IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re	)	Chapter 15
	)	
STRIPES US HOLDING, INC.,	)	Case No. 18-12388 (CSS)
	)	
	)	
Debtor in a Foreign Proceeding.[1]	)	
	)	

VERIFIED PETITION OF THE FOREIGN REPRESENTATIVE SEEKING THE ENTRY OF AN ORDER GRANTING RECOGNITION OF A FOREIGN NONMAIN PROCEEDING AND RELATED RELIEF

Richard Heis, in his capacity as the authorized foreign representative (the "Foreign Representative") of Stripes US Holding, Inc. (the "Debtor"), which is the subject of proceedings (the "English Proceeding") currently pending before the Chancery Division (Companies Court) of the High Court of Justice of England and Wales (the "High Court") concerning a scheme of arrangement (the "Scheme")[2] under part 26 of the Companies Act 2006 of England and Wales (as modified, amended or re-enacted from time to time, the "Companies Act") hereby submits this verified petition (the "Verified Petition"), under sections 105(a), 1507, 1517 and 1521 of title 11 of the United States Code (the "Bankruptcy Code"), for (a) entry of an order substantially in the form attached as **Exhibit A** (the "Proposed Order"):

(a) finding that (i) the Debtor is eligible to be a "debtor" under chapter 15 of the Bankruptcy Code, (ii) the English Proceeding is a foreign nonmain proceeding within the meaning of section 1502 of the Bankruptcy Code, (iii) the Foreign Representative satisfies the requirements of a "foreign representative" under section 101(24) of the Bankruptcy Code and (iv) the Debtor's petition was properly filed and meets the requirements of section 1515 of the Bankruptcy Code;

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[1] The last four digits of the Debtor's Federal Employer Identification Number are 2800. The location of the Debtor's registered office is 1209 Orange Street, Wilmington, Delaware 19801.

[2] A copy of the Scheme is annexed hereto as **Exhibit B**.

(b) granting recognition of the English Proceeding as a "foreign nonmain proceeding" under section 1517 of the Bankruptcy Code;

(c) recognizing, granting comity to, and giving full force and effect within the territorial jurisdiction of the United States to the English Proceeding, the Scheme and the order sanctioning the Scheme (the "Sanction Order"), including giving effect to the releases set forth in the Scheme (the "Releases"), under sections 1507 and 1521 of the Bankruptcy Code;

(d) permanently enjoining all parties from commencing or continuing any action or proceeding in the United States against the Debtor or its assets located within the territorial jurisdiction of the United States that is inconsistent with the Scheme (the "Injunction");

(e) waiving the 14-day stay of effectiveness of the Proposed Order; and

(f) granting related relief.

In support of this Verified Petition, the Foreign Representative incorporates by reference and relies upon the contemporaneously filed: (a) *Declaration of Richard Heis in Support of Verified Chapter 15 Petition and Related Relief* (the "Heis Declaration") and (b) *Declaration of Richard David Hodgson in Support of Verified Chapter 15 Petition and Related Relief* (the "Hodgson Declaration").

In further support of the relief requested, the Foreign Representative respectfully represents as follows:

PRELIMINARY STATEMENT

1. The Scheme is an integral component of the recently filed prepackaged chapter 11 cases of Mattress Firm, Inc. ("Mattress Firm," together with its affiliated debtors, the "Mattress Firm Debtors"). In their prepackaged chapter 11 cases, the Mattress Firm Debtors seek to implement a restructuring that would enable them to right-size their real estate portfolio and secure much-needed debtor-in-possession and exit financing to support their business. That exit financing includes a $400 million senior secured term loan facility that will be used to fund payments contemplated under the Mattress Firm Debtors' proposed chapter 11 plan and provide

the Mattress Firm Debtors with liquidity to operate its business following its emergence from chapter 11.

2. In exchange for providing the exit term loan, the exit term lenders will receive equity interests in, and PIK debt issued by, the Debtor. However, as a condition precedent to closing on that exit financing, the exit term lenders require the release and discharge of the Debtor's existing debt obligations under a $200 million external revolving credit facility (known as "Facility C") owed by the Debtor to certain third-party lenders. Absent the release and discharge of the Debtor's existing debt obligations, the exit term lenders can require that a subsidiary of the Debtor issue the PIK debt and equity interests, subject to the exit term lenders' satisfaction in their sole discretion with the results of their diligence of the tax consequences of this alternative structure. Because that alternative structure contains a contingency, the Debtor is pursuing the Scheme to mitigate the risk that the Mattress Firm Debtors will not be able to satisfy the condition precedent to the exit term loan financing.

3. The purpose of the Scheme is to implement an exchange that will enable the release of the Debtor's obligations under Facility C. The Scheme contemplates that the lenders under Facility C will transfer their rights in Facility C to Steinhoff Europe AG ("SEAG") in return for their pro rata share in a new debt instrument issued by SEAG, as borrower. Following the Scheme, SEAG will contribute the receivables under Facility C to the capital of the Debtor and, following the contribution, Facility C will be cancelled.

4. The Scheme enjoys the support of 30 out of the 32 Facility C lenders (the "Scheme Creditors") holding over 90% of the Facility C claims after the Debtor obtained certain consents under the Lock-up Agreement (as defined below). The Debtor commenced the English Proceeding to seek approval of the Scheme by the High Court. To ensure the successful

implementation of the Scheme, the Debtor also commenced this chapter 15 case to obtain recognition of the English Proceeding as a foreign nonmain proceeding and recognition of the Scheme and the Sanction Order (including the Releases contained therein) in the United States. Chapter 15 recognition is essential to ensure that the Scheme will be recognized and enforced within the territorial jurisdiction of the United States.

JURISDICTION AND VENUE

5. This Court has jurisdiction over this matter under 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. Recognition of a foreign proceeding and other matters under chapter 15 of the Bankruptcy Code are core matters under 28 U.S.C. § 157(b)(2)(P).

6. The Foreign Representative consents to the entry of final orders or judgments by the Court if it is determined that the Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

7. Venue in this district is proper under 28 U.S.C. §§ 1410(1) and (3).

8. This case has been properly commenced pursuant to sections 1504, 1509 and 1515 of the Bankruptcy Code by the filing of the Petition seeking recognition of the English Proceeding as a foreign nonmain proceeding under section 1515 of the Bankruptcy Code.

9. The statutory predicates for the relief requested herein are sections 105(a), 1507, 1517 and 1521 the Bankruptcy Code.

BACKGROUND

I. The Debtor

10. The Debtor is an indirect subsidiary of Steinhoff International Holdings N.V. ("Steinhoff," together with its subsidiaries, the "Group"), a global retailer operating in more than 30 countries in Europe, Asia and Africa. In 2016, Steinhoff acquired the Mattress Firm businesses, the leading U.S. mattress specialty retailer, through the successful completion of a cash tender offer for Mattress Firm Holding Corp.'s then-publicly traded stock. As a result of a recent restructuring, all of the common shares of the Debtor are now owned by SEAG but Steinhoff remains the ultimate parent company of the Mattress Firm Debtors.

11. The Debtor is incorporated under the laws of the state of Delaware and registered in the United Kingdom as an overseas company with a place of business in the United Kingdom. SEAG holds all of the common stock of the Debtor (equivalent to approximately 98% of the total share capital of the Debtor). All of the Series A Preferred Stock of the Debtor (equivalent to approximately 2% of the total share capital of the Debtor) is held by certain current or previous management of the Debtor's operating subsidiary, Mattress Firm. The Debtor and SEAG are indirect subsidiaries of Steinhoff.

12. The Debtor is a holding company which is the indirect shareholder of Mattress Firm, the leading specialty mattress retailer in the United States that currently has approximately 3,200 stores across 49 states and over 9,500 employees. The Debtor's only significant asset is its equity interests in Mattress Firm.

13. The Debtor is the borrower of a $200 million unsecured revolving loan facility ("Facility C") under that certain $4,000,000,000 acquisition facilities agreement dated August 5, 2016 (as amended or restated from time to time, the "Existing Facilities Agreement")

between, *inter alia*, the Debtor, SEAG, Steinhoff, Steinhoff Finance Holding GmbH ("SFHG"), Steinhoff Möbel Holding Alpha GmbH ("Möbel"), and Lucid Agency Services Limited as successor to J.P. Morgan Europe Limited, as agent (in such capacity, the "Agent"). The Existing Facilities Agreement is governed by English law and contains a forum selection clause that permits lenders to bring actions against the Debtor in a U.S. court. Steinhoff and SEAG guarantee the Debtor's obligations under Facility C. As of October 22, 2018, approximately $203 million (including interest and utilization fees) was outstanding under Facility C.

14. In addition to Facility C, the Debtor is also the borrower under: (i) an intercompany loan due to Möbel of which approximately $204 million is outstanding; (ii) an intercompany loan due to Möbel of which approximately $2.1 billion is outstanding; and (iii) an intercompany loan due to SEAG of which approximately $912 million is outstanding (together (i), (ii) and (iii), the "Intra-Group Loans"). The Intra-Group Loans are governed by an intra-group loan agreement dated September 16, 2016, as amended on December 22, 2017, and is governed by English law and contains a forum selection clause that provides the courts of England exclusive jurisdiction to settle disputes thereunder. The Intra-Group Loans are guaranteed by the subsidiaries of the Debtor, including Mattress Firm and its subsidiaries.[3]

15. The Debtor has several connections to the United Kingdom. Philip Dieperink, the Debtor's Vice President and one of its directors, is based in the United Kingdom and maintains an office in Cheltenham, England from which he conducts business for or on behalf of the Debtor and performs board oversight responsibilities. As a holding company, the Debtor's primary business activities relate to Facility C, the Intra-Group Loans and, more recently, the restructuring of those financing arrangements. The Debtor's external financing

[3] The Scheme only affects the Scheme Creditors and does not affect the rights of any holders of the Intra-Group Loans or the holders of the other debt under the Existing Facilities Agreement.

arrangements were negotiated with certain lenders through their offices in the United Kingdom. The Debtor's Vice President also participated in the recent negotiations regarding the restructuring of Facility C under the Lock-up Agreement in London. The Debtor also conducts board meetings in the United Kingdom from time to time. The Debtor is registered in the United Kingdom with Companies House.

II. Background to and Objectives of the Scheme

A. The Steinhoff Group Restructuring

16. In December 2017, Steinhoff announced that information had surfaced relating to certain accounting irregularities that required further investigation.[4] In consultation with Steinhoff's auditors (Deloitte), Steinhoff engaged Pricewaterhouse Coopers Advisory Services (Pty) Ltd. ("PwC") to conduct that investigation, which remains ongoing. Until PwC completes its investigation, Steinhoff cannot publish its full-year audited consolidated financial statements for 2016 or 2017. These events precipitated a downgrade by Moody's Investors Service of Steinhoff's issuer rating and of SEAG's senior unsecured notes rating and brought about a significant decline in Steinhoff's share price, resulting in serious liquidity constraints throughout the Group. Since December 2017, the Group has relied on funds generated by its South African operations and a series of non-core asset sales to support short-term liquidity needs. However, the Group concluded that those solutions were not sustainable for its global

[4] At the same time, Steinhoff announced that the management board had accepted with immediate effect the resignation of former CEO, Markus Jooste. Shortly thereafter, Steinhoff's chairman, Christo Weise, resigned, and Heather Sonn was appointed as acting chairperson of the supervisory board of Steinhoff. Since December 2017, five new independent supervisory directors were appointed to Steinhoff's supervisory board, and a new governance, social and ethics committee was formed to improve governance throughout the Group. Steinhoff also appointed several new directors to Steinhoff's management board, and Mr. Heis, the Foreign Representative in this chapter 15 case, was appointed as the Group's chief restructuring officer.

business, particularly given the ongoing liquidity needs of the Group's European finance companies and international operating companies.

17. In an effort to find a permanent solution to the long-term financial stability of the Group and to alleviate short-term cash flow needs, the Group initiated discussions with key creditor groups to formulate a viable plan to restructure the Group's financial indebtedness. Following extensive negotiations with creditors of the Debtor and of SEAG and SFHG – the two principal European finance companies within the Group – the Group announced on July 11, 2018 that it had reached an agreement with ad hoc committees of creditors of the Debtor, SEAG and SFHG on the key terms of a restructuring of the Group's financial indebtedness that was memorialized in a lock-up agreement dated July 11, 2018 (the "Lock-up Agreement"). In connection with that announcement, the Group launched a consent process for the Lock-up Agreement, which became effective on July 20, 2018.[5] The Lock-up Agreement imposes agreed limited recourse and standstill obligations on the consenting creditors that will facilitate the implementation of the Group's global restructuring.

B. Mattress Firm's Chapter 11 Filing

18. Separately, the Mattress Firm Debtors needed to undergo their own restructuring. As set forth in the Mattress Firm Debtors' pleadings filed with this Court, their business has underperformed significantly over the past 18 months due to several factors including: (i) over-penetration in certain markets as a result of historical acquisitions and rapid growth; (ii) the accelerated rebranding of over 1,300 legacy Sleepy's and Sleep Train stores to the Mattress Firm banner; (iii) ineffective marketing; (iv) the termination of the supply

[5] As of October 18, 2018, the Lock-up Agreement was acceded to by (i) lenders holding in excess of 90% of the outstanding obligations under Facility C, (ii) creditors holding in excess of 90% of SEAG's external financial indebtedness and (iii) creditors holding in excess of 95% of SFHG's external financial indebtedness.

arrangement with its then largest supplier; and (v) merchandising strategies and sales promotions that negatively impacted profitability. Mattress Firm was also experiencing a liquidity crisis, and covenants in Mattress Firm's existing financing documents restricted its ability to incur debt to finance its ongoing operations. The combination of these factors negatively impacted profitability and increased liquidity pressures on Mattress Firm's business.

19. Following consideration of various turnaround initiatives, on October 5, 2018 (the "MF Petition Date"), the Mattress Firm Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code with this Court jointly administered under case number 18-12241 (CSS). On the same day, the Mattress Firm Debtors filed a joint prepackaged chapter 11 plan (the "Chapter 11 Plan") to implement a restructuring that will, among other things, provide the Mattress Firm Debtors access to debtor-in-possession financing to support the Mattress Firm Debtors' business. The Mattress Firm Debtors also anticipate rejecting leases for certain underperforming stores during their chapter 11 cases, which will help the Mattress Firm Debtors optimize their retail footprint.

20. To facilitate the successful implementation of the Plan, the Mattress Firm Debtors have secured commitments from certain creditors of the Group to provide a $400 million senior secured exit term loan facility (the "Exit Term Loan"). The Mattress Firm Debtors have also secured commitments from Barclays Bank plc to provide a $125 million asset-based revolving credit facility (the "Exit ABL," and together with the Exit Facility, the "Exit Financing"), which is expected to be undrawn on the effective date of the Chapter 11 Plan. The Exit Financing will be used, among other things, to repay Mattress Firm's existing secured debt, to fund distributions under the Chapter 11 Plan, to pay claims, fees and expenses arising in the chapter 11 cases and associated with the Exit Financing and to fund Mattress Firm's working

capital needs post-emergence. The Exit Financing is an essential component of the Chapter 11 Plan and is necessary in order for the Mattress Firm Debtors to successfully and quickly emerge from chapter 11.

21. The terms of the Exit Financing contemplate that the lenders under the Exit Financing will receive equity interests in, and PIK debt issued by, the Debtor in exchange for the Exit Financing. However, the lenders under the Exit Financing require the Debtor to be released and discharged from its obligations in relation to the Intra-Group Loans and Facility C as a condition precedent to closing on the Exit Financing. To facilitate this, SEAG and Möbel as intra-group creditors have agreed to contribute their claims under the Intra-Group Loans to the capital of the Debtor.[6] Those contributions will result in the elimination of all obligations of the Debtor in respect of the Intra-Group Loans.

III. The Scheme

22. The Scheme is necessary to release the Debtor's obligations with respect to Facility C prior to the effective date of the Chapter 11 Plan. Under the Scheme, Scheme Creditors will transfer all of their rights, title and interest in Facility C to SEAG in return for their pro rata share in a new revolving credit facility provided by SEAG (the "New SEAG Facility," and the transfer, the "Exchange").[7] The terms of the New SEAG Facility will be substantially similar to Facility C as to its economic terms and the obligations of the Scheme Creditors. The principal amount owed to a Scheme Creditor under the New SEAG Facility will be the same as the aggregate amount of (i) the principal and interest (including default interest) due and unpaid under the Existing Facilities Agreement in relation to Facility C as of September 28, 2018 and

[6] The guarantees of the Intra-Group Loans provided by certain of the Mattress Firm Debtors will be released.

[7] In the event of any conflict or inconsistency between the description of the Scheme contained herein and the provisions of the Scheme, the provisions of the Scheme shall govern.

(ii) the utilization fees due and unpaid under the Existing Facilities Agreement in relation to Facility C as of August 8, 2018 owed to such Scheme Creditor under Facility C. As additional consideration for the Exchange, each Scheme Creditor will also receive its pro rata share of $100,000 which will be payable by Steinhoff based on the amount of each Scheme Creditor's Facility C holdings.

23. The Scheme Creditors will also be required to release (i) all claims against the Debtor under the Existing Facilities Agreement and the "Finance Documents" as defined in the Existing Facilities Agreement and any claims against Steinhoff and SEAG in relation to Facility C and (ii) all claims (other than claims for fraud or willful misconduct) against the Debtor, Steinhoff, SEAG, the Agent under Facility C, Lucid Issuer Services Limited as information agent (the "Information Agent") under the Scheme and any other Scheme Creditor from any liability arising out of or in connection with the negotiation, preparation, implementation, execution or consummation of the Scheme (the "Releases"). Following the Exchange, SEAG, as sole lender under Facility C, will contribute the receivables under Facility C to the capital of the Debtor, reducing the amount outstanding under Facility C to zero. Immediately following the contribution, Facility C will be cancelled.

24. Absent the Exchange and the subsequent contribution and cancellation of the Facility C debt, the Exit Term Loan will be available to the Mattress Firm Debtors only if the exit term lenders are satisfied "in their sole and absolute discretion" with the results of their diligence into the potential tax impacts of an alternative structure in which the equity and PIK debt would be issued by indirect Debtor subsidiary Mattress Holdco, Inc. instead of the Debtor. Because that alternative structure is contingent upon the exit term lenders' satisfaction with the results of their tax diligence, the Exchange contemplated by the Scheme provides greater

certainty that the Mattress Firm Debtors will be able to satisfy the conditions precedent to the Exit Financing requiring the release of the Debtor's Facility C obligations so the Debtor can issue equity and PIK debt as contemplated by the Exit Financing.

IV. The English Proceeding

25. In order to implement the Scheme, on October 10, 2018, the Agent published the practice statement letter (the "PSL") on a document management platform on the Debtdomain website and distributed it by email to all creditors that the Debtor believed were or may be Scheme Creditors. On October 22, 2018, the Debtor filed an application under part 26 of the Companies Act 2006 of England and Wales, thereby commencing the English Proceeding and requesting that the High Court approve the Debtor's request to convene a meeting (the "Scheme Meeting") of the Scheme Creditors.[8] On October 23, 2018, the Information Agent notified the Scheme Creditors of the date, time and location of the convening hearing (the "Convening Hearing") regarding the Scheme. The Agent published the Scheme and related documents on the Debtdomain website on October 24, 2018.

26. On October 24, 2018, the High Court held the Convening Hearing at which the High Court entered an order (the "Convening Order") authorizing the Debtor to convene the Scheme Meeting on November 7, 2018. The Scheme and accompanying documents contemplate that the Debtor will seek recognition of the Scheme under chapter 15 of the Bankruptcy Code. The Convening Order approved the appointment of the Foreign Representative and authorized the Foreign Representative to seek chapter 15 recognition of the English Proceeding.

[8] The Scheme Creditors include each Lender who has a Facility C Commitment (each as defined in the Existing Facilities Agreement) to be a "creditor" of the Debtor for the purposes of the Scheme.

27. A notice of the Scheme Meeting, together with the Scheme and an explanatory statement for the Scheme have been made available to the Scheme Creditors.[9] Assuming the necessary votes in favor of the Scheme are obtained at the Scheme Meeting, the High Court will conduct a hearing (the "Sanction Hearing") to consider entry of the Sanction Order on or around November 12, 2018.[10] The Debtor requests that the relief requested herein be heard shortly thereafter on November 16, 2018, the same date as the hearing scheduled to consider confirmation of the Chapter 11 Plan. As a result of obtaining certain consents under the Lock-up Agreement, the Scheme has the support of 30 of 32 (94% in number) of Scheme Creditors holding over 90% in value of Facility C claims, which exceeds the statutory thresholds for approval of the Scheme under English law.

RELIEF REQUESTED

28. The Foreign Representative respectfully requests entry of the Proposed Order, substantially in the form attached hereto as **Exhibit A:**

(a) finding that (i) the Debtor is eligible to be a "debtor" under chapter 15 of the Bankruptcy Code, (ii) the English Proceeding is a foreign nonmain proceeding within the meaning of section 1502 of the Bankruptcy Code, (iii) the Foreign Representative satisfies the requirements of a "foreign representative" under section 101(24) of the Bankruptcy Code and (iv) the Debtor's petition was properly filed and meets the requirements of section 1515 of the Bankruptcy Code;

(b) granting recognition of the English Proceeding as a "foreign nonmain proceeding" under section 1517 of the Bankruptcy Code;

(c) recognizing, granting comity to, and giving full force and effect within the territorial jurisdiction of the United States to the English Proceeding, the Scheme and the Sanction Order,

[9] A copy of the explanatory statement for the Scheme is annexed hereto as **Exhibit C**.

[10] The Foreign Representative will file a supplemental declaration that sets forth the outcome of the voting by Scheme Creditors at the Scheme Meeting and attaches a copy of the Sanction Order promptly after the High Court enters the Sanction Order.

including giving effect to the Releases set forth in the Scheme under sections 1507 and 1521 of the Bankruptcy Code;

(d) waiving the 14-day stay of effectiveness of the Proposed Order; and

(e) granting related relief.

29. The Foreign Representative submits that the relief requested herein should be granted, as "[r]ecognition and enforcement of schemes of arrangement sanctioned by UK courts has become commonplace in chapter 15 cases in the United States . . . ." *In re Avanti Communs. Grp. plc*, 582 B.R. 603, 605-06 (Bankr. S.D.N.Y. Apr. 9, 2018); *see also In re Metinvest B.V.,* No. 17-10130 (LSS) [Dkt. No. 19] (Bankr. D. Del. Feb. 8, 2017) (recognizing English proceedings as foreign nonmain proceedings and giving full force and effect to UK scheme of arrangement under sections 1507 and 1521); *In re Zodiac Pool Sols. SAS.*, No. 14-11818 (KJC) [Dkt. No. 27-1] (Bankr. D. Del. Aug. 29, 2014) (same).

BASIS FOR RELIEF

I. The Debtor is Eligible to be a "Debtor" Under Chapter 15 of the Bankruptcy Code

30. The Debtor qualifies as a "debtor" as that term is defined in section 1502(a)(1) of the Bankruptcy Code because it is an "entity," which includes corporations. *See* 11 U.S.C. §§ 101(15) (definition of "entity," which includes a "person") and 101(41) (definition of "person," which includes a "corporation"). The Debtor is incorporated in the State of Delaware. The Debtor also directly owns 100% of the common stock of Mattress Firm Holding Corp., which is organized under Delaware law. Therefore, the Debtor is eligible under section 109(a) of the Bankruptcy Code because it is domiciled in the United States and it owns property in the United States. 11 U.S.C. § 109(a); *see Drawbridge Special Opportunities Fund LP v. Barnet (In*

re Barnet), 737 F.3d 238 (2d Cir. 2013) (holding that section 109(a) applies to chapter 15 debtors).[11]

31. Bankruptcy courts routinely recognize U.S. corporations as eligible chapter 15 debtors. *See*, *e.g.*, *In re Karhoo, Inc.*, No. 16-13545 (MKV) (Bankr. S.D.N.Y. Feb. 1, 2017) (United States debtor in English proceeding); *In re hibu, Inc.*, No. 8-14-70323 (REG) (Bankr. E.D.N.Y. Feb. 27, 2014) (United States debtors in English proceeding); *In re Catalyst Paper Corp.*, No. 16-12419 (CSS) (Bankr. D. Del. Jan. 20, 2017) (United States debtor in Canadian proceeding); *In re Catalyst Paper Corp.*, No. 12-10221 (PJW) (Bankr. D. Del. Mar. 5, 2012) (same); *In re Angiotech Pharm.*, No. 11-10269 (KG) (Bankr. D. Del. Feb. 22, 2011) (same); *In re Fraser Papers, Inc.*, No. 09-12123 (KJC) (Bankr. D. Del. July 14, 2009) (same).

II. The English Proceeding is a Foreign Nonmain Proceeding

32. The English Proceeding is entitled to recognition as a "foreign nonmain proceeding" under chapter 15 of the Bankruptcy Code because, among other things:

a. the English Proceeding is a "foreign proceeding" within the meaning of section 101(23) of the Bankruptcy Code because the English Proceeding is in a jurisdiction in which the Debtor has an establishment;

b. the Foreign Representative is a "person" within the meaning of section 101(41) of the Bankruptcy Code and a "foreign representative" within the meaning of section 101(24) of the Bankruptcy Code;

c. the Debtor's petition was filed in accordance with sections 1504 and 1509 of the Bankruptcy Code; and

d. the Debtor's petition meets the requirements of sections 1504 and 1515 of the Bankruptcy Code.

[11] Although this Court and others have disagreed with the holding in *Barnet* and have held that section 109(a) does not apply in a chapter 15 case, the Foreign Representative submits that the criteria under section 109(a) is satisfied to the extent applicable. *See, e.g.*, *In re Bemarmara Consulting A.S.*, No. 13-13037 (KG) (Bankr. D. Del. Dec. 17, 2013); *In re MMX Sudeste Minercao S.A.*, No. 17-16113 (Bankr. S.D. Fla. 2017).

A. The Foreign Representative is Entitled to an Order Granting Recognition

33. Section 1517(a) of the Bankruptcy Code provides, in pertinent part, that "[s]ubject to section 1506, after notice and a hearing, an order recognizing a foreign proceeding shall be entered if—(1) such foreign proceeding for which recognition is sought is a foreign main proceeding or foreign non-main proceeding within the meaning of section 1502; (2) the foreign representative applying for recognition is a person or body; and (3) the petition meets the requirements of section 1515." 11 U.S.C. § 1517(a); *see also* H.R. Rep. No. 109-31(I), 109 Cong., Sess. 2005, reprinted in 2005 U.S.C.C.A.N. 88, 169 at 175 (noting, in enacting chapter 15, that the "decision to grant recognition is not dependent upon any findings about the nature of the foreign proceedings of the sort previously mandated by section 304(c) of the Bankruptcy Code. The requirements of this section, which incorporates the definitions in section 1502 and sections 101(23) and (24), are all that must be fulfilled to attain recognition").

34. As set forth below, the English Proceeding is a "foreign nonmain proceeding" within the meaning of section 1502 of the Bankruptcy Code, the Foreign Representative is a proper "foreign representative" within the meaning of section 101(24) of the Bankruptcy Code, and the petition meets the requirements of section 1515 of the Bankruptcy Code. Accordingly, the Foreign Representative respectfully submits that the Court should enter an order recognizing the English Proceeding as a "foreign nonmain proceeding" under the Bankruptcy Code.

B. The English Proceeding Constitutes a "Foreign Proceeding"

35. The English Proceeding is a "foreign proceeding" under chapter 15 of the Bankruptcy Code. Section 101(23) of the Bankruptcy Code defines "foreign proceeding" as:

> a collective judicial or administrative proceeding in a foreign country, including an interim proceeding, under a law relating to insolvency or adjustment of debt in which proceeding the assets

> and affairs of the debtor are subject to control or supervision by a foreign court, for the purpose of reorganization or liquidation.

11 U.S.C. § 101(23). Based on this definition, courts have held that a "foreign proceeding" is one:

> a. in which acts and formalities are set down in law so that courts, merchants and creditors can know them in advance, and apply them evenly in practice;
>
> b. that has either a judicial or an administrative character;
>
> c. that is collective in nature, in the sense that the proceeding considers the rights and obligations of all creditors;
>
> d. that is located in a foreign country;
>
> e. that is authorized or conducted under a law related to insolvency or the adjustment of debt, even if the debtor that has commenced such proceedings is not actually insolvent;
>
> f. in which the debtor's assets and affairs are subject to the control or supervision of a foreign court or other authority competent to control or supervise a foreign proceeding; and
>
> g. that is for the purpose of reorganization or liquidation.

See Armada (Singapore) Pte Ltd. v. Shah (In re Ashapura Minechem Ltd.), 480 B.R. 129, 136 (S.D.N.Y. 2012) (*citing In re Betcorp Ltd.*, 400 B.R. 266, 277 (Bankr. D. Nev. 2009)); *see also In re Overnight & Control Comm'n of Avánzit, S.A.*, 385 B.R. 525, 533-36 (Bankr. S.D.N.Y. 2008) (discussing factors).

36. Courts in this district and elsewhere routinely recognize proceedings under part 26 of the Companies Act, including schemes of arrangement under UK law, as foreign proceedings in chapter 15 cases. *See, e.g.*, *In re Metinvest B.V.*, No. 17-10130 (LSS) [Dkt. No. 19] (Bankr. D. Del. Feb. 8, 2017)*; In re Abengoa Concessions Inv. Ltd.*, No. 16-12590 (KJC) [Dkt. No. 19] (Bankr. D. Del. Dec. 8, 2016); *In re Zodiac Pool Sols. SAS.*, No. 14-11818 (KJC) [Dkt. No. 27-1] (Bankr. D. Del. Aug. 29, 2014); *In re Hellas Telecom. (Luxembourg)* V, No. 10-

13651 (KJC) [Dkt. No. 38] (Bankr. D. Del. Dec. 13, 2010); *In re Avanti Communs. Grp. plc*, No. 18-10458 (MG) [Dkt. No. 15] (Bankr. S.D.N.Y. Apr. 6, 2018); *In re Bibby Offshore Servs. Plc*, No. 17–13588 (MG) [Dkt. No. 16] (Bankr. S.D.N.Y. Jan. 18, 2018); ***In re DTK Fin. (plc)***, No. 16-13521 (SHL) [Dkt. No. 15] (Bankr. S.D.N.Y. Jan. 18, 2017).

37. The Heis Declaration and the Hodgson Declaration provide the factual basis to support a finding that the Debtor's English Proceeding constitutes a "foreign proceeding" under section 101(23).

38. First, the English Proceeding is a proceeding commenced pursuant to part 26 of the Companies Act, an English law that governs corporate reorganizations and that is frequently used in a restructuring context. *See* Hodgson Declaration ¶ 10. For purposes of chapter 15 recognition, "the hallmark of a 'proceeding' is a statutory framework that constrains a company's actions and that regulates the final distribution of a company's assets." *In re Betcorp Ltd.*, 400 B.R. at 278. Therefore, the English Proceeding is conducted in accordance with a well-established statutory framework.

39. Second, the proceeding is "judicial," as it is commenced before the High Court and thereafter is subject to the supervision of the High Court. *See* Hodgson Declaration ¶ 12. The High Court entered the Convening Order to commence the English Proceeding, and the Scheme must be approved by the High Court for it to be effective. *See id.* ¶ 27. Therefore, the English Proceeding is a "judicial" proceeding. *See In re ABC Learning Ctrs. Ltd.*, 445 B.R. 318, 328 (Bankr. D. Del. 2010), *aff'd*, 728 F.3d 301 (3d Cir. 2013) (a proceeding is judicial when a "[c]ourt exercises its supervisory powers."); *see also In re Avanti Communs. Grp. plc*, 2018 Bankr. LEXIS 1078, at *23 (finding that an English proceeding "is a judicial proceeding—it

required the Convening Order to convene the Debtor's Scheme Meeting and required the Sanction Order for the Scheme to be sanctioned, each issued by the UK Court.").

40. Third, the English Proceeding is collective in nature, as it affects all Scheme Creditors and requires approval by a majority in number of the voting Scheme Creditors representing at least 75% in amount of the Scheme claims voted in each class of creditors in order for the Scheme to proceed. *See* Hodgson Declaration ¶ 22. The Scheme is intended to benefit creditors based on their collective rights, rather than to benefit any single creditor alone. *Id.* ¶ 11. Accordingly, the Scheme is collective in nature. *See In re Avanti Communs. Grp. plc*, 2018 Bankr. LEXIS 1078, at *19-20 (finding that an English proceeding "fits the definition of a 'foreign proceeding' . . . as a collective proceeding . . . ."); *In re Betcorp*, 400 B.R. at 281 (a proceeding is collective where it "considers the rights and obligations of all creditors" in contrast to a "receivership remedy instigated at the request, and for the benefit, of a single secured creditor").

41. Fourth, the English Proceeding is being administered by the High Court in London, England. *See* Hodgson Declaration ¶ 1.

42. Fifth, the English Proceeding is administered under part 26 of the Companies Act, which is an English law that governs, among other things, the adjustment of creditors' rights and a debtor's liabilities, as contemplated by the Scheme that the Debtor is seeking to implement with the approval of the High Court. *See* Hodgson Declaration ¶ 10. Therefore, the English Proceeding is conducted under a law related to insolvency or the adjustment of debt. *See In re Avanti Communs. Grp. plc*, 2018 Bankr. LEXIS 1078, at *22-23 ("The UK Proceeding is pending in a foreign country under a law that allows companies to effectuate binding compromises or arrangements, including the restructuring of liabilities owed

to their members or creditors (or any class of them) (i.e., Part 26 of the Companies Act) and is therefore an 'adjustment of debt.'").

43. Sixth, pursuant to part 26 of the Companies Act, the High Court is authorized under the Companies Act to supervise the English Proceeding. *See* Hodgson Declaration ¶ 12.

44. Seventh, the objective of the English Proceeding is to reorganize the obligations of the Debtor by exchanging the Debtor's obligations to Scheme Creditors under Facility C for the obligations of SEAG under the New SEAG Facility. *See* Hodgson Declaration ¶ 3. The Scheme submitted to the High Court will govern the distributions of the New SEAG Facility to the Scheme Creditors. *See* Hodgson Declaration ¶¶ 3, 27.

45. Accordingly, the Foreign Representative respectfully requests that the Court find that the English Proceeding constitutes a "foreign proceeding."

C. The English Proceeding Should be Recognized as a Foreign Nonmain Proceeding

46. The English Proceeding should be recognized as a foreign nonmain proceeding as defined in sections 101(23), 1502(5), and 1517(b) of the Bankruptcy Code. Under Section 1517(b) of the Bankruptcy Code, a foreign proceeding shall be recognized as a foreign nonmain proceeding if it is located in a country where the debtor has an "establishment." 11 U.S.C. § 1517(b)(2). Section 1502 of the Bankruptcy Code defines an "establishment" as "any place of operations where the debtor carries out nontransitory economic activity." 11 U.S.C. § 1502(2).

47. To satisfy this definition, a debtor must have "a seat for local business activity" in the foreign country and this activity must have a "local effect on the marketplace." *In re Mood Media Corp.*, 569 B.R. 556, 561 (Bankr. S.D.N.Y. 2017). Thus, courts have recognized

establishments in jurisdictions in which debtors conducted limited business activities and maintained certain records and where members of its board of directors were located. *See In re Millennium Glob. Emerging Credit Master Fund Ltd.*, 458 B.R. 63, 85 (Bankr. S.D.N.Y. 2011), *aff'd*, 474 B.R. 88 (S.D.N.Y. 2012); *see also In re British Am. Ins. Co. Ltd.*, 425 B.R. 884, 915-16 (Bankr. S.D. Fla. 2010). Courts also consider the following factors that "contribute to identifying an establishment: the economic impact of the debtor's operations on the market, the maintenance of a 'minimum level of organization' for a period of time, and the objective appearance to creditors whether the debtor has a local presence." *In re Millennium Glob. Emerging Credit Master Fund Ltd.*, 458 B.R. at 85. The Debtor's business activities in the United Kingdom satisfy this standard.

48. Philip Dieperink, the Debtor's Vice President and one of its directors, is based in the United Kingdom and maintains an office in Cheltenham, England from which he conducts business for or on behalf of the Debtor and performs board oversight responsibilities. *See* Heis Declaration ¶ 13. As a holding company, the Debtor's primary business activities relate to Facility C, the Intra-Group Loans and, more recently, the restructuring of those financing arrangements. *See id*. The Debtor's external financing arrangements were negotiated with certain lenders through their offices in the United Kingdom. *See id.* The Debtor's Vice President also participated in the recent negotiations regarding the restructuring of Facility C under the Lock-up Agreement in London. *See id*. The Debtor also conducts board meetings in the United Kingdom from time to time. *See id*. The Debtor is also registered in the United Kingdom with Companies House. *See id*.

49. In addition, English law governs all of the Debtor's material liabilities and obligations. *See id*. ¶ 14. For example, each of the Intra-Group Loan and the Existing Facilities

Agreement (which together account for all of the Debtor's $3.4 billion in funded indebtedness) is governed by English Law and provides that the courts of England shall have jurisdiction to settle any dispute brought by the Debtor arising out of or in connection with those agreements. *See id*. Likewise, the Debtor, certain members of the Group, and certain of their respective creditors have entered into the global Lock-up Agreement to restructure the obligations of the Debtor and the broader Group. *See id*. The Lock-up Agreement was negotiated by Debtor and the Debtor's creditors in the United Kingdom, and the Lock-up Agreement itself is governed by English Law. *See id*. The Lock-up Agreement contemplates that an English scheme of arrangement in respect of the Debtor may be required to implement the global restructuring. *See id*.

50. Accordingly, the Foreign Representative has demonstrated that the Debtor has an "establishment" in England to support recognition of the English Proceeding as a "foreign nonmain proceeding."

D. The Foreign Representative Satisfies the Requirements of a "Foreign Representative" Under Section 101(24) of the Bankruptcy Code

51. For recognition under chapter 15, a foreign proceeding must also have a foreign representative. *See* 11 U.S.C. § 1517(a)(2). The Foreign Representative submits that this Chapter 15 Case was commenced by a duly appointed and authorized "foreign representative" within the meaning of section 101(24) of the Bankruptcy Code. Section 101(24) of the Bankruptcy Code provides that:

> The term "foreign representative" means a person or body, including a person or body appointed on an interim basis, authorized in a foreign proceeding to administer the reorganization or the liquidation of the debtor's assets or affairs or to act as a representative of such foreign proceeding.

11 U.S.C. § 101(24).

52. The High Court approved the appointment of the Foreign Representative in the Convening Order entered by the High Court following the Convening Hearing held on October 24, 2018. Heis Declaration ¶ 27. Thus, Richard Heis has met the requirements of being a foreign representative within the meaning of section 101(24) of the Bankruptcy Code.

E. The Petition was Properly Filed and Satisfies the Requirements of Section 1515 of the Bankruptcy Code

53. As required by sections 1504 and 1509 of the Bankruptcy Code, the Foreign Representative duly and properly commenced this chapter 15 case by filing a petition under section 1515(a) accompanied by all documents and information required by sections 1515(b) and (c). In accordance with section 1515(b)(1) of the Bankruptcy Code, the Foreign Representative attached to the Petition a certified copy of the Convening Order commencing the English Proceeding and appointing Richard Heis as foreign representative with respect thereto. In accordance with section 1515(c) of the Bankruptcy Code, the Foreign Representative also submitted a declaration attached to the Petition containing a statement identifying the English Proceeding as the only known pending "foreign proceeding" with respect to the Debtor. Because the Foreign Representative has satisfied the requirements set forth in section 1515 of the Bankruptcy Code, it has properly commenced these chapter 15 cases.

III. Certain Additional Relief Upon Recognition is Both Necessary and Appropriate to Implement the English Proceeding and Should be Granted

54. In addition to recognition of the English Proceeding as a foreign nonmain proceeding, the Foreign Representative submits that the relief sought, including (i) enforcement of the Scheme and the Releases contained therein and the Sanction Order within the territorial jurisdiction of the United States and (ii) approval of the Injunction, is authorized under sections 105(a), 1507 and 1521 of the Bankruptcy Code and is consistent with well-established principles of international comity.

55. Chapter 15 of the Bankruptcy Code "provides courts with broad, flexible rules to fashion relief that is appropriate to effectuate its objectives in accordance with comity." *Ad Hoc Group of Vitro Noteholders v. Vitro SAB de CV (In re Vitro SAB de CV)*, 701 F.3d 1031 (5th Cir. 2012); *see In re SPhinX, Ltd.*, 351 B.R. 103, 112 (Bankr. S.D.N.Y. 2006) ("chapter 15 maintains – and in some respects enhances – the 'maximum flexibility' . . . that section 304 provided bankruptcy courts in handling ancillary cases in light of principles of international comity and respect for the laws and judgments of other nations.") (internal citations omitted); *see also* 11 U.S.C. § 1501 (stating that the purpose of chapter 15 is to provide mechanisms for cooperation and comity between courts dealing with cross-border insolvency cases).

56. Here, the Court should exercise its discretion under sections 1507 and 1521 of the Bankruptcy Code, consistent with the principles of comity, to recognize and enforce the Scheme, including the Releases, and the Sanction Order and approve the Injunction. *See e.g.*, *In re Avanti Communs. Grp. plc*, 582 B.R. at 616 ("Cases have held that in the exercise of comity that appropriate relief under section 1521 or additional assistance under section 1507 may include recognizing and enforcing a foreign plan confirmation order.").

IV. The Scheme and the Sanction Order Should be Recognized and Enforced

A. Recognition and Enforcement of the Scheme and the Sanction Order is Warranted Under Section 1521 of the Bankruptcy Code

57. Upon recognition of a foreign proceeding, whether main or nonmain, section 1521(a) authorizes the Court to grant "any appropriate relief" at the request of the foreign representative "where necessary to effectuate the purpose of [chapter 15] and to protect the assets of the debtor or the interests of the creditors[,]" including any relief that may be available to a trustee or debtor-in-possession, subject to certain exceptions that do not apply here. 11 U.S.C. § 1521(a); *In re ABC Learning Centres Ltd.*, 728 F.3d at 306 ("Foreign Representatives can access

U.S. courts to request enforcement of orders of the foreign proceeding and to stay actions against foreign debtors' property in the United States."); *In re Energy Coal S.P.A.*, 582 B.R. 619, 628 (Bankr. D. Del. 2018) ("Section 1521 contains a non-exhaustive list of types of relief that may be appropriate in a given proceeding."); *In re Daebo Int'l Shipping Co., Ltd.*, 543 B.R. 47, 52–53 (Bankr. S.D.N.Y. 2015); *Hosking v. TPG Capital Mgmt. (In re Hellas Telecomms. (Lux.) II SCA)*, 535 B.R. 543, 586 (Bankr. S.D.N.Y. 2015).

58. Recognition and enforcement of the Scheme and the Sanction Order is "appropriate relief" under section 1521(a) of the Bankruptcy Code because that relief is necessary to ensure that the Scheme, which has the support of the overwhelming majority of Scheme Creditors, can be implemented without disruption or adverse actions being brought against the Debtor or its assets in the United States. Specifically, enforcement of the Scheme, including the Releases contained therein, and the Sanction Order is appropriate because certain Scheme Creditors may seek to obtain judgments in the United States against the Debtor to obtain better treatment than they will receive under the Scheme. If those Scheme Creditors can effectively evade the terms of the Scheme by commencing actions in the United States, the purpose of the Scheme could be thwarted, and the Debtor would be required to defend those proceedings at considerable expense to the Debtor, its creditors and the broader Group.

59. Courts routinely grant recognition and enforcement of foreign court orders giving effect to foreign debtors' foreign proceedings. *See, e.g.*, *In re Arctic Glacier Int'l, Inc.*, 901 F.3d 162, 167-68 (3d Cir. 2018) (affirming bankruptcy court order enforcing releases in foreign debtor's Canadian plan of arrangement); *In re Catalyst Paper Corp.*, No. 16-12419 (CSS), 2017 WL 5479405 (Bankr. D. Del. Jan. 20, 2017) (recognizing and enforcing Canadian plan of arrangement); *In re Metinvest B.V.*, No. 17-10130 (LSS) [Dkt. No. 19] (Bankr. D. Del.

Feb. 8, 2017) (court giving full force and effect to a UK scheme of arrangement under sections 1507 and 1521); *In re Zodiac Pool Sols. SAS.*, No. 14-11818 (KJC) [Dkt. No. 27-1] (Bankr. D. Del. Aug. 29, 2014) (same); *In re Hellas Telecomms. (Luxembourg)*, No. 10-13651 (KJC) [Dkt. No. 38] (Bankr. D. Del. Dec. 13, 2010) (same); *In re Axios Logistics Sols. Inc.*, No. 17-10438 (BLS) [Dkt. No. 64] (Bankr. D. Del. Aug. 28, 2017) (court enforcing Canadian Vesting Order under section 1521); *In re Abengoa, S.A.*, No. 16-10754 (KJC) [Dkt. No. 169] (Bankr. D. Del. Dec. 8, 2016) (court enforcing Order of Spanish Court homologating a restructuring agreement under sections 1507 and 1521); *In re Altos Hornos de Mexico, S.A.B. de C.V.*, No. 16-11890 (KG) [Dkt. No. 31] (Bankr. D. Del. Sept. 30, 2016) (court enforcing Mexican Plan and Lifting Order and granting other relief under sections 1507 and 1521); *In re Toshiba Samsung Storage Tech. Korea Corp.*, No. 16-11602 (CSS) [Dkt. No. 70] (Bankr. D. Del. Jul. 27, 2016) (court enforcing Korean Commencement Order under section 1521); *In re Madison Niche Assets Fund, Ltd. (In Official Liquidation)*, No. 16-10043 (KJC) [Dkt. No. 48] (Bankr. D. Del. Sept. 18, 2017) (court enforcing Grand Court of the Cayman Islands Sanction Order under sections 1507 and 1521); *In re Essar Steel Algoma Inc.*, No 15-12271 (BLS) [Dkt. No. 230] (Bankr. D. Del. Sept. 27, 2016) (court enforcing CCAA Initial Order and transactions to be consummated thereunder under section 1521); *In re Avanti Communs. Grp. plc*, 582 B.R. 603, 619 (recognizing and enforcing UK scheme and order of English court sanctioning same); *In re Cell C Proprietary Ltd.*, 571 B.R. 542, 554 (Bankr. S.D.N.Y. 2017) (recognizing and enforcing order of South African Court sanctioning a scheme of arrangement); *In re Bibby Offshore Servs. Plc*, No. 17–13588 (MG) [Dkt. No. 16] (Bankr. S.D.N.Y. Jan. 18, 2018) (recognizing and enforcing UK scheme and order of English court sanctioning same); *In re EnQuest PLC*, No. 16-12983 (MEW) [Dkt. No. 14] (Bankr. S.D.N.Y. Nov. 17, 2016) (recognizing and enforcing UK scheme and UK

scheme sanction order); *In re YH Ltd.*, No. 16-12262 (SCC) [Dkt. No. 14] (Bankr. S.D.N.Y. Sept 8, 2016) (same).

60. Further, the Releases are an integral part of the Scheme and are consistent with English law. "[T]hird-party non-debtor releases are common in schemes sanctioned under U.K. law." *In re Avanti Communs. Grp. plc*, 582 B.R. at 618. Moreover, federal courts routinely enforce third-party releases granted in foreign proceedings. *See, e.g.*, *In re Arctic Glacier Int'l, Inc.*, 901 F.3d at 167-68; *In re Avanti Communs. Grp. plc*, 582 B.R. at 615-18 (recognizing and enforcing UK scheme and sanction order that provided third-party non-debtor guarantor releases); *In re Ocean Rig UDW Inc.*, 570 B.R. 687, 702 (Bankr. S.D.N.Y. 2017) (recognizing and enforcing scheme of arrangement that released affiliate guarantees); *In re Sino–Forest Corp.*, 501 B.R. 655, 665 (Bankr. S.D.N.Y. 2013) (enforcing foreign order containing third-party releases); *In re Metcalfe & Mansfield Alt. Invs.*, 421 B.R. 685, 696 (Bankr. S.D.N.Y. 2010) (concluding that "principles of enforcement of foreign judgments and comity in chapter 15 cases strongly counsel approval of enforcement in the United States of the third-party non-debtor release and injunction provisions included in the Canadian Orders, even if those provisions could not be entered in a plenary chapter 11 case."); *In re Bibby Offshore Servs. Plc*, No. 17–13588 (MG) [Dkt. No. 16] (Bankr. S.D.N.Y. Jan. 18, 2018) (recognizing and enforcing UK scheme and sanction order that provided third-party non-debtor guarantor releases).[12]

61. Here, the Releases are limited to those rights of Scheme Creditors against the Debtor, SEAG and Steinhoff arising out of or in connection with the Scheme. The Releases are narrow in scope and are consistent with the types of releases and exculpations that are

[12] *See also In re EnQuest PLC*, No. 16-12983 (MEW) [Dkt. No. 14] (Bankr. S.D.N.Y. Nov. 17, 2016); *In re Towergate Fin.* plc, No. 15–10509 (SMB) [Dkt. No. 16] (Bankr. S.D.N.Y. Mar. 27, 2015*); In re New World Res. N.V.*, No. 14–12226 (SMB) [Dkt. No. 20] (Bankr. S.D.N.Y. Sept. 9, 2014); *In re Magyar Telecom B.V.*, No. 13-13508 (SHL) [Dkt. No. 26] (Bankr. S.D.N.Y. Dec. 11, 2013).

generally provided (and approved) in chapter 11 cases. The only parties giving the Releases under the Scheme are Scheme Creditors, and those Releases will only become effective if the Scheme is approved by a majority in number of voting Scheme Creditors representing at least 75% in amount of Scheme claims voted. The Releases, therefore, are narrowly tailored to achieve the purpose of the Scheme – to exchange the obligations of the Debtor under Facility C for those of SEAG under the New SEAG Facility.

62. The Foreign Representative, therefore, respectfully requests that the Court recognize and enforce the Scheme, including the Releases contained therein, and Sanction Order to ensure that the Scheme is successfully implemented in the United States.

B. Recognition and Enforcement of the Scheme and the Sanction Order is Also Authorized Under Section 1507 of the Bankruptcy Code

63. The Court may also grant relief pursuant to section 1507, which authorizes the Court to provide "additional assistance" to a foreign representative under the Bankruptcy Code or other U.S. law at any time after recognition. *See* 11 U.S.C. § 1507(a). Recognition and enforcement of the Sanction Order is authorized as "additional assistance" under section 1507 of the Bankruptcy Code. Under section 1507(b) of the Bankruptcy Code, in considering a request for additional assistance consistent with principles of comity, the Court also considers whether the requested relief will ensure:

1. just treatment of all holders of claims against or interests in the debtor's property;
2. protection of claim holders in the United States against prejudice and inconvenience in the processing of claims in such foreign proceeding;
3. prevention of preferential or fraudulent dispositions of property of the debtor;
4. distribution of proceeds of the debtor's property substantially in accordance with the order prescribed by this title; and

> 5. if appropriate, the provision of an opportunity for a fresh start for the individual that such foreign proceeding concerns.

11 U.S.C. § 1507(b).

64. The Foreign Representative submits that the additional assistance being sought here does not run afoul of any of the principles set forth in section 1507(b) of the Bankruptcy Code. Section 1507(b)(1) is satisfied because the Companies Act provides a comprehensive procedure for the orderly resolution of claims with equal application to all Scheme Creditors. Hodgson Declaration ¶ 16; *see In re Bd. of Dirs. of Telecom Arg., S.A.*, 528 F.3d 162, 170 (2d Cir. 2008) (*quoting* 2 COLLIER ON BANKRUPTCY ¶ 304.08 (15th ed. Rev. 2007) ("The just treatment factor is satisfied upon a showing that the applicable law provides for a comprehensive procedure for the orderly and equitable distribution of [the debtor]'s assets among all of its creditors."). Section 1507(b)(2) is satisfied because the exchange of Facility C obligations for those under the New SEAG Facility does not create additional burdens for U.S. holders of Facility C claims. Section 1507(b)(3) is inapplicable because there are no preferential or fraudulent dispositions of property.

65. Section 1507(b)(4) is satisfied because the Scheme provides for uniform treatment of all Scheme Creditors – each Scheme Creditor will receive its pro rata share of the New SEAG Facility in exchange for their Facility C holdings on a dollar-for-dollar basis. Such treatment is substantially similar to the "fair and equitable" requirements under chapter 11. *See Telecom Arg.*, 528 F.3d at 170 n.9 (noting that "the priority rules of a foreign jurisdiction need not be identical to those of the United States") (*citing Schimmelpenninck v. Byrne* (*In re Schimmelpenninck*), 183 F.3d 347, 364 (5th Cir. 1999)); *In re Manning*, 236 B.R. 14, 25 (9th Cir. B.A.P. 1999)) (citation omitted). Importantly, to approve the Scheme, the High Court must find that the creditors were fairly represented and that Scheme Creditors' approval of the Scheme was

reasonable. Hodgson Declaration ¶¶ 25-26. Accordingly, the distributions under the Scheme are consistent with U.S. law. Section 1507(b)(5) is inapplicable because the Debtor is not an individual.

C. The Scheme and the Sanction Order Are Entitled to Recognition and Enforcement as a Matter of Comity

66. In determining whether to recognize and enforce a foreign judgment, courts also consider general comity principles. *See In re Metcalfe & Mansfield Alt. Invs.*, 421 B.R. at 698 (*citing Hilton v. Guyot*, 159 U.S. 113, 166 (1895)); *Pariente v. Scott Meredith Literary Agency, Inc.*, 771 F. Supp. 609, 615 (S.D.N.Y. 1991). In *Hilton v. Guyot*, the Supreme Court held that if the foreign court provides "a full and fair trial abroad before a court of competent jurisdiction, conducting the trial upon regular proceedings, after due citation or voluntary appearance of the defendant, and under a system of jurisprudence likely to secure an impartial administration of justice between the citizens of its own country and those of other countries, and there is nothing to show either prejudice in the court, or in the system of laws under which it is sitting," the foreign judgment should be enforced and not "tried afresh." *Hilton*, 159 U.S. at 202-03.

67. "Federal courts generally extend comity whenever the foreign court had proper jurisdiction and enforcement does not prejudice the rights of United States citizens or violate domestic public policy." *In re Atlas Shipping A/S*, 404 B.R. 726, 733 (Bankr. S.D.N.Y. 2009) (citations omitted); *see also JP Morgan Chase Bank v. Altos Hornos de Mexico S.A.*, 412 F.3d 418, 424 (2d Cir. 2005) ("[D]eference to the foreign court is appropriate so long as the foreign proceedings are procedurally fair and . . . do not contravene the laws or public policy of the United States."); *Universal Cas. & Sur. Co. v. Gee (In re Gee)*, 53 B.R. 891, 902, 904 (Bankr.

S.D.N.Y. 1985) (noting that if the bankruptcy court is satisfied with the procedural fairness of the foreign proceeding, it "should not sit as an appellate court over the foreign proceedings.").

68. Extending comity to orders confirming foreign plans of reorganization is particularly significant given the importance of "assembling all claims against the limited assets in a single proceeding; if all creditors could not be bound, a plan of reorganization would fail." *Atlas Shipping*, 404 B.R. at 737 (internal citation omitted); *see also Cunard S.S. Co. Ltd. v. Salen Reefer Servs. AB*, 773 F.2d 452, 458 (2d Cir. 1985) ("The granting of comity to a foreign bankruptcy proceeding enables the assets of a debtor to be dispersed in an equitable, orderly and systematic manner, rather than in a haphazard, erratic or piecemeal fashion.").

69. "[P]rinciples of enforcement of foreign judgments and comity in chapter 15 cases strongly counsel approval of enforcement in the United States of [provisions in foreign court orders], even if those provisions could not be entered in a plenary chapter 11 case." *In re Metcalfe & Mansfield Alt. Invs.*, 421 B.R. at 696. The "relief granted in [a] foreign proceeding and the relief available in a U.S. proceeding need not be identical[,]" and U.S. bankruptcy courts are "not required to make an independent determination about the propriety of individual acts of a foreign court." *Id*. at 697 (*citing In re Bd. of Dirs. of Multicanal S.A.*, 307 B.R. 384, 391 (Bankr. S.D.N.Y. 2004)). Rather, "[a]s long as the manner in which the scheme acquired statutory effect comports with our notions of procedural fairness, comity should be extended to it." *In re Bd. of Dirs. of Hopewell Int'l Ins., Ltd.*, 238 B.R. 25, 56–61 (Bankr. S.D.N.Y. 1999), aff'd, 275 B.R. 699 (S.D.N.Y. 2002) (citations omitted).

70. Here, the United States and the United Kingdom share the same common law traditions and fundamental principles of law. All Scheme Creditors will have a full and fair opportunity to vote on the Scheme at the Scheme Meeting after ample notice and adequate

disclosure of the Scheme terms. Hodgson Declaration ¶¶ 20-21. Specifically, on October 10, 2018, the Agent published the PSL on a document management platform on the Debtdomain website and distributed it by email to all persons who the Debtor believed were or may be Scheme Creditors. *See* Hodgson Declaration ¶ 13. The PSL provided information regarding the Scheme to Scheme Creditors. *See id*. On October 22, 2018, the Debtor filed the application under part 26 of the Companies Act requesting that the High Court convene the Scheme Meeting. *See* Heis Declaration ¶ 24. On October 23, 2018, the Information Agent provided notice of the Convening Hearing to the Scheme Creditors and to the Agent by email and published that notice to the Debtdomain website so that the Scheme Creditors could attend the Convening Hearing and raise objections or responses to the proposed Scheme Meeting. *See id*. On October 24, 2018, all Scheme Creditors were provided with copies of the Scheme, notice of the Scheme Meeting and the explanatory statement which, like a disclosure statement in a chapter 11 case, provides detailed information on the effects of the Scheme for Scheme Creditors to enable those Scheme Creditors to make a reasonable decision about whether to vote in favor of the Scheme. *See* Hodgson Declaration ¶¶ 14, 21. It also describes the Releases being provided under the Scheme. *Id*.

71. All Scheme Creditors will have the right to vote on the Scheme at the Scheme Meeting convened by order of the High Court. *Id.* ¶ 21. The Scheme must be approved by the requisite percentages of the number of creditors and total value. *Id.* ¶ 22. In addition, Scheme Creditors are entitled to appear and object to the Scheme at the Convening Hearing and Sanction Hearing. *Id.* ¶¶ 24, 29. The High Court retains independent and final authority to review and approve the Scheme before implementation. *Id.* ¶ 25. All creditors will have had a full and fair opportunity to be heard in the English Proceeding under a sophisticated restructuring

regime before an impartial court in accordance with fundamental standards of due process. Accordingly, the Court should recognize and enforce the Scheme and the Sanction Order (including the Releases), consistent with the principles of comity.

D. Recognition of the Scheme and Sanction Order, Including the Releases, Comports with the Bankruptcy Code and is Consistent with U.S. Public Policy

72. Although section 1506 places a limitation on relief available under chapter 15 if such relief is manifestly contrary to U.S. public policy, this exception is narrowly construed. *See In re Metcalfe & Mansfield Alt. Invs.*, 421 B.R. at 697 (*citing In re Ephedra Prods. Liab. Litig.*, 349 B.R. 333 (S.D.N.Y. 2006)); *see also In re Poymanov*, 571 B.R. at 38 (noting that the public policy exception "is to be applied sparingly"); *In re OAS S.A.*, 533 B.R. 83, 103 (Bankr. S.D.N.Y. 2015) (recognizing that the public policy exception "requires a narrow reading") (internal citation and quotations omitted). "[T]he word 'manifestly' in international usage restricts the public policy exception to the most fundamental policies of the United States." *In re Metcalfe & Mansfield Alt. Invs.*, 421 B.R. at 697 (internal citation omitted).

73. Nothing in the Scheme or the Sanction Order (including the Releases) is manifestly contrary to U.S. public policy. The Scheme provides for a resolution of the Debtor's Facility C claims and their dollar-for-dollar exchange for obligations under the New SEAG Facility, a substantially similar result to that which could be achieved under the Bankruptcy Code. The High Court's exercise of jurisdiction over, and supervision of, the Debtor was proper under the Companies Act, which provides for a fundamentally fair process that "accords with the source of civilized jurisprudence." *In re Rede Energia*, 515 B.R. 69, 98 (Bankr. S.D.N.Y. 2014). And courts have repeatedly held that third-party releases in foreign restructuring plans are not manifestly contrary to public policy. *See, e.g., In re Sino-Forest Corp.*, 501 B.R. at 665 (enforcing foreign order containing third-party releases, noting that, in the Second Circuit,

"where the third-party releases are not categorically prohibited, it cannot be argued that the issuance of such releases is manifestly contrary to public policy"); *see also In re Arctic Glacier Int'l, Inc*., 901 F.3d at 167-68. Accordingly, the public policy exception does not apply.

E. Granting a Permanent Injunction Is Necessary to Enforce the Scheme and the Sanction Order

74. The Foreign Representative also seeks the Injunction to prevent any parties from attempting to continue or commence actions or assert claims in the United States against the Debtor or its property inconsistent with the Scheme or the Sanction Order. The Injunction requested herein is necessary to ensure that the Scheme can be implemented successfully and will ensure that no party may take actions adverse to the Debtor or its property located within the territorial jurisdiction of the United States in an effort to gain an unfair advantage over other parties in interest subject to the Scheme.

75. This Court has the authority to grant the Injunction in this Chapter 15 Case. *See, e.g., Can. S. Ry. Co. v. Gebhard*, 109 U.S. 527, 539 (1883) (actions brought in the United States by bondholders who did not participate in the Canadian insolvency proceedings of a Canadian railroad could not be maintained, even though the bonds were payable in New York); *In re Energy Coal S.P.A.*, 2018 Bankr. LEXIS 10, *27-28 (Bankr. D. Del. Jan. 2, 2018) (court permanently enjoining action in connection with recognition and enforcement of Italian plan and homologation order); *In re Abengoa, S.A.*, No. 16-10754 (KJC) [Dkt. No. 169] (Bankr. D. Del. Dec. 8, 2016) (court permanently enjoining actions in connection with recognition and enforcement of Spanish homologation order); *In re Arctic Glacier Int'l, Inc*., 901 F.3d at 167-68 (giving *res judicata* effect to releases under foreign plan of arrangement); *In re Metcalfe & Mansfield Alt. Inv.*, 421 B.R. at 700 (granting permanent injunctive relief in chapter 15 case in respect of Canadian plan); *In re CGG S.A.*, 579 B.R. 716, 720 (Bankr. S.D.N.Y. 2017) (granting

permanent injunctive relief in respect of French plan and order of French court approving same); *In re Avanti Communs. Grp. plc*, 582 B.R. at 615-19 (permanently enjoining any action inconsistent with UK scheme, including scheme releases, and order of English court sanctioning same); *In re Bibby Offshore Servs. Plc*, No. 17–13588 (MG) [Dkt. No. 16] (Bankr. S.D.N.Y. Jan. 18, 2018) (same); *In re Lehman Brothers Int'l (Europe) (in administration)*, No. 18-11470 (SCC) [Dkt. No. 15] (Bankr. S.D.N.Y. June 19, 2018) (same); ***In re YH Ltd.***, No. 16-12262 (SCC) [Dkt. No. 14] (Bankr. S.D.N.Y. Sept 8, 2016) (same); *In re OIC Run-Off Ltd.*, No. 15-13054 (SCC) [Dkt. No. 18] (Bankr. S.D.N.Y. Jan. 11, 2016) (permanently enjoining scheme creditors from pursuing any actions against chapter 15 debtors or their US property in contravention of a UK scheme).[13]

76. The standards, procedures and limitations applicable to an injunction apply to relief sought under section 1521(a) of the Bankruptcy Code. *See* 11 U.S.C. § 1521(e). Generally, to obtain a permanent injunction, a movant must demonstrate the likelihood of irreparable harm. *See Clarkson v. Coughlin*, 898 F. Supp. 1019, 1035 (S.D.N.Y. 1995). Irreparable harm in the chapter 15 context may exist if there is a risk of disruption to the orderly and fair distribution of assets through dissenting creditor actions to the detriment of other creditors. *See, e.g.*, *Victrix S.S. Co., S.A. v. Salen Dry Cargo A.B.*, 825 F.2d 709, 714-15 (2d Cir. 1987); *In re CGG S.A.*, 579 B.R. at 720 (permanent injunctive relief in respect of French plan

[13] *See also In re Ocean Rig UDW Inc.*, No. 17-10736 (MG) [Dkt. No. 153] (Bankr. S.D.N.Y. Sept. 20, 2017); *In re Boart Longyear Ltd.*, No. 17-11156 (MEW) [Dkt. No. 45] (Bankr. S.D.N.Y. Aug. 30, 2017); *In re Groupo Isolux Corsán, S.A.*, No. 16-12202 (SHL) [Dkt. No. 50] (Bankr. S.D.N.Y. Nov. 17, 2016); *In re Pac. Expl. & Prod. Corp.*, No. 16-11189 (JLG) [Dkt. No. 31] (Bankr. S.D.N.Y. Oct. 3, 2016); *In re EnQuest PLC*, No. 16-12983 (MEW) [Dkt. No. 14] (Bankr. S.D.N.Y. Nov. 17, 2016); *In re Winsway Enters. Holdings Ltd.*, No. 16-10833 (MG) [Dkt. No. 22] (Bankr. S.D.N.Y. June 16, 2016); *In re Zlomrex Int'l Fin. S.A.*, No. 13-14138 (SHL) [Dkt. No. 17] (Bankr. S.D.N.Y. Jan. 31, 2014); *In re BTA Bank JSC*, No. 12-13081 (JMP) [Dkt. No. 20] (Bankr. S.D.N.Y. Jan. 3, 2013); *In re Highlands Ins. Co. (U.K.) Ltd.*, No. 07-13970 (MG) [Dkt. No. 40] (Bankr. S.D.N.Y. Aug. 18, 2009); *In re Castle Holdco 4, Ltd.*, No. 09-11761 (REG) [Dkt. No. 25] (Bankr. S.D.N.Y. May 7, 2009); *In re Gordian RunOff (UK) Ltd.*, No. 06-11563 (RDD) [Dkt. No. 14] (Bankr. S.D.N.Y. Aug. 29, 2006).

was "warranted under section 1521(e) of the Bankruptcy Code to prevent any parties from gaining an unfair advantage over other parties in interest subject to the [foreign plan]."); *In re Garcia Avila*, 296 B.R. 95, 114 (Bankr. S.D.N.Y. 2003) ("[I]rreparable 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.") (quoting COLLIER ON BANKRUPTCY ¶ 304.05 (15th ed. Rev. 2003)); *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 Petition of Brierley*, 145 B.R. 151, 168 (Bankr. S.D.N.Y. 1992) ("Harm to the estate exists from the failure to grant injunctive relief in the form of disruption of an orderly determination of claims and the fair distribution in a single case.") (internal citation and quotations omitted).

77. Here, irreparable harm exists because dissenting creditors may seek judgments in the United States against the Debtor and its property located in the United States in an effort to circumvent their treatment under the Scheme. As stated above, the Debtor is a Delaware corporation that may be subject to litigation from any dissenting Scheme Creditors in the United States. Implementation of the Scheme and the restructuring of Facility C are central to the success of the Plan. If Scheme Creditors could effectively circumvent the terms of the Scheme by commencing actions in the United States, the purpose of the Scheme could be undermined, and the Debtor would be left to defend against these lawsuits, however meritless. Moreover, such collateral attacks could jeopardize the entire Lock-up Agreement, the successful restructuring of Mattress Firm, and the broader restructuring of the Steinhoff Group. The Injunction will help to ensure the fair and efficient implementation of the Scheme and to bind all of the Debtor's creditors to the terms of the Scheme, as approved by the Sanction Order.

78. Absent permanent injunctive relief, the Debtor's efforts to exchange the Facility C and the New SEAG Facility debt could be thwarted by the actions of dissenting creditors, a result that is inconsistent with the Bankruptcy Code. The interests of affected parties under the Scheme are sufficiently protected under section 1522(a) of the Bankruptcy Code by the treatment afforded to them in the English Proceeding because all similarly situated parties will be treated equally and fairly – each receiving a dollar-for-dollar exchange of Facility C debt for New SEAG Facility debt. The Injunction also will not cause undue hardship or prejudice to the rights of any U.S.-based creditors and is consistent with principles of comity. Accordingly, the Injunction should be granted.

V. Waiver of the Stay is Appropriate to Ensure Expeditious Implementation of the Scheme

79. The Foreign Representative respectfully requests that, to the extent applicable, the Court cause the Proposed Order to become effective immediately upon entry notwithstanding the 14-day stay of effectiveness of the order imposed by operation of the Bankruptcy Code or the Bankruptcy Rules, including Bankruptcy Rules 1018, 3020(e), 6004(h), 7062 and 9014. Such a waiver is appropriate in these circumstances to allow the Debtor to proceed immediately with consummation of the Scheme to allow the conditions precedent in the Plan to be satisfied so that the Plan can become effective, and the Mattress Firm Debtors can emerge from chapter 11 prior to the "Black Friday" sales period in the United States. For these reasons and in light of the high degree of creditor support for the Scheme, granting a waiver of the 14-day stay of effectiveness period is appropriate so that the Scheme can be implemented as soon as possible.

80. Courts routinely grant full or partial waivers of the 14-day stay of effectiveness period in chapter 15 cases. *In re Metinvest B.V.*, No. 17-10130 (LSS) [Dkt. No. 19]

(Bankr. D. Del. Feb. 8, 2017); *In re Essar Steel Algoma Inc.*, No 15-12271 (BLS) [Dkt. No. 230] (Bankr. D. Del. Sept. 27, 2016); *In re Thane Int'l, Inc.,* No. 15-12186 (KG) [Dkt. No. 42] (Bankr. D. Del. Dec. 1, 2015); *In re Zodiac Pool Sols. SAS.*, No. 14-11818 (KJC) [Dkt. No. 27-1] (Bankr. D. Del. Aug. 29, 2014); *In re Lehman Brothers Int'l (Europe) (in administration)*, No. 18-11470 (SCC) [Dkt. No. 15] (Bankr. S.D.N.Y. June 19, 2018);.*In re Avanti Communs. Grp. plc*, No. 18-10458 (MG) [Dkt. No. 15] (Bankr. S.D.N.Y. Apr. 6, 2018); *In re Bibby Offshore Servs. Plc*, No. 17–13588 (MG) [Dkt. No. 16] (Bankr. S.D.N.Y. Jan. 18, 2018); *In re CGG S.A.*, No. 17-11636 (MG) [Dkt. No. 25] (Bankr. S.D.N.Y. Dec. 21, 2017); *In re Boart Longyear Ltd.*, No. 17-11156 (MEW) [Dkt. No. 45] (Bankr. S.D.N.Y. Aug. 30, 2017); *In re Pac. Expl. & Prod. Corp.*, No. 16-11189 (JLG) [Dkt. No. 31] (Bankr. S.D.N.Y. Oct. 3, 2016); *In re Landsbanki Islands HF.*, No. 08-14921 (RDD) [Dkt. No. 65] (Bankr. S.D.N.Y. Mar. 17, 2016); *In re Metcalfe & Mansfield Alt. Invs.*, No. 09-16709 (MG) [Dkt. No. 28] (Bankr. S.D.N.Y. Jan. 5, 2010); *In re Quebecor World Inc.*, No. 08-13814 (JMP) [Dkt. No. 12] (Bankr. S.D.N.Y. July 1, 2009).

NOTICE

81. The Foreign Representative will provide notice of this Verified Petition consistent with Local Rule 9013-1(m). The Foreign Representative proposes to further notify all creditors and parties in interest of the filing of this chapter 15 petition and the Foreign Representative's request for entry of the Final Order in the form and manner set forth in the *Motion for Entry of an Order Scheduling a Hearing on Chapter 15 Petition for Recognition and Related Relief and Specifying Form and Manner of Service of Notice*, which was filed concurrently herewith. In light of the nature of the relief requested, the Foreign Representative submits that no further notice is required.

WHEREFORE, the Foreign Representative respectfully requests that the Court enter the Final Order, upon notice and a hearing, substantially in the form attached hereto as **Exhibit A**; and grant such other and further relief as it deems just and proper.

Dated: October 24, 2018
Wilmington, Delaware

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

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Counsel to the Foreign Representative

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re	)	Chapter 15
	)	
STRIPES US HOLDING, INC.,	)	Case No. 18-12388 (CSS)
	)	
	)	
Debtor in a Foreign Proceeding.[1]	)	
	)	

VERIFICATION

Pursuant to 28 U.S.C. § 1746, Richard Heis hereby declares as follows under penalty of perjury:

I am the Chief Restructuring Officer of Steinhoff International Holdings N.V., the ultimate parent of Stripes US Holding, Inc. (the "Debtor"), and I am the Debtor's duly authorized foreign representative. I am to file this Petition and to commence and act in this chapter 15 case.

I have read the foregoing Petition and believe that the factual statements contained therein are true and accurate to the best of my knowledge, information and belief.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge, information and belief.

Dated: October 24, 2018

/s/ Richard Heis
Richard Heis

Foreign Representative

Chief Restructuring Officer of
Steinhoff International Holdings N.V.

[1] The last four digits of the Debtor's Federal Employer Identification Number are 2800. The location of the Debtor's registered office is 1209 Orange Street, Wilmington, Delaware 19801.