterion 11. Preparing estimates of population and characteristics of population as authorized under Title 13, Chapter 5.*

The researchers propose benefits under Criterion 5 by comparing firm level measures of economic performance between the LBD and Compustat. They would also provide Criterion 5 benefits by creating bridge files between Census Bureau files and a number of outside data sources, for use by future researchers. They would also assess and analyze divergence in the identifiers across these files. Finally, through this project they would contribute to efforts to extend the LBD-Compustat link, beyond 2005.

They propose benefits under Criterion 11 by preparing estimates of firm-level investment, employment, payroll, birth and death, and performance, across MSAs and industries.

Section VI of the proposal also mentions benefits under Criterion 7, but this is presumably an error.

Both content reviewers agree that the project would provide benefits to the Census Bureau. Reviewer 2 notes specifically that the benefits proposed under Criterion 5 are solid, but that the estimates proposed under Criterion 11 would be more limited in value. Reviewer 1 describes the benefits as being “reasonable” but “not...substantial.”

Scientific Merit

Both content reviewers find the project to address important scientific questions. Reviewer 1 qualifies this assessment, though, by noting that a shift in the project's analytical focus could better address the effects of real estate prices (and assets) on consumer and firm outcomes.

Feasibility

The project appears to be feasible in terms of researcher qualifications, data requested, and timeframe. Both content reviewers note issues with the proposed methodology, however:

- Both reviewers have concerns about the potential for bias.
- For Reviewer 1, it is unclear how firm real estate value would be calculated, beyond the years for which such data are available.
- Reviewer 1 also notes potential measurement error for real estate prices at the MSA level.

These concerns are discussed in more detail in Section (8) of the respective content reviews.

Disclosure Risk

The disclosure risks are manageable. The disclosure reviewer notes a slight possibility of thin cells, but that the researchers express a willingness to adjust the analysis if necessary in order to minimize disclosure risks. S/he also points out that graphs mentioned on page 15 of the proposal are not described in the section on Output to Be Submitted for Disclosure Avoidance (pp. 28–30). It is unclear therefore whether the researchers intend to release these graphs.

Need for Confidential Data

The project requires access to confidential Census Bureau microdata.

Committee Evaluation

The CES Project Review Committee evaluated this proposal in light of reviewer comments and its own assessment. Both content reviewers rate this as a good proposal that addresses important scientific questions and that has the potential to benefit the Census Bureau. Reviewer 2 reviewed this project in an earlier form, and finds that the researchers have addressed some of his/her comments. But both reviewers—in particular Reviewer 1—raise methodological concerns. In addition Reviewer 1 points out that the two key lines of inquiry in the project are only loosely linked.

This project requests years of data for one or more datasets that do not reside in the CES data warehouse at present. The Center for Economic Studies cannot guarantee that such data will be available during the course of this project given the uncertainty of data release schedules by source divisions or agencies, but will make reasonable efforts to provide all requested data. The inability of the Census Bureau to provide requested data does not by itself constitute sufficient grounds for an extension of project duration.

In accordance with the June 2012 agreement between the Census Bureau and the IRS regarding access to Federal Tax Information, conditional on Census Bureau approval this proposal must be submitted to the IRS for its review and approval prior to project start.