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**UNITED STATES BANKRUPTCY COURT
 SOUTHERN DISTRICT OF NEW YORK**

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In re:	:
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AGENCY FOR DEPOSIT INSURANCE, REHABILITATION, BANKRUPTCY AND LIQUIDATION OF BANKS, AS BANKRUPTCY ADMINISTRATOR OF JUGOBANKA, A.D., BEOGRAD,:	Case No. 02-12930-CB
	:
and	:
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AGENCY FOR DEPOSIT INSURANCE, REHABILITATION, BANKRUPTCY AND LIQUIDATION OF BANKS, AS BANKRUPTCY ADMINISTRATOR OF BEOGRADSKA BANKA, A.D., BEOGRAD,	Case No. 02-12932- CB
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Debtors in Foreign Proceedings.	:
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ORDER FOR PRELIMINARY INJUNCTION

This matter has come before the Court on the Application of the Petitioner, Agency for Deposit Insurance, Rehabilitation, Bankruptcy and Liquidation of Banks (“BRA”) pursuant to Rule 7065 of the Federal Rules of Bankruptcy Procedure, Rule 65 of the Federal Rules of Civil Procedure and § 304 of title 11 of the United States Code (the “Bankruptcy Code”) for a Preliminary Injunction. The Court finds as follows:

1. Beginning in May of 1992, the President of the United States of America (the “United States”) issued the first in a series of Executive Orders that collectively blocked the assets and prohibited trade and other transactions involving the governments of the Republics of Serbia and Montenegro, the former government of the Socialist

Federal Republic of Yugoslavia, the recently constituted Federal Republic of Yugoslavia (Serbia and Montenegro) and Bosnia Serb-controlled areas of the Republic of Bosnia and Herzegovina. *See e.g.* CFR parts 585 and 586.

2. As a result, all assets of Jugobanka A.D., Beograd (“Jugobanka”) and Beogradska A.D., Beograd (“Beogradska Banka”) (collectively, the “Banks”) located in the United States were frozen by the government of the United States, and made subject to the licensing control of the United States’ Office of Foreign Assets Control (“OFAC”). At the direction of OFAC, blocked business records and other physical assets of the Banks or their agents were collected and warehoused.

3. On June 14, 2002, BRA as the liquidator of the Banks in a foreign proceeding (the “Foreign Proceeding”) filed petitions in the United States Bankruptcy Court for the Southern District of New York pursuant to § 304 of the Bankruptcy Code (the “Petitions”) (Case Nos. 02-12930-CB and 02-12932-CB), seeking injunctive relief and the turnover to BRA of the Banks’ assets in the United States in aid of the Foreign Proceeding.

4. On August 15, 2002, the New York State Superintendent of Banks (the “Superintendent”) filed a motion to dismiss the § 304 Petitions.

5. On September 24, 2002, BRA filed a Memorandum of Law in Opposition to the Superintendent’s Motion to Dismiss the Petitions.

6. On October 18, 2002, the Superintendent filed a Reply Memorandum of Law in Support of the Superintendent’s Motion to Dismiss the Petitions.

7. On October 18, 2002, the United States filed a motion in the United States District Court for the Southern District of New York requesting the District Court to withdraw its automatic reference of the Petitions to the Bankruptcy Court and to dismiss the Petitions. On December 30, 2002, the District Court denied the motion to withdraw the reference.

8. Pursuant to regulations published on December 27, 2002, see 67 Federal Register 78973, that became effective on February 25, 2003, the United States authorized transactions in certain, but not all Yugoslavian property.

9. The commencement or continuation of any judicial, arbitral, or administrative action or proceeding against the Banks, including by way of counterclaim, or against any of the Banks' property in the United States, or any proceeds thereof, should be restrained pursuant to Rule 7065(b) of the Federal Rules of Bankruptcy Procedure and Rule 65(b) of the Federal Rules of Civil Procedure pending the resolution by this Court of the issues raised in the Superintendent's motion to dismiss the § 304 Petitions, which is scheduled for a hearing on March 17, 2003.

10. The temporary restraining order ("TRO") granted by Judge Blackshear of this Court on February 24, 2003, upon the motion of BRA, by Order to Show Cause, supported by the affidavit of Stephen H. Gross, and the Memorandum of Law in Support of the Order to Show Cause, and extended by Judge Blackshear's Bridge Order dated March 6, 2003, will expire on March 11, 2003.

11. The preliminary injunction hereby granted is ordered in replacement of the TRO for the purpose of conserving the assets of the Banks, and to insure the expeditious and economical administration of this case pending a final determination of the Superintendent's motion to dismiss the § 304 Petitions; and

12. Venue in this District is proper pursuant to 28 U.S.C. § 1410.

NOW, THEREFORE, IT IS HEREBY:

ORDERED, that all persons and entities are enjoined from (a) transferring, relinquishing or disposing of any property in the name of the Banks located in the United States, or the proceeds of such property, to third parties; (b) commencing or continuing any action or other legal proceeding (including, without limitation, arbitration, or any judicial, quasi-judicial, administrative action, proceeding or process whatsoever), including by way of counterclaim, against the Banks, or any of the Banks' property in the United States, or any proceeds thereof; (c) enforcing any judicial, quasi-judicial or

administrative judgment, assessment or order or arbitration award against the Banks, and commencing or continuing any act or action or other legal proceeding (including, without limitation, arbitration, or any judicial, quasi-judicial or administrative action, proceeding or process whatsoever) or any counterclaim to create, perfect or enforce any lien, attachment, garnishment, setoff or other claim against the Banks, or any of the Banks' property in the United States, or any proceeds thereof, including any action on behalf of the Banks as a judgment creditor; and it is further

ORDERED, that this injunction shall remain in effect until lifted by this Court; and it is further

ORDERED, that the relief set forth herein does *not*:

(a) Apply to any property that is frozen, blocked or otherwise subject to the licensing control of OFAC, or

(b) Prohibit any action, proceeding or application made to this Court, or

(c) Prohibit payments on an ongoing basis of (i) bank account maintenance fees from the accounts concerned and (ii) warehouse or similar storage fees by any bank from the accounts concerned at the direction or permission of OFAC or by the Superintendent pursuant to an order entered by Justice Evans in the Supreme Court of the State of New York on February 27, 2003, subject to the Supervision of this Court; and it is further

ORDERED, that nothing herein shall cause JPMorgan Chase & Co. ("JPMC") to waive or release any of its common law, statutory or contractual rights of setoff or lien that it may have against accounts in the name of the Banks (the "Banks' Accounts") or other property of the Banks or any interest in property which may be in the maintenance, custody or control of JPMC; and it is further

ORDERED, that notwithstanding the first ORDERED paragraph above, the only property of the Banks held by JPMC subject to this preliminary injunction is (a) the

Banks' Accounts located in the United States, if any, and (b) assets of IMPEX Overseas Corp. and Centroproduct, S.R.L. subject to levy or execution on behalf of the Banks, as judgment creditor, if any; and it is further

ORDERED, that notwithstanding the ORDERED paragraph immediately above, upon the identification of further property or interest in property of the Banks, the BRA or the Superintendent shall serve a copy of this Order, with a notice which shall identify such property or interest in property with particularity, on the owner, holder, or custodian, including JPMC, of such property or interest in property, with a notice to this Court, and thereupon such property or interest in property shall be subject to the provisions of this Order; and it is further

ORDERED, that pursuant to Rule 7065 of the Federal Rules of Bankruptcy Procedure, the security provisions of Rule 65(c) of the Federal Rules of Civil Procedure be, and the same hereby are, waived; and it is further

ORDERED, that a copy of this Order may be served upon any party that BRA or the Superintendent believes should be subject to this Order.

Dated: New York, New York
March 11, 2003

/s/ Cornelius Blackshear
United States Bankruptcy Judge