

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

In re:)	Chapter 11
)	
OPEN ROAD FILMS, LLC, a Delaware limited liability company, <i>et al.</i> , ¹)	Case No. 18-12012 (LSS)
)	
Debtors.)	(Jointly Administered)
)	
)	<u>Hearing Date:</u>
)	November 14, 2018 at 10:00 a.m. (ET)
)	
)	Re: Docket Nos. 9, 166, 256 & 305

**SUPPLEMENT TO LIMITED OBJECTION AND RESERVATION OF RIGHTS OF
SHOWTIME NETWORKS INC. TO PROPOSED SALE FREE AND CLEAR OF
ALL LIENS, CLAIMS, ENCUMBRANCES AND OTHER INTERESTS**

Showtime Networks Inc. (“**Showtime**”) respectfully submits the following Supplement to its Limited Objection and Reservation of Rights with respect to the Debtors’ Proposed Sale of Substantially All of its Assets Free and Clear of All Liens, Claims, Encumbrances and other Interests (Docket No. 305 - herein the “**Original Objection**”)² to reflect and respond to recent developments:

1. Showtime’s Original Objection objected to the proposed sale pursuant § 365(b)(1)(C). Showtime now understands that (a) the stalking horse bidder, OR Acquisition Co., LLC (“**OR Acquisition**”) will be the purchaser, because no other qualified bids were received, and (b) OR Acquisition may not acquire rights to some of the motion pictures that the

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 Unless otherwise specified herein, all capitalized terms have the same meaning as in Showtime’s Original Objection.

Debtors licensed to Showtime under those agreements. Although Showtime does not object to OR Acquisition's *financial* ability to perform the Showtime Agreements, Showtime reserves its objection under § 365(b)(1)(C) on the basis that OR Acquisition cannot fully perform the Showtime Agreements to the extent that it does not have the rights to those motion pictures.³

2. The Original Objection also objected that the proposed sale cannot be free and clear of Showtime's rights under § 365(n). Showtime, OR Acquisition and the Debtors have been exchanging proposed language in that regard, and Showtime remains hopeful that they will agree on acceptable language prior to the sale hearing.

Dated: November 8, 2018

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

/s/ Derek C. Abbott

Derek C. Abbott (No. 3376)

1201 North Market Street

16th Floor

P.O. Box 1347

Wilmington, Delaware 19899-1347

Telephone: (302) 658-9200

Facsimile: (302) 658-3989

Email: DAbbott@mnat.com

³ The Debtors cannot assume/assign only parts of an executory agreement. *NLRB v. Bildisco & Bildisco*, 465 U.S. 513, 531, 104 S. Ct. 1188, 1199 (1984); *In re Abitibowater Inc.*, 418 B.R. 815, 822-23 (Bankr. D. Del. 2009).