

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

In re:

AMBIPAR EMERGENCY RESPONSE,<sup>1</sup>

Debtor.

Chapter 11

Case No. 25-90524

Relates to ECF. No. 42

**OPPORTUNITY'S LIMITED OBJECTION TO THE DEBTOR'S MOTION FOR  
ENTRY OF AN ORDER AUTHORIZING THE DEBTOR TO (I) ENTER INTO THE  
FUNDING AGREEMENT, (II) OPEN BANK ACCOUNTS AND (III) GRANTING  
RELATED RELIEF**

Opportunity Dinâmico Fundo de Investimento em Participações Multiestratégia Responsabilidade Limitada (f/k/a Opportunity Agro Fundo de Investimento Em Participações Multiestratégia Investimento No Exterior) ("**Opportunity**") files this limited objection to the Debtor's Motion for Entry of an Order Authorizing the Debtor to (I) Enter Into the Funding Agreement, (II) Open Bank Accounts and (III) Granting Related Relief [D.I. 42] (the "**Funding Motion**"). In support of this limited objection, Opportunity respectfully states as follows:<sup>2</sup>

**PRELIMINARY STATEMENT**

1. The Debtor's proposed Funding Agreement with Ambipar TopCo is presented as providing the Debtor with free money as the Debtor would not be required to repay the funds advanced. With that premise, the obvious question concerning Opportunity's (the Debtor's largest minority shareholder's) objection to the Funding Motion is why look a gift horse in the mouth?

<sup>1</sup> The last four digits of the Debtor's taxpayer identification number are 0263. The Debtor's address is P.O. Box 10008, Willow House, Cricket Square, Grand Cayman, KY1-1001, Cayman Islands.

<sup>2</sup> Each capitalized term used but not otherwise defined herein has the meaning ascribed to it in the Funding Motion. Opportunity does not oppose the portion of the Funding Motion seeking authority to open bank accounts for deposits and disbursements, including segregated reserve accounts.



The answer is simple. The proposed Funding Agreement is not a gift horse, but rather a Trojan horse in which substantial harm to the Debtor and bankruptcy estate is hidden.

2. First, the Funding Agreement would tend to legitimize the fact Ambipar TopCo has stripped all cash from the Debtor and its subsidiaries by blessing Ambipar TopCo returning only a portion of that cash subject to multiple limitations. Notably, the Funding Motion fails to mention, let alone explain, why the Debtor, which owns the highly profitable Response segment of Ambipar's business, now has no funds and why the Debtor apparently explored no alternative funding options, whether from the Debtor's subsidiaries, Ambipar TopCo, or a third party.

3. Second, the proposed funding arrangement would make the Debtor and all its professionals beholden to and dependent on Ambipar TopCo's funding and termination rights even though Ambipar TopCo is the Debtor's primary adversary in this case.

4. Third, the proposed financing arrangement's limitations on the use of the funding and the provisions triggering termination of that funding would harm the Debtor and the bankruptcy estate by precluding or interfering with the Debtor and/or its professionals taking necessary steps concerning Ambipar TopCo and related individuals and other parties.

5. Fourth, the proposed funding is inadequate to fund the stated purposes and unavailable for key related purposes such as pursuing claims or to cover substantial contribution claims against the Debtor by third parties forced to act to the extent the Debtor's special committee is unable or unwilling to do so.

6. Consequently, the Debtor fails to satisfy the heightened business judgment standard applicable to the Funding Motion.

### **RELEVANT FACTS**

7. The Debtor is a distinct entity within the Ambipar corporate group.<sup>3</sup> See Amended First Day Declaration [D.I. 15] ¶ 8. Opportunity owns over 21% of the Debtor’s equity. See id. ¶ 21.

8. The Ambipar corporate group has two distinct business segments: a “financially distressed” “ESG” (environmental services) segment and a strongly operating “Response” segment dedicated to providing emergency response command centers for disasters such as wildfires and oil spills. See id. The Debtor is the parent entity for the Response business and is unrelated to the ESG segment. See id. ¶ 17.

9. In its chapter 11 petition the Debtor states it has a net worth of well over \$600 million based on total assets of approximately \$1.07 billion and total liabilities of only \$328 million. See Amended Petition §§ 15–16, p. 5. The Debtor’s Amended First Day Declaration states the Debtor’s Response business is “operationally sound” (¶ 10) and its performance “has been strong” (¶ 24). In contrast, that same Declaration states the Ambipar entities operating the unrelated ESG segment are in “financial distress” (as is Ambipar Topco). Id. ¶ 10.

10. Contemporaneously with the commencement of this case, due, among other things, to the ESG segment’s financial difficulties, numerous Ambipar group entities, including the Debtor, sought an analog to a preliminary injunction in Brazil (*Tutela Cautelar em Caráter Antecedente*) to stay creditor actions for 30 days pending restructuring discussions, followed by commencement of *recuperação* judicial proceedings in Brazil (the “**RJ Proceedings**”). Id. ¶ 10.

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<sup>3</sup> A description of the Debtor’s business, capital structure, and the circumstances leading to commencement of this case is contained in the Amended Declaration of Thiago da Costa Silva in Support of Chapter 11 Petition [D.I. 15] (the “**Amended First Day Declaration**”).

11. In the RJ Proceedings, the Ambipar entities, including the Debtor, filed court documents that, under Brazilian law, purportedly would support substantive consolidation of the Ambipar entities subject to the RJ Proceedings. On October 30, 2025, the Brazilian RJ Court issued an order substantively consolidating those Ambipar entities (the “**Consolidation Order**”). See Ad Hoc Group’s Objection to the Disclosure Motion (“**Ad Hoc Group Obj.**”) [D.I. 58] Exh. A at 10–12. This substantive consolidation of the Debtor with other Ambipar companies was granted despite: (a) the Debtor’s ability to account for the Debtor’s distinct assets and liabilities (as demonstrated, among other things, by the Debtor’s public securities filings and multiple filings in this case);<sup>4</sup> (b) creditors’ reliance on the Debtor’s separate identity (as demonstrated by, among other things, the Debtor’s guarantees of the Green Notes held by members of the Ad Hoc Group); and (c) the fact the Debtor is not 100% owned by Ambipar TopCo (as a substantial portion of the Debtor’s equity is held by unrelated parties such as Opportunity). Several creditors and the Rio de Janeiro’s Public Prosecutor appealed the Consolidation Order, and those appeals are pending.

12. Just before commencement of this case and the RJ Proceedings, Ambipar TopCo arranged for essentially all cash held by the Debtor and its subsidiaries to be swept up to Ambipar TopCo and certain of its subsidiaries, and Opportunity understands that cash sweep from the Debtor’s subsidiaries continues to this day. See Ad Hoc Group’s Obj. [D.I. 58] ¶ 6.<sup>5</sup>

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<sup>4</sup> See, e.g., Debtor’s Motion for Entry of an Order (I) Extending the Time to File (A) Schedules of Assets and Liabilities and Schedules of Executory Contracts and Unexpired Leases, and (B) Statement of Financial Affairs, (II) Modifying Requirement to File List of Equity Security Holders, (III) Extending Time to File, and Modifying Frequency of, Reports under Bankruptcy Rule 2015-3, (IV) Authorizing Redacting of Certain Personally Identifiable Information of Natural Persons, and (V) Granting Related Relief [D.I. 36] (the “**Disclosure Motion**”) ¶ 15 (“the Debtor has historically reported consolidated financial information for the Debtor and its subsidiaries in connection with its periodic SEC reporting”); Debtor’s First Monthly Operating Report [D.I. 50] p. 3. Opportunity had not retained counsel in this case before the deadline to object to the Disclosure Motion and reserves all rights in that regard, particularly regarding the Debtor’s obligation to file a complete equity holder list and monthly financial reports regarding itself and the Debtor’s subsidiaries.

<sup>5</sup> This is not the first instance that the Debtor has been used to benefit Ambipar TopCo at the expense of its own interests. When the second tranche of Green Notes was issued, the Debtor’s guaranty of those notes was

13. Due to the Debtor's and its subsidiaries resulting lack of cash, on November 17, 2025, the Debtor filed the Funding Motion [D.I. 42] seeking, inter alia, approval of the Funding Agreement with Ambipar TopCo. Under the proposed agreement, all draws by the Debtor would be non-recourse and non-repayable. See Funding Motion ¶¶ 8, 10. The Debtor, however, may use such funds only for "Permitted Funding Uses," which consist primarily of professional fees and administrative costs in this case. See id. Exh. A §§ 1 and 4. In addition, Ambipar TopCo's obligation to continue funding may cease upon the occurrence of a Mandatory Payment Trigger Event. See id. Exh. A § 2(d)(i). Such an event would include, among other things:

(ii) filing by [the Debtor] (or any person acting on behalf of [the Debtor]) of any motion seeking entry of a Trustee Order, failure of the [Debtor] to object to any motion seeking entry of a Trustee Order, or the Bankruptcy Court or any other court of competent jurisdiction entering a Trustee Order;

(iii) filing by [the Debtor] (or any person acting on behalf of [the Debtor]) of any motion or petition seeking Dismissal or Conversion, failure of the [Debtor] to object to or contest any motion or petition seeking Dismissal or Conversion, or entry of an order of Dismissal or Conversion by the Bankruptcy Court or any other court of competent jurisdiction;

(iv) entry of an order of the Bankruptcy Court terminating the automatic stay under section 362 of the Bankruptcy Code with respect to any assets in [the Debtor's] bankruptcy estate without the consent of the [Debtor];

(v) filing by [the Debtor] (or any person acting on behalf of [the Debtor]) of any complaint or cause of action asserting any claims or cause of action (including under Chapter 5 of the Bankruptcy Code or any similar state or foreign law) against [Ambipar TopCo] or any of [Ambipar TopCo's] current or former officers and directors (individually or in any capacity) without the consent of the [Ambipar TopCo]; [or]

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(vii) entry of an order by the Brazilian RJ Court that prohibits [Ambipar TopCo] or [the Debtor's] compliance with this agreement or is otherwise materially

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conditioned upon the \$128 million of proceeds from that note issuance being paid to the Debtor. In fact, none of the second tranche note proceeds were paid to the Debtor.

inconsistent with this agreement or would frustrate the Parties' respective objectives hereunder[.]

Id. Exh. A § 1. The Funding Motion fails to explain why the Debtor lacks adequate funds today, why the funding use limitations and termination events are appropriate, and whether the Debtor pursued or considered any alternative funding arrangements.

### **LIMITED OBJECTION**

#### **I. A HEIGHTENED BUSINESS JUDGMENT STANDARD APPLIES TO APPROVAL OF THE FUNDING MOTION**

14. The Funding Agreement is conditioned on a series of default triggers and use limitations that would materially reduce the Debtor's control over its own case, while conferring inappropriate benefits on Ambipar TopCo, the Debtor's controlling shareholder. The Debtor bears the burden here of demonstrating that entering into the Funding Agreement represents a sound exercise of business judgment. That burden is heightened where, as here, the proposed transaction involves an insider, the Debtor's parent. See *In re Condere Corp.*, 228 B.R. 615, 632 (Bankr. S.D. Miss. 1998) (applying heightened scrutiny to insider transactions and noting that sales to fiduciaries are not per se prohibited, but they are "necessarily subjected to heightened scrutiny because they are rife with the possibility of abuse") (*quoting In re Bidermann Industries, U.S.A., Inc.*, 203 B.R. 547 (Bankr. S.D.N.Y.1997)).

#### **II. ENTERING INTO THE PROPOSED FUNDING AGREEMENT WITH THE DEBTOR'S PARENT IS NOT AN APPROPRIATE EXERCISE OF THE DEBTOR'S BUSINESS JUDGMENT**

15. The Debtor does not satisfy the heightened business judgment standard applicable here. Although the Funding Agreement is presented facially as a no-cost benefit to the Debtor, in substance the proposed funding arrangement would compromise the Debtor's ability to fulfill its

fiduciary obligations while conferring unwarranted advantages on the Debtor's controlling shareholder.

16. *First*, the Funding Agreement would effectively legitimize Ambipar TopCo's extraction of the Debtor and its subsidiaries' cash by, among other things, returning only a portion of those funds with strings attached and requiring investigation of the misconduct by the Debtor's affiliates on terms dictated by Ambipar TopCo, one of the alleged wrongdoers. The Funding Motion never explains why the Debtor lacks liquidity, how or why the Debtor's (and its subsidiaries') cash was depleted, or whether any alternative financing options, from the Debtor's subsidiaries, Ambipar TopCo or a third party, were considered or pursued.

17. These omissions are inexcusable. Just by way of example, the Debtor's last audited balance sheet released on June 30, 2025, shows that as of December 31, 2024, on a consolidated basis, the Debtor had cash on hand of over R\$358 million Brazilian Reais, which equals over \$68 million U.S. dollars.<sup>6</sup> Correspondingly, the financial information recently released by the Debtor's immediate and wholly owned subsidiary, Emergência Participações S.A., reveals it has \$8 million in dividends receivable, demonstrating the Debtor's operating subsidiaries both are generating positive results and should have cash to fund the Debtor. See Global Notes Regarding the Debtors' Periodic Report of the Value, Operations, and Profitability of Entities in Which the Debtors' Estate Holds a Substantial or Controlling Interest [D.I. 79] Exh. A-1.

18. The only basis the Debtor provides for finding the proposed financing is in the "best interest of the estate" is that it was approved by a "special committee" consisting of a single director (to the exclusion of the Debtor's other independent directors) who was effectively

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<sup>6</sup> See Ambipar Emergency Response, Annual Report (Form 20-F) (Dec. 31, 2024), at F-5, <https://www.sec.gov/Archives/edgar/data/1937441/000162828025032686/ambi-20241231.htm>.

appointed by Ambipar TopCo and who (and whose professionals) would be paid by the proposed financing. Funding Motion ¶ 18. However, the Funding Motion omits that the special committee now has a limited mandate, which does not include any authority or role related to either: (a) the Debtor's chapter 11 plan (or the parallel plan proceedings in Brazil); or (b) any proposed settlement or assertion of claims by the Debtor against Ambipar TopCo (or its non-Response subsidiaries) or its officers and directors, even though any such plan and/or settlement would involve numerous conflicts of interest, as those actions are to be made among related parties to the Debtor. Also, regarding the special committee's actual limited authority, the Funding Motion fails to mention the special committee excludes the Debtor's other independent directors and lacks an independent financial advisor or forensic professional.<sup>7</sup> See Amended First Day Declaration ¶ 36. Hence, approval of the Funding Agreement in this context would risk sanitizing the very misconduct (including Ambipar ToCo's improper cash sweeps) that should instead be subject to a fulsome independent investigation and recovery.

19. *Second*, the proposed financing terms would render the Debtor and its professionals beholden to and dependent on Ambipar TopCo, even though Ambipar TopCo is the Debtor's primary adversary in this case. The central disputes already emerging in this chapter 11 concern, first, Ambipar TopCo's alleged misconduct in orchestrating the pre-petition and post-petition cash sweeps from the Debtor and its subsidiaries, and second, the manner in which the relationship between the Debtor and its profitable business line on the one hand, and the distressed Ambipar entities and their ESG operations, on the other, will be resolved, including in connection with substantive consolidation issues and/or a restructuring plan in this case and/or the RJ Proceedings.

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<sup>7</sup> The special committee would have access to FTI as a forensic professional, but FTI has conflicting interests regarding the Debtor's claims against its affiliates as FTI is retained by the Ambipar Group collectively rather than by the Debtor alone.



In this context, the Debtor's assertion that it requires Ambipar TopCo's funding to pay professional fees and administrative expenses only underscores the problem. See Funding Motion ¶ 7, Exh. A §§ 1 and 4. Having improperly taken those funds from the Debtor and its subsidiaries, Ambipar TopCo now seeks to place the Debtor's ability to function largely within Ambipar TopCo's discretion. That simply makes no sense in light of Ambipar TopCo's obvious conflicts of interest. Further, Ambipar TopCo's interests diverge sharply from the Debtor's as Ambipar TopCo's focus is, and economic interests as equity holder are, on the ESG segment of the Ambipar group.

20. *Third*, the Funding Agreement's restrictions on the Debtor's use of funds through expansive "Mandatory Payment Trigger Events" and the limited scope of the special committee's mandate only magnify these concerns. Continued funding depends on avoiding a broad range of "Mandatory Payment Trigger Events," several of which relate directly to actions the Debtor or its professionals may be required to take in fulfilling their fiduciary duties. See id. Exh. A § 2(d)(i). These events include, among other things, the filing of or the failure to oppose a trustee motion, the pursuit of claims against Ambipar TopCo or any of its current or former officers or directors, and entry of an order in the Brazilian RJ Proceedings (but not this Court) that prohibits the Debtor or Ambipar TopCo from complying with the Funding Agreement or "is otherwise materially inconsistent with this agreement or would frustrate the Parties' respective objectives hereunder." See id. Exh. A § 1.<sup>8</sup> By conditioning continued funding on avoiding steps that may be necessary for the Debtor to fulfill its fiduciary obligations, the Funding Agreement would improperly impact (and at a minimum, delay) the Debtor's ability to act in the estate's best interests.

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<sup>8</sup> With respect to this last Mandatory Payment Trigger Events, it should be considered whether the Consolidation Order itself already constitutes an order from the Brazilian RJ Court that is "materially inconsistent with this agreement or would frustrate the Parties' respective objectives hereunder."

21. Equally problematic is that the Funding Agreement enables the Debtor, in its “sole discretion,” to bring any dispute concerning the Funding Agreement in the Brazilian RJ Court rather than this Court. See Motion Ex. A § 8. Given Ambipar TopCo’s current control over the Debtor, this provision would enable an adverse insider to dictate the forum (to the exclusion of this Court) for resolving disputes arising under the Funding Agreement. That forum shopping provision is even more concerning in light of the Brazilian RJ Court’s recent Consolidation Order.

22. *Fourth*, even if the Funding Agreement somehow were free of these numerous conflicts, the proposed funding is inadequate on its face. The Funding Agreement provides at most \$3 million to fund all chapter 11 fees and expenses, including U.S. Trustee fees, administrative costs, and all professional fees. See Funding Motion ¶ 7. That sum is inadequate for a complex, cross-border restructuring that will require substantial expert analysis, potential litigation relating to Ambipar TopCo’s misconduct and the Brazil Consolidation Order, a thorough investigation into both the dramatic reduction in the Debtor’s reported assets and the alleged cash sweeps, substantial fees for the Debtor’s and any committee’s professionals, and other costs.<sup>9</sup> Moreover, the scope of the purposes for which the proposed financing could be used would not cover substantial contribution claims (which may be made by parties forced to act independently, particularly if the special committee’s mandate is not expanded and/or no official committee is appointed) and other foreseeable costs.

23. Consequently, the Debtor has not carried its burden to demonstrate under the heightened business judgment standard that entry into this insider financing arrangement is an appropriate exercise of the Debtor’s business judgment.

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<sup>9</sup> Opportunity has requested appointment of an official equity holders’ committee in this case and the U.S. Trustee’s office is considering that request.

**CONCLUSION**

WHEREFORE, Opportunity respectfully requests that the Court: (a) deny the Motion insofar as it seeks authorization to enter into the Funding Agreement, or, alternatively, condition approval on modifications that eliminate undue insider control and preserve the Debtor's independence and ability to fulfill its fiduciary duties; and (b) grant Opportunity such other and further relief as the Court deems just and proper.

Dated: December 8, 2025

**BRADLEY ARANT BOULT CUMMINGS LLP**

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Investimento em Participações Multiestratégia  
Responsabilidade Limitada*

**CERTIFICATE OF SERVICE**

I hereby certify that on December 8, 2025, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States District Court for the Southern District of Texas.

/s/ Michael K. Riordan  
Michael K. Riordan

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

In re:

AMBIPAR EMERGENCY RESPONSE,<sup>1</sup>

Debtor.

Chapter 11

Case No. 25-90524

**Relates to ECF. No. 42**

**ORDER DENYING DEBTOR'S MOTION FOR ENTRY OF AN ORDER  
AUTHORIZING THE DEBTOR TO (I) ENTER INTO THE FUNDING AGREEMENT,  
(II) OPEN BANK ACCOUNTS AND (III) GRANTING RELATED RELIEF**

The Court, having considered the Debtor's Motion for Entry of an Order Authorizing the Debtor to (I) Enter Into the Funding Agreement, (II) Open Bank Accounts and (III) Granting Related Relief (the "**Funding Motion**"), the objection (the "**Opportunity Objection**")<sup>2</sup> to the Funding Motion filed by Opportunity Dinâmico Fundo de Investimento em Participações Multiestratégia Responsabilidade Limitada (f/k/a Opportunity Agro Fundo de Investimento Em Participações Multiestratégia Investimento No Exterior) ("**Opportunity**"), any other responses or replies to the foregoing, and the arguments at the hearing, if any; and the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and this proceeding being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue of this proceeding and the Motion being proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409; finds that the Motion is without merit. It is therefore **ORDERED** that:

1. The Funding Motion is **DENIED**, in its entirety.

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<sup>1</sup> The last four digits of the Debtor's taxpayer identification number are 0263. The Debtor's address is P.O. Box 10008, Willow House, Cricket Square, Grand Cayman, KY1-1001, Cayman Islands.

<sup>2</sup> Capitalized terms not defined herein have the meaning ascribed to them in the Opportunity Objection.

Signed: \_\_\_\_\_

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**ALFREDO R. PÉREZ**  
**UNITED STATES BANKRUPTCY JUDGE**