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☐ *Individual appearing without attorney*
☒ *Attorney for:* Debtor

FOR COURT USE ONLY

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA - SAN FERNANDO VALLEY DIVISION

In re:

JAGUAR DISTRIBUTION CORP.,

Debtor(s).

CASE NO.: 1:20-bk-11358-MB

CHAPTER: 11

NOTICE OF SALE OF ESTATE PROPERTY

Sale Date: 10/09/2020 **Time:** 9:00 am

Location: Courtroom 303, 21041 Burbank Blvd., Woodland Hills, CA 91367 (via ZoomGov)

Type of Sale: ☒ Public ☐ Private **Last date to file objections**: 09/25/2020

Description of property to be sold:

Substantially all of the estate's intellectual property and film distribution assets. See attached notice for further details.

Terms and conditions of sale:

Subject to Court approval. As is and where is basis, with no representations or warranties. Purchase price is 80% of the accounts receivable assigned to, and actually collected by, the buyer. (As of 8/31/20, the A/R totaled about $988,000, net of known uncollectable accounts). See attached notice for further details.

Proposed sale price: 80% of the A/R assigned to, and actually collected by, the buyer.

Overbid procedure (*if any*):

The proposed sale is subject to higher and better bids to be presented in accordance with the Court's final order approving sale procedures (docket no. 45). Minimum deposit by overbidder is $60,000. The Debtor is requesting that any party wishing to submit an overbid do so on or before October 5, 2020.

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:

October 9, 2020, at 9:00 am.

Courtroom 303, 21041 Burbank Blvd., Woodland Hills, CA 91367 (via ZoomGov).

Contact person for potential bidders (*include name, address, telephone, fax and/or email address*):

For a copy of the Sale Motion: Valerie Radocay, Paralegal; Danning, Gill, Israel & Krasnoff, LLP; 1901 Avenue of the Stars, Suite 450; Los Angeles, CA 90067; Telephone no. (310) 277-0077; Email vradocay@DanningGill.com.

Otherwise: Zev Shechtman; Danning, Gill, Israel & Krasnoff, LLP; 1901 Avenue of the Stars, Suite 450; Los Angeles, CA 90067; Telephone no. (310) 277-0077; Email zs@DanningGill.com; AND James Wong, Armory Consulting Co., 3943 Irvine Blvd., #253; Irvine, CA 92602; Email jwong@armoryconsulting.com.

Date: 09/11/2020

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Attorneys for Debtor and Debtor in Possession
Jaguar Distribution Corp.

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

SAN FERNANDO VALLEY DIVISION

In re JAGUAR DISTRIBUTION CORP., Debtor.	Case No. 1:20-bk-11358-MB Chapter 11 **NOTICE OF MOTION FOR ORDER** **(1) APPROVING DEBTOR'S SALE OF SUBSTANTIALLY ALL OF ITS ASSETS,** **(2) AUTHORIZING THE DEBTOR TO ASSUME AND ASSIGN EXECUTORY CONTRACTS,** **(3) DETERMINING THAT THE BUYER IS A GOOD FAITH PURCHASER, AND** **(4) WAIVING THE 14-DAY STAY** Date: October 9, 2020 Time: 9:00 a.m. Place: Courtroom 303 21041 Burbank Boulevard Woodland Hills, CA 91367

PLEASE TAKE NOTICE that Jaguar Distribution Corp. (the "**Debtor**") has filed a motion for authority to sell substantially all of its business assets (the "**Sale Motion**") and that a hearing on the Sale Motion will take place on **October 9, 2020**, at **9:00 a.m.** On that date and time, the Debtor will move the Court for an order:

1. approving the Debtor's proposed sale of substantially all of the estate's intellectual property and film distribution assets to Ricochet Digital Media, LLC, or a successful overbidder (as applicable, the "**Buyer**"), free and clear of any and all liens, claims, and other interests to the extent set forth in an Amended Asset Purchase Agreement dated July 29, 2020, between the Debtor and Ricochet Digital Media, LLC (the "**APA**");

2. if the sale is approved to a successful overbidder, authorizing the Debtor to enter into an asset purchase agreement with the overbidder in substantially the same form as the APA, except as to price and any other material terms in which the successful overbidder's bid differs from the terms set forth in the APA;

3. authorizing the Debtor to assume and assign to the Buyer a Distribution Agreement between the Debtor and Celsius Entertainment, Ltd., and any and all related agreements, relating to a film titled *The Last Bus*, and determining that no cure payment is required with respect thereto;

4. authorizing the Debtor to assume and assign other agreements, if any, that the Court determines to be "executory" contracts as that term is used in § 365 of the Bankruptcy Code;

5. finding that the Buyer is a good faith purchaser within the meaning of § 363(m) of the Bankruptcy Code;

6. waiving the 14-day stays imposed by Federal Rules of Bankruptcy Procedure 6004(h) and 6006(d); and

7. granting related relief.

Parties who do not have access to the Court's electronic PACER service may request an electronic copy of the full Sale Motion by e-mailing a request to Valerie Radocay, Paralegal, at vradocay@DanningGill.com.

PLEASE TAKE FURTHER NOTICE that the Debtor has determined that, with the exception of its Distribution Agreement relating to *The Last Bus*, all of its Distribution Agreements with licensors (e.g., film producers and their agents) are not "executory" contracts as that term is used in § 365 of the Bankruptcy Code. Accordingly, the Debtor is seeking authority to sell, transfer and assign all of its right, title and interest in those Distribution Agreements to the Buyer pursuant to § 363 of the Bankruptcy Code, which does not require the Debtor to "cure" any defaults as a condition of sale.

PLEASE TAKE FURTHER NOTICE that if the Court determines that the Distribution Agreements, or any other agreements, are "executory" contracts, the Debtor is seeking authority to assume and assign those agreements to the Buyer pursuant to § 365 of the Bankruptcy Code. Section 365 provides that if there has been a default in an "executory" contract, a debtor may not assume the contract unless, among other things, it cures, or provides adequate assurance that it will promptly cure, such default. Exhibit "4" to the Sale Motion contains a list of unexpired Distribution Agreements with respect to which the Debtor believes there has been a default, and the proposed cure amount (if executory under § 365) for each of those agreements.

PLEASE TAKE FURTHER NOTICE that any licensor who objects to the characterization of its Distribution Agreement as a non-"executory" contract, or who objects to the proposed cure amount identified in Exhibit "4" to the Sale Motion, must file with the Court a written objection containing all legal argument, declarations, and other evidence on which the objecting party intends to rely, on or before September 25, 2020.

The following disclosures are made pursuant to LBR 6004-1(c)(3):

Date, time and place of the hearing. The hearing will take place on **October 9, 2020**, at **9:00 a.m.** The hearing will be conducted remotely, using ZoomGov video and audio. Parties in interest and members of the public may connect to the video and audio feeds, free of charge, using the connection information provided below.

Individuals may participate by ZoomGov video and audio using a personal computer (equipped with camera, microphone and speaker), or a handheld mobile device (such as an iPhone or Android phone). Individuals may opt to participate by audio only using a telephone (standard telephone charges may apply).

Neither a Zoom nor a ZoomGov account is necessary to participate and no pre-registration is required. The audio portion of each hearing will be recorded electronically by the Court and constitutes its official record.

Video/audio web address:	https://cacb.zoomgov.com/j/1606861560
ZoomGov meeting number:	160 686 1560
Password:	928425
Telephone dial-in numbers:	(669) 254-5252 or (646) 828-7666

For international dial-in numbers, please see https://cacb.zoomgov.com/u/anZXfdnk5.

Proposed buyer. Ricochet Digital Media, LLC.

A description of the property to be sold. The APA describes the assets to be sold (the "**Acquired Assets**") and the assets that will not be sold (the "**Excluded Assets**") as follows:

Acquired Assets: All of the Debtor's right, title and interest in, to and under substantially all of the assets used in the conduct of the Debtor's business, including, without limitation, the Debtor's existing portfolio of titles included on the Titles List attached to the APA, all inventory, accounts receivable, intellectual property (e.g., trademarks, domain names, website code, licenses, customer and supply data, marketing collateral, manuals, e-mail addresses, etc.), accounts, books and records, prepaid expense, deposits (excluding bank accounts of the Debtor), archives databases, accounting history data, subscription portal, and motion picture licenses.

Excluded Assets: The Debtor's cash on hand as of the "**Closing Date**"; the Debtor's fixed assets, if any; and claims for relief arising under the Bankruptcy Code, including avoiding power claims arising under chapter 5 of the Bankruptcy Code.

In addition, the Buyer has the right, in its sole and complete discretion, to exclude any of the Debtor's assets from the sale. Until November 6, 2020, the Buyer may change the designation of an Acquired Asset to an Excluded Asset.

Liabilities: The Buyer will not assume any liabilities except as expressly agreed to by the Buyer. The Buyer will be solely responsible for any obligations incurred under the Acquired Assets from and after the Closing Date. For example, if a minimum guarantee or overage payment becomes due on an Acquired Asset, the Buyer shall be solely responsible for such payment. Likewise, if any Acquired Asset is determined to be an executory contract, the Buyer will be responsible for payment of any cure amount under § 365 of the Bankruptcy Code.

Terms and conditions of the proposed sale, including the price and all contingencies. The terms and conditions of the APA are set forth in the APA, which is attached as Exhibit "1" to the Sale Motion. Without limiting or altering the terms of the APA, the terms may be summarized as follows:

1. The sale is subject to Court approval.

2. The Debtor will sell the Acquired Assets to the Buyer on an "as is" and "where is" basis, with no representations or warranties whatsoever, express or implied, with respect to any matter relating to the Acquired Assets.

3. The "**Purchase Price**" is 80% of the accounts receivable assigned to, and actually collected by, the Buyer. (As of August 31, 2020, the accounts receivable totaled approximately $988,000, net of known uncollectable accounts.) The Buyer will retain the remaining 20% as a commission.

4. The Buyer's deposit ($45,000) will be applied to the Purchase Price.

5. The Buyer has the right to exclude any asset from the sale. It may re-designate any Acquired Asset as an Excluded Asset on or before November 6, 2020.

6. The sale transaction must close within 30 days after entry of the Court's order approving the sale. The Closing Date is the date on which the sale closes.

7. The Buyer will be responsible for any obligations incurred under the Acquired Assets from and after the Closing Date.

8. If any Acquired Asset is determined to be an "executory" contract, as that term is used in § 365 of the Bankruptcy Code, the Buyer is responsible for paying any cure amount required to be paid pursuant to § 365 of the Bankruptcy Code.

Whether the proposed sale is free and clear of liens, claims or interests, or subject to them, and a description of all such liens, claims or interests. The proposed sale is free and clear of any and all liens, claims and other interests. To the best of the Debtor's knowledge, no entity has any lien or similar interest in any asset of the Debtor.

Whether the proposed sale is subject to higher and better bids. The proposed sale is subject to higher and better bids to be presented in accordance with the Court's final order approving sale procedures (*docket no. 45*). The Debtor is requesting that any party wishing to submit an overbid for the Acquired Assets do so on or before October 5, 2020.

The consideration to be received by the estate, including estimated commissions, fees, and other costs of sale. The exact amount to be received by the estate under the APA will depend on the amount of payments received by the Debtor from account debtors (e.g., airlines and cruise ships) before the Closing Date, the Buyer's success in collecting the remaining accounts receivable after the Closing Date, and the amounts paid by the Buyer to licensors in accordance with the Distribution Agreements. After the Closing Date, the Buyer will retain 20% of the amounts it collects as a commission.

Brokerage Commissions. No brokerage commissions will be paid.

Possible tax consequences to the estate, if known. The Debtor has not yet determined the tax consequences, if any, of the proposed sale. Amounts received by the Buyer may constitute taxable income.

The date by which an objection must be filed and served. September 25, 2020.

The Debtor's motion is based upon this notice, the Sale Motion and the Memorandum of Points and Authorities, Declarations of James Wong and Delisa Hudson, and Request for Judicial Notice appended thereto, the papers and pleadings on file in this case, and such other evidence as may be presented to the Court.

PLEASE TAKE FURTHER NOTICE that, pursuant to Local Bankruptcy Rule 9013-1(f), any party seeking to object to the relief sought must, not later than 14 days before the hearing date, file a written opposition with the Clerk of the Court and serve copies of the opposition upon the following: (1) the Debtor's counsel at the address listed on the first page of this notice; (2) counsel for the Official Committee of Unsecured Creditors, Victor A. Sahn, SulmeyerKupetz, 333 S. Hope St., 35th Floor, Los Angeles, CA 90071; and (3) Office of the United States Trustee, 915 Wilshire Blvd., Suite 1850, Los Angeles, CA 90017. Failure to file and serve oppositions as set forth above may be deemed consent to the relief sought in the motion. If you do not have any objection to the motion, you need not take any further action.

DATED: September 11, 2020

DANNING, GILL, ISRAEL & KRASNOFF, LLP

By: *\/s/ John N. Tedford, IV*
JOHN N. TEDFORD, IV
Attorneys for Debtor and Debtor in Possession
Jaguar Distribution Corp.

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is 1901 Avenue of the Stars, Suite 450, Los Angeles, CA 90067-6006.

A true and correct copy of the foregoing document entitled (*specify*): NOTICE OF SALE OF ESTATE PROPERTY will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) September 11, 2020 I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page.

2. SERVED BY UNITED STATES MAIL:
On (*date*) September 11, 2020, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☒ Service information continued on attached page.

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) September 11, 2020, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Via FedEx
The Honorable Martin R. Barash
U.S. Bankruptcy Court
Bin on 1st Floor outside entry to Intake Section
21041 Burbank Blvd.
Woodland Hills, CA 91367

☐ Service information continued on attached page.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

September 11, 2020	Patricia Morris	/s/ Patricia Morris
Date	*Printed Name*	*Signature*

ADDITIONAL SERVICE INFORMATION (if needed):

1. SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING ("NEF")

- **Russell Clementson** russell.clementson@usdoj.gov
- **Michael G D'Alba** mdalba@DanningGill.com, DanningGill@gmail.com;mdalba@ecf.inforuptcy.com
- **Elissa Miller** emiller@sulmeyerlaw.com, emillersk@ecf.inforuptcy.com;ccaldwell@sulmeyerlaw.com
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- **John N Tedford** jtedford@DanningGill.com, danninggill@gmail.com;jtedford@ecf.inforuptcy.com
- **United States Trustee (SV)** ustpregion16.wh.ecf@usdoj.gov
- **Claire K Wu** ckwu@sulmeyerlaw.com, mviramontes@sulmeyerlaw.com;ckwu@ecf.courtdrive.com;ckwu@ecf.inforuptcy.com