

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

In re	)	
	)	Chapter 15
Corporación Durango, S.A.B. de C.V.,	)	
	)	Case No. 08-13911 (RDD)
Debtor in a Foreign Proceeding.	)	
	)	

**ORDER GRANTING RECOGNITION OF FOREIGN MAIN  
PROCEEDING AND REQUEST FOR RELATED RELIEF**

Upon consideration of the Verified Petition for Recognition of Foreign Main Proceeding and Request for Related Relief dated October 6, 2008 (the “Petition”), the Villegas Salazar Declaration,<sup>1</sup> the del Castillo Declaration and the Notice Pursuant to 11 U.S.C. § 1518 of Entry of Order in Foreign Proceeding Granting Debtor’s Voluntary Petition for Relief under the Mexican Business Reorganization Act (the “Notice of Concurso Declaration” and, together with the Petition, the Villegas Salazar Declaration, and the del Castillo Declaration, the “Chapter 15 Pleadings”), each filed on October 6, 2008 by or on behalf of the Petitioner, Gabriel Villegas Salazar, in his capacity as the duly-appointed foreign representative of Corporación Durango, S.A.B. de C.V. (“Corporación Durango” or the “Debtor”), the debtor in a voluntary insolvency proceeding commenced under Mexico’s *Ley de Concursos Mercantiles* (the “Mexican Business Reorganization Act” or “Concurso Law”), which is currently pending in Mexico before the District Court for Civil Matters for the District of Durango, as well as the Supplemental Notice pursuant to 11 U.S.C. § 1518, filed on December 9, 2008; and it appearing that the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1334 and 157; and it appearing that venue is proper before this Court pursuant to 28 U.S.C. § 1410; and the Court

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<sup>1</sup> Capitalized terms not otherwise defined herein have the meaning ascribed to such terms in the Petition.

having considered and reviewed the Chapter 15 Pleadings and the Supplemental Notice and having held a hearing to consider the relief requested in the Petition on December 11, 2008 (the “Recognition Hearing”); and it appearing that timely notice of the filing of the Chapter 15 Pleadings, the Petition, and the Recognition Hearing has been given to Corporación Durango’s known creditors and that no other or further notice need be provided; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor, it is hereby

**FOUND**, that:

1. This case was properly commenced pursuant to sections 1504 and 1515 of the Bankruptcy Code.
2. The Concurso Proceeding is a “foreign proceeding” within the meaning of section 101(23) of the Bankruptcy Code.
3. The Concurso Proceeding is pending in Mexico, which is the country where the Debtor has the center of its main interests, and, as such, the Concurso Proceeding is a “foreign main proceeding” within the meaning of sections 1502(4) and 1517(b)(1) of the Bankruptcy Code.
4. Petitioner, Gabriel Villegas Salazar, who serves both as General Counsel and Secretary of the Board of Directors of the Debtor, has been duly appointed and authorized to serve as the Debtor’s “foreign representative” with respect to the Concurso Proceeding within the meaning of section 101(24) of the Bankruptcy Code.
5. The Petition meets all of the requirements set forth in section 1515 of the Bankruptcy Code.
6. The Concurso Proceeding is entitled to recognition by the Court pursuant to

section 1517(a) of the Bankruptcy Code.

7. The Debtor and the Foreign Representative are entitled to all of the relief set forth in section 1520 of the Bankruptcy Code.

For all of the foregoing reasons, and for the reasons stated by the Court on the record of the Recognition Hearing, and after due deliberation and sufficient cause appearing therefor, it is hereby

**ORDERED, ADJUDGED AND DECREED**, that:

(A)The Concurso Proceeding is granted recognition as a foreign main proceeding pursuant to section 1517(a) of the Bankruptcy Code;

(B)The Debtor and the Foreign Representative are granted all of the relief set forth in section 1520 of the Bankruptcy Code;

(C) The relief granted in this Order shall not extend to any of the Debtor's subsidiaries or affiliates;

(D)Notwithstanding anything contained herein or in section 1520 of the Bankruptcy Code to the contrary, the stay of section 362 of the Bankruptcy Code does not operate as a stay of any and all actions or proceedings in a court of appropriate jurisdiction by the trustee under the indenture (the "Indenture") governing the Senior Notes, the ad hoc group of holders of the Senior Notes (including each of its members, the "Ad Hoc Noteholder Group"), or their representatives to determine whether any of the Senior Notes are required to be submitted for cancellation pursuant to the Indenture and/or applicable law and to enforce such submission and cancellation, and all rights of parties with respect thereto are fully preserved; and

(E) The Petitioner shall serve a copy of this Order upon all known persons and governmental units affected by this Order by first class mail no later than December 16, 2008.

Dated: New York, New York  
December 11, 2008

/s/Robert D. Drain  
UNITED STATES BANKRUPTCY JUDGE