

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

BENCH ACCOUNTING, INC., *et al.*,¹

Debtors in a Foreign Proceeding.

Chapter 15

Case No. 25-10463 (___)

(Joint Administration Requested)

**MOTION FOR PROVISIONAL RELIEF
IN AID OF THE CANADIAN PROCEEDING**

KSV Restructuring Inc., in its capacity as the appointed Licensed Insolvency Trustee and authorized foreign representative (the “**Trustee**”) of the estates of Bench Accounting, Inc. and 10Sheet Services Inc. (together, the “**Debtors**”), in the Debtors’ proceedings (the “**Canadian Proceeding**”) pending before the Supreme Court of British Columbia at Vancouver (the “**B.C. Court**”) under Canada’s *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”), respectfully submits this motion (this “**Motion**”), requesting entry of an order (the “**Provisional Order**”) (i) staying execution against the Debtors’ assets in the United States pursuant to section 1519(a)(1) of title 11 of the United States Code, 11 U.S.C. §§ 101– 1532 (the “**Bankruptcy Code**”), and (ii) applying sections 362 and 365(e) of the Bankruptcy Code in these chapter 15 cases (the “**Chapter 15 Cases**”) on a provisional basis pursuant to sections 105(a), 1519(a)(3), and 1521 of the Bankruptcy Code. In support of this Motion, the Trustee refers the Court (defined below) to the *First Report of KSV Restructuring Inc. as Licensed Insolvency Trustee of the Debtors*, dated March 5, 2025 (the “**Report**”), and the *Declaration of Robert Kofman in*

¹ The last four digits of the United States Tax Identification Number, or similar foreign identification number, as applicable, for each Debtor follow in parentheses: Bench Accounting, Inc. (3574) and 10Sheet Services Inc. (3476). The Trustee’s head office is located at 220 Bay Street, Suite 1300, PO Box 20, Toronto, Ontario, M5J 2W4, Canada.

Support of the Debtors' Chapter 15 Petitions and First Day Pleadings in Foreign Proceedings (the "**Kofman Declaration**"), filed contemporaneously herewith, which are incorporated herein by reference.² In further support of this Motion, the Trustee respectfully represents as follows:

JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the District of Delaware (the "**Court**") has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, section 1501 of the Bankruptcy Code, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012 (the "**Amended Standing Order**"). This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P), and the Court may enter a final order consistent with Article III of the United States Constitution. These Chapter 15 Cases have been properly commenced pursuant to section 1504 of the Bankruptcy Code by the filing of chapter 15 petitions and the *Verified Petition for Recognition of Foreign Proceeding and Related Relief* (collectively with the chapter 15 petitions, the "**Chapter 15 Petitions**") for recognition of the Canadian Proceeding under section 1515 of the Bankruptcy Code.

2. Pursuant to Rule 9013-1(f) of the Local Rules of the United States Bankruptcy Court for the District of Delaware, the Trustee consents to the entry of a final order by the Court in connection with this Motion to the extent it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

3. Venue is proper in this District pursuant to 28 U.S.C. § 1410 because the Debtors have assets in the United States, including located in Delaware, and such venue in this

² A copy of the Report is attached as Exhibit A to the *Declaration of Matthew B. Lunn in Support of Verified Petition for Recognition of Foreign Proceeding and Related Relief and Motion for Provisional Relief in Aid of Canadian Proceeding*, filed contemporaneously herewith.

District will be consistent with the interests of justice and convenience for the Debtors, having regard to the relief sought by the Trustee.

4. The statutory and legal predicates for the relief requested herein are sections 105(a), 1519, and 1521 of the Bankruptcy Code.

BACKGROUND

5. On January 7, 2025, the Debtors each filed assignments in bankruptcy pursuant to section 49 of the BIA, and the Trustee was appointed by the Office of the Superintendent of Bankruptcy (Canada) as the Licensed Insolvency Trustee for each of the Debtors. The Trustee's appointment was affirmed at the first meeting of creditors, held separately for each of the Debtors, on January 27, 2025.

6. On February 6, 2025, the Trustee opened bankruptcy files at the B.C. Court registry for each of the Debtors.

7. On March 5, 2025, the Trustee filed an application with the B.C. Court seeking to consolidate the respective bankruptcy proceedings of the Debtors within Action Number B-250050 under a single style of cause. The B.C. Court entered an order approving the application on March 7, 2025.

8. On the date hereof, the Trustee commenced these Chapter 15 Cases by filing, among other things, the Chapter 15 Petitions, seeking recognition by this Court of the Canadian Proceeding as a foreign main proceeding under chapter 15 of the Bankruptcy Code.

9. For a detailed description of Debtors' business, corporate organization, capital structure, and the circumstances leading to the Canadian Proceeding, the Court is respectfully referred to the Report and the Kofman Declaration.

RELIEF REQUESTED

10. By this Motion, the Trustee requests entry of the Provisional Order (i) staying execution against the Debtors' assets in the United States pursuant to section 1519(a)(1) of the Bankruptcy Code and (ii) applying sections 362 and 365(e) of the Bankruptcy Code in the Chapter 15 Cases on a provisional basis pursuant to sections 105(a), 1519(a)(3), and 1521(a)(7) of the Bankruptcy Code.

BASIS FOR RELIEF REQUESTED

A. Section 1519 of the Bankruptcy Code Authorizes the Requested Provisional Relief

11. Section 1519 of the Bankruptcy Code authorizes the Court to grant the Trustee certain "relief of a provisional nature" pending the Court's ruling on the Chapter 15 Petitions where such relief is "urgently needed to protect the assets of the debtor or the interests of the creditors," including "staying execution against the debtor's assets." 11 U.S.C. § 1519(1)(a).

12. In addition, section 1519(a)(3) of the Bankruptcy Code expressly authorizes the Court to grant to the Trustee any relief referenced in, among others, section 1521(a)(7) of the Bankruptcy Code. Section 1521(a)(7), in turn, provides for any relief available to a trustee, subject to certain statutory exceptions not relevant here. Section 105(a) of the Bankruptcy Code also allows the Court to "issue any order . . . necessary or appropriate to carry out the provisions of [title 11]." 11 U.S.C. §105(a). Section 362 of the Bankruptcy Code would apply automatically in a plenary bankruptcy proceeding to stay creditor action during the trustee's administration of the estate. Likewise, section 365(e) of the Bankruptcy Code provides relief to a trustee by rendering unenforceable *ipso facto* clauses that would otherwise allow a counterparty to an executory contract or unexpired lease of the debtor to terminate such contract or lease based solely on the

basis of a condition of the kind described in section 365(e)(1).³ Therefore, the protections of these provisions constitute “relief that may be available to a trustee” which the Court may grant, in its discretion, in order to preserve the estate during the pendency of the Chapter 15 Petitions. 11 U.S.C. §§ 1519(a)(3) and 1521(a)(7).

13. Courts, including those in this district, have granted provisional relief—including, but not limited to, the application of sections 362 and 365(e) of the Bankruptcy Code—pursuant to sections 1519(a)(1) and 1519(a)(3) of the Bankruptcy Code in a number of chapter 15 cases. *See, e.g., In re Chesswood Grp. Ltd.*, No. 24-12454 (CTG) (Bankr. D. Del. Oct. 31, 2024) (granting provisional relief, including automatic stay of section 362 and 365(e)); *In re G.I. Sportz Inc.*, No. 20-12610 (CSS) (Bankr. D. Del. Oct. 19, 2020) (granting provisional relief, including automatic stay of section 362 and 365(e)); *In re Groupe Dynamite Inc.*, No. 20-12085 (CSS) (Bankr. D. Del. Sept. 9, 2020) (granting provisional relief, including automatic stay of section 362 and 365(e)); *In re CDS U.S. Holdings, Inc.*, No-20-11719 (CSS) (Bankr. D. Del. July 17, 2020) (granting provisional relief applying the automatic stay of section 362 of the Bankruptcy Code on a limited basis); *In re Essar Steel Algoma Inc.*, No. 15-12271 (BLS) (Bankr. D. Del. Nov. 10, 2016) (same); *In re Sherson Grp. Inc.*, No. 15-11765 (SHL) (Bankr. S.D.N.Y. July 24, 2015) (order

³ Section 365(e)(1) of the Bankruptcy Code provides:

Notwithstanding a provision in an executory contract or unexpired lease, or in applicable law, an executory contract or unexpired lease of the debtor may not be terminated or modified, and any right or obligation under such contract or lease may not be terminated or modified, at any time after the commencement of the case solely because of a provision in such contract or lease that is conditioned on —

- (A) the insolvency or financial condition of the debtor at any time before the closing of the case;
- (B) the commencement of a case under this title; or
- (C) the appointment of or taking possession by a trustee in a case under this title or a custodian before such commencement.

11 U.S.C. § 365(e)(1).

granting provisional relief) *In re ARXX Corp.*, No. 13-13313 (KJC) (Bankr. D. Del. Dec. 30, 2013) (order granting provisional relief); *In re Xchange Tech. Grp. LLC*, Case No. 13-12809 (Bankr. D. Del. Oct. 30, 2013) (order granting provisional relief, including protections of automatic stay and 365(e)); *In re Talon Sys. Inc.*, No. 13-11811 (KJC) (Bankr. D. Del. July 22, 2013) (order granting provisional relief).

B. The Requested Provisional Relief Is Justified

14. The relief available under section 1519 of the Bankruptcy Code is available pursuant to “the standards, procedures, and limitations applicable to an injunction.” 11 U.S.C. § 1519(e); *In re Innua Canada Ltd.*, 2009 WL 1025088, at *3 (Bankr. D.N.J.). In the Third Circuit, the “standard for evaluating a motion for preliminary injunction requires a four-part inquiry: “(1) whether the movant has shown a reasonable probability of success on the merits; (2) whether the movant will be irreparably injured by denial of the relief; (3) whether granting preliminary relief will result in even greater harm to the nonmoving party; and (4) whether granting the preliminary relief will be in the public interest.” *McTernan v. City of York, Penn.*, 577 F.3d 521, 526 (3d Cir. 2009) (citing *U.S. v. Bell*, 414 F.3d 474, 478 n. 4 (3d Cir. 2005)). The Trustee submits that this standard is satisfied in the Chapter 15 Cases.

1. There Is a Substantial Likelihood of Recognition

15. As detailed more fully in the Chapter 15 Petitions and related *Memorandum of Law in Support of Verified Petitions for Recognition of Foreign Proceeding and Related Relief*, filed contemporaneously herewith, recognition of the Canadian Proceeding is warranted under section 1517 of the Bankruptcy Code and, therefore, there is a substantial likelihood that such relief will be granted. The Canadian Proceeding is a “foreign main proceeding,” and the Trustee is a “foreign representative,” as those terms are defined in the Bankruptcy Code in sections 1502(4) and 101(24), respectively. In addition, the Chapter 15 Cases were duly and properly commenced

by filing the Chapter 15 Petitions accompanied by all fees, documents, and information required by the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure, including: (a) a corporate ownership statement containing the information described in Bankruptcy Rule 7007.1; (b) a list containing (i) the names and addresses of all persons or bodies authorized to administer foreign proceedings of the Debtors, (ii) all parties to litigation pending in the United States in which any of the Debtors are a party at the time of the filing of the Chapter 15 Petitions,⁴ and (iii) all entities against whom provisional relief is being sought under section 1519 of the Bankruptcy Code; (c) a statement identifying all foreign proceedings with respect to the Debtors that are known to the Trustee; and (d) a copy of the order of the B.C. Court, dated March 13, 2025 (including any extensions or amendments thereof authorized by the B.C. Court, the “**Ancillary Order**”).

2. The Relief Requested Is Necessary to Prevent Irreparable Injury

16. The Chapter 15 Cases have been commenced for the purpose of obtaining the assistance of the Court in recognizing the Canadian Proceeding and enforcing the Ancillary Order in the United States, thereby facilitating an orderly process for the sale of the Debtors’ business and assets. The Trustee believes that staying execution against the Debtors’ assets in the United States and the provisional application of sections 362 and 365(e) of the Bankruptcy Code in the Chapter 15 Cases is crucial to prevent efforts by any creditors of the Debtors to collect upon their debts or disrupt the Debtors’ contractual relationships during the pendency of the Chapter 15 Petitions.

17. The automatic stay in section 362 of the Bankruptcy Code is one of the fundamental protections provided by bankruptcy law. It halts all collection efforts, harassment, and foreclosure actions, and provides debtors with necessary breathing room from the financial

⁴ The Trustee is not aware of any litigation pending in the United States in which any Debtor is a party.

pressures that caused the bankruptcy filing. Section 365(e) of the Bankruptcy Code provides a debtor with similar relief by prohibiting counterparties from terminating contracts with the debtor solely because of the debtor's bankruptcy filing. Although such relief is not automatic upon the commencement of a chapter 15 proceeding, the Court has discretion to grant such relief on a provisional basis pursuant to sections 105(a), 1519(a)(3) and 1521(a)(7) of the Bankruptcy Code. Without the protections of sections 362 and 365(e) of the Bankruptcy Code, the Debtors could face immediate and irreparable harm resulting from the piecemeal loss of assets from individual creditor collection and enforcement efforts and the potential termination of significant and valuable agreements.

18. It has been consistently held that “the premature piecing out of property involved in a foreign liquidation proceeding constitutes irreparable injury.” *In re Lines*, 81 B.R. 267, 270 (Bankr. S.D.N.Y. 1988). It has also been held that harm to an estate exists where the orderly determination of claims and the fair distribution of assets are disrupted. *See Victrix S.S. Co., S.A. v. Salen Dry Cargo A.B.*, 825 F.2d 709, 714 (2d Cir. 1987); *In re Banco Nacional de Obras y Servicios Publicos, S.N.C.*, 91 B.R. 661, 664 (Bankr. S.D.N.Y. 1988). Here, allowing creditors to initiate piecemeal litigation and collection efforts against the Debtors in the United States would have a detrimental impact on the Debtors' ability to sell their business to Recruiter.com Ventures Inc. (“**Recruiter**”) and maximize the value of their assets. Moreover, the Trustee believes that such actions may have a cascading effect, resulting in significant erosion in enterprise value to the detriment of all stakeholders and defeating the purpose of the stay provisions of the BIA.

19. The Debtors are also parties to agreements that may contain standard provisions allowing counterparties to terminate such agreements upon the commencement of a

bankruptcy or similar insolvency proceeding. The termination of such agreements, in the absence of the protections of section 365(e) of the Bankruptcy Code, would cause the Debtors to lose important contractual rights and benefits that may be important to the operation of the business by Recruiter and which could affect the viability of the proposed sale, to the detriment of the Debtors' creditors and other stakeholders. In such circumstances, irreparable harm would be done to the Debtors and to the chances of a successful outcome for the Canadian Proceeding, including the successful consummation of the sale to Recruiter.

3. Granting the Provisional Relief Will Not Result in Even Greater Harm to Creditors

20. The entry of the Provisional Order is justified under the balance of hardships test. The Debtors' creditors will not be harmed by the requested provisional relief as it will merely preserve the status quo and enable the Debtors to continue their operations for the short time necessary for the Court to rule on the Chapter 15 Petitions. As stated in the legislative history to section 362 of the Bankruptcy Code:

The automatic stay also provides creditor protection. Without it, certain creditors would be able to pursue their own remedies against the debtor's property. Those who acted first would obtain payment of the claims in preference to and to the detriment of other creditors. Bankruptcy is designed to provide an orderly liquidation procedure under which all creditors are treated equally. A race of diligence by creditors for the debtor's assets prevents that.

House Report No. 95-595, 95th Cong., 1st Sess. 340-2 (1977). Similarly, the legislative history to section 365(e) provides:

Subsection (e) invalidates ipso factor [sic] or bankruptcy clauses. These clauses, protected under present law, automatically terminate the contract or lease, or permit the other contracting party to terminate the contract or lease, in the event of bankruptcy. This frequently hampers rehabilitation efforts. If the trustee may assume or assign the contract under the limitations imposed by the remainder of the section, then the contract or lease may be utilized to assist in the debtor's rehabilitation or liquidation.

House Report No. 95-595, 95th Cong., 1st Sess. (1977).

21. The Trustee submits that there will be no harm to creditors if the Trustee's request for provisional relief is granted. Any creditor or potential creditor that objects to the relief requested will have an opportunity to be heard, and may apply to the Court for relief if they believe they are harmed by the terms of the Provisional Order. By contrast, the Debtors will suffer significant injury from creditor collection efforts and contract terminations if the Court does not grant the relief sought by the Motion.

4. The Public Interest Favors Granting the Provisional Relief

22. The requested provisional relief is consistent with the policy underlying bankruptcy law and is in the public interest, because it will facilitate the efforts to complete a court-supervised sale of the Debtors' businesses for the ultimate benefit of the Debtors' creditors, including vendors, customers, and employees. *See Rehabworks, Inc. v. Lee (In re Integrated Health Servs., Inc.)*, 281 B.R. 231, 239 (Bankr. D. Del. 2002) ("In the context of a bankruptcy case, promoting a successful reorganization is one of the most important public interests."); *In re Lazarus Burman Assocs.*, 161 B.R. 891, 901 (Bankr. E.D.N.Y. 1993) ("The public interest, in the context of a bankruptcy proceeding, is in promoting a successful reorganization."); *see also In re Adelpia Comm'cns Corp. et al.*, 368 B.R. 140, 284 (Bankr. S.D.N.Y. 2007) ("The public interest requires bankruptcy courts to consider the good of the case as a whole."); *Am. Film Techs v. Taritero (In re Am. Film Techs.)*, 175 B.R. 847, 849 (Bankr. D. Del. 1994) ("It is 'one of the paramount interests' of this court to assist the Debtor in its reorganization efforts.") (quoting *Gathering Rest., Inc. v. First Nat'l Bank of Valparaiso (In re Gathering Restr., Inc.)*, 79 B.R. 992, 1001 (Bankr. N.D. Ind. 1986)).

23. In addition, granting the provisional relief is in the public interest, because it promotes cooperation between jurisdictions in cross-border insolvencies, which is an express

purpose of chapter 15 of the Bankruptcy Code. Specifically, section 1501(a) of the Bankruptcy Code provides:

(a) The purpose of this chapter is to incorporate the Model Law on Cross-Border Insolvency so as to provide effective mechanisms for dealing with cases of cross-border insolvency with the objectives of . . .

(3) fair and efficient administration of cross-border insolvencies that protects the interests of all creditors, and other interested entities, including the debtor;

(4) protection and maximization of the value of the debtors' assets; and

(5) facilitation of the rescue of financially troubled businesses, thereby protecting investment and preserving employment.

11 U.S.C. § 1501(a).

24. Further, the B.C. Court directed the Trustee to seek such relief in this Court as necessary to give effect to the Ancillary Order in the United States, and specifically requested this Court's assistance through the entry of the Ancillary Order. Under section 1525(a) of the Bankruptcy Code, "consistent with section 1501, this court shall cooperate to the maximum extent possible with a foreign court or a foreign representative." 11 U.S.C. §§ 1525(a) and 1501. The Trustee believes that entry of the Provisional Order is necessary to give effect to the Ancillary Order of the B.C. Court. Thus, in addition to the reasons set forth above, this Court should grant the requested relief in accordance with well-established principles of international comity, as embodied in sections 1501 and 1525 of the Bankruptcy Code.

NOTICE

25. Notice of this Motion has been provided to the Office of the United States Trustee for the District of Delaware. The Trustee requests that the Court enter the Provisional

Order without notice to other creditors. The Trustee proposes to notify all creditors and parties in interest of the filing of the Chapter 15 Petitions and the relief requested therein in the form and manner set forth in the *Motion for Order Specifying the Form and Manner of Service of Notice*, filed contemporaneously herewith. In light of the nature of the relief requested herein, the Trustee submits that no other or further notice of the Motion is necessary or required.

CONCLUSION

WHEREFORE, the Trustee respectfully requests (i) entry of the Provisional Order, substantially in the form attached hereto as **Exhibit A** and (ii) any such other and further relief as the Court deems just and proper.

Dated: March 13, 2025
Wilmington, Delaware

**YOUNG CONAWAY STARGATT & TAYLOR,
LLP**

/s/ Elizabeth S. Justison

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*Attorneys for KSV Restructuring Inc., as Trustee and
Foreign Representative of the Debtors*

EXHIBIT A

Provisional Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

<i>In re:</i> BENCH ACCOUNTING, INC., <i>et al.</i> , ¹ Debtors in a Foreign Proceeding.	Chapter 15 Case No. 25-10463 (____) (Jointly Administered) Ref. Docket No. _____
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**ORDER GRANTING PROVISIONAL RELIEF
IN AID OF THE CANADIAN PROCEEDING**

Upon the motion (the “**Motion**”)² filed by KSV Restructuring Inc., in its capacity as the appointed Licensed Insolvency Trustee and authorized foreign representative (the “**Trustee**”) of the Debtors in the Canadian Proceeding pending before the B.C. Court under Canada’s *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, for entry of an order (this “**Order**”), (i) staying execution against the Debtors’ assets in the United States pursuant to section 1519(a)(1) of the Bankruptcy Code and (ii) applying sections 362 and 365(e) of the Bankruptcy Code in these Chapter 15 Cases on a provisional basis pursuant to sections 105(a), 1519, and 1521 of the Bankruptcy Code; and the Trustee having filed the Chapter 15 Petitions, seeking recognition of the Canadian Proceeding as a foreign main proceeding in these Chapter 15 Cases; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and 11 U.S.C. §§ 109 and 1501, and the Amended Standing Order; and consideration of the Motion and the relief requested therein being a core proceeding

¹ The last four digits of the United States Tax Identification Number, or similar foreign identification number, as applicable, for each Debtor follow in parentheses: Bench Accounting, Inc. (3574) and 10Sheet Services Inc. (3476). The Trustee’s head office is located at 220 Bay Street, Suite 1300, PO Box 20, Toronto, Ontario, M5J 2W4, Canada.

² Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Motion.

pursuant to 28 U.S.C. § 157(b)(2)(P); and venue being proper before this Court pursuant to 28 U.S.C. § 1410(3); and due and sufficient notice of the Motion having been given under the particular circumstances; and upon consideration of the Report and the Kofman Declaration; and this Court having held a hearing to consider the relief requested in the Motion; and upon the record established at such hearing; and it appearing that the relief requested in the Motion is necessary and beneficial to the Debtors; and no objections or other responses having been filed that have not been overruled, withdrawn or otherwise resolved; and after due deliberation and sufficient cause appearing therefor, this Court finds and concludes as follows:

- I. The findings and conclusions set forth herein constitute this Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.
- II. The Trustee has demonstrated a substantial likelihood of success on the merits that (i) the Debtors are subject to a pending "foreign main proceeding" as that term is defined in section 1502(4) of the Bankruptcy Code; (ii) the Trustee is a "foreign representative" as that term is defined in 101(24) of the Bankruptcy Code; and (iii) all statutory elements for recognition of the Canadian Proceeding are satisfied in accordance with section 1517 of the Bankruptcy Code.
- III. The Trustee has demonstrated that (i) the commencement of any proceeding or action against the Debtors and their respective businesses and assets should be enjoined pursuant to sections 105(a), 1519, and 1521 of the Bankruptcy Code; (ii) that the application of sections 362 and 365(e) of the Bankruptcy Code in the Chapter 15 Cases is necessary to permit the fair and efficient administration of the Canadian Proceeding and to allow the Trustee to consummate an orderly sale of the assets of the Debtors; and (iii) the relief requested will not cause either an undue hardship nor create any hardship to parties in interest that is not outweighed by the benefits of the relief granted herein.
- IV. The Trustee has demonstrated that unless this Order is issued, there is a material risk that one or more parties in interest may take action against the Debtors and their respective businesses and assets, thereby interfering with the jurisdictional mandate of this Court under chapter 15 of the Bankruptcy Code and causing harm to the Trustee's effort to consummate a sale and

maximize the value of the Debtors' assets. As a result, the Debtors will suffer immediate and irreparable harm for which they will have no adequate remedy at law and, therefore, it is necessary that this Court grant the relief requested by the Motion.

- V. Further, unless this Order issues, the assets of the Debtors located in the United States could be subject to efforts by creditors to control, possess, or execute upon such assets and such efforts could result in the Debtors suffering immediate and irreparable injury, loss, or damage by, among other things, (i) interfering with the jurisdictional mandate of this Court under chapter 15 of the Bankruptcy Code and (ii) interfering with or undermining the success of the Canadian Proceeding and the Debtors' efforts to pursue and consummate a sale of their businesses for the benefit of all their stakeholders.
- VI. The Trustee has demonstrated that, without the protection of section 365(e) of the Bankruptcy Code, there is a material risk that counterparties to certain of the Debtors' agreements may take the position that the commencement of the Canadian Proceeding authorizes them to terminate such contract or accelerate obligations thereunder. Such termination or acceleration, if permitted and valid, could severely disrupt the Debtors' operations, result in irreparable damage to the value of the Debtors' businesses, and cause substantial harm to the Debtors' creditors and other parties in interest.
- VII. The Trustee has demonstrated that no injury will result to any party that is greater than the harm to the Debtors' businesses, assets, and property in the absence of the requested relief.
- VIII. The interests of the public will be served by entry of this Order.

NOW, THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:

- 1. The Motion is granted as set forth herein.
- 2. Pending entry of a recognition order pursuant to section 1521 of the Bankruptcy Code, sections 362 and 365(e) of the Bankruptcy Code shall apply in the Chapter 15 Cases, and this Order shall operate as a stay of execution against the Debtors and their respective businesses and assets within the territorial jurisdiction of the United States pursuant to section 1519(a)(1) of the Bankruptcy Code. Specifically, all persons and entities are hereby enjoined from (a) continuing any action or commencing any additional action involving the Debtors, their assets, or the proceeds thereof; (b) enforcing any judicial, quasi-judicial, administrative, or regulatory

judgment, assessment, order, or arbitration award against the Debtors or their respective assets; (c) commencing or continuing any action to create, perfect, or enforce any lien, setoff, or other claim against the Debtors or their respective assets; or (d) managing or exercising control over the Debtors' assets located within the territorial jurisdiction of the United States, except as expressly authorized by the Debtors in writing.

3. Notwithstanding anything to the contrary contained herein, this Order shall not be construed as (a) enjoining the police or regulatory act of a governmental unit, including a criminal action or proceeding, to the extent not stayed under section 362 of the Bankruptcy Code; (b) staying the exercise of any rights that sections 362(o) and 1519(f) of the Bankruptcy Code do not allow to be stayed; or (c) limiting, abridging, or otherwise affecting the rights afforded to the Trustee pursuant to the Ancillary Order.

4. Any party in interest may make a motion seeking relief from, or modification of, this Order, by filing a motion on not less than seven (7) business days' written notice to counsel for the Trustee and the Office of the United States Trustee for the District of Delaware (the "**U.S. Trustee**"), and this Court will hear such motion on a date to be scheduled by the Court. Notices to counsel for the Trustee should be addressed to Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, Delaware 19801, Attention: Matthew B. Lunn, Esq. (mlunn@ycst.com) and Elizabeth S. Justison, Esq. (ejustison@ycst.com). Notices to the U.S. Trustee should be sent to 844 North King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attention: Malcolm M. Bates, Esq. (Malcolm.m.bates@usdoj.gov).

5. Notwithstanding any provision in the Bankruptcy Rules to the contrary: (i) this Order shall be effective immediately and enforceable upon entry; (ii) the Trustee shall not be subject to any stay in the implementation, enforcement, or realization of the relief granted in

this Order; and (iii) the Trustee is authorized and empowered, and may in its discretion and without further delay, take any action and perform any act necessary to implement and effectuate the terms of this Order.

6. Pursuant to Rule 65(b) of the Federal Rules of Civil Procedure, made applicable to this proceeding pursuant to Bankruptcy Rule 7065, no notice to any person is required prior to entry and issuance of this Order. Pursuant to Bankruptcy Rule 7065, the provisions of Rule 65(c) of the Federal Rules of Civil Procedure are hereby waived, to the extent applicable. Notice of the Motion as set forth therein is adequate and sufficient service and notice of the Motion and this Order, and no other or further notice need be provided.

7. This Court shall retain jurisdiction with respect to any and all matters relating to the interpretation or implementation of this Order.