

EXHIBIT B

Proposed Order

**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)

Re Docket No.

**ORDER, PURSUANT TO BANKRUPTCY CODE SECTION 105(a) AND
BANKRUPTCY RULE 9019, APPROVING SETTLEMENT WITH BANK LEUMI, USA**

Upon the motion (the “Motion”)² of the debtors and debtors in possession (the “Debtors”) in the above-captioned jointly administered chapter 11 cases (the “Cases”), for entry of an order, pursuant to section 105(a) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), and Rule 9019 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), approving the settlement agreement, attached hereto as **Exhibit 1** (the “Settlement Agreement”), entered into by and among (i) Bank Leumi, USA (“Bank Leumi”) and (ii) the Debtors; and upon consideration of the Agam Declaration and the entire record of these Cases; and it appearing that the Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 1334 and 157, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012; and it appearing that the Motion is a core matter pursuant to 28 U.S.C. § 157(b)(2) and that the Court may enter a final order consistent with Article III of the United States Constitution; and it appearing that venue of

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 1800 Century Park East, Suite 600, Los Angeles, CA 90067.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

these Cases and of the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that due and adequate notice of the Motion has been given under the circumstances, and that no other or further notice need be given; and it appearing that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest and an appropriate exercise of the Debtors' business judgment; and it appearing that the releases provided for in the Settlement Agreement are supported by good and valuable consideration; and after due deliberation, and good and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is GRANTED, as set forth herein.
2. Pursuant to Bankruptcy Code section 105(a) and Bankruptcy Rule 9019, the Settlement Agreement is approved in its entirety.
3. The Parties are authorized and empowered to take such actions as may be necessary or appropriate to implement the terms of this Order and the Settlement Agreement, and to perform their respective obligations under the Settlement Agreement.
4. Upon the Settlement Effective Date, the Settlement Agreement shall be binding on and shall inure to the benefit of the parties thereto and their respective successors and assigns, including, for the avoidance of doubt, any subsequently appointed representative on behalf the Debtors' estates.
5. Upon the Settlement Effective Date, the Debtors' claims agent is authorized to modify the official claims register to reflect that the Bank Leumi Filed Claim is an allowed general unsecured claim against Open Road in the amount of \$2,500,000.00.

6. Notwithstanding any provision in the Bankruptcy Rules to the contrary, this Order shall be effective immediately and enforceable upon its entry, and the Debtors are not subject to any stay in the implementation, enforcement, or realization of the relief granted in this Order.

7. The Court retains jurisdiction and power with respect to all matters arising from or related to the implementation or interpretation of this Order.

Dated: _____, 2019
Wilmington, Delaware

Laurie Selber Silverstein
United States Bankruptcy Judge

EXHIBIT 1

Settlement Agreement

AGREEMENT

This Agreement (this “**Agreement**”) is made as of this 7th day of February, 2019, by and between Open Road Films, LLC (“**Open Road**”) and Bank Leumi USA (“**Claimant**”) and, together with each of the Debtors (as hereinafter defined), each a “**Party**”).

RECITALS

WHEREAS, on September 6, 2018 (the “**Petition Date**”), Open Road and certain of its affiliates (each, a “**Debtor**”) filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”);

WHEREAS, the Debtors’ bankruptcy cases are being jointly administered under Case No. 18-12012 (LSS) (Bankr. D. Del.) (the “**Bankruptcy Cases**”);

WHEREAS, Open Road and Claimant are parties to a Distributor Interparty Agreement, dated as of December 16, 2016, with respect to the motion picture then entitled *Labyrinth* (now entitled *City of Lies*) (the “**Picture**”), entered into by and among Claimant, Open Road, Good Films Enterprises, LLC (“**Good Films**”), Film Finances, Inc. (“**Completion Guarantor**”) and the other parties thereto (the “**IPA**”);¹

WHEREAS, in connection with the production and distribution of the Picture by Good Films, Open Road and Miramax Distribution Services, Inc. (“**Miramax**”) entered into a Production Financing and Distribution Agreement, dated November 4, 2016 (as amended, the “**Distribution Agreement**”), pursuant to which Open Road and Miramax agreed to finance the development and production of the Picture and to distribute the Picture in the United States and certain other territories around the world;

WHEREAS, to finance the production and distribution of the Picture, Good Films obtained a loan from Claimant (the “**Production Loan**”) for an amount up to \$23,189,227 pursuant to a Loan and Security Agreement, dated as of December 16, 2016, between Good Films (as Borrower) and Claimant (as Lender);

WHEREAS, Open Road did not object in writing within the periods contemplated by the IPA to the second cure notice for Mandatory Delivery, dated May 23, 2018, or to the second cure notice for Complete Delivery, dated July 6, 2018, sent to Open Road by Good Films and the Completion Guarantor;

WHEREAS, on August 29, 2018, Claimant commenced a civil action against Open Road and others by filing a complaint in the United States District Court for the Central District of California styled *Bank Leumi USA v. Open Road Films, LLC; Global Road Entertainment, LLC; Tang Media Partners, LLC; and Does 1-10, Inclusive*, Case No. 2:18 cv 7573 (the “**District Court Action**”), in which Claimant is seeking repayment of the amounts allegedly due from Open Road under the IPA;

¹ Capitalized terms used herein without definition have the meanings assigned to them in the IPA.

WHEREAS, on or about January 25, 2019, Claimant filed a proof of claim against Open Road, identified by the Debtors' claims agent as claim number 319, in the amount of \$18,537,089.80, plus further interest, legal fees and costs and other expenses allegedly due under the IPA (the "**Bank Leumi Filed Claim**"); and

WHEREAS, in order to avoid the costs and risks of litigation, the Parties have determined to resolve their disputes relating to the allowance of the Bank Leumi Filed Claim and the District Court Action (solely as to Open Road) on the terms and subject to the conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the foregoing Recitals and the mutual covenants and promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. **Incorporation of Recitals.** The Recitals set forth above are incorporated herein by this reference.

2. **Effectiveness of the Agreement.** This Agreement shall be effective immediately upon the date (the "**Settlement Effective Date**") upon which an Order entered by the Bankruptcy Court approving this Agreement (the "**Approval Order**") becomes final and no longer is subject to appeal.

3. **Allowance of the Bank Leumi Filed Claim.** Upon the Settlement Effective Date, the Bank Leumi Filed Claim shall be deemed allowed as a general unsecured claim not entitled to any priority under 11 U.S.C. § 507(a) in the reduced amount of \$2,500,000.00 (the "**Allowed Claim**"). The Debtors, or any disbursing agent, plan trust, or other successor in interest or other entity making distributions on account of general unsecured claims as part of the Bankruptcy Cases will make distributions to Claimant on account of the Allowed Claim pursuant to any Chapter 11 plan, trust agreement or other plan of distribution approved by the Bankruptcy Court. The Allowed Claim shall not be subject to offset, recoupment, reduction, disallowance, defense or objection for any reason. The Allowed Claim will be Claimant's sole and exclusive right to receive any payment, distribution, or other recovery from the Debtors' bankruptcy estates; *provided, however*, that Claimant shall not hereby be prevented from seeking and obtaining reimbursement in respect of expenses related to its membership on the unsecured creditors' committee in the Bankruptcy Cases.

4. **Picture Free and Clear.** Debtors agree and confirm that, upon the Settlement Effective Date, Debtors shall be deemed to: (a) have forever and finally released and relinquished any and all right, title, and interest, if any, that Debtors may have or may have had in, to or related to the Picture; and (b) represent and warrant that all right, title and interest in and to the Picture is free and clear of any right, title, interest, claim, lien or other encumbrance that is held by or in favor of any of the Debtors. Without limiting the generality of the foregoing, Debtors agree and confirm that Debtors hereby irrevocably: (a) assign to Good Films all of the Debtors' right title and interest in and to each Internet domain name and uniform resource locator including, using or referring to, and any registration of, any title of any version of the Picture, in any and all languages, including, but not limited to *LAabyrinth* and *City of Lies*; (b) release any and all rights of the Debtors

of access to, and assign to Good Film, any and all of the Debtors' right, title and interest in and to, all "Materials" (as that term is defined in the Distribution Agreement) and to any material created, manufactured, prepared or produced by or at the order or request of any of the Debtors in any way derived from or based upon any of the Materials wherever located including, but not limited to, any such materials in the possession or under the control of any laboratory or storage facility; *provided, however*, that the Debtors have no obligation to obtain possession of, compel turnover of, or otherwise deliver or provide Good Films with any such materials to the extent such materials are not in the Debtors' physical possession, or under or subject to the Debtors' control and obtainable by the Debtors without requiring the incurrence of any costs, charges, or expenses by the Debtors.

5. Dismissal of the District Court Action as to Open Road. Within seven (7) calendar days following the Settlement Effective Date, Claimant will dismiss all claims pending only against Open Road in the District Court Action, with prejudice and without any award of costs to any party. If a stipulation of dismissal is necessary, Claimant and Open Road will cooperate in the preparation of a stipulation.

6. Release by the Debtors. Upon the Settlement Effective Date, each of the Debtors, for itself, its estate and its successors and assigns (collectively, the "**Debtor Released Parties**") will be deemed to have, and will have, forever released and discharged Claimant and its employees, attorneys and professionals, successors and assigns (collectively, the "**Bank Leumi Released Parties**") from any and all losses, claims, debts, liabilities, demands, charges, complaints, acts, omissions, costs, expenses, damages, injuries, offsets, billing disputes, deposits, attorneys' fees, suits, actions and causes of action (including, but not limited to, any and all claims and causes of action under Chapter 5 of the Bankruptcy Code and any state law equivalent), of whatever kind or nature, whether matured or unmatured, at law or in equity, known or unknown, suspected or unsuspected, contingent or fixed, liquidated or unliquidated, which any or all of the Debtor Released Parties has or had or may claim to have against any and all of the Bank Leumi Released Parties from the beginning of time through and including the Settlement Effective Date (collectively, the "**Debtor Released Claims**"); *provided, however*, that the releases set forth in this Section 6 will not in any manner release or discharge the Bank Leumi Released Parties from their obligations, covenants and agreements set forth in this Agreement. For the avoidance of doubt, no claims against any of the Bank Leumi Released Parties will be (a) retained or enforced pursuant to Section 1123(b)(3)(B) of the Bankruptcy Code or (b) assigned or transferred to any trust, successor in interest or third party, under any plan. For the avoidance of doubt, the Debtor Released Parties shall not include the defendants in the District Court Action other than Open Road, including Tang Media Partners, LLC or Global Road Entertainment, LLC.

7. Release by Bank Leumi. Upon the Settlement Effective Date, the Bank Leumi Released Parties will be deemed to have, and will have, forever released and discharged the Debtor Released Parties and their respective employees, attorneys and professionals from any and all losses, claims, debts, liabilities, demands, charges, complaints, acts, omissions, costs, expenses, damages, injuries, offsets, billing disputes, deposits, attorneys' fees, suits, actions and causes of action, of whatever kind or nature, whether matured or unmatured, at law or in equity, known or unknown, suspected or unsuspected, contingent or fixed, liquidated or unliquidated, based on or relating to or arising from the Picture, the IPA, the Distribution Agreement, or the Production Loan, which any or all of the Bank Leumi Released Parties has or had or may claim to have against

any and all of the Debtor Released Parties from the beginning of time through and including the Settlement Effective Date (the “**Bank Leumi Released Claims**”); *provided, however*, that the releases set forth in this Section 7 will not in any manner release or discharge any of the Debtor Released Parties from their obligations, covenants and agreements set forth in this Agreement.

8. California Code Section 1542. Section 1542 of the California Civil Code provides that “[a] general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.” To the extent section 1542 or any similar law of any state or territory of the United States or principle of common law applies, Claimant and each of the Debtors expressly waive and release the benefit of any such provisions, laws or principles.

9. No Assignments; No Admissions. Each of the Debtors represents and warrants to, and agrees with, Claimant that none of the Debtor Released Parties has assigned or otherwise disposed of any of the Debtor Released Claims other than by operation of law upon commencement of the Bankruptcy Cases, and Claimant represents and warrants to, and agrees with, Debtors that none of the Bank Leumi Released Parties has assigned or otherwise disposed of any of the Bank Leumi Released Claims. This Agreement constitutes a compromise of the Parties’ disputes. Nothing contained herein shall constitute or be deemed to be an admission or concession by any Party as to any matter, including, without limitation, with respect to the truth of any fact alleged by any Party against the other Party or the validity of any claim that has been or could be asserted in any litigation involving the Parties. This Agreement, and the negotiation thereof, shall in no way constitute, be construed as, or be evidence of an admission or concession of any violation of any statute or law; of any fault, liability, or wrongdoing; or of any infirmity in the claims or defenses of any of the Parties with regard to any of the complaints, claims, allegations, or defenses asserted or that could have been asserted in connection with the subject matter of this Agreement or the disputes described herein or settled or released hereby.

10. Notices. Any notice to the Debtors or Claimant under this Agreement must be in writing and must be sent by overnight courier or by electronic mail (so long as duplicate notification is sent via regular U.S. Mail) to the following addresses or to any other address designated by prior written notice:

If to the Debtors:

Michael R. Nestor, Esq.
Robert F. Poppiti, Jr., Esq.
Ian J. Bambrick, Esq.
YOUNG CONAWAY
STARGATT & TAYLOR, LLP
Rodney Square
1000 North King Street
Wilmington, DE 19801

Michael L. Tuchin, Esq.
Jonathan M. Weiss, Esq.
Sasha M. Gurvitz, Esq.
KLEE, TUCHIN,
BOGDANOFF & STERN LLP
1999 Avenue of the Stars, 39th Floor
Los Angeles, CA 90067

If to Claimant:

Marsha A. Houston, Esq.
Reed Smith LLP
355 South Grand Avenue, Suite 2900
Los Angeles, CA 90071
Email: mhouston@reedsmith.com

Christopher Goll
Senior Vice President
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579 Fifth Avenue
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Jason D. Angelo, Esq.
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1201 North Market Street, Suite 1500
Wilmington, DE 19801
Email: jangelo@reedsmith.com

Michael S. Sherman, Esq.
Reed Smith LLP
1901 Avenue of the Stars, 7th Floor
Los Angeles, CA 90067
Email: msherman@reedsmith.com

11. Entire Agreement. This Agreement constitutes the entire agreement among the Parties and supersedes any prior understandings, agreements, or representations by or among the Parties, written or oral, relating to the subject matter of this Agreement. Each of the Parties acknowledges that none of the Parties or the attorney for any of the other Parties has made any promise, representation, or warranty whatsoever, express or implied, not contained in this Agreement concerning the subject matter of this Agreement to induce such Party to execute this Agreement and acknowledges that such Party is not executing this Agreement in reliance on any promise, representation or warranty not contained in this Agreement. All pre-execution drafts of this Agreement and all communications among counsel for the Parties regarding this Agreement constitute settlement discussions pursuant to Federal Rule of Evidence 408 and any other applicable rules of similar import.

12. Amendments and Waiver. No amendment of this Agreement will be valid unless in writing and signed by each of the Parties. No failure or delay by any Party in exercising any right, power or privilege under this Agreement will operate as a waiver thereof, nor will any single or partial exercise thereof preclude any other or further exercise of any right, power or privilege hereunder.

13. Retention of Jurisdiction and Power. The Bankruptcy Court will retain jurisdiction and judicial power regarding (i) any dispute regarding the payment of the Allowed Claim and (ii) the interpretation and enforcement of the other terms of this Agreement. Subject to the terms of this Section 13, nothing in this Agreement will constitute any Party's consent to litigate in the Bankruptcy Court any issue that may be litigated in another forum for any reason (whether based upon the doctrine of primary jurisdiction, exhaustion of remedies or any other reason).

14. Construction of this Agreement. The Parties acknowledge that they have been represented by counsel of their own choice, or have had the opportunity to be represented by counsel of their own choice, throughout all negotiations that preceded the execution of, and in all other matters in connection with, this Agreement. The preparation of this Agreement has been a joint effort of the Parties and the resulting document will not, solely as a matter of judicial construction, be construed more severely against Claimant or Debtors as against the other. The headings used herein are inserted for convenience only and will not affect in any way the meaning or interpretation of this Agreement.

15. Counterparts and Originals. This Agreement may be executed in any number of counterparts, each of which, when so executed, will be deemed an original, but all such counterparts will constitute but one and the same document. Delivery by a Party of an executed counterpart of a signature page to this Agreement by facsimile or PDF documents sent by email will be effective as delivery of an original executed counterpart.

16. Successors. This Agreement will be binding upon, and will inure to the benefit of, the Claimant, its successors and assigns including, but not limited to, successors by merger, consolidation or otherwise, and the Debtors and their successors, including, but not limited to, successors by merger, consolidation or otherwise and/or any subsequent trustee, disbursing agent, plan administrator or plan trustee, appointed or elected in the Bankruptcy Cases.

17. Governing Law. This Agreement is to be governed by and construed in accordance with the laws of California applicable to contracts made and to be performed in such state, without giving effect to the conflict of laws principles thereof, except as governed by the Bankruptcy Code.

18. No Effect Upon Other Rights. Except as otherwise expressly provided in this Agreement, nothing in this Agreement (a) is intended to, or does, adversely affect any rights or defenses of any of the Parties under the Bankruptcy Code or (b) will be construed as a waiver by the Parties of any of their rights or defenses under applicable law. The failure by any Party at any time to or times hereafter to require strict performance by any other Party of any provision of this Agreement will not waive, affect, or diminish any right of such Party to thereafter demand strict compliance therewith.

19. Severability. Any term or provision of this Agreement that is invalid or unenforceable in any jurisdiction will, as to such jurisdiction, be ineffective only to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction.

20. Authority. Each person signing this Agreement represents and warrants that she/he has been duly authorized and, subject to Bankruptcy Court approval in the case of Open Road, has the requisite authority to execute and deliver this Agreement on behalf of such Party, to bind such Party to the terms and conditions of this Agreement and to act with respect to the rights and claims that are being altered or otherwise affected by this Agreement.

21. Attorneys' Fees and Costs. The Parties shall bear their own attorneys' fees and costs incurred in connection with this matter.

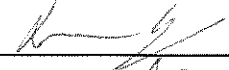
22. Bankruptcy Court Approval. This Agreement is subject to, and only will become effective and binding upon, entry of the Approval Order. The Parties will utilize their best efforts to obtain entry of the Approval Order within thirty (30) days after the date on which this Agreement is signed by both Open Road and Bank Leumi. Any Approval Order (including any order proposed by the Debtors) will be in form and content reasonably acceptable to all of the Parties.

[Signature Page(s) to Follow]

EXECUTION VERSION

ACCEPTED AND AGREED TO BY:

OPEN ROAD FILMS, LLC

By: 
Name: *Amir Asan*
Title: *Chief Restructuring Officer*

BANK LEUMI USA

By: _____
Name: Christopher Goll
Title: Senior Vice President

ACCEPTED AND AGREED TO BY:

OPEN ROAD FILMS, LLC

By: _____

Name:

Title:

BANK LEUMI USA

By:  _____

Name: Christopher Goll

Title: Senior Vice President