

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

AGDP HOLDING INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 25-11446 (MFW)

(Jointly Administered)

Docket Ref. No. 155

**DEBTORS' RESPONSE TO MOTION OF THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS FOR AN ORDER (A) ADJOURNING THE HEARING ON
THE DEBTORS' (I) DIP MOTION AND (II) SALE MOTION OR, ALTERNATIVELY,
(B) SHORTENING THE NOTICE AND OBJECTION PERIODS FOR, AND
SCHEDULING AN EXPEDITED HEARING ON, THE CROSS-MOTION OF THE
OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR AN ORDER
APPOINTING A CHAPTER 11 TRUSTEE**

AGDP Holding Inc. and its affiliated debtors and debtors in possession (collectively, the “Debtors”) hereby submit this Response (this “Response”) to that certain *Motion of the Official Committee of Unsecured Creditors for an Order (A) Adjourning the Hearing on the Debtors’ (I) DIP Motion and (II) Sale Motion or, alternatively, (B) Shortening the Notice and Objection Periods For, and Scheduling an Expedited Hearing on, the Cross-Motion of the Official Committee of Unsecured Creditors for an Order Appointing A Chapter 11 Trustee* [D.I. 155] (the “Motion to Adjourn”) as it relates to that certain *Omnibus Objection of the Official Committee of Unsecured Creditors to the Debtors’ (I) Dip Motion and (II) Sale Motion* (“the Objection”) – and – *Cross-Motion of the Official Committee of Unsecured Creditors for an Order Appointing a Chapter 11 Trustee* [D.I. 149] (the “Motion to Appoint a Chapter 11 Trustee”) filed by the Official

¹ The Debtors in these chapter 11 cases, together with the last four digits of the Debtors’ federal tax identification number, are AGDP Holding Inc. (6504); Avant Gardner, LLC (6504); AG Management Pool LLC (9962); EZ Festivals LLC (8854); Made Event LLC (6272); and Reynard Productions, LLC (5431). The Debtors’ service address is 140 Stewart Ave, Brooklyn, NY 11237, Attn: General Counsel.



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Committee of Unsecured Creditors (the “Committee”). In response to the Motion to Adjourn, the Debtors respectfully state as follows:

RESPONSE

1. As previously represented to the Committee as recently as yesterday, the Debtors are agreeable to an adjournment of the hearing on the Debtors’ motion to approve debtor-in-possession financing on a final basis [D.I. 12] (the “DIP Motion”)² and to have the Motion to Appoint a Chapter 11 Trustee heard contemporaneously therewith on a date as soon after September 22, 2025 as the Court has availability; *however*, the Debtors’ are opposed to adjourning the hearing to approve the Debtors’ bidding procedures governing the Debtors’ sale process [D.I. 62] (the “Bid Procedures Motion”). This Response is necessary in order to (i) address the unreasonable request of the Committee to provide the Debtors with three (3) business days’ notice (and four (4) total days’ notice) to respond to and prepare for a hearing regarding the Motion to Appoint a Chapter 11 Trustee, (ii) briefly address the potential harm to the company of adjourning the Bid Procedures Motion, and (iii) correct the record with respect to certain of the factual assertions of the Committee in the Motion to Adjourn.

2. The 62-page Objection and Motion to Appoint a Chapter 11 Trustee is replete with inaccurate, exaggerated and reckless allegations with respect to the company, its fiduciaries and advisors. Requiring the Debtors to address these issues, compound appropriate discovery on the Committee with respect to such allegations, and prepare witnesses and a response in three (3) business days with no prior notice of the Committee’s intention is not appropriate. The Debtors respectfully submit that the Motion to Appoint a Chapter 11 Trustee should be set for the full notice period required under the Bankruptcy Rules.

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

3. As the Committee notes in its Motion to Adjourn, the final hearing on the DIP Motion and Bid Procedures was initially scheduled for September 4, 2025. At the Committee's request, and in an effort to work proactively and cooperatively with the Committee, the Debtors obtained a second interim order for debtor-in-possession financing (the "DIP Financing") and adjourned the final hearing to September 11, 2025. The DIP Loan Documents require the Debtors to comply with certain milestones, including to obtain entry of orders approving the Bid Procedures and Final DIP Order by no later than September 15, 2025 and, in compliance therewith, the hearing to consider the Bid Procedures and Final DIP Order is scheduled for September 11, 2025. The Debtors have consulted with the DIP Lenders and are amenable to adjourning the final hearing on the DIP Motion to accommodate the Committee a second time, subject to the Debtors obtaining a third interim DIP Financing order and extending certain milestones under the DIP Loan Documents. We understand that all parties agree on this approach.

4. Although the Committee asserts that the Bid Procedures Motion and DIP Motion are intertwined and should be heard together, the Debtors respectfully disagree. Motion to Adjourn ¶ 13. The Committee's objections to the Bid Procedures Motion are objections to the sale itself, not the Bid Procedures. While the proposed order approving the Bid Procedures is already clear that any asset purchase agreement will not be approved until the ultimate sale hearing, the Debtors nevertheless represented to the Committee that they are willing to provide the Committee with a specific and robust reservation of rights relative to raising substantive issues with the sale process, stalking horse bidder, or other prevailing bidder, at either the sale hearing, or the hearing to consider the Committee's Motion to Appoint a Chapter 11 Trustee. This reservation of rights will effectively preserve the Committee's arguments with respect to the sale process and the Sale.

5. The Committee incorrectly claims in the Motion to Adjourn that the Bid Procedures Motion seeks approval to “enter into a stalking horse agreement and related bid protections,” and to create a timeline for the sale of substantially all of their assets. Motion to Adjourn ¶ 13. The Committee’s Motion to Adjourn misrepresents the Bid Procedures as containing bidding protections – there is no expense reimbursement or breakup fee contained in, or requested by, the Bid Procedures Motion. The Committee is correct that through the Bid Procedures, the Debtors are seeking to *identify* the stalking horse bidder as such, but not for the Court to approve the stalking horse agreement or anything else in the sale process other than dates for competing bids, auction, and a sale hearing. Again, any objections to the approval of a prevailing bid, with the stalking horse bidder or otherwise, can be raised at the sale hearing or the hearing to consider the Motion to Appoint a Chapter 11 Trustee. Thus, the approval of the Bid Procedures Motion essentially provides a level of certainty on deadlines and dates so that potential bidders will have clarity on the timeline to be undertaken.

6. As for the timeline, the Debtors submit that they are now one and a half (1.5) months into these chapter 11 cases, and therefore the Debtors’ proposed sale process complies with Local Rule 9006-1 and Bankruptcy Rule 2002. As noted above, the Debtors have already consensually adjourned the hearing on the Bid Procedures once, and as of now, the sale will not close until November 7, 2025. Under the current timeline, potential buyers will only have six (6) months to prepare the Brooklyn Mirage for the 2026 season. Continuing to delay approval of the Bid Procedures could adversely affect the Debtors’ sale process because potential buyers may determine there is insufficient lead time to prepare for the upcoming season. Therefore, although the Committee may object to the sale process at a later date, it is necessary for the Debtors to provide potential buyers with a timeline that allows for developing architectural and engineering

construction plans, seeking approval from the New York State Department of Buildings, and remediating the venue in time for the 2026 season. While the Debtors intend to fully contest the Motion to Appoint a Chapter 11 Trustee and do not believe it has merit, if the Committee is ultimately successful the trustee can certainly elongate the timeline, but it may also agree that the back-end closing timing should not be extended. Thus, it will be beneficial to the company and the bidders for the Bid Procedures to be approved and implemented, subject to the Court's consideration on September 11, 2025.

7. The Debtors will continue to work proactively and cooperatively with the Committee with respect to discovery and all other issues in these cases, but unless a consensual resolution can be reached, the Debtors have no choice but to oppose the Motion to Adjourn with respect to the Bid Procedures.

CONCLUSION

8. For the reasons set forth herein, the Debtors respectfully request that the Court (a) adjourn the final hearing on the DIP Motion until a date that the Court can accommodate after September 22, 2025, and (b) hold the hearing on the Bid Procedures on September 11, 2025 as scheduled.

Dated: September 8, 2025
Wilmington, Delaware

**YOUNG CONAWAY STARGATT & TAYLOR,
LLP**

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