ORRICK, HERRINGTON & SUTCLIFFE LLP
51 West 52nd Street
New York, New York 10019
Telephone: 212 506-5100
Facsimile: 212 505-5151
Evan C. Hollander
Daniel A. Rubens
Michael Trentin
Jenna MacDonald Busche

Counsel for the Petitioner
Raymond Chabot Inc., in its capacity as
Proposed Foreign Representative

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	)	Chapter 15
ASBESTOS CORPORATION LIMITED,[1]	)	Case No. 25-_____( )
Debtor in a Foreign Proceeding.	)	

MOTION FOR (I) *EX PARTE* EMERGENCY RELIEF AND (II) PROVISIONAL RELIEF PURSUANT TO 11 U.S.C. §§ 1519, 362 AND 105(a)

Raymond Chabot Inc., in its capacity as the duly appointed monitor and authorized foreign representative (in such capacities, the "**Monitor**" or "**Petitioner**") of the above-captioned debtor, Asbestos Corporation Limited (the "**Debtor**" or "**ACL**") which is the subject of the proceeding (the "**CCAA Proceeding**") commenced under the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36 (as amended, the "**CCAA**") currently pending before the Québec Superior Court of Justice (Commercial List) (the "**Canadian Court**"), by and through its undersigned counsel has commenced the above-captioned chapter 15 case (the "**Chapter 15 Case**") by filing the Chapter 15

[1] The Debtor in this chapter 15 case, along with its unique identifier, is Asbestos Corporation Limited (Canadian Federal Business Number: 104903273RC0001). The Debtor has a registered and business address in Canada of 840 Boul. Ouellet, Thetford Mines, QC G6G 7A5, Canada.

Petition for Recognition of Foreign Proceeding (Official Form 401) (the "**Petition**") [ECF No. 1] and the *Verified Petition and Motion of the Foreign Representative for (A) Recognition of the CCAA Proceeding as a Foreign Main Proceeding or, in the Alternative, as a Foreign Nonmain Proceeding, and (B) Certain Related Relief* (together with the Petition, the "**Verified Petition**") concurrently herewith. By and through its undersigned counsel, the Petitioner respectfully submits this motion (the "**Motion**") seeking the entry of two orders pursuant to sections 1519, 362 and 105(a) of title 11 of the United States Code (the "**Bankruptcy Code**") and Rule 9077-1(b) of the Local Bankruptcy Rules for the Southern District of New York (the "**Local Bankruptcy Rules**"). First, the Petitioner seeks, on an emergency, *ex parte* basis, entry of a temporary restraining order, substantially in the form attached hereto as **Exhibit A** (the "**Emergency Order**") staying all persons and entities from taking any and all action with respect to the Stay Parties (as defined below) and/or their U.S. Interests (as defined below), to the full extent of section 362 of the Bankruptcy Code, recognizing the Petitioner as the foreign representative (the "**Foreign Representative**") of the Debtor within this Chapter 15 Case, and authorizing the Foreign Representative, on behalf of the Debtor, to possess and control, and be entrusted with the exclusive control and administration of, the Debtor's U.S. Interests, to the full extent of section 1519(a)(2) of the Bankruptcy Code. Second, the Petitioner seeks entry of an order granting provisional relief, substantially in the form attached hereto as **Exhibit B** (the "**Provisional Relief Order**"), continuing the relief sought in the Emergency Order pending chapter 15 recognition of the CCAA Proceeding.

In support of the requested relief, the Petitioner respectfully refers the Court to the Verified Petition and the statements contained in the *Declaration of Ayman Chaaban Pursuant to 28 U.S.C. § 1746* [ECF No. 2] (the "**Chaaban Declaration**" or "**Chaaban Decl.**") and the *Declaration of Alain V. Tardif as Canadian Counsel In Support of the Debtor's Chapter 15*

Petition and First Day Pleadings [ECF No. 3] (the "**Tardif Declaration**" or "**Tardif Decl.**"; and together with the Chaaban Declaration, the "**Declarations**"), which were filed concurrently herewith and are incorporated herein by reference as if fully set forth herein. The Petitioner further respectfully represents to the Court as follows:

PRELIMINARY STATEMENT

On May 6, 2025, CLMI (defined below) filed an *Application for the Issuance of a First Day Initial Order and an Amended and Restated Initial Order* in the Canadian Court. The Canadian Court has granted CLMI's requests and, by orders dated May 6, 2025 (the "**Canadian Orders**"), the Canadian Court appointed the Petitioner as the Monitor and duly authorized foreign representative of the Debtor.

CLMI initiated the CCAA Proceeding to enable the Debtor to resolve its liabilities to asbestos claimants in a centralized, court-supervised forum in Canada where ACL is incorporated and has been located since 1925. In the CCAA Proceeding, the Petitioner, together with any Chief Restructuring Officer appointed in the CCAA Proceeding, will have the necessary authority to implement and manage a process that efficiently and cost-effectively resolves present and future asbestos-related personal injury claims against the Debtor on their merits. The success of ACL's reorganization will require multi-party negotiations among ACL, CLMI, tort claimants, and other creditors. The CCAA Proceeding will provide an appropriate and effective forum within which these negotiations may take place, without prejudice from the multiplicity of individual actions being instituted against the Debtor.

The Petitioner seeks entry of an order recognizing the CCAA Proceeding as a "foreign main proceeding" and granting related relief provided for under section 1520 of the Bankruptcy

Code in aid of the Canadian Court.[2] Pending recognition, however, the Petitioner requires immediate protection from (a) the continuation and commencement of adverse actions against the Debtor and certain affiliated parties in the United States and (b) interference with its ability to administer the Debtor's assets by the South Carolina Receiver (defined below) or any other party. The Canadian Court has already granted this injunctive relief in Canada and has directed the Petitioner to seek co-extensive relief in the U.S. in the aid of the Canadian Court and the CCAA Proceeding.

For decades, the Debtor has faced claims by individuals alleging injuries related to the Debtor's past asbestos mining operations. Despite having resolved thousands of such claims, thousands of other litigation claims remain pending against the Debtor across many jurisdictions. The sheer volume of claims and variety of forums in which they have been brought has made it impossible for the Debtor to achieve the timely and equitable resolution of such claims on their merit.

The Debtor is now particularly vulnerable in the United States because of the Receivership Order (defined below), which purports to strip the Debtor of its right to defend itself against tort claims and grant control of the Debtor's defense of such claims to the South Carolina Receiver appointed by a South Carolina state court judge. Notwithstanding that none of the Debtor's operating assets are located within the United States, let alone South Carolina, the South Carolina Receiver has already taken steps to exert control over the Debtor and its insurance policies. Notably, the same South Carolina Receiver has been appointed by the South Carolina Court (defined below) as the receiver over twenty other entities, and the South Carolina Receiver's conduct in some of those matters has given rise to international conflict and interfered with U.S.

[2] The Monitor is alternatively seeking recognition of the CCAA Proceeding as a "foreign non-main proceeding."

bankruptcy proceedings. *See, e.g., Cape Intermediate Holdings Ltd. v. Protopapas*, [2024] EWHC (Ch) 2999, [136]–[137] (Eng.) (enjoining the South Carolina Receiver "from acting or purporting to act for or on behalf of" an English corporation that was named as an asbestos defendant upon finding "threats posed by the receiver"); *Protopapas v. Whittaker, Clark & Daniels, Inc.*, No. 23-4151 (ZNQ), ECF No. 36 (D.N.J. May 31, 2024) (addressing dispute between the South Carolina Receiver and New Jersey corporation's management over whether the receiver could override the Board's decision to file for bankruptcy). With respect to the Debtor specifically, the South Carolina Receiver's appointment has led to costly, wasteful disputes over the receivership's validity, and it has disrupted efforts to manage the litigation against ACL in an efficient and equitable manner. Meanwhile, the Debtor continues to face claims, sanctions, and default judgments in individual personal injury actions, all of which pose an imminent threat to the pool of assets available to satisfy claims of creditors in the CCAA Proceeding.

Based on those facts, the Canadian Court granted the Canadian Orders, which stayed all proceedings against the Stay Parties and confirmed that the Debtor (subject to the powers granted to the Monitor pursuant to the Canadian Orders) has the sole power to control and administer its property, including its insurance assets, notwithstanding the South Carolina Receiver's purported administration of that property. However, unless this Court grants similar provisional relief in this proceeding, the ongoing litigation in the United States and conduct of the South Carolina Receiver will continue to interfere with the CCAA Proceeding (and this ancillary proceeding) and deplete the assets available to satisfy creditors. In addition, claims against the Debtor will likely grow exponentially and creditors, once they learn of the CCAA Proceeding, will begin taking action to collect on their claims however possible, including directly from the Debtor's finite insurance. The requested relief is essential to preserve the Debtor's assets and ensure the orderly restructuring of

the Debtor's business and financial affairs in Canada.

In order to protect the Debtor and its creditors, the Petitioner requests, among other relief, on an emergency *ex parte* basis and provisionally, through sections 1519 and 105(a) of the Bankruptcy Code, that the Court apply the stay as set forth in section 362 of the Bankruptcy Code to the Debtor, its directors and officers, and CLMI, and entrust the possession, exclusive control and administration of the Debtor's rights, obligations, and assets, if any, located in the United States exclusively to the Foreign Representative, on behalf of the Debtor, as set forth in section 1519(a)(2) of the Code, for the purpose of maintaining the *status quo* until the Court rules on the Verified Petition.

Without the requested relief, the CCAA Proceeding will be undermined, which, in turn, will threaten the Petitioner's efforts to resolve the claims of all creditors in an equitable and efficient manner, and would thereby cause irreparable harm to the Debtor and its estate.

BACKGROUND

A. The Debtor's business and operations

1. ACL is a Québec corporation and it has been located in the Province of Québec, Canada, for nearly a century. Chaaban Decl. ¶ 8. ACL's principal place of business is located in the Province of Québec, Canada. *Id.* ACL was founded in 1925 and incorporated under the laws of Canada. *Id.* ACL is regulated under the Canada Business Corporations Act and is a reporting issuer in the provinces of Québec, Alberta, British Columbia and Ontario, with Québec being ACL's principal jurisdiction. *Id.* ACL is a subsidiary of Mazarin Inc. ("**Mazarin**"), which holds a majority of ACL's shares. *Id.* Robert Tremblay and the Estate of Monette Serge are minority shareholders of ACL. *Id.*

2. ACL is a publicly listed entity trading in Canada on the Toronto Stock Exchange.

Id. ¶ 9. In addition to its operations and debt, ACL raises its funds from share capital issuances in Canada and uses such capital raises to fund its activities. *Id.* ¶ 9.

3. ACL's board consists of 6 members, each of whom resides in Canada. *Id.* ¶ 10.

4. ACL's operational and critical strategic decisions are mainly made in Québec, by senior management of ACL, also located in Québec. *Id.* ¶ 11. ACL's books and records are located and maintained at ACL's headquarters in Québec. *Id.*

5. ACL currently has approximately 6 employees, all of whom are based in Canada. *Id.* ¶ 13.

6. ACL owns 8 mines, all of which are located in Québec. *Id.* ¶ 13. All of the real property ACL owns is located in Québec. *Id.*

7. For a period of close to sixty years, ACL operated open pit chrysotile mines for the purpose of asbestos mining in Québec. *Id.* ¶ 15. Although ACL stopped mining for asbestos in the 1980s, it continues to operate the mines for purposes of extracting minerals from serpentinite, the waste material remaining after mining. *Id.* ACL also continues to manage, restore, lease and redevelop its properties, including various warehouses and other buildings, all of which are in Québec, Canada. *Id.* ACL is also reportedly exploring the exploitation of new energy sources, such as wind and solar power, and the potential for carbon dioxide capture and sequestration from the carbon dioxide emitted from its remaining mining operations. *Id.*

8. Aside from the operations described above, ACL's activities involve managing litigation it faces as a result of its historical asbestos mining operations. *Id.* ¶ 16. Thousands of personal injury lawsuits have been filed against ACL by people claiming bodily injury resulting from exposure to asbestos fiber or to asbestos-containing products allegedly connected to ACL. *Id.* ACL has also been named in a lawsuit asserting a $151 million indemnity claim that was filed

by the Trustee of the bankruptcy trust of National Service Industries, Inc., a former participant in the asbestos market. *Id.* These product liability, personal injury and indemnity lawsuits pose a significant financial and operational burden to ACL. *Id.* As explained below, while ACL is party to insurance contracts that help defray the cost of liability and defense of these lawsuits, the fact that these claims are proceeding in a multitude of jurisdictions places an untenable strain and expense on the Debtor and its available insurance coverage. *Id.* Further, the non-recurring nature of some of its revenue creates additional risk and uncertainty with respect to ACL's liquidity. *Id.*

9. ACL's limited employees, operating assets and operations are located in Québec, Canada. Chaaban Decl. ¶ 20.

10. ACL has one main secured creditor, its parent company, Mazarin, to which ACL owes approximately $26,729,000 in Canadian dollars, in respect of certain notes issued by ACL as reflected in the unaudited interim financial statements dated as of September 30, 2024. *Id.* ¶ 21. Like ACL, Mazarin is a publicly listed Canadian entity located in Canada and trades in Canada on the Toronto Stock Exchange. *Id.*

11. The notes held by Mazarin are secured by a mortgage on certain real property located in Canada (called an "immovable hypothec" under Québec law) up to the principal amount of $70,000,000 in Canadian dollars. *Id.* ¶ 22.

12. ACL's unsecured debt consists of accounts payable and accrued liabilities with a total book value in Canadian dollars of approximately $2,381,000, of which approximately $1,849,000 consists of fees and compensation related to ongoing litigation, and $532,000 of trade payables and accrued expenses owed. *Id.* ¶ 23.

13. As of December 31, 2024, the Debtor's declared indebtedness for litigation-related liabilities had a total book value in Canadian dollars of approximately $29,413,000, consisting of

approximately $3,284,000 in amounts currently owed due to the litigation in the U.S. and $26,129,000 of non-current liabilities. *Id.* ¶ 24.

14. ACL offers a defined benefit plan that guarantees the payment of post-retirement benefits to some of its employees and former employees. *Id.* ¶ 25. The defined benefit plan was closed to new members of December 2023. *Id*. ACL also offers life insurance to some of its former employees. *Id*.

B. Need for Organized Process for Resolving Asbestos Claims

15. Since ACL ceased its mining operations in the 1980s, it has faced several thousands of litigation claims related to exposure to asbestos. ACL continues to be a defendant in thousands of currently pending asbestos personal injury lawsuits. *Id.* ¶ 26. Those cases are pending in at least 14 states, including New York, California, Illinois, Louisiana, Washington, Indiana, Michigan, Minnesota, South Carolina, Connecticut and Delaware. *Id*.

16. Nearly thirty years ago, ACL, CLMI[3] and ACL's former indirect majority owner General Dynamics entered into an Interim Settlement Agreement regarding responsibility for managing the defense of asbestos-related bodily injury claims and lawsuits against ACL and payment of defense costs and settlements and judgments of those asbestos-related liabilities under the London Policies.[4] This protocol was embodied in a settlement agreement dated August 24,

[3] Certain Underwriters at Lloyd's, London, The Scottish Lion Insurance Company Limited, Tenecom Limited (as successor to Winterthur Swiss Insurance Company, formerly known as Accident & Casualty Insurance Company of Winterthur, Switzerland, and to Yasuda Fire and Marine Insurance Company (UK) Limited and now known as Tenecom Limited), The Ocean Marine Insurance Company Limited (as successor to liabilities of Commercial Union Assurance Company Limited, The Edinburgh Assurance Company, The Indemnity Marine Assurance Company Limited, The Northern Assurance Company Limited, The Road Transport & General Insurance Company Limited, United Scottish Insurance Company Limited, and The Victoria Insurance Company Limited), and NRG Victory Reinsurance Limited, as successor to liabilities of New London Reinsurance Company Limited, (collectively, "**CLMI**") and the Debtor (together with CLMI, the "**Applicants**"), initiated the CCAA Proceeding.

[4] From 1969 through 1982 General Dynamics held an indirect ownership interest in ACL. Chaaban Decl. ¶ 27 fn 7. During the period from July 1, 1969 through July 1, 1982 (the "**Policy Period**") certain general liability insurance policies were issued in favor of General Dynamics. *Id.* Among those were certain excess policies (the "**London**

1998 (the "**Interim Settlement Agreement**" or "**ISA**").[5] The ISA sets forth an arrangement among the parties thereto by which CLMI, under the London Policies in effect from 1976 to 1982, shall reimburse ACL for their shares of amounts paid by ACL for Defense Costs and Indemnity Payments attributable to Asbestos-Related Bodily Injury Claims (as such terms are defined in the ISA). Chaaban Decl. ¶ 27. The ISA also provided a mechanism for allocating defense costs and indemnity payments with respect to asbestos related bodily injury claims asserted against ACL. *Id.*. The effective term of the ISA has been extended on multiple occasions, with the most recent extension making it effective for an indefinite term.

17. Thousands of claims were settled using this protocol. Chaaban Decl. ¶ 28. However, ACL's ability to resolve claims has been complicated by the recent appointment of a receiver over ACL by the Court of Common Pleas of Richland County (the "**South Carolina Court**").[6] *Id.* On September 8, 2023, the South Carolina Court entered an order (the "**Receivership Order**") appointing Mr. Peter D. Protopapas as receiver of ACL (the "**South Carolina Receiver**"), with broad powers, including the power to engage defense counsel for asbestos suits against ACL, assume exclusive control of asbestos lawsuits against ACL pending in the United States, and administer ACL's insurance assets with respect to these asbestos lawsuits.[7]

Policies") subscribed to severally (not jointly) by CLMI. *Id.* The London Policies, subject to their terms, conditions and limits of liability, provided defense cost and indemnification reimbursement coverage to General Dynamics and, commencing on April 1, 1973 of the Policy Period, to ACL. *Id.* The London Policies in effect during the period in which the bodily injury took place are triggered rather than the policies in effect on the date that a claim is asserted. *Id.* As ACL was an assured or alleged insured from April 1, 1973 through the end of the Policy Period of the London Policies, it remains an insured or alleged insured entity under the London Policies with respect to injuries allegedly occurring during the Policy Period even though it is no longer a subsidiary of General Dynamics.

[5] The ISA has a New York choice of law provision and a New York arbitration venue provision.

[6] In 2017, following her retirement as Chief Justice of the South Carolina Supreme Court, Justice Jean H. Toal was appointed to oversee all asbestos litigation in South Carolina state courts. In this Verified Petition, references to the South Carolina Court refer to Justice Toal's asbestos docket therein.

[7] The Receivership Order is not the first of its kind. The South Carolina Court has appointed Mr. Protopapas as receiver for other entities, including foreign debtors, at least twenty four times in the last five years. *See* Pet. for Writ of Prohibition 6, *Certain Underwriters at Lloyd's, London v. Hon. Jean H. Toal,* Case No. 2024-001959 (S.C.

Id. The South Carolina Court did so upon finding that ACL should be sanctioned for (a) asserting a personal jurisdiction defense in that litigation and (b) arguing that the Québec Business Concerns Records Act (the "**QBCRA**"), a "blocking statute" that prohibits Québec corporations from producing its documents outside of Québec in foreign proceedings, constrained ACL's ability to respond to discovery and deposition requests propounded in a single U.S. lawsuit (the "***Tibbs* Action**").

18. The existence of the receivership has resulted in several resource-intensive appeals and related disputes, including an appeal currently pending before the Supreme Court of South Carolina over whether Mr. Protopapas's appointment as receiver in the *Tibbs* Action was proper under South Carolina law.[8] *Id.* ¶ 29. But that appeal has not stayed the Receivership Order or ongoing and new asbestos litigation against ACL. *Id.*

19. Meanwhile, since his appointment, the South Carolina Receiver has taken steps that resulted in increased liability and damages for ACL, rather than protecting ACL's interests and those of its stakeholders. *Id.* ¶ 30. The South Carolina Receiver has refused to abide by the ISA, by settling claims for excessive amounts that ACL has not consented to.[9] The Receiver has, moreover, made damaging statements that are likely in direct contravention of the Receiver's duty to protect the Debtor's interests and pose additional risk to the Debtor, as parties may seek to use

Nov. 18, 2024). On December 11, 2024, the High Court of Justice Business and Property Court of England and Wales (the "**UK Court**") rejected the South Carolina Court's claim of jurisdiction over a Cape Plc ("**Cape**"), whose corporate predecessor mined asbestos in South Africa and never did business in South Carolina, finding that the South Carolina Receiver had no authority to act on behalf of Cape. The UK Court then ordered the South Carolina Receiver pay a penalty of $1 million British pounds, equivalent to $1.3 million USD, and indicated that it would impose criminal sanctions on the Receiver if he continued to assert authority over Cape.

[8] *Tibbs v. 3M Co.*, Case No. 2023-001461 (S.C.).

[9] The five South Carolina settlements recommended by the Receiver represent more than 5% of the total amount that CLMI have paid to ACL, over multiple decades, as reimbursement for CLMI's share of ACL's indemnity and defense costs. And the average of those five South Carolina settlements for ACL was 45 times higher than ACL's nationwide settlement average in 2023. *See* Pet. for Writ of Prohibition 43, *Certain Underwriters at Lloyd's, London v. Hon. Jean H. Toal*, Case No. 2024-001959 (S.C. Nov. 18, 2024).

them as admissions against the Debtor's interests and, if deemed admissions of the Debtor, will jeopardize and potentially void the Debtor's coverage under the London Insurance Policies. *See* Chaaban Decl. ¶ 30.

20. At the same time, ACL continues to face litigation and exposure to the risk of default judgments without regard to the merits of the plaintiffs' claims—a risk that the receivership has only exacerbated. *Id.* ¶ 31. The South Carolina Receiver has accepted service of multiple new asbestos actions purporting to act on ACL's behalf, but ACL has declined to retain counsel in such cases, as it does not recognize the South Carolina Receiver as valid. *Id.* As a result of these gaps in legal representation, ACL has been exposed to the risk of default judgments, which in turn could deplete the finite insurance assets. *Id.* Even apart from disputes over the retention of counsel, the South Carolina Receiver's appointment has done nothing to stop the risk of sanctions or defaults resulting from ACL's reliance on the QBCRA to resist discovery. *Id.* Plaintiffs continue to file motions to compel and for sanctions against ACL even in the Receiver-defended cases in South Carolina.

21. Moreover, in *Kotzerke v. 3M Co.*,[10] a Washington state court struck ACL's responsive pleading and entered a default judgment against ACL as a discovery sanction, after ACL unsuccessfully invoked the QBCRA as limiting its ability to produce documents from Quebec or present a corporate deponent to testify about the Quebec documents. *Id.* ¶ 32. Absent a supersedeas bond, which ACL is not in a position to provide, that judgment in the amount of USD $16,219,398.25 is presently enforceable and unstayed. *Id.* This substantial monetary judgment is not directly related to the merits of the underlying claim,[11] but rather, is related to

[10] Case No. 23-2-05287-6 (Pierce County, Wa. Super. Ct.).

[11] On March 3, 2025, there was a hearing on damages, at which the ACL was precluded from disputing causation or plaintiff's alleged damages. Therefore, the results of the damages hearing were not based upon the merits, but to punish ACL for relying on the QBCRA.

ACL's defenses being struck as purported punishment for ACL's lack of cooperation in discovery based on its adherence to the QBCRA in Québec. *Id.* Yet, the end result is that if CLMI pays this excessive judgment, it will deplete the finite resources available to current and future claimants. *Id.*

22. ACL is also now in jeopardy of having its defenses struck and being held in default in a California lawsuit, in which it has already been held in contempt and sanctioned for not producing documents and witnesses from Québec based on its adherence to the QBCRA.[12] As a result, ACL again is in jeopardy of being held in default and subject to an excessive judgment not based on the merits of the case, but rather on its respect of the QBCRA, the law of ACL's home jurisdiction that subjects ACL to potential civil and criminal penalties if violated. *Id.* ¶ 33.

23. In response to these actions by the South Carolina Receiver, the Applicants initiated the CCAA Proceeding. *See* Chaaban Decl. ¶ 36. The Applicants intend the CCAA Proceeding to establish a single forum where all asbestos-related claims against ACL will be identified and diligently reviewed in a structured, efficient, and cost-effective manner under the supervision of the Canadian Court. *See* Tardif Decl. ¶ 26

24. In the CCAA Proceeding, the Applicants intend to seek an order approving a claims process, which will establish the procedures for determination and adjudication of claims against ACL (the "**Claims Process**"). *Id.* ¶ 17. As part of this Claims Process, the parties intend to establish a creditors' committee, consisting of ACL's insurers, that will assist the Debtor and the Monitor in the review and resolution of any claims submitted to the Claims Process, including the approval of any settlements in connection therewith. *Id.*

25. In their initial application for relief, the Applicants presented the Canadian Court

[12] *Id.* ¶ 33; *see Smalley v. 3M Co.*, Case No. 23STCV17189 (Los Angeles County, Cal. Super. Ct.).

with a detailed overview of the asbestos litigation that ACL faces in the United States, as well as the events following the South Carolina Receiver's appointment that have increased ACL's potential liability and damages. *See* Chaaban Decl., Ex. 1 (the "**Initial Application**").

26. Based on that showing, the Canadian Court granted substantial relief in its Canadian Orders. That relief includes a stay of all proceedings against the Debtor, CLMI, including its third-party claims administrator Resolute, and General Dynamics, as well as an order confirming that the Debtor has the sole power to administer and control its property, including its insurance assets, notwithstanding the South Carolina Receiver's purported claim to that power. *See* Tardif Decl. ¶ 7(f).

27. The Monitor seeks recognition of the Canadian Proceeding so that this Court may grant similar relief with respect to the Debtor's property in the United States. Recognition is not only compelled by the Bankruptcy Code, but in the best interest of all stakeholders. As ACL has recognized, all creditors and parties in interest would be better served by a collective proceeding in ACL's home jurisdiction, where it has always conducted its business, where it can lawfully produce its business records to its Canadian court appointed Monitor in full compliance with Canadian law and where the South Carolina Receiver poses no obstacle to ACL's resuming an effective, efficient process, cost-effective and transparent process of resolving claims under court supervision.

JURISDICTION AND VENUE

28. This Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334, as well as the *Amended Standing Order of Reference* dated January 31, 2012, Reference M-431, *In re Standing Order of Reference Re: Title 11*, 12 Misc. 00032 (S.D.N.Y. Feb. 2, 2012) (Preska, C.J.).

29. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P), and the Court may enter a final order in respect of it under Article III of the United States Constitution.

30. Venue is proper in this Court pursuant to 28 U.S.C. § 1409(a).

31. The statutory predicates for the Requested Relief are sections 1519, 362 and 105(a) of the Bankruptcy Code; and Local Bankruptcy Rule 9077-1(b).

REQUESTED RELIEF

32. By this Motion, and pursuant to sections 1519, 362 and 105(a) of the Bankruptcy Code, and Local Bankruptcy Rule 9077-1(b), the Petitioner seeks the extension by this Court of certain relief granted to the Debtor, its officers and directors, CLMI, and its third party claims administrator Resolute (collectively, the "**Stay Parties**") by the Canadian Orders. Specifically, the Petitioner seeks entry of two orders: (i) the Emergency Order; and (ii) the Provisional Relief Order (together, the "**Requested Relief**").

33. The Emergency Order, which the Petitioner respectfully requests be entered on an *ex parte* basis, (a) temporarily enjoins and restrains—to the full extent of the automatic stay pursuant to section 362 of the Bankruptcy Code—the commencement or continuation by any person or entity, other than the Petitioner and its representatives and agents, of any Stayed Actions (as defined below) with respect to the Debtor, its officers and directors, and/or their U.S. Interests (defined below), or any Stayed Actions related to the Debtor with respect to the other Stay Parties and/or their U.S. Interests; (b) recognizes the Petitioner as the Foreign Representative; and (c) authorizes, pursuant to section 1519(a)(2) of the Bankruptcy Code, the Foreign Representative, on behalf of the Debtor, to possess and control, and be entrusted with the exclusive control and administration of, all of the Debtor's (i) property and the proceeds thereof, if any, located within the territorial jurisdiction of the United States, as further defined in 11 U.S.C. § 1502(8), including

the London Policies (to the extent that the London Policies or the proceeds thereof are deemed to be property of the Debtor in the territorial jurisdiction of the United States); and (ii) rights, obligations and responsibilities in the United States (clauses (i) and (ii), collectively, "**U.S. Interests**"); in each case, pending entry of the Provisional Relief Order.

34. The Provisional Relief Order, which the Petitioner respectfully requests be entered after expedited notice and a hearing, grants provisional relief pending recognition of the CCAA Proceeding. Specifically, the Provisional Relief Order would:

a. apply section 362 of the Bankruptcy Code to stay and restrain all persons and entities, other than the Petitioner and its representatives and agents, from, to the extent related to the Debtor:

(i) commencing or continuing any suit, action, or proceeding against the Stay Parties and/or their U.S. Interests;

(ii) seizing, attaching, enforcing, or executing any judicial, quasi-judicial, administrative or monetary judgment, assessment or order or arbitration award against the Petitioner (in its capacity as the Monitor or Foreign Representative of the Debtor), the Stay Parties and/or their U.S. Interests;

(iii) commencing or continuing any action or proceeding in the United States to create, perfect or enforce any lien, setoff or other claim against the Petitioner (in its capacity as the Monitor or Foreign Representative of the Debtor), the Stay Parties and/or their U.S. Interests unless otherwise expressly permitted by the Canadian Orders;

(iv) seeking the issuance of or issuing any restraining notice or other process of encumbrance with respect to the Petitioner (in its capacity as the Monitor or Foreign Representative of the Debtor), the Stay Parties and/or their U.S. Interests unless otherwise expressly permitted by the Canadian Orders; and

(v) administering, exercising control over, transferring, encumbering, relinquishing or otherwise using, disposing of, or interfering with any of the Stay Parties' U.S. Interests or agreements in the United States (if any) without the express consent of the Petitioner or as permitted by the Canadian Orders ((i) through (v) collectively, the "**Stayed Actions**");

b. recognize the Petitioner as the Foreign Representative of the Debtor within the Chapter 15 Case;

c. pursuant to section 1519(a)(2), authorize the Foreign Representative, on behalf of the Debtor, to possess and control, and be entrusted with the exclusive control and administration of, the Debtor's U.S. Interests;

d. grant the Foreign Representative the rights and protections to which the Foreign Representative is entitled under chapter 15 of the Bankruptcy Code, including, but not limited to, the protections limiting the jurisdiction of United States Courts over the Foreign Representative in accordance with section 1510 of the Bankruptcy Code and the granting of additional relief in accordance with section 1519 of the Bankruptcy Code; and

e. grant such other and further relief as this Court deems just and proper.

BASIS FOR REQUESTED RELIEF

I. Governing Law

35. The Requested Relief is authorized by sections 1519, 362 and 105(a) of the Bankruptcy Code. The Petitioner filed this Chapter 15 Case seeking recognition of the CCAA Proceeding as a foreign main proceeding or, alternatively, as a foreign non-main proceeding under sections 1517 of the Bankruptcy Code. Section 1519 permits the Court "from the time of filing a petition for recognition until [it] rules on the petition" to grant provisional relief pending recognition of the foreign proceedings where such relief is "urgently needed to protect the assets of the debtor or the interests of the creditors." 11 U.S.C. § 1519(a). Such relief may include, without limitation, "entrusting the administration or realization of all … of the [D]ebtor's assets located in the United States to the foreign representative … in order to protect and preserve the value of assets that … are perishable, susceptible to devaluation or otherwise in jeopardy[.]" 11 U.S.C. § 1519(a)(2). Relief under Section 1519(a) may also include "any relief referred to in paragraph (3), (4), or (7) of section 1521(a)[,]" which, pursuant to section 1521(a)(7), empowers the Court to grant "any additional relief that may be available to a trustee," subject to certain exceptions not here relevant. 11 U.S.C. §§ 1519(a)(3) and 1521(a)(7).

36. In determining whether any such additional relief is appropriate, bankruptcy courts are guided by the chapter 15 objectives of (a) cooperation between courts of the United States and courts "of foreign countries involved in cross-border insolvency cases;" (b) "fair and efficient administration of [a] cross border insolvenc[y] that protects the interests of all creditors and other interested entities, including the [D]ebtor;" and (c) "protection and maximization of the value of the [Debtor's] assets" as intended by section 1501. *See* 11 U.S.C. § 1501(a).

37. The "additional relief" granted by bankruptcy courts under section 1519(a) regularly includes imposing the section 362 stay or ordering similar relief to maintain the *status quo* pending recognition or disposition of foreign proceedings in ancillary cases under both chapter 15 and former section 304. *See, e.g.*, *In re InterCement Brasil S.A.*, No. 24-11226 (MG), ECF No. 22 (Bankr. S.D.N.Y. Jul. 18, 2024) (provisionally imposing section 362 stay); *In re Go North Group AB*, No. 24-11598 (MEW), ECF No. 18 (Bankr. S.D.N.Y. Sept. 18, 2024) (same); *In re Ted Baker Canada Inc.*, No. 24-10699 (MEW), ECF No. 17 (Bankr. S.D.N.Y. Apr. 25, 2024) (same); *In re Oi S.A.*, No. 23-10193 (JPM), ECF No. 20 (Bankr. S.D.N.Y. Feb. 13, 2023) (same); *In re Americanas S.A.*, No. 23-10092 (MEW), ECF No. 17 (Bankr. S.D.N.Y. Jan. 27, 2023) (same); *In re Mina Tucano Ltda*., 22-11198 (LGB), ECF No. 19 (Bankr. S.D.N.Y. Sept. 14, 2022) (same). Application of the section 362 automatic stay on a provisional basis is often an "effective mechanism" for achieving the goals of chapter 15 and, as set forth above, has been granted to protect many chapter 15 debtors during the interim period preceding a recognition hearing. *See id.;* 11 U.S.C. § 1501(a).

38. Moreover, the Court's authority to issue provisional relief under section 1519(a) is not limited to the remedies specified therein. *See, e.g.*, *In re Ran*, 607 F.3d 1017, 1021 (5th Cir. 2010) (Sections 1519(a)(1)-(3) represent a "non-exhaustive list of relief available to a foreign proceeding's representative in a Chapter 15 case"); *In re Vitro, S.A.B.*, 455 B.R. 571, 579 (Bankr. N.D. Tex. 2011) ("[T]he relief enumerated in section 1519 is not all-inclusive" and "[t]he plain language of section 1519 of the Bankruptcy Code does not contain a limitation on the Court's authority to issue a stay or injunction"); Hr'g Tr., *In re Daewoo Corp.*, No. 06-12242 (REG), ECF No. 24 (Bankr. S.D.N.Y. Oct. 11, 2006) (interpreting section 1519(a)'s use of "including" to mean the list that follows is not exhaustive). As discussed above, upon filing of a chapter 15 petition,

section 1519(a)(3) allows a court to grant the relief provided for in paragraph (7) of section 1521(a). Section 1521(a)(7), in turn, allows the court to grant any relief under chapter 15 that would be available to a trustee, subject to certain limitations not relevant here. The relief available to a trustee includes that under section 105(a), which allows "[t]he court [to] issue any order, process or judgment that is necessary or appropriate to carry out the provisions of [title 11]." 11 U.S.C. § 105(a). Thus, the Court may look to section 105(a) as a separate basis for fashioning relief as is necessary to protect a chapter 15 debtor and its creditors.

39. Under such authority, the Court has discretion to apply the automatic stay on a provisional basis to non-debtors where necessary to protect the Debtor's estate. *See Queenie, Ltd. v. Nygard Int'l*, 321 F.3d 282, 287 (2d Cir. 2003) ("The automatic stay can apply to non-debtors . . . when a claim against the non-debtor will have an immediate adverse economic consequence for the debtor's estate."); *see also In re Hal Luftig Co.*, 667 B.R. 638, 658 (Bankr. S.D.N.Y. 2025) ("[N]on-consensual third party stay extensions survived the Supreme Court's ruling [in *Purdue Pharma*]."") (citing *Harrington v. Purdue Pharma L.P.*, 603 U.S. 204, 227 (2024)). In fact, many bankruptcy courts have extended and applied the automatic stay to non-debtor entities in chapter 15 cases. *See, e.g.*, *In re Boart Longyear Ltd.*, No. 17-11156 (MEW), ECF No. 26 (Bankr. S.D.N.Y. May 8, 2017) (extending stay to third-party actions against non-debtor entities); *Corporación Durango, S.A.B. de C.V. v. Law Debenture Tr. Co. of New York*, Adv. No. 08-01608 (RDD), ECF No. 17 (Bankr. S.D.N.Y. Oct. 10, 2008) (same); *Sec. Investor Prot. Corp. v. Bernard L. Madoff Inv. Sec. LLC*, 443 B.R. 295, 316-17 (Bankr. S.D.N.Y. 2011) (same); *RSM Richter, Inc. v. Aguilar*, Adv. No. 06-1147 (JMP), ECF No. 6 (Bankr. S.D.N.Y. Jan. 18, 2006) (same); *Vitro, S.A.B. v. ACP Master, Ltd.*, Adv. No. 12-03027, ECF No. 84 (Bankr. N.D. Tex. Mar. 12, 2012) (same); *In re W.C. Wood Corp., Ltd.*, No. 09-11893, ECF No. 16 (Bankr. D. Del. June 1, 2009)

(extending stay protection to officers and directors); *In re Fraser Papers Inc.*, No. 09-12123, ECF No. 18 (Bankr. D. Del. June 19, 2009) (same); *see also CT Inv. Mgmt. Co. v. Carbonell*, No. 10-Civ. 6872, 2012 WL 92359 (S.D.N.Y. Jan. 11, 2012) (extending bankruptcy stay to non-debtor guarantor).

40. For the reasons set forth herein, the Petitioner respectfully submits that the Requested Relief, including, without limitation, applying the automatic stay to the Stay Parties, as well as authorizing the Foreign Representative, on behalf of the Debtor, to possess and control, and be entrusted with the exclusive control and administration of, the Debtor's U.S. Interests, is both appropriate and necessary in this Chapter 15 Case to ensure that all claims against the Debtor can be identified and adjudicated in a fair and efficient claims process and a plan of compromise or arrangement can be successfully implemented in the CCAA Proceeding. *See* Tardif Decl. ¶ 23.

II. Provisional Relief is Necessary in This Chapter 15 Case

41. A foreign representative is not, by virtue of filing a petition to commence a chapter 15 case, entitled to the application of those provisions of the Bankruptcy Code that automatically apply in a plenary case under other chapters of the Bankruptcy Code. Rather, it is only upon the recognition of a foreign main proceeding that certain of such relief that applies automatically in a plenary case (such as the issuance of the automatic stay), will apply in a chapter 15 case.[13] *See* 11 U.S.C. § 1520. Although a "petition for recognition of a foreign proceeding shall be decided upon the earliest possible time," there is necessarily a gap between the time such petition for recognition is filed and the time the court decides on whether a proceeding should be recognized. 11 U.S.C. § 1517(c). During this interim period, provisional relief may be warranted to protect a debtor, its

[13] With certain exceptions, virtually all other relief available in a plenary case is available at the court's discretion upon recognition of a foreign main proceeding, and all relief available in respect of a foreign main proceeding (including the automatic relief arising upon the recognition of a foreign main proceeding) is available at the court's discretion upon the recognition of a foreign nonmain proceeding. *See* 11 U.S.C. § 1521.

assets, and the interests of all stakeholders. *See* 11 U.S.C. § 1519(a).

III. The Petitioner Satisfies the Requirements for Both *Ex Parte* and Provisional Relief

42. Provisional relief under section 1519 is available if "the standards, procedures, and limitations applicable to an injunction" are met. 11 U.S.C. § 1519(e). An injunction, including emergency *ex parte* relief, should be issued if the following elements are satisfied: "(a) there is a likelihood of success on the merits (*i.e.*, the request for recognition); (b) there is 'an imminent irreparable harm' to the debtor if the preliminary injunction is not issued; (c) 'the balance of harms tips in favor of the moving party'; and (d) 'the public interest weighs in favor of an injunction.'" *In re Andrade Gutierrez Engenharia S.A.*, 645 B.R. 175, 181 (Bankr. S.D.N.Y. 2022) (citing *In re Lyondell Chem. Co.*, 402 B.R. 571, 588-89 (Bankr. S.D.N.Y. 2009)). In evaluating these factors, courts take a "flexible approach and no one factor is determinative." *In re Calpine Corp.*, 365 B.R. 401, 409 (S.D.N.Y. 2007) (certain internal citations omitted) (citing *Haw. Structural Ironworkers Pension Trust Fund v. Calpine Corp.*, No. 06 CIV. 5358 (PKC), 2006 WL 3755175, at *4 (S.D.N.Y. Dec. 20, 2006)). However, "[a] showing of irreparable harm is 'the single most important prerequisite for the issuance of a preliminary injunction.'" *Andrade Gutierrez Engenharia*, 645 B.R. at 181 (citing *Faiveley Transp. Malmo AB v. Wabtec Corp.*, 559 F.3d 110, 118 (2d Cir. 2009)). As set forth below, the Petitioner has satisfied this standard.

B. The Debtor Will Suffer Imminent Irreparable Harm if Provisional Relief is Not Granted

43. In the bankruptcy context, irreparable harm exists where the conduct to be enjoined would, if not stayed, interfere with the reorganization process. *Calpine*, 365 B.R. at 409 (internal citations omitted). Courts frequently find irreparable harm to be present in the context of a foreign insolvency where the failure to enjoin local actions would potentially disrupt the orderly restructuring of a foreign debtor and undermine the equitable distribution of assets to its creditors.

See, e.g., In re Berau Capital Resources PTE Ltd., No. 15-11804 (MG), ECF No. 20 at 3 (Bankr. S.D.N.Y. Aug. 6, 2015) (granting provisional relief where failure to enjoin could cause harm to foreign debtor by, *inter alia*, "undermin[ing] the [f]oreign [r]epresentative's efforts to achieve an equitable result for the benefit of all of the [f]oreign [d]ebtor's creditors and interest holders."); *In re Garcia Avila*, 296 B.R. 95, 114 (Bankr. S.D.N.Y. 2003) ("irreparable harm is present when the failure to enjoin local actions will disrupt the orderly reconciliation of claims and fair distribution of assets in a single, centralized forum"); *In re MMG LLC*, 256 B.R. 544, 555 (Bankr. S.D.N.Y. 2000) ("[I]rreparable harm exists whenever local creditors of the foreign debtor seek to collect their claims or obtain preferred positions to the detriment of other creditors."); *In re Lines*, 81 B.R. 267, 270 (Bankr. S.D.N.Y. 1988) ("[T]he premature piecing out of property involved in a foreign liquidation proceeding constitutes irreparable injury."); *see also Victrix S.S. Co., S.A. v. Salen Dry Cargo A.B.*, 825 F.2d 709, 713-14 (2d Cir. 1987) ("The equitable and orderly distribution of a debtor's property requires assembling all claims against the limited assets in a single proceeding; if all creditors could not be bound, a plan of reorganization would fail."). That is precisely the risk here.

44. The Debtor, and in turn its creditors, risks immediate and irreparable harm if the Requested Relief is not granted. Based on those risks, the Canadian Orders stayed litigation against the Debtor and confirmed that the Debtor (subject to the powers granted to the Monitor pursuant to the Canadian Orders) has the sole power to control and administer its property, including its insurance assets, notwithstanding the South Carolina Receiver's purported administration of that property. *See* Tardif Decl. ¶ 7. This Court should grant similar provisional relief with respect to litigation and property in the United States.

45. Application of section 362 to the Stay Parties is necessary to protect the *status quo* while the Debtor awaits the recognition of the CCAA Proceeding as a foreign proceeding. Specifically, the Debtor requires protection from the ongoing litigation of thousands of asbestos-related claims across multiple jurisdictions in the United States—the defense of which has now been complicated by the South Carolina Receiver's appointment—as well as actions brought directly against CLMI, the Debtor's insurer. *See* Chaaban Decl. ¶ 26. Separately and collectively, this local litigation will undermine the Debtor's restructuring efforts by diverting attention and resources away from the centralized CCAA Proceeding. *See* Tardif Decl. ¶ 26; *In re Alert Holdings, Inc.*, 148 B.R. 194, 200 (Bankr. S.D.N.Y. 1992) ("Where . . . the action sought to be enjoined would embarrass, burden, delay or otherwise impede the reorganization proceedings . . . the [U.S. b]ankruptcy [c]ourt may issue injunctive relief.").

46. If the individual asbestos lawsuits are permitted to continue against the Debtor, the Debtor's ability to maximize and maintain value for distribution through the CCAA Proceeding will be severely impaired and the value available for distribution to creditors will be significantly diminished. If a stay is not granted, ACL's potential liability will continue to increase exponentially as litigation progresses against the Stay Parties in a growing number of different jurisdictions. Chaaban Decl. ¶ 37. Ongoing litigation will harm the Debtor by unduly consuming time, money, attention, and other estate resources and will, thereby, reduce creditor recoveries. *See* Chaaban Decl. ¶ 31; Tardif Decl. ¶ 26; *In re Netia Holdings, S.A.*, 278 B.R. 344, 352 (Bankr. S.D.N.Y. 2002) ("It is well established . . . that the dissipation of the finite resources of an insolvent estate constitutes irreparable injury.").

47. Moreover, if the disjointed litigation continues, it will be virtually impossible for the Debtor to ensure fair treatment among similarly situated creditors. Verdicts on creditor claims

and the time to reach them will undoubtedly vary among courts. Creditors with factually similar claims could be left with substantially different claim amounts based solely on where they filed suit, and creditors may be disadvantaged in collecting on their claims simply because they filed later or their case took longer to reach a judgment. The finite amount of insurance proceeds available to pay claims makes the inequitable treatment of creditors even more likely in these circumstances, as any amount paid pursuant to a lawsuit directly reduces the limits available to pay other claims. Chaaban Decl. ¶ 36. The CCAA Proceeding was commenced with the goal of consolidating all asbestos-related actions against the Debtor in a single forum to ensure consistent treatment for existing and future creditors in the liquidation and collection of their claims. Tardif Decl. ¶ 26. This goal cannot be achieved if there is ongoing piecemeal litigation against the Debtor and its insurance policies, the primary asset that may be used to satisfy asbestos personal injury claims against the Debtor.

48. The imminent threat to the Debtor and its restructuring efforts if the Requested Relief is not granted is unquestionable, and the risks are only exacerbated by the Receivership Order, which has compromised the Debtor's ability to defend and resolve the claims against it. *See* Chaaban Decl. ¶¶ 29-31. The South Carolina Receiver's conduct has put the Debtor's assets in jeopardy as contemplated by Bankruptcy Code section 1519(a)(2), and relief under that section and section 362 is essential to preserve the value of the Debtor's assets the South Carolina Receiver purports to control. For example, while the South Carolina Receiver, since his appointment, has allegedly taken control of some of the litigation against ACL, he has, in actuality, agreed to settlements that are materially higher than the average settlements negotiated by ACL over the decades preceding his appointment.[14] He also continues to accept service of new asbestos actions

[14] *See* Chaaban Decl., Ex. 4, Pet. for Writ of Prohibition 43, *Certain Underwriters at Lloyd's, London v. Hon. Jean H. Toal*, No. 2024-001959 (S.C. Nov. 18, 2024).

without ensuring proper representation in those cases, exposing ACL to the risk of default judgments.[15] *See* Chaaban Decl. ¶ 31. Substantial settlements and default judgments resulting from the South Carolina Receiver's conduct will only serve to dilute the claims pool and reduce creditor recoveries in the CCAA Proceeding.

49. The Debtor also faces imminent litigation risks stemming from its longstanding position with respect to its obligations under the QBCRA. That position resulted in the South Carolina Receiver's appointment, but even with the receivership in place, the Debtor has continued to face default judgments and sanctions in other cases in the United States based on its compliance with the QBCRA. *See* Chaaban Decl. ¶ 31. Recently, on April 3, 2025, a Washington state court struck ACL's responsive pleading and entered a default judgment against ACL as a discovery sanction in *Kotzerke v. 3M Company*, after ACL unsuccessfully invoked the QBCRA as limiting its ability to produce documents from Québec or present a corporate deponent to testify about the Québec documents.[16] *Id.* ¶ 32. Absent a supersedeas bond, which ACL has declined to provide, that judgment, in the amount of USD $16,219,398.25 is presently enforceable and unstayed. *Id.* Notwithstanding that this substantial monetary judgment is not directly related to the merits of the underlying claim,[17] if CLMI pays this excessive judgment the Debtor's finite available assets to pay other current and future claims will be depleted. *Id.*

50. Similarly, the Debtor is now in jeopardy of having its defense struck and being held in default in a California lawsuit, in which it has already been held in contempt and sanctioned for

[15] The Debtor has declined to retain counsel itself in the actions served on the South Carolina Receiver as it has taken the position that the Receivership Order is invalid and should be vacated. Chaaban Decl. ¶ 31. ACL has appealed the Receivership Order to the South Carolina Supreme Court, but the asbestos-related litigation against it has not been stayed pending the appeal. *Id.* ¶ 29.

[16] No. 23-2-05287-6 (Wa. Super. Ct. Pierce Cnty. 2023).

[17] On March 3, 2025, there was a hearing on damages, at which ACL was precluded from disputing causation or plaintiff's alleged damages. Therefore, the results of the damages hearing were not based upon the merits, but to punish ACL for relying on the QBCRA.

not producing documents and witnesses from Québec based on its adherence to the QBCRA.[18] *Id.* ¶ 33. As a result, ACL could again be held in default and subject to an excessive judgment not based on the merits of the case, but rather on its adherence to and respect of the QBCRA. *Id.* Application of the stay is critical to prevent other plaintiffs throughout the United States from continuing to exploit the current uncertainty surrounding the contested receivership and the Debtor's obligations under Canadian law. Without the stay, claimants may "race to the courthouse" to obtain sanctions and default orders that are not based upon the merits of their claims.

51. Further, if possession and control of the Debtor's U.S. Interests is not vested with the Foreign Representative and if stay protection is not granted, the South Carolina Receiver will likely take steps to interfere with the ability of ACL to resolve the claims against it in a foreign collective insolvency proceeding. This risk is far from speculative—the South Carolina Receiver has previously interfered with domestic and foreign proceedings. For example, over the last two years, the South Carolina Receiver attempted to have the bankruptcy case of Whitaker, Clark & Daniels ("**WCD**") dismissed based on the South Carolina Receiver's purported exclusive authority to determine whether WCD could file for bankruptcy, which the South Carolina Receiver claimed he possessed by virtue of a receivership order entered by the same South Carolina Court in a tort suit against WCD.[19] The WCD bankruptcy judge allowed the bankruptcy case to continue and that

[18] *Smalley v. 3M Co.*, No. 23STCV17189 (Cal. Super. Ct. Los Angeles Cnty. 2023)

[19] *See In re Whitaker, Clark & Daniels, Inc*., No. 23-13575, ECF No. 62 (Bankr. D.N.J. May 3, 2023). The South Carolina Court appointed Mr. Protopapas as receiver in the case of *Plant v. Avon Products, Inc.*, No. 2022CP401265 (S.C. C.P.). After the defendant there sought reconsideration of the appointment, the South Carolina Court and plaintiff's counsel purported to make a record "for any bankruptcy judge" that the receivership appointment stripped the company of its authority to initiate a bankruptcy proceeding. *Protopapas v. Whittaker, Clark & Daniels, Inc.*, No. 24-2210 (3d Cir. 2024), JA423; *see id.* (South Carolina Court explaining that in signing the receivership order, "I wanted to be sure that something other than kind of a[n] [a]morphous organization I wasn't quite sure about in terms of asset picture, control or anything else would not simply declare bankruptcy and that entity would still be controlling things."). Plaintiff's counsel thereafter submitted a proposed order that purported to deprive the defendant corporation of the right to "institute a bankruptcy proceeding." JA444.

decision was affirmed by the district court in a ruling that is presently on appeal to the Third Circuit.

52. Similarly, in the United Kingdom, the High Court of England and Wales (the "**English High Court**") recently assessed the South Carolina Receiver with sanctions of £1 million (equivalent to approximately $1.3 million) for continuing to assert that he was the legal representative of Cape Plc ("**Cape**"), a U.K. company whose insurance assets he purported to control by virtue of another of the South Carolina Court's receivership orders.[20] The English High Court rejected the South Carolina Court's claim of jurisdiction over Cape because, like ACL, Cape never did business in South Carolina and held that the South Carolina Receiver had no authority to act on behalf Cape.[21] Notably, the court also held that although the South Carolina Receiver allegedly sought to protect the interests of Cape, he was in fact doing the opposite. *See Cape Intermediate Holdings Ltd. v. Protopapas*, [2024] EWHC (Ch) 2999, [135] (Eng.) (describing "threats posed by the receiver" that justified worldwide injunctive relief). The same could be said about the South Carolina Receiver here, where instead of protecting the Debtor's interests as he is required to do, the South Carolina Receiver has made damaging statements about it in public filings. These damaging statements are likely in direct contravention of the South Carolina Receiver's duty to protect the Debtor's interests and pose additional risk to the Debtor, as parties may seek to use them as admissions against the Debtor's interests and, if deemed admissions of the Debtor, will jeopardize and potentially void the Debtor's coverage under the London Policies. *See* Chaaban Decl. ¶ 30.

[20] *See Cape Intermediate Holdings Ltd. v. Protopapas* [2024] EWHC 2999 (Ch) (Eng.); *see also* Daniel Fisher, *Carolina Lawyer Tasked With Mining For Asbestos Money Hit With $1.3M U.K. Penalty*, LEGAL NEWSLINE (Apr. 9, 2025), https://legalnewsline.com/stories/670798240-carolina-lawyer-tasked-with-mining-for-asbestos-money-hit-with-1-3m-u-k-penalty.

[21] *See* Chaaban Decl., Ex. 7.

53. It is critical that the stay be extended to cover CLMI in addition to the Debtor to prevent irreparable harm. As news spreads of the commencement of the CCAA Proceeding, other parties, in addition to the South Carolina Receiver, will pursue direct actions against CLMI to collect on their claims and/or seek sanctions if CLMI is not protected. Indeed, the South Carolina Receiver has already sued CLMI in South Carolina to force CLMI to pay the South Carolina Receiver's costs and other creditors have taken action against certain of the Debtor's insurers to enforce judgments against ACL. *See* Chaaban Decl. ¶ 34; s*ee, e.g., Morvant v. Maryland Cas. Insur. Co.*, No. 14-00226 (E.D. La. 2014) (action against certain insurers to enforce $6.4 million judgment obtained against ACL). The purpose of Section 1519(a)(1) is to keep creditors from rushing to collect on their claims upon learning of a foreign insolvency proceeding to the detriment of other stakeholders. *See In re MMG, LLC*, 256 B.R. 544, 555 (Bankr. S.D.N.Y. 2000) ("[I]rreparable harm exists whenever local creditors of the foreign debtor seek to collect their claims or obtain preferred positions to the detriment of other creditors."). The London Policies are the Debtor's primary asset, and the equitable resolution of creditors' claims depends on the Petitioner's ability to preserve the proceeds of those insurance policies for equitable distribution through the CCAA Proceeding. Tardif Decl. ¶ 26; *see In re Johns-Manville Corp.*, 40 B.R. 219, 229 (S.D.N.Y. 1984) (staying direct actions against the debtor's insurer because the insurance policies and their proceeds constituted "substantial property of the . . . estate" which would be diminished by third party direct actions against insurance carriers).

54. If asbestos litigation and related actions against the Debtor and/or CLMI are allowed to continue in multiple forums, particularly now that the Debtor's and CLMI's historic arrangement under the Interim Settlement Agreement has been compromised, the Debtor will suffer irreparable harm.

C. The Petitioner is Likely to Succeed on the Merits

55. The Petitioner is likely to succeed on the merits by obtaining recognition of the CCAA Proceeding under chapter 15 of the Bankruptcy Code. *See Andrade Gutierrez Engenharia*, 645 B.R. at 181 ("[T]he 'likelihood of success' element is satisfied in the context of a motion under section 1519 if the movant shows that it will likely obtain recognition of the foreign proceeding.") (citations omitted); *see also In re Qimonda AG*, No. 09-14766-RGM, 2009 WL 2210771, at *3 (Bankr. E.D. Va. July 16, 2009) ("The issue upon which [the petitioner] must prevail for an injunction to issue is whether an order of recognition will be entered …"). For the reasons stated in the Verified Petition, the Petitioner has demonstrated that the CCAA Proceeding is a foreign main proceeding as defined in section 1502(4) of the Bankruptcy Code and that the Petitioner is a proper foreign representative, as defined in section 101(24) of the Bankruptcy Code. *See* Verified Petition ¶¶ [47-49, 53-63]. Specifically, it is likely that the Court will grant recognition of the CCAA Proceeding as a foreign proceeding based on the facts that (a) the CCAA Proceeding is currently pending in the location of the Debtor's center of main interest (COMI), (b) all proper supporting documentation was filed contemporaneously with the Verified Petition, and (c) the Petitioner should be recognized as a "foreign representative."

56. Furthermore, courts nationwide have recognized CCAA proceedings as foreign proceedings within the meaning of the Bankruptcy Code. *See, e.g. In re Ted Baker Canada Inc.*, No. 24-10699 (MEW), ECF No. 44 (Bankr. S.D.N.Y. May 9, 2024) (recognizing Canadian proceeding as foreign main proceeding): *In re Novelion Therapeutics Inc.*, No. 21-10245 (MEW), ECF No. 11 (Bankr. S.D.N.Y. Feb. 24. 2021) (same): *In re NextPoint Fin., Inc.*, No. 23-10983, ECF No. 54 (Bankr. D. Del. Aug. 16, 2023) (same); *In re Just Energy Grp. Inc.*, No. 21-30823 (MI), ECF No. 82 (Bankr. S.D. Tex. Apr. 2, 2021) (same). The extension of comity to orders issued

by Canadian courts in proceedings commenced under the CCAA is common in courts in this circuit and across the country. *See id*. In fact, exceptions to comity are construed particularly narrowly when it comes to jurisdictions such as Canada, a fellow common law jurisdiction with statutory procedures akin to those set forth in chapter 11 of the Bankruptcy Code insofar as they both provide a "breathing spell" from creditors' collection efforts, a centralized process to assert and resolve claims against the debtor's estate, and a fair and equitable process for distribution to creditors in order of priority. *See In re Metcalfe & Mansfield Alternative Invs.*, 421 B.R. 685, 698 (Bankr. S.D.N.Y. 2010) ("The U.S. and Canada share the same common law traditions and fundamental principles of law. Canadian courts afford creditors a full and fair opportunity to be heard in a manner consistent with standards of U.S. due process. U.S. federal courts have repeatedly granted comity to Canadian proceedings."). Thus, the likelihood of success on the underlying merits here is high.

D. The Balance of the Harms Heavily Favors Granting Provisional Injunctive Relief

57. The substantial threat of harm to the Debtor if the Requested Relief is not granted outweighs any potential harm to parties in interest. Granting the Requested Relief would cause little, if any, harm to creditors. The Requested Relief will simply operate to preserve the assets of the Debtor for a limited period pending a determination by this Court of whether the CCAA Proceeding should be recognized. *See In re Innua Canada Ltd.*, No. 09-16362, 2009 WL 1025088, at *4 (Bankr. D.N.J. Mar. 25, 2009) (finding that the temporary maintaining of the *status quo* pending recognition of the foreign proceedings actually served to benefit creditors "by allowing for an orderly administration of the [f]oreign [d]ebtors' financial affairs under the [foreign] [p]roceeding," tipping the balance of harms in favor of the foreign representative).

58. The provisional relief would only be temporary, pending the hearing on

recognition. The Debtor will continue to operate consistent with its recent operations and business plan, preserving its assets, including any revenues derived from such operations, and, importantly, the Requested Relief will serve to protect the Debtor's primary asset, the London Policies. The Requested Relief will ensure the Debtor's assets will be available for equitable distribution to creditors through the centralized CCAA Proceeding. *See* Tardif Decl. ¶ 25.

59. Further, granting the Requested Relief will not bar any parties from participating in or asserting their claims in the CCAA Proceeding. *Id.*; *see Andrade Gutierrez Engenharia*, 645 B.R. at 182 (finding that the balance of harms tipped in favor of the foreign representative where creditors' rights to participate in the foreign proceeding were preserved). The Debtor's many stakeholders have the wherewithal to participate in the CCAA Proceeding and make any reasonable arguments in that proceeding. The requested injunctive relief will enable them to participate in a streamlined process along with all similarly situated creditors in a single jurisdiction. That certain creditors "may be denied an advantage over the debtor's other . . . creditors is not a valid reason to deny relief to the foreign representative." *In re Atlas Shipping A/S*, 404 B.R. 726, 742 (Bankr. S.D.N.Y. 2009). Moreover, any creditor feeling unduly burdened by the Court's granting of the Requested Relief may petition the Court for relief from the stay for cause. *See generally* 11 U.S.C. § 362(d). Absent such relief, however, the Debtor and CLMI remain vulnerable to litigation that may very well enable certain creditors to "jump the line" ahead of their peers. Provisional and emergency relief in the form of application of the section 362 stay is permitted under sections 1519 and 1521(a)(7) and is necessary to preserve the Debtor's value and to grant comity to the CCAA Proceeding. Granting the Requested Relief will ensure a fair and efficient centralized process in Canada – a primary policy objective of chapter 15.

60. The near-certain harm to the Debtor in the absence of the Requested Relief would

be greater than any potential prejudice to other parties in interest, including those persons or entities that might wish to pursue individual actions in the United States in disregard of the CCAA Proceeding.

E. The Public Interest Favors Granting Injunctive Relief

61. Granting the Requested Relief will serve the public interest by effectuating the public policy considerations underpinning chapter 15. Imposing the stay with respect to the Stay Parties would further the Bankruptcy Code's general goal of avoiding piecemeal distribution and depletion of a debtor's estate and the attendant inequitable distribution of property among claimholders. *See Cunard S.S. Co. v. Salen Reefer Servs. AB*, 773 F.2d 452, 459 (2d Cir. 1985) (noting in case under former section 304 the strong "public interest in the fair and efficient distribution of assets in a bankruptcy").

62. The Requested Relief should also be granted as an exercise of comity. The stated Congressional purposes of chapter 15, include *inter alia*, (i) fostering fair and efficient administration of cross-border insolvencies that protects the interests of all creditors, and other interested parties, including the debtor; (ii) protecting and maximizing the value of the debtor's assets; (iii) facilitating the rescue of financially troubled businesses, thereby protecting investment and preserving employment; and (iv) promoting cooperation between the courts and court-appointed administrators in the United States with those in competent foreign jurisdictions involved in cross-border insolvency cases. *See* 11 U.S.C. §§ 1501(a), 1525. The Canadian Court has granted similar relief staying litigation and protecting against interference with the Debtor's ability to administer its property. Comity would be served here if the Court grants provisional relief of a similar character in aid of the Canadian Proceeding.

IV. All Parties Are Sufficiently Protected

63. As required under section 1522(a) of the Bankruptcy Code, all parties are "sufficiently protected" by the requested provisional relief. Relief under section 1519 should be denied only for a lack of sufficient protection "if it is shown that the foreign proceeding is seriously and unjustifiably injuring United States creditors." H. Rep. No. 109-31, pt. 1, 109th Cong., 1st Sess. 116 (2005). A determination of sufficient protection "requires a balancing of the respective parties' interests." *CT Inv. Mgmt. Co. v. Cozumel Caribe, S.A. de C.V.*, 482 B.R. 96, 108 (Bankr. S.D.N.Y. 2012); *see In re Toft*, 453 B.R. 186, 196 n.11 (Bankr. S.D.N.Y. 2011) ("[A] court should tailor relief balancing the interest[] of the foreign representative and those affected by the relief."). The discretion granted under this provision "typically points in favor of granting relief to section 304 petitioners." *In re Artimm*, 278 B.R. 832, 837 (Bankr. C.D. Cal. 2002) (discussing discretion to afford similar relief under chapter 15's predecessor).

64. Here, all parties are "sufficiently protected," and the relief requested herein will not impose any hardship on any parties that is not outweighed by the benefits to the Debtor and all parties in interest. The Requested Relief will preserve the Debtor's estate pending the Court's ruling on the Verified Petition, while any prejudice to creditors is extremely limited. If the Debtor is left vulnerable to continued adverse creditor action, as detailed above, the value of its estate will be jeopardized.

65. Furthermore, the Debtor is already subject to the control and jurisdiction of the Canadian Court, and the section 362 stay is accompanied by its own protections and framework for modification. If creditors can make the requisite showing that cause exists for lifting the section 362 stay, then this Court may allow such parties to take actions against the Debtor and/or CLMI and their U.S. Interests. Thus, such parties benefit from the protections provided by courts in Canada and the United States. Further, the limited purpose of the relief requested herein is to

preserve the *status quo* so that the Debtor has a reasonable chance to undertake a successful reorganization in the CCAA Proceeding, ensuring the streamlined adjudication of claims and equitable distribution of the Debtor's assets. *See* Tardif Decl. ¶ 25. Accordingly, as all creditors are appropriately protected, the temporary relief sought here should be granted.

V. No Security Required

66. No security is required for the provisional relief requested here as the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") do not require that the debtor post security in order to obtain injunctive relief. *See* Fed. R. Bankr. P. 7065. Further, security is unwarranted in the present circumstances, as the Debtor's assets are under the jurisdiction of the Canadian Court and the provisional relief requested would last only until this Court's ruling on the Verified Petition. Upon recognition of the CCAA Proceeding as a foreign proceeding with respect to the Debtor, the section 362 stay would automatically take effect (in the case of foreign main recognition), or upon further order of the Court (upon foreign nonmain recognition). *See* 11 U.S.C. § 1520(a)(1).

VI. The Requirements of Bankruptcy Rule 1007(a)(4)(B) Should be Waived

67. Bankruptcy Rule 1007(a)(4)(B) requires that the Petitioner file a list of, among other parties, all entities against whom provisional relief is being sought under section 1519 of the Bankruptcy Code, unless the court orders otherwise. The Petitioner has filed a list of all known parties that have commenced asbestos-related personal injury litigation against ACL in the United States. Such list is annexed to the Petition filed contemporaneously herewith. The Petitioner submits that such list is sufficient under the circumstances of this case and requests that the Court waive any further requirement under Bankruptcy Rule 1007(a)(4)(B) with respect to the Requested Relief. *See Andrade Gutierrez Engenharia,* 645 B.R. at 184 (holding that the foreign representative

cannot be expected to anticipate every potential party that could seek to bring claims against them in the United States).

VII. No Notice is Required in Respect of the Emergency Relief Requested Herein

68. This Motion seeks, in part, *ex parte* emergency relief. Due to the necessity in obtaining the immediate protection of the automatic stay, it is not practicable to provide notice of this hearing. However, the Debtor requests that a hearing be held on the provisional relief requested herein, so that any party that would like to be heard on the issue of provisional relief may be afforded to the opportunity to do so in short order. The Debtor shall provide a copy of the Motion and the notice of the hearing in respect of the provisional relief to the Notice Parties (as defined in the *Application by Foreign Representative for Order (I) Scheduling Hearing on Verified Petition of Asbestos Corporation Limited and Motion for Recognition and (II) Specifying Form and Manner of Service and Notice*, filed contemporaneously with this Motion) in accordance with the terms set forth by the Court in the Emergency Order.

NO PRIOR REQUEST

69. No previous request for the relief requested herein has been made to this or any other court.

CONCLUSION

70. Based on the foregoing, the Petitioner respectfully requests that, pursuant to 11 U.S.C. §§ 1519, 362 and 105(a) the Court (i) enter the Emergency Order, substantially in the form attached hereto as Exhibit A, on an *ex parte*, basis; (ii) after expedited notice and a hearing, enter the Provisional Relief Order, substantially in the form attached hereto as Exhibit B; and (iii) grant such further relief that the Court deems just and proper.

Dated: May 6, 2025
New York, New York

ORRICK, HERRINGTON & SUTCLIFFE LLP

By: */s/ Evan C. Hollander*

Evan C. Hollander
Daniel A. Rubens
Michael Trentin
Jenna MacDonald Busche
51 West 52nd Street
New York, New York 1001-6142
Telephone: (212) 506-5000
Facsimile: (212) 506-5151

Counsel for the Petitioner
Raymond Chabot Inc., in its capacity as
Proposed Foreign Representative

EXHIBIT A

Proposed Emergency Relief Order

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	)	Chapter 15
ASBESTOS CORPORATION LIMITED,[1]	)	Case No. 25-_____( )
Debtor in a Foreign Proceeding.	)	

TEMPORARY RESTRAINING ORDER

Upon the *Motion for (I) Ex Parte Emergency Relief and (II) Provisional Relief Pursuant to 11 U.S.C. §§ 1519, 362 and 105(a)* (the "**Motion**")[2] filed on behalf of Raymond Chabot Inc., in its capacity as the duly appointed monitor and authorized foreign representative (in such capacities, the "**Monitor**" or "**Petitioner**") of the above-captioned debtor, Asbestos Corporation Limited (the "**Debtor**" or "**ACL**") which is the subject of the proceeding (the "**CCAA Proceeding**") commenced under the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36 (as amended, the "**CCAA**") currently pending before the Québec Superior Court of Justice (Commercial List) (the "**Canadian Court**"); and upon consideration of the Verified Petition, the Chaaban Declaration, and the Tardif Declaration; and the Court having found cause for *ex parte* action and for the relief requested in the Motion pursuant to Rule 9077-1(b) of the Local Bankruptcy Rules for the Southern District of New York; it is **HEREBY FOUND AND DETERMINED THAT**:[3]

A. The Petitioner has demonstrated a reasonable probability that the CCAA Proceeding will be recognized as a foreign main proceeding pursuant to sections 1502(4) and 1517(b)(1) of the

[1] The Debtor in this chapter 15 case, along with its unique identifier, is Asbestos Corporation Limited (Canadian Federal Business Number: 104903273RC0001). The Debtor has a registered and business address in Canada of 840 Boul. Ouellet, Thetford Mines, QC G6G 7A5, Canada.

[2] Capitalized terms not otherwise defined herein shall carry the meanings ascribed to them in the Motion.

[3] To the extent any of the findings of fact herein constitute conclusions of law, they are adopted as such. To the extent any of the conclusions of law herein constitute findings of fact, they are adopted as such.

Bankruptcy Code, or, in the alternative, as a foreign nonmain proceeding under sections 1502(5) and 1517(b)(2) of the Bankruptcy Code.

B. The Petitioner has demonstrated that, in the absence of the Requested Relief, the Petitioner, the Debtor, its creditors, and other parties in interest will suffer immediate and irreparable harm for which they will have no adequate remedy at law, and therefore it is necessary that the Court grant the relief requested without prior notice to parties in interest or their counsel.

C. The Petitioner has demonstrated that the Requested Relief is urgently needed and will neither cause an undue hardship nor create any hardship to parties in interest that is not outweighed by the benefits of this restraining order.

D. The interest of the public will be served by this Court's granting of the Requested Relief.

E. The Requested Relief is in the best interests of the Debtor, its creditors, and other parties in interest.

F. This Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334, as well as the *Amended Standing Order of Reference dated January 31, 2012*, Reference M-431, *In re Standing Order of Reference Re: Title 11*, 12 Misc. 00032 (S.D.N.Y. Feb. 2, 2012) (Preska, C.J.).

G. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

H. Venue is proper in this District pursuant to 28 U.S.C. §§ 1409 and 1410.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. Section 362 of the Bankruptcy Code applies with respect to the Stay Parties and their U.S. Interests; for the avoidance of doubt, the stay will operate to stay and restrain all persons

and entities, other than the Petitioner and its representative and agents, from, to the extent related to the Debtor:

(i) commencing or continuing any suit, action, or proceeding against the Stay Parties or their U.S. Interests;

(ii) seizing, attaching, enforcing, or executing any judicial, quasi-judicial, administrative or monetary judgment, assessment or order or arbitration award against the Petitioner (in its capacity as the Monitor or Foreign Representative of the Debtor), the Stay Parties or their U.S. Interests;

(iii) commencing or continuing any action or proceeding in the United States to create, perfect or enforce any lien, setoff or other claim against the Petitioner (in its capacity as the Monitor or Foreign Representative of the Debtor), the Stay Parties or their U.S. Interests unless otherwise expressly permitted by the Canadian Orders;

(iv) seeking the issuance of or issuing any restraining notice or other process of encumbrance with respect to the Petitioner (in its capacity as the Monitor or Foreign Representative of the Debtor), the Stay Parties or their U.S. Interests unless otherwise expressly permitted by the Canadian Orders; and

(v) administering, exercising control over, transferring, encumbering, relinquishing or otherwise using, disposing of, or interfering with any of the Stay Parties' U.S. Interests or agreements in the United

States (if any) without the express consent of the Petitioner or as permitted by the Canadian Orders.

2. The Petitioner is hereby recognized as the Foreign Representative of the Debtor and shall have the rights and protections to which the Foreign Representative is entitled under chapter 15 of the Bankruptcy Code, including, but not limited to, the protections limiting the jurisdiction of United States Courts over the Foreign Representative in accordance with section 1510 of the Bankruptcy Code and the granting of additional relief in accordance with section 1519 of the Bankruptcy Code.

3. Pursuant to Bankruptcy Code section 1519(a)(2), the Foreign Representative, on behalf of the Debtor, is authorized to possess and control, and be entrusted with the exclusive control and administration of, the Debtor's U.S. Interests.

4. All rights and remedies of any person or entity, whether judicial or extrajudicial, statutory or non-statutory, against or in respect of any or all of the Stay Parties or the Petitioner or affecting the Stay Parties' U.S. Interests are hereby stayed and suspended except with the written consent of the applicable Stay Party and Petitioner, or leave of this Court; provided that nothing in this Order shall: (i) enjoin a police or regulatory act of a governmental unit, including a criminal action or proceeding; (ii) empower the Stay Parties to carry on any business for which they are not lawfully entitled to carry on; or (iii) exempt the Stay Parties from compliance with statutory or regulatory provisions relating to health, safety, or the environment.

5. No person or entity shall discontinue, fail to honor, alter, interfere with, suspend, withdraw, accelerate, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, license or permit in favor of or held by the Stay Parties or in connection with any of the Stay Parties' property, except with the written consent of the applicable Stay Party and the

Petitioner, or leave of the Canadian Court, or unless such contract, agreement or license expired by its own terms without acceleration or declaration of a default.

6. The security provisions of Rule 65(c) of the Federal Rules of Civil Procedure, made applicable to this case by Bankruptcy Rule 7065, are inapplicable to the relief sought and granted herein.

7. This Order is without prejudice to the right of the Petitioner to seek additional relief under applicable provisions of the Bankruptcy Code including, without limitation, section 1519, 362, or 105(a) of the Bankruptcy Code and without prejudice to the right of the Debtor to seek any remedy or to pursue any further relief.

8. Notwithstanding any provision in the Bankruptcy Rules to the contrary: (a) this Order shall be effective immediately and enforceable upon entry; (b) the Petitioner is not subject to any stay in the implementation, enforcement, or realization of the relief granted in this Order; and (c) the Petitioner is authorized and empowered, and may, in their discretion and without further delay, take any action and perform any act necessary to implement and effectuate the terms of this Order.

9. All parties in interest wishing to be heard shall come before the Honorable _____, United States Bankruptcy Judge, at ___ a.m./p.m. on May 20, 2025, at Courtroom No. __, United States Bankruptcy Court, One Bowling Green, New York, New York 10004 (the "**Hearing**"), to show cause why the Provisional Relief Order extending the stay relief granted in this Order beginning on the date the Court enters such Provisional Relief Order and continuing for so long as the stay imposed in the CCAA Proceeding remains in effect in respect of the Petitioner, the Stay Parties and their property to the fullest extent possible under section 362(a) of the Bankruptcy Code should not be granted.

10. Objections, if any, may be submitted in writing or asserted orally at the Hearing, for the purpose of opposing the Petitioners' request for a Provisional Relief Order and must be filed, if at all, by 4:00 p.m. (Eastern) on the day that is seven (7) days before the Hearing, on Michael Trentin, Esq., Orrick, Herrington & Sutcliffe LLP, 51 West 52nd Street, New York, New York 10019 (email: ACLChapter15_OHS@orrick.com), counsel to the Petitioner. The Petitioner may file a reply in support of the Requested Relief by 12 p.m. (Eastern) on the day that is three (3) days before the Hearing. In the event that no response or objection is filed, the Court may consider the entry of the Provisional Relief Order without a hearing.

11. This Court retains jurisdiction with respect to any matters, claims, rights or disputes arising from or related to this Order, its implementation or otherwise arising from or related to this case.

12. The Petitioner is hereby authorized and empowered to take any action or perform any act necessary to implement and effectuate the terms of this Order.

13. This Order shall be effective and enforceable immediately upon entry and its provisions shall be self-executing.

14. Notice of the entry of this Order and supporting documents shall be served on _____ ___, 2025 by (i) overnight delivery on the Notice Parties (as defined in the *Application by Foreign Representative for Order (I) Scheduling Hearing on Verified Petition of Asbestos Corporation Limited and Motion for Recognition and (II) Specifying Form and Manner of Service and Notice,* filed contemporaneously with this Motion), which shall constitute adequate and sufficient service and notice.

Dated: May __, 2025
New York, New York

_____
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT B

Proposed Provisional Relief Order

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	)	Chapter 15
ASBESTOS CORPORATION LIMITED,[1]	)	Case No. 25-_____( )
Debtor in a Foreign Proceeding.	)	

ORDER GRANTING PROVISIONAL RELIEF

Upon the *Motion for (I) Ex Parte Emergency Relief and (II) Provisional Relief Pursuant to 11 U.S.C. §§ 1519, 362 and 105(a)* (the "**Motion**")[2] filed on behalf of Raymond Chabot Inc., in its capacity as the duly appointed monitor and authorized foreign representative (in such capacities, the "**Monitor**" or "**Petitioner**") of the above-captioned debtor (the "**Debtor**" or "**ACL**") which is the subject of the proceeding (the "**CCAA Proceeding**") commenced under the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36 (as amended, the "**CCAA**") currently pending before the Québec Superior Court of Justice (Commercial List) (the "**Canadian Court**"), seeking entry of an Order (this "**Order**") imposing the stay pursuant to section 362 of title 11 of the United States Code (the "**Bankruptcy Code**") pending recognition of the CCAA Proceeding with respect to each of the Stay Parties; and it appearing that this Court has jurisdiction to consider the Motion pursuant to sections 157 and 1334 of title 28 of the United States Code, and the *Amended Standing Order of Reference* dated January 31, 2012, Reference M-431, *In re Standing Order of Reference Re: Title 11*, 12 Misc. 00032 (S.D.N.Y. Jan. 31, 2012) (Preska, C.J.) (the "**Amended Standing Order**"); and this Court having considered the Motion, the Verified Petition,[3] the Chaaban

[1] Asbestos Corporation Limited, a foreign Debtor, is a corporation incorporated under the *Canada Business Corporations Act*. The Debtor has a registered address in Canada of 840 boul. Ouellet, in the city of Thetford Mines, Québec, G6G 7A5.

[2] Capitalized terms not otherwise defined herein shall carry the meanings ascribed to them in the Motion.

[3] Capitalized terms not otherwise defined herein shall carry the meanings ascribed to them in the Motion.

Declaration, and the Tardif Declaration and the statements of counsel in support of the Motion at a hearing before this Court on _____ ___, 2025 (the "**Hearing**"); and appropriate and timely notice of the filing of the Motion and the Hearing having been given; and no other or further notice being necessary or required; and after due deliberation and sufficient cause appearing therefor;

THIS COURT HEREBY FINDS AND DETERMINES THAT:

A. The findings and conclusions set forth herein constitute this Court's findings of fact and conclusions of law pursuant to Rule 7052 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), 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.

B. The Motion is granted as provided herein and any objections thereto filed or stated on the record at the Hearing are overruled.

C. The Court has jurisdiction over this matter pursuant to sections 157 and 1334 of title 28 of the United States Code and the Amended Standing Order. This is a core proceeding pursuant to section 157(b)(2)(P) of title 28 of the United States Code.

D. Venue is proper in this district pursuant to section 1409(a) and 1410 of title 28 of the United States Code.

E. The statutory basis for the relief requested consists of sections 105(a), 1519 and 362 of the Bankruptcy Code. Pursuant to section 1519 of the Bankruptcy Code, from the time of filing of the Petition until the Court rules on the Verified Petition, the Court may grant certain relief of a provisional nature.

F. The CCAA Proceeding is pending in Canada and the Petitioner has been authorized by the Debtor to act as foreign representatives (as such term is defined in section 101(24) of the Bankruptcy Code) in this Chapter 15 Case.

G. On _____ ___, 2025, the Petitioner duly commenced this Chapter 15 Case under chapter 15 of the Bankruptcy Code on behalf of the Debtor.

H. The Petitioner is not required to commence an adversary proceeding to seek the relief requested in the Motion.

I. Based on the pleadings filed to date, the Court concludes that the Petitioner has demonstrated a likelihood of success on the merits of the Verified Petition.

J. The relief sought by the Petitioner in the Motion is authorized under section 1519 of the Bankruptcy Code and the Petitioner has demonstrated that irreparable harm to the Debtor may occur in the absence of the relief sought in the Motion.

K. For purposes of this Order and the relief granted herein, the balance of harms favors granting of the Requested Relief.

L. For purposes of this Order and the relief granted herein, the relief granted services the public interest.

M. To the extent that the relief sought by the Motion may result in any hardship to any parties, such hardship it is outweighed by the benefits of the requested relief to the Petitioner, the Debtor and its creditors.

N. The relief granted hereby is necessary and appropriate in the interests of the public and international comity; it is consistent with the public policy of the United States, and it will not cause the Debtor's creditors or other parties in interest any hardship that is not outweighed by the benefits of granting the relief requested herein.

O. No security is required for the relief granted herein, under Bankruptcy Rule 7065 or otherwise.

P. All parties in interest will be sufficiently protected by the provisions of section 362.

Q. Appropriate notice of the filing of and Hearing on the Motion was given which notice is deemed adequate for all purposes, and no other or further notice need be given.

NOW THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:

1. Section 362 of the Bankruptcy Code applies with respect to the Stay Parties and their U.S. Interests; for the avoidance of doubt, the stay will operate to stay and restrain all persons and entities, other than the Petitioner and its agents, from, to the extent related to the Debtor:

a. commencing or continuing any suit, action, or proceeding against the Stay Parties or their U.S. Interests;

b. seizing, attaching, enforcing, or executing any judicial, quasi-judicial, administrative or monetary judgment, assessment or order or arbitration award against the Petitioner (in its capacity as the Monitor or Foreign Representative of the Debtor), the Stay Parties or their U.S. Interests;

c. commencing or continuing any action or proceeding in the United States to create, perfect or enforce any lien, setoff or other claim against the Petitioner (in its capacity as the Monitor or Foreign Representative of the Debtor), the Stay Parties or their U.S. Interests unless otherwise expressly permitted by the Canadian Orders;

d. seeking the issuance of or issuing any restraining notice or other process of encumbrance with respect to the Petitioner (in its capacity as the Monitor or Foreign Representative of the Debtor), the Stay Parties or their U.S. Interests unless otherwise expressly permitted by the Canadian Orders; and

e. administering, exercising control over, transferring, encumbering, relinquishing or otherwise using, disposing of, or interfering with any of the Stay Parties' U.S. Interests or agreements in the United States (if any) without the express consent of the Petitioner or as permitted by the Canadian Orders.

2. The Petitioner is hereby recognized as the Foreign Representative of the Debtor and shall have the rights and protections to which the Foreign Representative is entitled under chapter 15 of the Bankruptcy Code, including, but not limited to, the protections limiting the jurisdiction of United States Courts over the Foreign Representative in accordance with section 1510 of the Bankruptcy Code and the granting of additional relief in accordance with section 1519 of the Bankruptcy Code.

3. Pursuant to Bankruptcy Code section 1519(a)(2), the Foreign Representative, on behalf of the Debtor, is authorized to possess and control, and be entrusted with the exclusive control and administration of, the Debtor's U.S. Interests.

4. This Order is without prejudice to the right of the Petitioner to seek additional relief under applicable provisions of the Bankruptcy Code (including, without limitation, section 1519 of the Bankruptcy Code and without prejudice to the right of the Debtor to seek any remedy or to pursue any further relief.

5. The requirements set forth in Bankruptcy Rule 1007(a)(4)(B) are waived with respect to the relief requested in the Motion, to the extent such requirements have not already been satisfied by the Petition.

6. Notwithstanding any provision in the Bankruptcy Rules to the contrary: (a) this Order shall be effective immediately and enforceable upon entry; (b) the Petitioner is not subject to any stay in the implementation, enforcement or realization of the relief granted in this Order; and (c) the Petitioner is authorized and empowered and may, in their discretion and without further delay, take any action and perform any act necessary to implement and effectuate the terms of this Order.

7. This Order shall remain in full force and effect from the date hereof until the date on which a final determination is made by this Court with respect to the Verified Petition and an order is entered in this Chapter 15 Case giving effect to such determination.

8. This Court shall retain jurisdiction with respect to the enforcement, amendment or modification of this Order.

Dated: May __, 2025
New York, New York

_____
UNITED STATES BANKRUPTCY JUDGE