

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
W. R. GRACE & CO., et al.) Case No. 01-01139 (JKF)
) (Jointly Administered)
Debtors.)
Related Docket No. 9635

RESPONSE TO APPELLANTS' DESIGNATION OF RECORD AND MOTION TO STRIKE ISSUE THREE OF THE STATEMENT OF ISSUES PRESENTED ON APPEAL

On October 12, 2005, at Docket No. 9635, PacifiCorp and the VanCott Bagley Cornwall & McCarthy 401(k) Profit Sharing Plan (collectively, the "Appellants") filed a designation of record (the "Designation") and statement of issues presented on appeal (the "Statement of Issues"). The above-captioned debtors and debtors in possession (collectively, the "Debtors") (a) file this Response to correct one of the items misdesignated by the Appellants in the Designation, and (b) move to strike issue 3 as set forth in the Statement of Issues.

Designation of Record

The Debtors hereby correct one of the items misdesignated by the Appellants in the Designation. Item 7 of the Appellants' Designation, the "*Order Approving Stipulation and Agreed Order for Briefing on PacifiCorp and the VanCott Bagley Cornwall & McCarthy 401(K) Profit Sharing Plan's Motion for Leave to File Late Proofs of Claim signed and entered on September 22, 2005,*" should be docket number 9489, and not 9488 as designated by the Appellants.

Motion to Strike Issue Three of the Statement of Issues

The Debtors move to strike issue 3 of the Appellants' Statement of Issues. The Court did not make a determination on the issue. At the hearing on February 28, 2005, in deciding the

Appellants' motion for leave to file a late proof of claim, the Court focused its inquiry on whether actual notice was required under the circumstances, or whether publication notice was adequate. The Court did not inquire as to whether the claim itself was legitimate, but whether a late claim should be permitted. In particular, the Court stated:

I'm not even sure there is an allowable claim against the estate, but I don't need to go there at this point in time because obviously that's not at issue today. The only question today is whether the claim should be permitted to be filed at all.

Transcript of Hearing on February 28, 2005, 28:21-25.

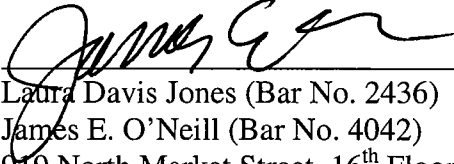
The Debtors therefore request that issue 3 of the Statement of Issues be stricken.

Dated: October 21, 2005

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