

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

In re:

CDS US HOLDINGS NEWCO, INC. (f/k/a CDS
U.S. HOLDINGS, INC., *et al.*),¹

Debtors.

Chapter 15

Case No. 20-11719 (CSS)

(Jointly Administered)

**MOTION PURSUANT TO SECTIONS 105(A),
1507, 1521, AND 1525 OF THE BANKRUPTCY CODE
AND BANKRUPTCY RULE 9006, FOR ENTRY OF AN
ORDER (I) RECOGNIZING AND ENFORCING THE SECOND AVO
EXTENSION ORDER, EFFECTIVE *NUNC PRO TUNC* TO THE DATE OF ENTRY
THEREOF BY THE CANADIAN COURT AND (II) GRANTING RELATED RELIEF**

Cirque de Soleil Canada Inc., in its capacity as the former authorized foreign representative (the “Foreign Representative”) of the above-captioned debtors (collectively, the “Debtors”), which are the subject of jointly-administered proceedings (the “Canadian Proceedings”) under the Companies’ Creditors Arrangement Act, R.S.C. 1985, c. C-36 (as amended, the “CCAA”) in the Superior Court of Quebec, Commercial Division (the “Canadian Court”), respectfully submits this motion (this “Motion”) pursuant to sections 105(a), 1507, 1521, and 1525 of title 11 of the United States Code (the “Bankruptcy Code”), rule 9006 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and rule 9006-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), requesting entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Order”):

The last four digits of Debtor CDS US Holdings Newco Inc. (f/k/a CDS Holdings, Inc.) tax identification number are (7842). Due to the large number of debtor entities in these jointly administered chapter 15 cases, a complete list of the debtor entities and the last four digits of their federal tax identification numbers as of the Petition Date are not provided herein. A complete list of such information may be obtained on the website of the Debtors' noticing agent at www.omniagentsolutions.com/cirquedusoleil. The location of the Debtors' service address for purposes of these chapter 15 cases is: 8400, 2e Avenue Montréal, Quebec H1Z 4M6 Canada.

(a) recognizing and giving effect in the United States to the *Order Extending Certain Delays in the Approval and Vesting Order* (the “Second AVO Extension Order”), substantially in the form attached to the Order as Exhibit 1,² as is expected to be entered by the Canadian Court in the Canadian Proceedings, *nunc pro tunc* to the date of entry of the Second AVO Extension Order by the Canadian Court; and (b) granting related relief. In support of this Motion, the Debtors incorporate by reference the statements contained in the *Declaration of Stéphane Lefebvre in Support of the Foreign Representative’s Motion Pursuant to Sections 105(a), 353, 365, 1501, 1507, 1520, and 1521 of the Bankruptcy Code, and Bankruptcy Rules 2002, 6004, 6006, and 9014, for Entry of an Order (I) Recognizing and Enforcing the Approval and Vesting Order, (II) Approving the Sale of Substantially All of the Debtors’ Assets Free and Clear of Liens, Claims, and Encumbrances, (III) Recognizing and Enforcing the Administrative Reserves Order, and (IV) Granting Related Relief* [Docket No. 98] filed on October 14, 2020. The Debtors further represent 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 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”). The Debtors confirm their consent, pursuant to rule 7008 of the Bankruptcy Rules and rule 9013-1(f) of the Local Rules, to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the

² To the extent the Second AVO Extension Order entered by the Canadian Court is modified or otherwise deviates from the proposed form attached to the Order, the Foreign Representative will file with the Court and serve such Second AVO Extension Order on the Core Notice Parties.

Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

2. These chapter 15 cases have been properly commenced pursuant to section 1504 of the Bankruptcy Code by the filing of petitions for recognition of the Canadian Proceedings under section 1515 of the Bankruptcy Code.

3. Venue is proper pursuant to 28 U.S.C. § 1410.

4. The statutory bases for the relief requested herein are sections 105(a), 1507, 1521, and 1525 of the Bankruptcy Code. The relief is also appropriate under Bankruptcy Rule 9006 and Local Rule 9006-1.

Background³

5. On June 29, 2020, the Debtors commenced the Canadian Proceedings with the Canadian Court pursuant to sections 9, 11, 11.51, 11.52, and 23 of the CCAA with the goal of pursuing a sale and investment solicitation process under the supervision of the Canadian Court and restructuring operations under the protections offered by the CCAA.

6. On July 1, 2020 (the “Petition Date”), the Foreign Representative filed voluntary petitions for relief under chapter 15 of the Bankruptcy Code for each of the Debtors in this Court. A description of the Debtors’ business and the events leading up to the commencement of the Canadian Proceedings and these chapter 15 cases is included in the *Declaration of Foreign Representative Pursuant to 11 U.S.C. § 1515 and Rule 1007(a)(4) of the Federal Rules of Bankruptcy Procedure and in Support of Verified Petition for (I) Recognition of Foreign Main Proceedings, (II) Recognition of Foreign Representative, and (III) Related Relief Under*

³ Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Sale Recognition Order, the Approval and Vesting Order, or the Second AVO Extension Order (each as defined herein), as applicable.

Chapter 15 of the Bankruptcy Code [Docket No. 4] (the “Lefebvre Declaration”) and the *Declaration of Guy P. Martel in Support of Verified Petition for (I) Recognition of Foreign Main Proceedings, (II) Recognition of Foreign Representative, and (III) Related Relief Under Chapter 15 of the Bankruptcy Code* [Docket No. 5] (the “Martel Declaration”), which are incorporated herein by reference.

7. On July 2, 2020, the Court granted certain first day relief [Docket Nos. 36, 38] and gave full force and effect on a provisional basis to the First Day CCAA Order [Docket No. 37].

8. On July 10, 2020, the Canadian Court entered the *Amended and Restated Initial Order* (the “Initial CCAA Order”) extending the relief granted in the First Day CCAA Order, among other relief.

9. On July 17, 2020, the Court entered the *Order Granting Provisional Recognition of the Initial CCAA Order Pursuant to Section 1519 of the Bankruptcy Code* [Docket No. 53], giving full force and effect on a provisional basis to the Initial CCAA Order, among other relief.

10. On August 11, 2020, the Court entered the *Order Granting Petition for (I) Recognition as Foreign Main Proceeding, (II) Recognition of Foreign Representative, and (III) Related Relief Under Chapter 15 of the Bankruptcy Code* [Docket No. 90] (the “Recognition Order”), granting the Debtors’ verified petition and recognizing the Canadian Proceedings as foreign main proceedings pursuant to section 1517 of the Bankruptcy Code, among other relief.

11. On October 26, 2020, the Canadian Court entered the *Approval and Vesting Order*, (the “Approval and Vesting Order”) approving the Spectacle Transaction and authorizing the entry into the Spectacle Sale Agreement and the sale of the Debtors’ assets to Spectacle BidCo Holdings, Inc. (the “Buyer”).

12. On October 29, 2020, the Court entered an order recognizing and giving full force and effect in the United States to the Approval and Vesting Order and approving and authorizing the Spectacle Sale Agreement and the Spectacle Transaction [Docket No. 112] (the “Sale Recognition Order”). The Spectacle Transaction closed on November 24, 2020.

13. On May 5, 2021, the Canadian Court entered the *Order Extending Certain Delays in the Approval and Vesting Order*, (the “First AVO Extension Order”) extending the Assignment Period from six months after the Effective Date to twelve months after the Effective Date and extending the time following the Effective Date by which the Non-Acquired Debtors will be dissolved from 6 months and one day to 12 months and one day.

14. On May 17, 2021, the Court entered an order recognizing and giving full force and effect in the United States to the First AVO Extension Order.

The Second AVO Extension Order

15. Under the terms of the Approval and Vesting Order, as modified by the First AVO Extension Order, the Non-Acquired Debtors are set to dissolve, without any further action, on November 25, 2021. However, as things currently stand, certain of the Non-Acquired Debtors expect to receive certain tax refunds totaling approximately \$4.0 million (the “Tax Refunds”) over the course of the next six to twelve months.

Identity of the Non-Acquired Debtor	Expected Amount of Tax Refund	Description	Period for which tax return was made	Expected collection timeframe
VSTAR Theatrical, LLC	CA\$351,000	Corporate Income Tax (Canada)	2020	6 – 12 months
FormerCS US Holdings Inc.	US\$612,171	Federal Corporate Income Tax	2019	Within the next 3 months

FormerCS US Holdings Inc.	US\$ 266,128	Federal Corporate Income Tax	2018 – amended #1	Within the next 3 months
FormerCS America Inc.	US\$260,000	Texas Sales Tax	September 2019 through February 2020	Under a year
FormerCS America Inc.	US\$ 88,000	Chicago (IL) Amusement Tax	November 2019 through March 2020	Under a year
FormerCS America Inc.	US\$7,000	Cook County (IL) Amusement Tax	November 2019 through March 2020	Under a year
FormerCS America Inc.	US\$21,000	New Jersey Sales Tax	Q1 2019	Under a year
FormerCS Orlando L.L.C.	US\$255,000	Florida Sales Tax	September 2019 through February 2020	Under a year
FormerCS US Holdings Inc.	US\$1,605,000	Federal Corporate Income Tax	2018 – amended #2	Within the year of filing
FormerCS US Holdings Inc.	US\$651,000	Federal Corporate Income Tax	2019	Within the year of filing

16. Pursuant to Section 2.1(u) of the Purchase Agreement (as defined in the Approval and Vesting Order), all claims and rights of any Non-Acquired Debtor to any refund, rebate, or credit of Taxes (as defined in the Purchase Agreement) relating to Taxes paid or payable by the Non-Acquired Debtors in respect of a period ending on or before the closing of the Spectacle Transaction (as defined in the Sale Recognition Order) constitutes a purchased asset by the Buyer to be received by the applicable Non-Acquired Debtor as agent for and on behalf of the Buyer, and reasonably promptly thereafter paid over to the Buyer.

17. Accordingly, all Tax Refunds must be collected by the Non-Acquired Debtors, as agents for and on behalf of the Buyer, and, once collected, these Tax Refunds will need to be paid over to the Buyer.

18. In order to ensure that the Non-Acquired Debtors are able to collect the Tax Refunds and avoid any issue stemming from the automatic dissolution of these Non-Acquired Debtors, the Debtors requested of the Canadian Court that the date upon which all Non-Acquired Debtors are automatically dissolved be extended, once more, by an additional twelve (12) months, which would be **November 25, 2022**.

19. Additionally, under the Approval and Vesting Order, certain contracts set forth in the schedules to the Spectacle Sale Agreement and/or the Approval and Vesting Order have been retained by the applicable Acquired Debtors, or assigned to the Buyer or its affiliates, as the case may be. Paragraph 29 of the Approval and Vesting Order allows the Buyer to designate additional contracts to be retained or assigned to the Buyer or its affiliates for a period of six months following the Effective Date (the “Assignment Period”). Given the complexity of the international operations of the Debtors and the recent preparations to resume certain Cirque du Soleil shows, the Buyer has frequently encountered situations that necessitate an assessment of certain contracts that were not retained by the Acquired Debtors, or that were not assigned to the Buyer. The Buyer therefore wishes to benefit from an extended period of time to designate additional contracts to be assigned in accordance with the Approval and Vesting Order in order to ensure the smooth and successful relaunch of the Cirque business as it continues to relaunch live performances and evaluates the need for additional contracts to be assumed in connection therewith.

20. Accordingly, the Debtors sought entry of an order by the Canadian Court (a) extending the time following the Effective Date by which the Non-Acquired Debtors will be

dissolved from 12 months and one day to 24 months and one day (i.e., to November 25, 2022), to ensure that the Non-Acquired Debtors are able to collect the Tax Refunds and avoid any issue stemming from the automatic dissolution of these Non Acquired Debtors, and (b) extending the Assignment Period from twelve months after the Effective Date to twenty four months after the Effective Date (i.e., to November 25, 2022). Counterparties to any additional contracts that are proposed to be assigned to the Buyer will continue to have the ability to object to the proposed assignment in accordance with the terms of Approval and Vesting Order, following which the Debtors or the Buyer may apply to the Canadian Court to seek the assignment.

21. The Canadian Court has set a hearing on November 19, 2021 for the Second AVO Extension Order. As of the date hereof, there has been no opposition to the relief sought in the Canadian Court by the Second AVO Extension Order.

Relief Requested

22. By this Motion, the Foreign Representative respectfully requests entry of an order, substantially in the form attached hereto as **Exhibit A**, pursuant to sections 1501, 1507, 1521, 1525, and 105(a) of the Bankruptcy Code, Bankruptcy Rule 9006, and Local Rule 9006-1: (a) recognizing and enforcing the Second AVO Extension Order in the United States, substantially in the form attached to the Order as **Exhibit 1**; and (b) granting certain related relief.

23. Recognition of the Second AVO Extension Order will grant the Buyer additional runway to analyze certain contracts and make key determinations regarding the assignment thereof to ensure the smooth and successful relaunch of the Cirque business, and keep the Non-Acquired Debtors in existence to effectuate the receipt and subsequent transmission of Tax Refunds as contemplated by the Approval and Vesting Order. This Court's recognition and enforcement of the Second AVO Extension Order will assist in the ongoing re-launch of the Cirque business and

preserve the existence of Non-Acquired Debtors in order to facilitate the receipt of the Tax Refunds.

Basis for Relief

I. The Court Should Recognize and Enforce the Second AVO Extension Order.

24. Where a foreign case is recognized as a foreign main proceeding, a bankruptcy court may grant “any appropriate relief” to “effectuate the purpose of [chapter 15] and to protect the assets of the debtor or the interests of the creditors.” 11 U.S.C. §1521(a). Pursuant to section 1522 of the Bankruptcy Code, the court may grant relief under section 1521 only if the interests of the creditors and inter interested entities, including the debtor, are sufficiently protected. 11 U.S.C. § 1522; *see also In re Energy Coal S.P.A.*, 582 B.R. 619 (LSS) (Bankr. D. Del. 2018). “The analysis under § 1522 is one of balancing the respective interests based on the relative harms and benefits in light of the circumstances presented.” *In re Better Place, Inc.*, 2018 Bankr. LEXIS 322 at *19 (LSS) (Bankr. D. Del. Feb. 5, 2018) (citations omitted).

25. As a separate basis for recognition of foreign orders, section 1507(a) of the Bankruptcy Code also permits a court to “provide additional assistance to a foreign representative” provided such assistance is consistent with the principles of comity and satisfies the factors set forth in section 1507(b) of the Bankruptcy Code. 11 U.S.C. § 1507. In addition, section 1525(a) of the Bankruptcy Code provides that, “[C]onsistent with section 1501, the court shall cooperate to the maximum extent possible with a foreign court or a foreign representative.” 11 U.S.C. § 1525(a).

26. Here, the Second AVO Extension Order is critical to facilitating the receipt of the Tax Returns, and to allow the Buyer to make crucial decisions regarding the assignment of certain contracts that may be critical to their business. The Debtors submit that granting the relief requested is in the interests of the Debtors’ stakeholders by ensuring that the Non-Acquired

Debtors are able to receive the Tax Refunds and providing the Buyer with the ability to elect which contracts to assign, thereby facilitating the re-launch of the Cirque business. As such, the Cirque business and contract counterparties stand to fully benefit from recognition and enforcement of such orders in the United States.

27. Accordingly, the Debtors have determined that the recognition and enforcement in the United States of the Second AVO Extension Order is in the best interests of their estates and other parties in interest. As such, the Debtors respectfully request that this Court recognize and give effect in the United States to the Second AVO Extension Order.

Waiver of Bankruptcy Rule 6004(h)

28. Bankruptcy Rule 6004(h) provides that an “order authorizing the use, sale, or lease of property . . . is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise.” Fed. R. Bankr. P. 6004(h). The Debtors request that the Order, once entered, be effective immediately by providing that, to the extent applicable, the 14-day stay under Bankruptcy Rules 6004(h).

29. The purpose of Bankruptcy Rule 6004(h) is to provide sufficient time for an objecting party to appeal before an order can be implemented. *See* Advisory Committee Notes to Fed. R. Bankr. P. 6004(h). Although Bankruptcy Rule 6004(h) and the Advisory Committee Notes are silent as to when a court should “order otherwise” and eliminate or reduce the 14 day stay period, commentators have suggested that the 14 day stay period should be eliminated to allow a sale or other transaction to close immediately “where there has been no objection to the procedure.” 10 Collier on Bankruptcy, ¶ 6004.11 (L. King, 16th rev. ed. 2011). Moreover, it has been suggested that if an objection is filed and overruled, and the objecting party informs the court of its intent to appeal, the stay may be reduced to the amount of time actually necessary to file such appeal. *Id.*

30. The Non-Acquired Debtors are set to be dissolved under the terms of the Approval and Vesting Order, as modified by the AVO Extension Order, on November 25, 2021. Time is of the essence with respect to entry of a final Order to ensure that the Second AVO Extension Order is enforced in the United States before that date. Accordingly, the Debtors hereby request that the Court waive the fourteen-day stay period under Bankruptcy Rule 6004(h).

Notice

31. The Debtors will provide notice of this Motion and, to the extent different than the Second AVO Extension Order attached to the Order, the Second AVO Extension Order entered by the Canadian Court via overnight mail, facsimile or email (where available) to the Core Notice Parties in accordance with the notice procedures set forth in the Scheduling Order. In light of the nature of the relief requested, the Debtors request that this Court find that no further notice is required.

No Prior Request

32. No prior request for the relief sought herein has been made to this or any other Court.

WHEREFORE, the Debtors respectfully request entry of the Order, effective *nunc pro tunc* to the date of entry of the Second AVO Extension Order, substantially in the form attached hereto as **Exhibit A** granting the relief requested herein and such other and further relief as may be just and proper.

Dated: November 16, 2021
Wilmington, Delaware

/s/ Laura Davis Jones

Laura Davis Jones (DE Bar No. 2436)
Timothy P. Cairns (DE Bar No. 4228)
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-and-

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Email: chad.husnick@kirkland.com

Counsel to the Former Foreign Representative

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

In re:	)	
	)	Chapter 15
CDS U.S. HOLDINGS NEWCO, INC. (f/k/a CDS	)	Case No. 20-11719 (CSS)
U.S. Holdings, Inc.), <i>et al.</i> , ¹	)	
	)	
Debtors.	)	(Jointly Administered)
	)	

Objection Deadline: December 1, 2021 at 4:00 p.m. (ET)
Hearing Date: December 8, 2021 at 1:00 p.m. (ET)

**NOTICE OF MOTION PURSUANT TO SECTIONS 105(A), 1507, 1521, AND 1525
OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 9006, FOR ENTRY OF
AN ORDER (I) RECOGNIZING AND ENFORCING THE AVO EXTENSION ORDER,
(II) RECOGNIZING AND ENFORCING THE EMPLOYEE FUND AMENDMENT
ORDER, AND (III) GRANTING RELATED RELIEF**

PLEASE TAKE NOTICE that on November 16, 2021, Cirque de Soleil Canada Inc., in its capacity as the authorized foreign representative (the “Foreign Representative”) of the above-captioned debtors (collectively, the “Debtors”), filed the *Motion Pursuant to Sections 105(a), 1507, 1521, and 1525 of the Bankruptcy Code and Bankruptcy Rule 9006, for Entry of an Order (I) Recognizing and Enforcing the AVO Extension Order, (II) Recognizing and Enforcing the Employee Fund Amendment Order, and (III) Granting Related Relief* (the “Motion”) with the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801 (the “Bankruptcy Court”). A copy of the Motion is attached hereto.

¹ The last four digits of Debtor CDS U.S. Holdings, Inc.’s (f/k/a CDS Holdings, Inc.) tax identification number are (0086). Due to the large number of debtor entities in these chapter 15 cases, for which the Debtors have requested joint administration, a complete list of the debtor entities and the last four digits of their federal tax identification numbers are not provided herein. A complete list of such information may be obtained on the website of the Debtors’ noticing agent at www.omniagentsolutions.com/cirquedusoleil. The location of the Debtors’ service address for purposes of these chapter 15 cases is: 8400, 2e Avenue Montréal, Quebec H1Z 4M6 Canada.

PLEASE TAKE FURTHER NOTICE that any response or objection to the entry of the order with respect to the relief sought in the Motion must be filed with the Bankruptcy Court on or before **December 1, 2021 at 4:00 p.m. Eastern Time.**

PLEASE TAKE FURTHER NOTICE that at the same time, you must also serve a copy of the response or objection upon: (a) the Debtors, CDS U.S. Holdings, Inc., 5400 2e Avenue Montréal, Quebec H1Z 4M6 Canada, Attn: Jocelyn Côté (j.cote@cirquedusoleil.com); (b) counsel to the Foreign Representative, (i) Kirkland & Ellis LLP and Kirkland & Ellis International LLP, 601 Lexington Avenue, New York, New York 10022, Attn: Aparna Yenamandra (aparna.yenamandra@kirkland.com); (ii) Kirkland & Ellis LLP and Kirkland & Ellis International LLP, 300 North LaSalle Street, Chicago, Illinois 60654, Attn: Chad J. Husnick, P.C. (chad.husnick@kirkland.com), and (iii) Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, Wilmington, Delaware 19801, Attn: Laura Davis Jones (ljones@pszjlaw.com) and Timothy Cairns (tcairns@pszjlaw.com); and (c) the Office of The United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn: Timothy Jay Fox, Jr. (timothy.fox@usdoj.gov).

PLEASE TAKE FURTHER NOTICE THAT IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED BY THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

PLEASE TAKE FURTHER NOTICE THAT A HEARING TO CONSIDER THE RELIEF SOUGHT IN THE MOTION WILL BE HELD ON DECEMBER 8, 2021 AT 1:00 P.M. EASTERN TIME BEFORE THE HONORABLE CHRISTOPHER S. SONTCHI, UNITED STATES BANKRUPTCY COURT JUDGE, AT THE UNITED STATES

BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 MARKET STREET,
5TH FLOOR, COURTROOM NO. 6, WILMINGTON, DELAWARE 19801.

Dated: November 16, 2021
Wilmington, Delaware

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Timothy P. Cairns

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Counsel to the Foreign Representative

Exhibit A

Proposed Order

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

In re:	)	
	)	Chapter 15
CDS US HOLDINGS NEWCO, INC. (f/k/a CDS	)	
U.S. HOLDINGS, INC., <i>et al.</i>), ¹	)	Case No. 20-11719 (CSS)
	)	
Debtors.	)	(Jointly Administered)
	)	

**ORDER GRANTING MOTION
PURSUANT TO SECTIONS 105(A), 1507, 1521, AND 1525
OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE
9006, (I) RECOGNIZING AND ENFORCING THE SECOND AVO
EXTENSION ORDER, EFFECTIVE *NUNC PRO TUNC* TO THE DATE OF ENTRY
THEREOF BY THE CANADIAN COURT AND (II) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)² of Cirque de Soleil Canada Inc., in its capacity as the former authorized foreign representative (the “Foreign Representative”) of the above-captioned debtors (collectively, the “Debtors”), requests entry of an order (this “Order”) pursuant to sections 105(a), 1507, 1521, and 1525 of title 11 of the United States Code (the “Bankruptcy Code”), rule 9006 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and rule 9006-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), (a) recognizing and giving effect in the United States to the Second AVO Extension Order, attached hereto as **Exhibit 1**; and (b) granting related relief; and the Court having jurisdiction to consider the Motion pursuant to

¹ The last four digits of Debtor CDS US Holdings Newco Inc. (f/k/a CDS Holdings, Inc.) tax identification number are (7842). Due to the large number of debtor entities in these jointly administered chapter 15 cases, a complete list of the debtor entities and the last four digits of their federal tax identification numbers as of the Petition Date are not provided herein. A complete list of such information may be obtained on the website of the Debtors’ noticing agent at www.omniagentsolutions.com/cirquedusoleil. The location of the Debtors’ service address for purposes of these chapter 15 cases is: 8400, 2e Avenue Montréal, Quebec H1Z 4M6 Canada.

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

28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested being a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that due and proper notice of the Motion has been provided and no other or further notice need be provided; and the Court having found and determined that the relief sought in the Motion is consistent with the purpose of chapter 15 of the Bankruptcy Code and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefore, IT IS HEREBY FOUND AND DETERMINED THAT:³

1. This Court has jurisdiction and authority to hear and determine the Motion pursuant to 28 U.S.C. §§ 1334 and 157(b). Venue of these chapter 15 cases and the Motion in this Court and this District is proper under 28 U.S.C. § 1410.

2. Based on the affidavits of service filed with, and the representations made to, this Court: (a) notice of the Motion was proper, timely, adequate, and sufficient under the circumstances of these chapter 15 cases and these proceedings and complied with the various applicable requirements of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules; and (b) no other or further notice of the Motion, or the entry of this Order is necessary or shall be required.

3. This Order constitutes a final and appealable order within the meaning of 28 U.S.C. § 158(a).

4. The relief granted herein is necessary and appropriate, is in the interest of the public, promotes international comity, is consistent with the public policies of the United States,

³ The findings and conclusions set forth herein constitute the 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.

is warranted pursuant to sections 105(a), 1507, 1521, and 1525 of the Bankruptcy Code, and will not cause any hardship to any parties in interest that is not outweighed by the benefits of the relief granted.

5. Based on information contained in the Motion, the relief granted herein relates to assets that, under the laws of the United States, should be administered in the Canadian Proceedings.

6. The interests of the Debtors' creditors in the United States are sufficiently protected. The relief granted herein is necessary and appropriate, in the interests of the public and international comity, consistent with the public policies of the United States, and warranted pursuant to section 1521(b) of the Bankruptcy Code.

7. The legal and factual bases set forth in the Motion establish just cause for the relief granted herein.

IT IS HEREBY ORDERED THAT:

8. The Motion is granted in its entirety.

9. The Court recognizes the Second AVO Extension Order, attached hereto as **Exhibit 1**, which is hereby given full force and effect in the United States in its entirety, effective *nunc pro tunc* to the date of entry of the Second AVO Extension Order by the Canadian Court. For the avoidance of doubt, the Non-Acquired Debtors shall be deemed to be dissolved without any further action pursuant to and subject to the terms of the Approval and Vesting Order and the Second AVO Extension Order.

10. Pursuant to sections 105(a), 1507, 1521, and 1525 of the Bankruptcy Code, the Second AVO Extension Order, and this Order, the Debtors, the Buyer and its affiliates, and the Monitor (as well as each of their respective officers, employees and agents) are authorized to take

any and all actions necessary or appropriate to implement the Second AVO Extension Order and this Order.

11. All objections to the entry of this Order that have not been withdrawn, waived, or settled, or otherwise resolved pursuant to the terms hereof, are denied and overruled on the merits, with prejudice.

12. The Approval and Vesting Order, Sale Recognition Order, and First AVO Extension Order shall remain in full force and effect, absent further order of this Court, and shall be modified only to the extent set forth in this Order and the exhibits attached hereto. The failure specifically to include any particular provision of the Second AVO Extension Order in this Order shall not diminish or impair the effectiveness of such provision.

13. Notwithstanding the provisions of Bankruptcy Rules 6004(h) or any applicable provisions of the Bankruptcy Rules or Local Rules, this Order shall not be stayed after the entry hereof, but shall be effective and enforceable immediately upon entry, and the fourteen (14) day stay provided in Bankruptcy Rules 6004(h) is hereby expressly waived and shall not apply.

14. This Court shall retain jurisdiction with respect to any and all matters, claims, rights, or disputes arising from or related to the implementation or interpretation of this Order and the Second AVO Extension Order in the United States.

Dated: _____, 2021
Wilmington, Delaware

United States Bankruptcy Judge

Exhibit 1

Second AVO Extension Order

SUPERIOR COURT
(Commercial Division)

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

N°: 500-11-058415-205

DATE: November ____, 2021

BEFORE THE HONOURABLE LOUIS J. GOUIN J.S.C.

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985,
c. C-36, AS AMENDED:**

9424-9356 QUEBEC INC.

-and-

9424-9398 QUEBEC INC.

-and-

THE OTHER APPLICANTS LISTED IN SCHEDULE "A" HEREOF

Applicants

-and-

ERNST & YOUNG INC.

Monitor

ORDER EXTENDING CERTAIN DELAYS IN THE APPROVAL AND VESTING ORDER

- [1] **ON READING** the *Application for the Issuance of an Order Extending Certain Delays in the Approval and Vesting Order* (the "**Application**"), the affidavit, the exhibits in support thereof **[as well as the Seventh Report of the Monitor]**;
- [2] **SEEING** the service of the Application;
- [3] **SEEING** the submissions of the Applicants' attorneys and those other parties' present at the hearing on the Application;

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- [4] **GIVEN** the *Approval and Vesting Order* dated October 26, 2020 (the “**Approval and Vesting Order**”);
- [5] **GIVEN** the Order Extending Certain Delays in the Approval and Vesting Order dated May 5, 2021 (the “**First Extension Order**”);
- [6] **GIVEN** the provisions of the *Companies’ Creditors Arrangement Act*;
- [7] **SEEING** that the Application is not contested;

WHEREFORE, THE COURT:

- [8] **GRANTS** the Application.
- [9] **ORDERS** that unless otherwise indicated or defined herein, capitalized terms used in this Order shall have the meanings given to them in the Approval and Vesting Order.

SERVICE

- [10] **ORDERS** that any prior delay for the presentation of the Application is hereby abridged and validated so that the Application is properly returnable today and hereby dispenses with further service thereof.
- [11] **PERMITS** service of this Order at any time and place and by any means whatsoever, including by email.

EXTENSION OF DELAYS

- [12] **ORDERS AND DECLARES** that the delay established at paragraph [29] of the Approval and Vesting Order by which the Buyer shall be entitled to notify the Seller from time to time, with a copy to the Monitor, that it seeks the Court-ordered assignment of additional Assigned Agreements and/or Excluded Contracts is hereby extended to November 25, 2022.
- [13] **ORDERS AND DECLARES** that the delay established at paragraph [53] of the Approval and Vesting Order by which the Non-Acquired Debtors shall be deemed to be dissolved without any further action, including the filing of any documents with the secretary of state or similar official for the state or other jurisdiction in which the Non-Acquired Debtors are formed or incorporated is hereby extended to November 25, 2022.

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GENERAL

- [14] **ORDERS AND DECLARES** that except for the extension of delays set forth in paragraphs [12] and [13] herein, nothing in this Order amends, varies, modifies or restates the Approval and Vesting Order, which remains in full force and effect.
- [15] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.
- [16] **DECLARES** that the Debtors shall be authorized to apply as they may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States of America or elsewhere, for orders which aid and complement this Order, including an order authorizing the dissolution, winding-up, consolidation, or conversion of one or more of the Debtors, and, without limitation to the foregoing, an order under Chapter 15 of the U.S. Bankruptcy Code. All courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Debtors, the Monitor and the Buyer as may be deemed necessary or appropriate to give effect to this Order.
- [17] **REQUESTS** the aid and recognition of any court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any federal or state court, administrative body or similar entity or organization in the United States of America and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of this Order.
- [18] **ORDERS** the provisional execution of the present Order notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever.

THE WHOLE WITHOUT COSTS.

The Honourable Louis J. Gouin, J.S.C.

SCHEDULE "A"

Applicants

1. FormerCS GP Inc. (formerly Cirque du Soleil GP Inc.)
2. FormerCS U.S. Holdings, Inc. (formerly CDS U.S. Holdings, Inc.)
3. FormerCS Holding USA, Inc. (formerly CDS U.S. Intermediate Holdings, Inc.)
4. FormerCS Holding USA, Inc. (formerly Cirque du Soleil Holding USA, Inc.)
5. FormerCS (US), Inc. (formerly Cirque du Soleil (US), Inc.)
6. FormerCS America, Inc. (formerly Cirque du Soleil America, Inc.)
7. VStar Entertainment Group, LLC
8. FormerCS Dreams Holdings LLC (formerly Cirque Dreams Holdings LLC)
9. VStar Merchandising, LLC
10. VStar International, LLC
11. VStar Theatrical, LLC
12. VStar Touring, LLC
13. FormerCS Orlando, L.L.C. (formerly Cirque du Soleil Orlando, LLC)
14. FormerCS Nevada, Inc.(formerly Cirque du Soleil Nevada, Inc.)
15. FormerCS My Call, L.L.C. (formerly Cirque du Soleil My Call, LLC)
16. Velsi, LLC
17. Blue Man Inc.
18. Blue Man Group Holdings, LLC
19. Blue Man Group Records, LLC
20. Astor Show Productions, LLC
21. Blue Man Group Publishing, LLC
22. Blue Man Vegas, LLC
23. Blue Man Orlando, LLC
24. Blue Man Productions, LLC
25. Blue Man Chicago, LLC
26. Blue Man International, LLC
27. FormerCS Radio CT Holding, L.L.C. (formerly Cirque du Soleil Radio CT Holding, LLC)
28. FormerCS Radio CT, L.L.C. (formerly Cirque du Soleil Radio CT, LLC)
29. The Works Entertainment, LLC
30. FormerCS Theatrical, L.L.C.(formerly Cirque Theatrical, LLC)
31. FormerCS on Broadway, L.L.C.(formerly Cirque on Broadway, LLC)
32. Joie de Vie, LLC

Limited Partnerships

1. FormerCS Holdings L.P. (formerly Cirque du Soleil Holdings L.P.)
2. Blue Man Boston Limited Partnership