

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re

OPEN ROAD FILMS, LLC, a Delaware
limited liability company, *et al.*,¹

Debtors.

Chapter 11

Case No.: 18-12012 (LSS)

(Jointly Administered)

Ref. Docket Nos. 9, 160, 217, and 239

Adequate Assurance Objection Deadline:
November 7, 2018 at 4:00 p.m. (ET)

**NOTICE OF FILING OF STALKING HORSE BIDDER'S PROPOSED
ADEQUATE ASSURANCE OF FUTURE PERFORMANCE**

PLEASE TAKE NOTICE that, on September 6, 2018, the above-captioned debtors and debtors-in-possession (collectively, the "Debtors") filed the *Debtors' Motion for Orders: (A)(I) Establishing Bid and Sale Procedures Relating to the Sale of Substantially All of the Debtors' Assets, (II) Authorizing the Debtors to Enter Into an Asset Purchase Agreement with Stalking Horse Bidder, (III) Establishing and Approving Procedures Relating to the Assumption, Assignment and Sale of Certain Executory Contracts and Unexpired Leases, Including Notice of Proposed Cure Amounts and (IV) Scheduling a Hearing to Consider the Proposed Sale and (B)(I) Approving the Sale of Substantially All of the Debtors' Assets, (II) Authorizing the Assumption, Assignment and Sale of Certain Executory Contracts and Unexpired Leases, and (III) Granting Certain Related Relief* [Docket No. 9] (the "Motion").

PLEASE TAKE FURTHER NOTICE that, on October 9, 2018, the Court entered an order approving, among other things, the proposed Bid Procedures [Docket No. 160] (the "Bid Procedures Order").

PLEASE TAKE FURTHER NOTICE that, subsequent to the entry of the Bid Procedures Order, on October 23, 2018, the Debtors filed the *Debtors' Motion for Entry of an Order Authorizing and Approving Certain Bidding Protections and Amendments to Bid Procedures Order, and Granting Related Relief* [Docket No. 217] (the "Bid Protections Motion"),² which requested that the Court: (i) authorize and approve the Debtors entry into that certain Asset Purchase Agreement, dated as of October 23, 2018 (the "Stalking Horse Agreement"), between the Debtors and OR Acquisition Co, LLC (the "Stalking Horse Bidder"),

¹ The Debtors and the last four digits of their respective federal taxpayer identification numbers are as follows: Open Road Films, LLC (4435-Del.); Open Road Releasing, LLC (4736-Del.); OR Productions LLC (5873-Del.); Briarcliff LLC (7304-Del.); Open Road International LLC (4109-Del.); and Empire Productions LLC (9375-Del.). The Debtors' address is 2049 Century Park East, 4th Floor, Los Angeles, CA 90067.

² Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Bid Protections Motion.

for the sale of substantially all of the Debtors' assets (subject to final approval at the Sale Hearing); (ii) approve certain bidding protections in connection with the Stalking Horse Agreement; and (iii) approve certain amendments to the Bid Procedures. On October 26, 2018, the Court entered an order [Docket No. 239] (the "Bid Protections Order") approving the relief requested in the Bid Protections Motion.

PLEASE TAKE FURTHER NOTICE that, in light of the Court's approval of the Debtors' entry into the Stalking Horse Agreement pursuant to the Bid Protections Order and in accordance with paragraph 17(b)(iii) of the Bid Procedures Order, attached hereto as **Exhibit 1** is a copy of the Stalking Horse Bidder's proposed adequate assurance of future performance as set forth in sections 365(b)(1)(C) and 365(b)(3) of the Bankruptcy Code (the "**Stalking Horse Bidder's Proposed Adequate Assurance of Future Performance**").

PLEASE TAKE FURTHER NOTICE that any objection by a counterparty solely to the Stalking Horse Bidder's Proposed Adequate Assurance of Future Performance (an "**Adequate Assurance Objection**") must be filed and served on the Objection Notice Parties no later than November 7, 2018 at 4:00 p.m. (Eastern Time).

PLEASE TAKE FURTHER NOTICE that the Objection Notice Parties are: (i) Open Road Films, LLC, 2049 Century Park East, 4th Floor, Los Angeles, CA 90067, Attn: James Ellis, Email: jellis@tangmp.com; (ii) co-counsel for the Debtors, Klee, Tuchin, Bogdanoff & Stern LLP, 1999 Avenue of the Stars, 39th Floor, Los Angeles, California 90067, Attn: Michael L. Tuchin, Esq. and Jonathan M. Weiss, Email: mtuchin@ktbslaw.com and jweiss@ktbslaw.com; (iii) co-counsel for the Debtors, Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, Delaware 19801, Attn: Michael Nestor, Esq. and Robert F. Poppiti, Jr., Esq., Email: mnestor@ycst.com and rpoppiti@ycst.com; (iv) counsel for the Committee, Pachulski Stang Ziehl & Jones LLP, 780 Third Avenue, 34th Floor, New York, NY 10017, Attn: Robert J. Feinstein, Esq., Scott L. Hazan Esq., and Colin R. Robinson, Esq., Email: rfeinstein@pszjlaw.com, shazan@pszjlaw.com, and crobinson@pszjlaw.com; (v) counsel for the Agent, Paul Hastings LLP, 200 Park Avenue, New York, New York 10166, Attn: Andrew Tenzer, Esq., and Susan Williams, Esq., Email: andrewtenzer@paulhastings.com and susanwilliams@paulhastings.com, and Ashby & Geddes, P.A., Attn: Bill Bowden, Esq., Email: wbowden@ashbygeddes.com; (vi) counsel for the Stalking Horse Purchaser: (A) Greenberg Traurig, LLP, MetLife Building, 200 Park Avenue, New York, NY 10166, Attn: Nathan A. Haynes, Esq. Email: haynesn@gtlaw.com and (B) DLA Piper LLP, 2000 Avenue of the Stars Suite 400 North Tower, Los Angeles, CA 90067, Attn: Robert J. Sherman, Esq. Email: Robert.J.Sherman@dlapiper.com; (vii) counsel for certain guilds, Bush Gottlieb, a Law Corporation, 801 North Brand Boulevard, Suite 950, Glendale, California, Attn: Joseph A. Kohanski, Esq., and David E. Ahdoot, Esq., Email: kohanski@bushgottlieb.com and dahdoot@bushgottlieb.com, and (viii) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Wilmington, Delaware, 19801, Attn: Linda Richenderfer, Esq., Email: linda.richenderfer@usdoj.gov.

PLEASE TAKE FURTHER NOTICE that any counterparty failing to timely file an Adequate Assurance Objection shall be forever barred from objecting to the assumption of its Contract on the grounds of adequate assurance of future performance.

PLEASE TAKE FURTHER NOTICE that the hearing on the sale of the Assets (the “**Sale Hearing**”) before the Honorable Laurie Selber Silverstein, United States Bankruptcy Judge, 824 North Market Street, Wilmington, Delaware 19801, 6th Floor, Courtroom #2, has been set for **November 9, 2018 at 10:00 a.m. (Eastern Time)**.

PLEASE TAKE FURTHER NOTICE that, if a timely Adequate Assurance Objection is received and such objection cannot otherwise be resolved by the parties, then the Bankruptcy Court may hear such objection at the Sale Hearing or at a later date set by the Court.

Dated: November 3, 2018

/s/ Ian J. Bambrick

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Robert F. Poppiti, Jr., Esq. (Bar No. 5052)
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Counsel to Debtors and Debtors in Possession

EXHIBIT 1

Stalking Horse Bidder's Proposed
Adequate Assurance of Future Performance

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

In re:

OPEN ROAD FILMS, LLC, a Delaware limited liability company, et al. *et al.*,¹

Debtors.

Chapter 11

Case No. 18-12012 (LSS)

Jointly Administered

**ADEQUATE ASSURANCE INFORMATION FOR
STALKING HORSE PURCHASER**

On September 6, 2018 (the “**Petition Date**”), each of the above-captioned debtors and debtors-in-possession (collectively, the “**Debtors**” or “**Open Road**”) filed voluntary petitions for relief under chapter 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”).

By Orders dated October 9 and 26, 2018 [Docket Nos. 160, 239] (the “**Bidding Procedures Order**”), the Bankruptcy Court approved certain Bidding Procedures that govern the sale of the Debtors’ assets to the highest and best Bidder.

On October 23, 2018, the Debtors entered into an Asset Purchase Agreement with OR Acquisition Co, LLC (“**OR Acquisition**”) for the purchase of substantially all of the Debtors’ assets, including the assumption and assignment of certain contracts and leases (the “**Assumed Contracts**”).

OR Acquisition Co, LLC is managed by Raven Capital Management LLC (“**Raven Capital**”). Pursuant to the Bidding Procedures Order, Raven Capital hereby provides this adequate assurance information to any counterparties to the Assumed Contracts.

About Raven Capital

Raven Capital is a registered investment advisor that manages multiple closed-end private equity funds with fully committed and discretionary capital, primarily from institutional investors. Raven Capital is a limited liability company incorporated in Delaware.

Raven Capital specializes in the primary origination, underwriting, and management of direct asset-based investments. Raven Capital’s objective is to provide risk-adjusted returns to its investors through the active management of either (i) first-lien or second-lien senior secured loans, or

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(ii) outright ownership of or equity participation in cash flowing assets. Due to its size and highly disciplined focus, Raven Capital maintains a competitive advantage in comparison to larger, more traditional banks and investment managers. Raven Capital's investment portfolio generally consists of directly originated investments ranging in size from \$5 million to in excess of \$100 million across distinct industries in which it has a high degree of expertise, including but not limited to, intellectual property and media & entertainment assets.

More specifically, Raven Capital closed on the acquisition of Exclusive Media Group from a Dutch-based investment fund in 2015. Raven Capital continues to manage the library interests alongside its investment partners, which includes, but is not limited to, the day-to-day management of various rights across approximately 400 titles, including *Begin Again*, *Cruel Intentions*, *Donnie Darko*, *End of Watch*, *Ides of March*, *Hit & Run*, *Memento*, *The Mexican*, *Parkland*, *Rush*, *The Skulls*, *Sliding Doors*, *Snitch*, *Undeclared*, and *The Way Back*.

Raven Capital also participates in the financing of independent films and aims to serve as a "one-stop" solution to effectively meet a production's capital requirements. Select titles completed or in production and/or development include: *Imperium*, *Urge*, *Trading Paint*, *Importance of Blood*, *Police Station*, *The Minuteman*, and *Bullets for Breakfast*.

Raven Capital has a history of successful management and achieving growth across industries. With respect to Open Road, Raven Capital has significant experience in intellectual property, media and entertainment investment, and given its operational expertise, is well positioned to maximize the value of the Open Road assets.

Raven Capital: Key Personnel

Raven Capital has broad experience across principal finance, securitization, direct lending and financing activities; Raven Capital's investment team has over 90 years of combined investment experience in the credit business, including originating, underwriting, principal investing and loan structuring.

- Joshua A. Green, President & Chief Investment Office
- Jeremy Tucker, Principal & Portfolio Manager
- James Masciello, Principal & Portfolio Manager

Future Performance

Raven Capital has completed its due diligence investigation, confirmed that the business is consistent with Raven Capital's investment objectives, and received all necessary internal approvals and authorizations to consummate the transaction contemplated by the Asset Purchase Agreement.

Raven Capital has the infrastructure necessary to continue the Debtors' operations: distributing and licensing motion pictures in primary and ancillary markets and servicing day-to-day management of various rights, including copyright, foreign and domestic distribution rights. The

Open Road business can be an important and profitable contributor to Raven Capital's portfolio of film investment.

Raven Capital has committed and is prepared to provide all capital necessary for the purchase of the Debtors' assets. Raven Capital intends to arrange for a senior debt facility on customary terms at or after closing. In any event, Raven Capital has fully committed and discretionary capital to fund all capital necessary for the purchase of the Debtor's assets if financing is for any reason delayed or cannot be arranged on acceptable terms.

Closing

Based on the foregoing, and such additional and further statements, information and documentation that may be provided to the Bankruptcy Court at the sale hearing, Raven Capital believes that there has been a sufficient showing of adequate assurance of future performance.

Additional information about Raven Capital is available at <http://www.ravencm.com/>. In addition, counterparties to the Assumed Contracts who wish to obtain additional information concerning adequate assurance of future performance should contact counsel to Raven Capital:

Greenberg Traurig, LLP
200 Park Avenue
New York, NY 10166
Office: 212-801-9200
Attention: Nathan A. Haynes, Esq.

and

DLA Piper LLP
2000 Avenue of the Stars
Suite 400 North Tower
Los Angeles, CA 90067
Office: 310-595-3000
Attention: Robert J. Sherman, Esq.