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United States Courts
Southern District of Texas
ENTERED

JUN 2 2000

Michael N. Milby, Clerk of Court

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE:

STAGE STORES, INC.,
A Delaware Corporation,
SPECIALTY RETAILERS, INC.
A Texas Corporation, and
SPECIALTY RETAILERS, INC. (NV),
A Nevada Corporation,

DEBTORS.

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00-35078 - H2 - 177
CASE NO.

CASE NO.

CASE NO.

Chapter 11

INITIAL ORDER FOR COMPLEX CHAPTER 11 BANKRUPTCY CASE

The Stage Stores, Inc. ("Stage" or "Debtor") bankruptcy case was filed on June 1, 2000. A Notice of Designation as Complex Chapter 11 Case (see General Order 2000-2) was contemporaneously filed. After review of the initial pleadings filed in this case, the Court concludes that this appears to be a Complex Chapter 11 Case and issues this scheduling order, subject to rescission, revision, or modification as provided below:

1. The Debtor shall maintain a service list ("Service List"), identifying the parties that must be served whenever a motion or other pleading requires notice. Upon establishment of such a list, notices of motions and other matters will be limited to the parties on the Service List.
 - a. The Service List shall initially include the Debtor, Debtor's counsel, counsel for the Unsecured Creditors' Committee, U.S. Trustee, all secured creditors, the 20 largest unsecured creditors of Debtor, any indenture trustee, and any party that requests notice;
 - b. Any party in interest that wishes to receive notice, other than as listed on the Service List, shall be added to the Service List merely by request filed into the record and served on the Debtor, and Debtor's Counsel;
 - c. Parties on the Service List are encouraged to give a fax number or e-mail address for service of process and parties are encouraged to authorize service by fax or e-mail; consent to fax or e-mail service may be included in the party's notice of appearance and request for service; notwithstanding consent to e-mail service, "hard copy" shall be served by fax or by regular mail;
 - d. The Initial Service List shall be filed within 3 days after entry of this order. A revised list shall be filed after 15 days after the Initial Service List is filed. Debtor shall update the Service List, and shall file into the record a copy of the updated Service List, at least every 10 days thereafter.

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2. The Court hereby establishes MONDAY of each week at 1:00 p.m. as the scheduled hearing day ("Hearing Day") and time for hearing all motions and other matters in these cases. (There may be exceptions; those exceptions will be noted on the Court's Internet schedule, available at <http://www.txs.uscourts.gov/judges/judgoben.htm>.)

a. All motions and other matters requiring hearing, but not requiring expedited or emergency hearing, shall be noticed for hearing on the next Hearing Day that is at least 23 days after the notice is mailed. As a preface to each pleading, just below the case caption, in lieu of the language required by Bankruptcy Local Rule 9013(b), the pleading shall state:

A HEARING WILL BE CONDUCTED ON THIS MATTER ON _____ AT _____ M. IN COURTROOM _____, HOUSTON, TEXAS. IF YOU OBJECT TO THE RELIEF REQUESTED, YOU MUST RESPOND IN WRITING, SPECIFICALLY ANSWERING EACH PARAGRAPH OF THIS PLEADING. YOU MUST FILE YOUR RESPONSE WITH THE CLERK OF THE BANKRUPTCY COURT WITHIN TWENTY DAYS FROM THE DATE YOU WERE SERVED WITH THIS PLEADING. YOU MUST GIVE A COPY OF YOUR RESPONSE TO THE PERSON WHO SENT YOU THE NOTICE; OTHERWISE, THE COURT MAY TREAT THE PLEADING AS UNOPPOSED AND GRANT THE RELIEF REQUESTED.

b. All motions and other matters requiring expedited or emergency hearing shall comply with the usual court requirements for explanation and verification of the emergency, but shall be noticed for hearing on the next Hearing Day immediately following the mailing of notice. At the hearing, the Court will call the matter and will first determine whether expedited treatment is required and whether adequate notice has been given.

i. Motions or other matters requiring even more expedited hearing may be heard prior to the next Hearing Day. An emergency hearing may be requested by ex parte motion. Emergency hearing will be rare, but in exceptional cases will be granted on less than 24 hours notice. If the Court grants emergency treatment, the Court will direct the requisite notice and will set a hearing date and time.

ii. Parties should authorize fax or e-mail notice to facilitate notice of emergency and expedited hearings.

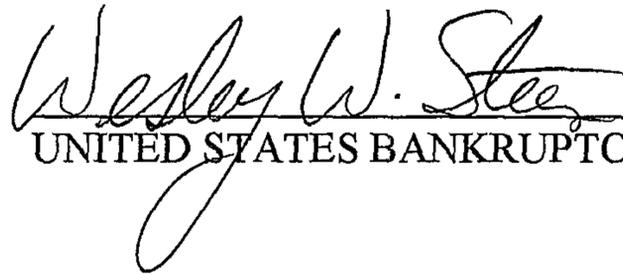
3. Emergency and expedited hearings (and other hearings in limited circumstances) in this case may be conducted by "Meet Me" telephone conference. Parties must request permission to participate by telephone by calling the Court's case manager, JEAN KELL, at 713-250-5779. The case manager can also give instructions concerning use of the Meet Me telephone facility.

4. If a matter is properly noticed for hearing and the parties reach agreement on a settlement of the dispute prior to the final hearing, the parties may announce the settlement at the scheduled hearing. If the Court determines that the notice of the dispute and the hearing is adequate notice of the effect of the settlement, (*i.e.*, that the terms of the settlement are not materially different from what parties in interest could have expected if the dispute were fully litigated)

the Court may approve the settlement at the hearing without further notice of the terms of the settlement.

5. The Debtor shall give notice of this order to all parties in interest within 7 days. If any party in interest, at any time, objects to the provisions of this order, that party shall file a motion articulating the objection and the relief requested. The motion shall comply with the provision of this order. After hearing the objection and any responses, the Court shall reconsider any part of this order and shall grant appropriate relief, if any is required.

SIGNED 6-2, 2000.


UNITED STATES BANKRUPTCY JUDGE

The Clerk shall notice:
Debtor
Debtor's Counsel