



Honorable Mike K. Nakagawa
United States Bankruptcy Judge



Entered on Docket
December 30, 2025

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

* * * * *

In re:) Case No.: 25-15714-MKN
) Chapter 11
THRILL INTERMEDIATE LLC,)
) Debtor.) Date: November 4, 2025
) Time: 9:30 a.m.
)

**ORDER ON MOTION OF THE AD HOC GROUP OF FIRST LIEN LENDERS AND
THE ADMINISTRATIVE SUB-AGENT FOR FIRST LIEN LENDERS FOR AN ORDER
DISMISSING THE PURPORTED DEBTORS' CHAPTER 11 CASES AND DECLARING
THE PURPORTED DEBTORS' CHAPTER 11 PETITIONS VOID AB INITIO¹**

On November 4, 2025, the court heard the Motion of the Ad Hoc Group of First Lien Lenders and the Administrative Sub-Agent for First Lien Lenders ("Ad Hoc Group") for an Order Dismissing the Purported Debtors' Chapter 11 Cases and Declaring the Purported Debtors' Chapter 11 Petitions Void Ab Initio ("Case Dismissal Motion") brought in the above-referenced Chapter 11 proceeding. In person or by telephone, appearances were made by Gregory E. Garman, Esq., Talitha B. Gray Kozlowski, Esq., and William M. Noall, Esq. on behalf of the Debtor, along with the Debtor's chief restructuring officer, Jeremy Rosenthal. Ryan J. Works, Esq., David M. Hillman, Esq., and Michael T. Mervis, Esq. appeared on behalf

¹ In this Order, all references to "ECF No." are to the numbers assigned to the documents filed in the case as they appear on the docket maintained by the Clerk of the Court. All references to "AECF No." are to the documents filed in any adversary proceeding mentioned in this Order. All references to "Section" are to the provisions of the Bankruptcy Code, 11 U.S.C. §§ 101-1532. All references to "Bankruptcy Rule" are to provisions of the Federal Rules of Bankruptcy Procedure.

of the Ad Hoc Group; Matthew C. Zirzow, Esq. and David J. Cohen, Esq. on behalf of Estremo LLC; Jeanette E. McPherson, Esq. on behalf of Brett A. Dyrdek Machine, LLC and Rob A. Dyrdek; Amanda Darwin, Esq. on behalf of US Bank; Lindsay Cullen on behalf of Gorilla Flix; and Edward M. McDonald, Esq. on behalf of the Office of the United States Trustee. After arguments were presented, the Case Dismissal Motion was taken under submission.

BACKGROUND²

These Chapter 11 proceedings originate from three separate agreements, each dated May 27, 2022. Each agreement was subsequently amended, supplemented, or joined. One of the Chapter 11 petitioners is Thrill Intermediate, LLC (“Thrill Intermediate”), a limited liability company (“LLC”). Intermediate is the sole member of a separate LLC formed as Thrill Holdings LLC (“Holdings”).³ Holdings executed a Credit Agreement to borrow funds from a number of lenders described as the Ad Hoc Group. Under the Credit Agreement, U.S. Bank Trust Company, National Association (“US Bank”), was designated as the agent to administer the transaction (“Administrative Agent”). Concurrently, Holdings and other related entities entered into a Security Agreement. Additionally, Holdings and other related parties entered into a Pledge Agreement. That pledge apparently included Thrill Intermediate’s membership interest in Holdings.

² On October 22, 2025, an Omnibus Declaration of Jeremy Rosenthal (“Rosenthal”) in Support of Debtors’ Chapter 11 Cases (“Omnibus Rosenthal Declaration”) was filed, accompanied by an Ex Parte Motion to Seal Excerpts and Exhibits 1-6 thereto (“Motion to Seal”). (ECF Nos. 79 and 81). On October 27, 2025, an order was entered granting the Motion to Seal. (ECF No. 87). As a result, on October 28, 2025, the Omnibus Rosenthal Declaration was designated on the docket as “SEALED.” On October 29, 2025, a redacted version of the sealed Omnibus Rosenthal Declaration was filed. (ECF No. 107).

³ On or about September 10, 2025, Thrill Intermediate, as sole member of Holdings, established a board of managers for the operations of Holdings. The board of managers consisted of David Hirschfeld (“Hirschfeld”), Dan Schafer, Jonathan Mael, and Charles T. Dieveney. On the same date, Thrill Intermediate formed a special committee of the Holdings board of managers to consider the filing of voluntary Chapter 11 proceedings for itself, as well as its subsidiary LLCs. See Amended and Restated Written Consent of the Sole Member of Thrill Holdings LLC, attached as Exhibit “18” to Hillman Declaration, infra.

The consequences of a default by Holdings under the loan transaction are significant. Section 7.01 of the Credit Agreement⁴ identifies certain Events of Default⁵ while Section 10.01 sets forth the “Notices” required to be delivered to enforce the Credit Agreement.⁶ As a result of

⁴ Section 1.01 of the Credit Agreement includes many Defined Terms. “Borrower” refers to Thrill Intermediate as well as Holdings, while “Credit Party” refers to Borrower.

⁵ This section of the Credit Agreement states as follows:

7.01 Events of Default. From and after the Effective Date, if any of the following events (“Events of Default”) shall occur:

(a) any Credit Party shall fail to pay any principal of any Loan when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;

(b) any Credit Party shall fail to pay any interest on any Loan, any Prepayment Compensation Amount or any fee or any other amount (other than an amount referred to in clause (a) of this Article) payment under this Agreement or any other Credit Document, when and the same shall become due and payable, and such failure shall continue unremedied for a period of more than three Business Days.

⁶ This section of the Credit Agreement states, in pertinent part, as follows:

10.01 Notices.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent to a valid e-mail address, as follows:

(i) if to the Borrower c/o Fiume Capital, 10801 W. Charleston Boulevard, Las Vegas, Nevada, Attention: David Hirschfeld, Chief Investment Officer, Email: dhirschfeld@fiumecapital.com; with a copy (which shall not constitute notice of delivery) to: Milbank LLP, 55 Hudson Yards, New York, NY 10001, Attention: Antonio Diaz-Albertini, Email: ADiaz-Albertini@milbank.com;

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by e-mail shall be deemed to have been received upon receipt by the sender of confirmatory return e-mail or other written acknowledgement from the intended recipient (provided that use of the “return receipt requested” function shall not be sufficient); provided that if such e-mail is not given during normal business hours of the recipient, such notice or other communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient. Notices delivered through electronic communications, to the extent provided in paragraph (b) below, shall be effective as provided in said paragraph (b).

a default under the Credit Agreement, the Administrative Agent could seek to enforce the Security Agreement by exercising certain rights under the Pledge Agreement. By the pledge of Thrill Intermediate's sole membership interest in Holdings, the Administrative Agent could exercise the membership interests' voting rights, including the ability to replace the Holdings board of managers with a new manager of the LLC. Sections 4.2⁷ and 7.5⁸ of the Pledge Agreement govern the exercise of such rights.

⁷ This section of the Pledge Agreement states as follows:

4.2 Voting Rights. If an Event of Default shall have occurred and be continuing and the Administrative Agent shall have notified the applicable Pledgor of the Administrative Agent's intention to exercise its voting power under this Section 4.2, such notified Pledgor agrees:

(a) that the Administrative Agent may exercise (to the exclusion of such Pledgor) the voting power and all other incidental rights of ownership with respect to the Pledged Collateral pledged by such Pledgor, and such Pledgor hereby grants the Administrative Agent, from the date hereof until the complete, full and final repayment of the Secured Obligations (other than contingent indemnification obligations for which no claim has been asserted) and the termination of the Revolving Commitments under the Credit Agreement, an irrevocable (until the termination of this Agreement) proxy, coupled with an interest exercisable under such circumstances, to vote such Pledged Collateral; and

(b) promptly to deliver to the Administrative Agent such additional proxies and other documents as may be necessary to allow the Administrative Agent to exercise such voting power.

All payments and proceeds which may at any time and from time to time be held by any of the Pledgors, but which such Pledgor is then obligated to deliver to the Administrative Agent on behalf of itself and the Secured Parties, shall be held by such Pledgor separate and apart from its other property in trust for the Administrative Agent and the other Secured Parties. Unless an Event of Default shall have occurred and be continuing and the Administrative Agent shall have given the notice referred to in this Section 4.2, the Pledgors shall have the exclusive voting power with respect to the Pledged Collateral and the Administrative Agent shall, upon the written request of any Pledgor, promptly deliver such proxies and other documents, if any, as shall be reasonably requested by such Pledgor which are necessary to allow such Pledgor to exercise voting power with respect to the Pledge Collateral; provided, however, that no vote shall be cast, or consent, waiver or ratification given or action taken by any Pledgor that would materially impair any Pledged Collateral or be materially inconsistent with or violate any provision of the Creditor Agreement or any other Credit Document without the prior written consent of the Administrative Agent and the Required Lenders.

⁸ This section of the Pledge Agreement states as follows:

On September 23, 2025, the Ad Hoc Group allegedly exercised those voting rights by hand-delivering two envelopes to the receptionist at the Las Vegas office building from which Holdings' chief investment officer, Hirschfeld, does business.⁹ One envelope ("Package One") contained a document entitled "Notice of Exercise of Remedies."¹⁰ The other envelope ("Package Two") contained documents entitled "Notice of Exercise of Remedies," a "Thrill Holdings Written Consent," and a "Thrill Holdings A&R LLCA." The Thrill Holdings Written Consent explained that the LLC agreement for Holdings was replaced in its entirety, that the existing board of managers of Holdings was being removed, and that Steve Strom ("Strom") was being appointed as the sole independent manager of Holdings. At stake over the replacement of management are the rights under a separate contract between the Debtors and New Remote Productions, Inc. ("MTV") to produce a program entitled "Ridiculousness." That series is broadcast by MTV over cable television and is a significant source of revenue for the Debtors.

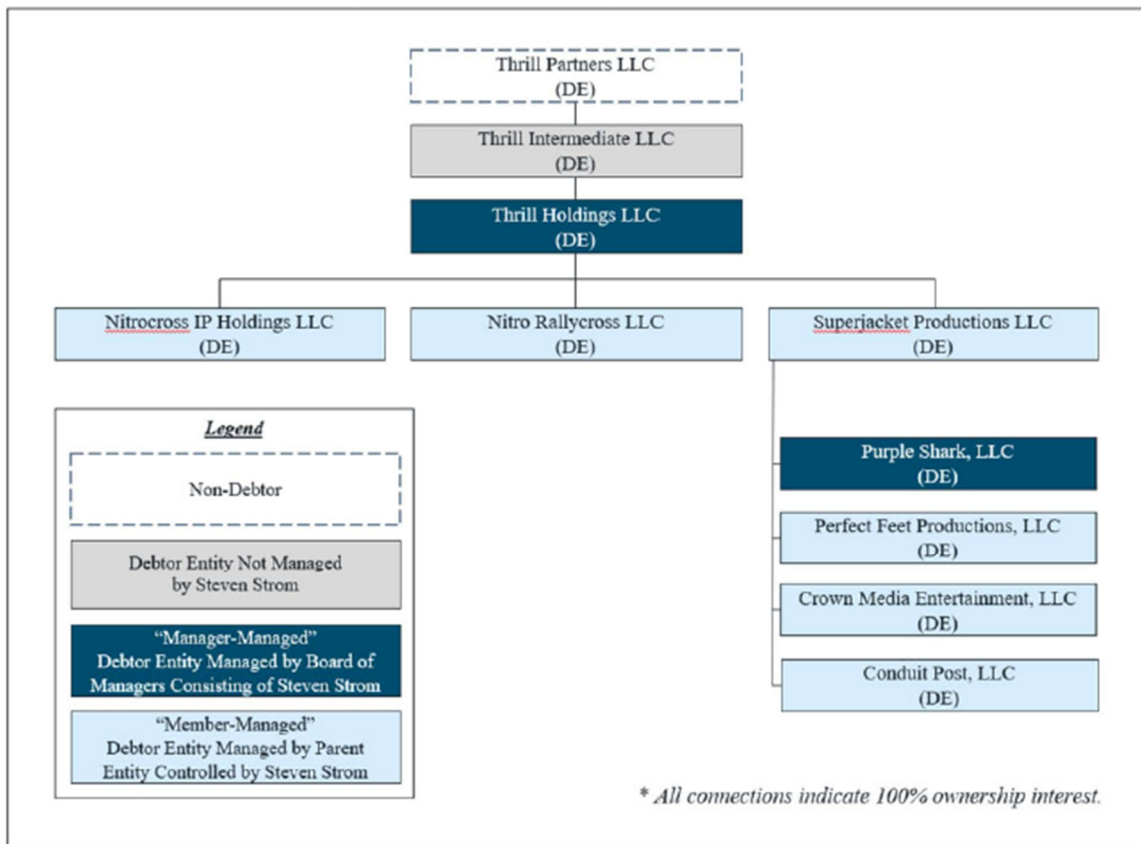
On September 28, 2025 and September 29, 2025, nine separate Chapter 11 petitions were filed by nine separate but related LLCs. A tenth, separate but related LLC, named Thrill Partners LLC, has not filed for Chapter 11 relief. Organizationally, the ten LLCs are related as follows:

7.5 Addresses for Notices. All notices and other communications provided for hereunder shall be in writing and addressed and delivered to (i) the Pledgors in care of the Borrower at its address set forth in Section 10.01 of the Credit Agreement, and (ii) to the Administrative Agent at its address set forth in Section 10.01 of the Credit Agreement. Any notice, if mailed and properly address with postage prepaid or if properly addressed and sent by pre-paid courier service, shall be deemed to be given when received.

⁹ Under Section 10.01 of the Credit Agreement, see note 6, supra, a required notice must be delivered by hand or overnight courier service to Holdings' chief investment officer, i.e., Hirschfeld, at the Las Vegas address for Fiume Capital.

¹⁰ Sometime thereafter, a copy of the Notice of Exercise of Remedies was emailed by the Administrative Agent to Hirschfeld, with copies to attorneys Gregory Garman and Antonio Diaz-Albertini.

Figure 1: Illustrative Organizational Chart



See Case Dismissal Motion at 4.¹¹

On September 29, 2025, Thrill Intermediate commenced Adversary Proceeding No. 25-01215 ("Thrill Adversary"). (AECF No. 1). The complaint commencing the adversary proceeding ("Thrill Complaint") named members of the Ad Hoc Group as defendants, as well related entities.¹² See Thrill Complaint at ¶¶ 3 through 23.¹³ The complaint is styled as four

¹¹ The Organizational Chart submitted by the Ad Hoc Group appears to indicate that all of the subject LLCs were formed under Delaware ("DE") law. The Ad Hoc Group also represents, however, that Purple Shark, LLC was formed under California law. See Case Dismissal Motion at 4:8. The latter representation appears to be correct according to the Chapter 11 petition filed by Purple Shark LLC, Case No. 25-15717, on September 29, 2025.

¹² One of those entities is US Bank which is the Administrative Agent for the loan transaction.

¹³ In the Thrill Adversary, as well as in their response to the Case Dismissal Motion, Debtors have alleged that the Administrative Agent and Ad Hoc Group attempted hand-delivery

claims for relief: (1) declaratory judgment; (2) enforcement of the automatic stay; (3) breach of contract; and (4) breach of implied covenant of good faith and fair dealing.¹⁴

On October 1, 2025, two days after the nine voluntary Chapter 11 petitions were filed, the Ad Hoc Group filed the instant Case Dismissal Motion supported by the declaration of its counsel, David M. Hillman (“Hillman Declaration”). (ECF Nos. 9 and 10). Along with the Case Dismissal Motion, the Ad Hoc Group filed an ex parte application requesting that its case dispositive request be heard on an order shortening time (“OST Motion”), supported by the declaration of Ryan J. Works. (ECF Nos. 12 and 13).

On October 2, 2025, Debtors filed opposition to the OST Motion that included various exhibits consisting of, *inter alia*, the Thrill Complaint (“OST Opposition”). (ECF No. 17). Debtors argued that the allegations of the Case Dismissal Motion warranted sufficient time to conduct discovery, *inter alia*, on whether the Ad Hoc Group had complied with certain notice provisions found in the underlying transactional documents. See OST Opposition at 2:18 to 3:6. On the same date, a summons was issued on the Thrill Complaint (“Summons”). (AECF No. 4). The Summons provides that an initial scheduling conference in the Thrill Adversary will be held on February 12, 2026.

On October 3, 2025, an order was entered denying the OST Motion without prejudice to the Case Dismissal Motion being heard on regular notice. (ECF NO. 21). On the same date, the Ad Hoc Group noticed the Case Dismissal Motion for hearing on November 4, 2025. (ECF No. 22).

of Package One and Package Two to Hirschfeld at the required address on September 23, 2025, with knowledge that he would not be present at that address due to his observance of a particular religious holiday.

¹⁴ Paragraphs 32 through 40 of the Thrill Complaint reference the Credit Agreement, Security Agreement, and Pledge Agreement. Paragraphs 41 through 89 allege that certain notice language appearing in Section 10.1 of the Credit Agreement and in Section 7.5 of the Pledge Agreement were violated by the named defendants, necessitating expedited commencement of the instant Chapter 11 proceedings.

1 On October 9, 2025, a certificate of service was filed attesting that on October 8, 2025, a
2 copy of the Thrill Complaint and the Summons had been served by first class U.S. mail on the
3 named defendants, and by certified U.S. mail to CION Agent, LLC. (AECF No. 5).

4 On October 13, 2025, a supplemental certificate of service was filed attesting that on the
5 same date a copy of the Thrill Complaint and the Summons were served by certified U.S. mail
6 on COIN Investment Corporation, MGG Investment Group LP, and PGIM, LLC. (AECF No. 6).

7 On October 21, 2025, Debtor filed its opposition to the instant motion (“Case Dismissal
8 Opposition”), accompanied by the declarations of David Hirschfeld (“Hirschfeld Dismissal
9 Declaration”), Gregory E. Garman (“Garman Dismissal Declaration”),¹⁵ and the Omnibus
10 Rosenthal Declaration. (ECF Nos. 76, 77, 78, and 79).

11 On October 28, 2025, the Ad Hoc Group filed a reply in support of its Dismissal Motion
12 (“Case Dismissal Reply”), along with a supplemental Declaration of David M. Hillman
13 (“Supplemental Hillman Declaration”), and an ex parte motion to seal the Case Dismissal Reply
14 (“Ad Hoc Group Seal Motion”). (ECF Nos. 92, 93, and 94).¹⁶

15 On October 29, 2025, an order was entered granting the Ad Hoc Group Seal Motion.
16 (ECF Nos. 104 and 108).

17
18 ¹⁵ Attached as Exhibit “1” to the Garman Dismissal Declaration is a copy of the Debtor’s
19 First Set of Requests for Production of Documents to Ad Hoc Group of First Lien Lenders and
20 Cion Agent, LLC (“Debtors First RPD”). Attached as Exhibit “2” is a copy of Debtor’s First Set
21 of Interrogatories to Ad Hoc Group of First Lien Lenders and Cion Agent, LLC (“Debtors First
22 ROGs”). Both discovery requests are dated October 21, 2025, and were propounded in the
23 Chapter 11 case rather than the Thrill Adversary.

24 ¹⁶ Attached as Exhibit “A” to the Case Dismissal Reply is a “Statement of Undisputed
25 Facts” (“SUF”) consisting of 42 paragraphs of factual assertions offered by the Ad Hoc Group in
26 support of its Case Dismissal Motion (“Ad Hoc Group SUF”). In support of each assertion are
27 references to representations appearing in the Chapter 11 petitions, the Hillman Declaration and
28 its exhibits, the Omnibus Rosenthal Declaration and its exhibits, the Pledge Agreement, the
Thrill Complaint, the Credit Agreement, the Case Dismissal Opposition, and the Hirschfeld
Dismissal Declaration and its exhibits. While an SUF commonly is required in connection with
a motion for summary judgment brought in an adversary proceeding pursuant to Bankruptcy
Rule 7056, the same requirement may be applied in a contested matter governed by Bankruptcy
Rule 9014(c)(1).

DISCUSSION

The Ad Hoc Group maintains that there was an event of default under the Credit Agreement that authorized its Administrative Agent to exercise voting rights under the Pledge Agreement. It argues that those voting rights were properly exercised by proxy on September 23, 2025, resulting in the removal of every member of Holdings' board of managers, and the election of Strom as the sole manager of Holdings. As a result, the Ad Hoc Group maintains that the board of managers had no authority to commence the instant Chapter 11 proceedings on September 28, 2025. Accordingly, the Ad Hoc Group argues that the Chapter 11 proceedings must be dismissed for cause under Section 1112(b)(1).¹⁷

Consistent with the allegations of the Thrill Complaint, Debtor argues that the Ad Hoc Group failed to provide proper notice of its intent to exercise voting rights in compliance with the language of the Credit Agreement and the Pledge Agreement. Consistent with its opposition to the Ad Hoc Group's request for an expedited hearing on the Case Dismissal Motion made two days after the Chapter 11 petitions were filed, Debtors maintain that an opportunity to conduct discovery must be afforded on, *inter alia*, whether the Ad Hoc Group and its Administrative Agent complied with the notice provisions of the Pledge Agreement and Credit Agreement. Among other things, Debtors raise factual issues as to the sequence in which Package One and Package Two were hand-delivered to Holdings on September 23, 2025.¹⁸

Whether the Notice of Exercise of Remedies was delivered before, after, or simultaneously with the Thrill Holdings Written Consent, it cannot be resolved on the current record.¹⁹ There is no dispute that Section 10.01 of the Credit Agreement and Section 4.2 of the

¹⁷ Section 1112(b) allows a case under Chapter 11 to be dismissed for cause. Section 1112(b)(4) includes a non-exclusive list of grounds constituting "cause," none of which specifically mention the petitioner's legal capacity to seek bankruptcy relief.

¹⁸ Debtors previously initiated discovery on certain topics in the Chapter 11 case. See note 15, *supra*.

¹⁹ It is not entirely clear whether these contentious Chapter 11 proceedings could have been avoided by simply delivering Package One to Hirschfeld on September 24, 2025, followed by delivery of Package Two on September 30, 2025.

Pledge Agreement reference notice being given by and between the parties. There is no question that parties to any contract can agree to such requirements. Parties to a contract also can agree that notice must be given prior to an action being taken, if at all, as well as to the amount of time that must pass, if at all, before an action is taken.²⁰ Debtors maintain that prior notice was required before the Administrative Agent and Ad Hoc Group exercised any voting rights to disenfranchise the board of managers for Holdings. Apparently, Debtors argue that simultaneous delivery of the Notice of Exercise of Remedies and the Thrill Holdings Written Consent would not suffice, nor would subsequent delivery of the Thrill Holdings Written Consent. At the very least, Debtors seek discovery to establish when notice was actually delivered in this matter.²¹

See Case Dismissal Opposition at 2:8-11 and 39:2 to 40:3.²²

Both the Debtors and the Ad Hoc Group devote significant attention to a decision by the Delaware bankruptcy court in In re CII Parent, Inc., Case No. 22-11345-LSS, 2023 WL 2926571 (Bankr. D. Del. April 12, 2023). See Case Dismissal Motion at 16:18-26 (described as a case “nearly identical”); Case Dismissal Opposition at 23:5 to 24:20; Case Dismissal Reply at ¶¶ 6, 7, 15, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 44, 73, 75, 106, 109, and 110 (describing case as “direct

²⁰ Under bankruptcy practice, the applicable rules generally requires prior notice to be given before a request is presented to the court, see, e.g., FED.R.BANKR.P. 2002(a)-(c), as well as subsequent notice that an order has been entered by the court or that a future deadline has been established. See, e.g., FED.R.BANKR.P. 2002(f).

²¹ As mentioned at note 13, supra, Debtors also allege that the Ad Hoc Group and the Administrative Agent engaged in bad faith or perhaps violated a duty of good faith and fair dealing by delivering Package One and Package Two during a religious holiday at which Hirschfeld was expected to be absent. Debtors apparently seek discovery specifically related to these allegations. See, e.g., Debtors First RPD Nos. 8, 11, 18, 27, 31, 79 and 80; Debtors First ROGs Nos. 1 and 3.

²² Absent an adequate evidentiary record, the court does not address or determine any specific intention of the parties based on their choice of language in the Credit Agreement and Pledge Agreement. See Case Dismissal Opposition at 17:26 to 20:10. Similarly, the court does not address or even attempt to resolve any theoretical concerns over whether Package One and Package Two were both received and not received at the same moment in time. Compare M. Tuhim, Schrödinger’s Cat Explained: Quantum Mechanics and Paradoxes (Science News Today, May 23, 2025) [<https://www.sciencenewstoday.org/>] (hypothesizing whether a cat can be both alive and dead at the same moment).

and persuasive authority”). The CII Parent proceeding was voluntarily commenced by the corporate debtor on December 27, 2022, and dismissed by agreement on June 10, 2024.²³ From beginning to end, the parties in CII Parent disputed whether the debtor’s primary lender had properly exercised its contract rights to replace directors and/or managers of the debtor and its subsidiaries. On January 13, 2023, the debtor filed a motion to enforce the automatic stay that also addressed whether the primary creditor should be equitably estopped from exercising its rights to replace management. (D.I. 12). On January 20, 2023, the primary creditor filed a motion to dismiss asserting that the debtor’s prepetition board had no authority to commence the Chapter 11 proceedings. (D.I. 30). On the same date, debtor CII Parent noticed various depositions (D.I. 32, 33, 34, and 35) and initiated other discovery (D.I. 36). On February 9, 2023, the bankruptcy court entered an agreed scheduling order on the motion to dismiss requiring, *inter alia*, the parties to submit a stipulated record consisting of all documents admitted without objection, as well as a statement of uncontested material facts. (D.I. 59). On February 20, 2023, CII Parent and the primary secured creditor filed a stipulated record in connection with, *inter alia*, the motion to dismiss. (D.I. 70).

On February 22, 2023, the motion to dismiss was heard by the Delaware bankruptcy court. (D.I. 77). On April 12, 2023, the bankruptcy court entered its opinion concluding that the secured creditor properly exercised proxies before the bankruptcy petition was filed, *see In re CII Parent*, 2023 WL at *14, and that no automatic stay violation had occurred after bankruptcy. *Id.* at *17. The court deferred any ruling on the dismissal request, however, due to the existence of certain contested issues, including the debtor’s assertion of equitable estoppel. *Id.* at *18. Over the next fourteen months, the debtor and the secured creditor engaged in various and prolonged discovery disputes related to, *inter alia*, the debtor’s equitable estoppel claim. (D.I. 8, 114, 115,

²³ The court takes judicial notice of the Delaware bankruptcy court’s docket in the CII Parent proceeding. *See United States v. Wilson*, 631 F.2d 118, 119 (9th Cir. 1980). *See also In re Blas*, 614 B.R. 334, 339 n.27 (Bankr. D. Alaska 2019)(“This court may take judicial notice of the docket of other courts.”). In Delaware, the abbreviation “D.I.” is used to refer to “Docket Item” number, rather than “ECF” that refers to Electronic Case Files number.

1 116, 118, and 135). After the CII Parent case was consensually dismissed on June 10, 2024, the
2 bankruptcy proceeding finally was closed on October 29, 2024.

3 The instant case is similar to CII Parent in several important respects, but also is
4 significantly different in important respects. Concurrently with the Chapter 11 petitions in the
5 instant proceedings, the Thrill Adversary was commenced seeking, *inter alia*, a declaration that
6 the Administrative Agent's exercise of remedies under the Credit Agreement and Pledge
7 Agreement was unreasonable under applicable law, see Thrill Complaint at ¶¶ 109 and 111, and
8 that the defendants' conduct under the Pledge Agreement constituted a breach of an implied
9 covenant of good faith and fair dealing. Id. at ¶¶ 135, 136, 138, 139, and 141. Additionally, the
10 instant Case Dismissal Motion is not presented on a stipulated record; by contrast to the
11 circumstances in CII Parent, the Ad Hoc Group offered the proposed Ad Hoc Group SUF, but it
12 was not agreed to by the Debtors. Moreover, the docket in CII Parent reflects that the debtor was
13 able to pursue discovery before the motion to dismiss was heard by the Delaware bankruptcy
14 court; only limited discovery was propounded by the Debtors herein before the Case Dismissal
15 Motion was heard, but it is unclear whether responses were ever provided. More important, the
16 parties in CII Parent were permitted to pursue discovery in connection with the debtor's
17 equitable estoppel claim which may or may not be similar to the good faith and fair dealing
18 claim for relief in the Thrill Adversary. Perhaps most important, the bankruptcy court in CII
19 Parent deferred any ruling on the motion to dismiss to allow discovery to be conducted on the
20 debtor's challenge to the conduct of the secured creditor in exercising its rights under the subject
21 pledge agreement.²⁴

22
23 ²⁴ The Ad Hoc Group suggests that, like the court in CII Parent, a ruling on the Case
24 Dismissal Motion should be bifurcated to first address the "Primary Basis" for its request, i.e., to
25 determine whether the "Debtors lack corporate authority to file these Chapter 11 cases." Case
26 Dismissal Reply at ¶ 107. If the Primary Basis for dismissal is determined in its favor, the Ad
27 Hoc Group maintains that its "Alternative Basis" for dismissal, i.e., that the Debtors filed the
28 petitions without authority in bad faith, need not be determined. Id. at ¶¶ 108, 109, and 110.
That suggestion is misguided: the CII Parent court deferred a final ruling on dismissal because
factual issues precluded a determination of the debtors' equitable estoppel claim against the
primary secured creditor. Just like it asserted in the Thrill Adversary, Debtor asserts that the Ad
Hoc Group has breached the duty of good faith and fair dealing arising from the Credit
Agreement and Pledge Agreement. See Case Dismissal Opposition at 28:18 to 33:14.

Under the procedural posture of these Chapter 11 cases, the court concludes that dismissal under Section 1112(b) is premature and that the Debtors should be allowed a limited but sufficient time to engage in discovery. Nothing in this order precludes the parties from conducting discovery in connection with the Thrill Adversary.²⁵

IT IS THEREFORE ORDERED that the Motion of the Ad Hoc Group of First Lien Lenders and the Administrative Sub-Agent for First Lien Lenders for an Order Dismissing the Purported Debtors' Chapter 11 Cases and Declaring the Purported Debtors' Chapter 11 Petitions Void Ab Initio brought in the above-referenced Chapter 11 proceeding, Docket No. 9, be, and the same hereby is, **DENIED WITHOUT PREJUDICE**.

IT IS FURTHER ORDERED that a status conference will be held pursuant to 11 U.S.C. § 105(d)(1) to address further steps, if any, by the Ad Hoc Group and the Administrative Agent, to seek dismissal of these Chapter 11 proceedings. At the status conference, counsel for the parties must be prepared to discuss a proposed discovery plan in connection with a dismissal request, including a deadline for completion of discovery.

IT IS FURTHER ORDERED that the aforementioned status conference will be conducted telephonically on **January 21, 2026, at 9:30 a.m.** Optional status reports may be filed no later than one day prior to the status conference. Counsel are permitted to appear in-person by notifying the courtroom deputy.

²⁵ The Ad Hoc Group independently argues that the Chapter 11 petition filed by Purple Shark was defective because the LLC is manager-managed rather than member-managed. Individuals identified as Joseph Thomas Carr, Jr., and Shane Nickerson apparently were designated as its managers under the Purple Shark limited liability company agreement. Because Purple Shark's only member is the separate Debtor entity Superjacket Productions, LLC, execution of the Purple Shark bankruptcy petition by Superjacket, rather than by Purple Shark's managers, allegedly was insufficient. See Case Dismissal Motion at ¶¶ 83, 84, and 85. Debtors separately argue that non-debtor Thrill Partners, LLC, is the sole member of the debtor-entity Thrill Intermediate and accordingly had the right to direct the filing of the Chapter 11 petition on behalf of Thrill Intermediate. In other words, even a valid replacement of the Thrill Holdings board of managers would not prevent Thrill Partners from authorizing the commencement of the instant Chapter 11 proceedings for Thrill Intermediate. See Case Dismissal Opposition at 35:3-6. Inasmuch as the Case Dismissal Motion will be denied without prejudice, it is unnecessary to resolve these arguments at this time.

1 Copies sent via CM/ECF ELECTRONIC FILING

2 Copies sent via BNC to:

3 MATTHEW S. BARR on behalf of Creditor ESTREMO LLC
4 WEIL, GOTSHAL & MANGES LLP
5 767 FIFTH AVENUE
6 NEW YORK, NY 10153

7 DAVID J. COHEN on behalf of Creditor ESTREMO LLC
8 WEIL, GOTSHAL & MANGES LLP
9 1395 BRICKELL AVENUE, SUITE 1200
10 MIAMI, FL 33131

11 CHARLES A. DALE on behalf of Creditors AD HOC GROUP OF FIRST LIEN LENDERS and
12 ADMINISTRATIVE SUB-AGENT FOR FIRST LIEN LENDERS
13 PROSKAUER ROSE LLP
14 ONE INTERNATIONAL PLACE
15 BOSTON, MA 02110

16 DAVID M. HILLMAN on behalf of Creditors AD HOC GROUP OF FIRST LIEN LENDERS
17 and ADMINISTRATIVE SUB-AGENT FOR FIRST LIEN LENDERS
18 PROSKAUER ROSE, LLP
19 ELEVEN TIMES SQUARE
20 NEW YORK, NY 10036

21 BRIAN G. LIEGEL on behalf of Creditor ESTREMO LLC
22 WEIL, GOTSHAL & MANGES LLP
23 1395 BRICKELL AVENUE, SUITE 1200
24 MIAMI, FL 33131

25 MICHAEL T. MERVIS on behalf of Creditors AD HOC GROUP OF FIRST LIEN LENDERS
26 and ADMINISTRATIVE SUB-AGENT FOR FIRST LIEN LENDERS
27 PROSKAUER ROSE LLP
28 ELEVEN TIMES SQUARE
NEW YORK, NY 10036

Ryan J Works on behalf of Creditors AD HOC GROUP OF FIRST LIEN LENDERS and
ADMINISTRATIVE SUB-AGENT FOR FIRST LIEN LENDERS
McDonald Carano LLP
2300 West Sahara Avenue, Suite 1200
Las Vegas, NV 89102

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