

IN THE DISTRICT COURT OF THE VIRGIN ISLANDS  
DIVISION OF ST. THOMAS AND ST. JOHN

FINANCIAL TRUST COMPANY, INC.,	)	
	)	CIVIL NO. 2009-106
Plaintiff,	)	
	)	
v.	)	
	)	
THE BEAR STEARNS COMPANIES INC.)	)	
	)	
Defendant.	)	
	)	
_____	)	

**DEFENDANT’S MOTION FOR ENLARGEMENT OF TIME  
TO ANSWER, MOVE, OR OTHERWISE RESPOND TO  
THE VERIFIED COMPLAINT**

Defendant The Bear Stearns Companies Inc. (“Bear Stearns” or “defendant”), hereby respectfully moves, under Fed. R. Civ. P. 6(b), for an enlargement of time within which to answer, move, or otherwise respond to the Verified Complaint (“Complaint”) of plaintiff Financial Trust Company, Inc. (“plaintiff”), and in support thereof states:

1. Service of the Complaint was effected on November 30, 2009. Accordingly, defendant’s time to answer, move, or otherwise respond expires on December 21, 2009.

2. The Complaint alleges that Bear Stearns made material misstatements regarding the value of its mortgage-related assets, the adequacy of its liquidity and

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capital reserves, and the quality of its risk management in order to induce plaintiff to retain its shares of Bear Stearns stock.

3. On December 3, 2009, counsel for defendant filed with the Judicial Panel on Multi-District Litigation (the “MDL Panel”) a Rule 7.5 Notice of Potential Tag-Along Action (the “Notice”), informing the MDL Panel that the instant action (the “Action”) is related to the consolidated multidistrict litigation *In re The Bear Stearns Companies, Inc. Securities, Derivative and ERISA Litigation*, 08 M.D.L. 1963 (S.D.N.Y.) (RWS) (the “MDL Action”), pending in the United States District Court for the Southern District of New York before the Honorable Robert W. Sweet. A copy of the Notice was served on plaintiff’s counsel.

4. In August 2008, the MDL Panel joined for consolidated or coordinated pretrial purposes fifteen actions (the “Related Actions”) against Bear Stearns concerning “whether Bear Stearns and certain of its current and former officers and directors knowingly made material misstatements or omissions concerning the company’s financial health that misled investors and caused investor losses when the company’s stock price fell in March 2008.” The MDL Panel also indicated in the MDL Panel Order that all pending and future related actions would be treated as potential tag-along actions and transferred to the

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Southern District of New York for consolidated or coordinated pretrial proceedings.

5. Since the MDL Panel's August 2008 Order, the MDL Panel has transferred all related actions filed against Bear Stearns to the Southern District of New York and Judge Sweet. *See, e.g., Wang v. The Bear Stearns Companies Inc., et al.*, No. 09 Civ. 1200 (RWS) (S.D.N.Y. Feb. 10, 2009); *Rand v. The Bear Stearns Companies Inc., et al.*, No. 08 Civ. 8194 (RWS) (S.D.N.Y. Sept. 23, 2008).

6. The Complaint in this Action shares numerous questions of fact with the Related Actions. Namely, all of the actions center on allegations that Bear Stearns made material misstatements or omissions concerning its financial condition that misled plaintiffs and caused them losses when Bear Stearns' stock price dropped.

7. Given the overlapping factual issues, defendant anticipates that transfer of this Action by the MDL Panel is likely.

8. Accordingly, to promote judicial efficiency and avoid duplicative proceedings when the Action is transferred, on December 9, 2009, the undersigned requested that plaintiff grant defendant an extension of time to answer, move, or

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otherwise respond to the Complaint until ten (10) days after the MDL Panel decides whether the Action should be transferred to the Southern District of New York. In the alternative, counsel for plaintiff was asked for an extension of 60 days.

9. On December 15, 2009, counsel for plaintiff stated that he was still discussing the request for an extension with his client.

10. On December 18, 2009, nine days after defendant's initial request for an extension, the undersigned received an email from counsel for plaintiff agreeing to extend defendant's time to respond to the Complaint only through December 30, 2009. The email advised that plaintiff might, but was not obligating itself to, consider further discussions on the subject in the interim.

11. Because plaintiff has not agreed to a sufficient extension of time to allow the MDL Panel to determine the issue of transfer of the Action, counsel for defendant respectfully requests that the Court grant an extension of defendant's time to answer, move, or otherwise respond to the Complaint until ten (10) days after the MDL Panel decides whether the Action should be transferred to the Southern District of New York for consolidated or coordinated pretrial proceedings.

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12. No prior application has been made seeking an enlargement of time within which to file an answer or responsive pleading to the Complaint.

Dated: St. Thomas, V.I.  
December 18, 2009

DUDLEY, TOPPER and FEUERZEIG, LLP

/s/ Chad C. Messier

By: \_\_\_\_\_

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The Bear Stearns Companies Inc.

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**CERTIFICATE OF SERVICE**

I hereby certify that on December 18, 2009, I electronically filed the foregoing with the Clerk of the Court using the CM/EFC system, which will send a notification of such filing (NEF) to:

John K. Dema, Esq.  
Law Offices of John K. Dema, P.C.  
1236 Strand Street, Suite 103  
St. Croix, VI 00820-5008

/s/ Chad C. Messier