

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

LEISURE INVESTMENTS HOLDINGS LLC,
et al.,¹

Debtors.

Chapter 11

Case No. 25-10606 (LSS)

(Jointly Administered)

Hearing Date:

August 12, 2025 at 2:00 p.m. (ET)

Objection Deadline:

August 5, 2025 at 4:00 p.m. (ET)

**DEBTORS' MOTION FOR ENTRY OF AN ORDER EXTENDING THE EXCLUSIVE
PERIODS FOR THE FILING OF A CHAPTER 11 PLAN AND
SOLICITATION OF ACCEPTANCES THEREOF**

Leisure Investments Holdings LLC, and certain of its affiliates (each, a “**Debtor**” and collectively, the “**Debtors**”) in the above-captioned chapter 11 cases (collectively, the “**Chapter 11 Cases**”), hereby file this motion (this “**Motion**”) for entry of an order, substantially in the form attached hereto as **Exhibit A** (the “**Proposed Order**”), extending each of the Exclusive Periods (as defined below) by approximately ninety (90) days. In support of this Motion, the Debtors rely upon, and incorporate by reference the *Declaration of Steven Robert Strom in Support of Chapter 11 Petitions and First Day Pleadings* [Docket No. 10] (the “**First Day Declaration**”).² In further support of this Motion, the Debtors respectfully state as follows:

¹ Due to the large number of Debtors in these chapter 11 cases a complete list of the Debtors is not provided herein. A complete list of the Debtors along with the last four digits of their tax identification numbers, where applicable, may be obtained on the website of the Debtors’ noticing and claims agent at <https://veritaglobal.net/dolphinco>, or by contacting counsel for the Debtors. For the purposes of these chapter 11 cases, the address for the Debtors is Leisure Investments Holdings LLC, c/o Riveron Management Services, LLC, 600 Brickell Avenue, Suite 2550, Miami, FL 33131.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the First Day Declaration.



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JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the District of Delaware (the “**Court**”) has jurisdiction to consider this Motion 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. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

2. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and, pursuant to rule 9013-1(f) of the Local Rules of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”), the Debtors consent to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent the consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

3. The statutory and legal predicates for the relief requested herein are section 1121(d) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “**Bankruptcy Code**”), Rule 9006 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and Local Rule 9006-1.

BACKGROUND

A. General Background

4. On March 31, 2025 (the “**Commencement Date**”), certain of the Debtors (the “**Initial Debtors**”) filed voluntary petitions pursuant to chapter 11 of the Bankruptcy Code. On April 16, 2025 and May 4, 2025, affiliates Controladora Dolphin, S.A. de C.V. (“**Controladora**”) and Embassy of the Seas Limited (“**Embassy**”), respectively, also filed voluntary petitions for relief pursuant to chapter 11 of the Bankruptcy Code. The Chapter 11 Cases are being jointly administered for procedural purposes only. *See* Docket Nos. 32, 68 & 126. The

Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

5. On May 6, 2025, the Office of the United States Trustee for the District of Delaware (the “**U.S. Trustee**”) appointed an official committee of unsecured creditors (the “**Committee**”). *See* Docket Nos. 128 & 151.

6. Additional information regarding the Debtors, including their business operations, their corporate and capital structure, and the events leading to the commencement of the Chapter 11 Cases is set forth in detail in the First Day Declaration.

B. Efforts to Stabilize the Debtors’ Business Following the Commencement Date

7. As discussed in the First Day Declaration and at the “first day” hearing held on April 2, 2025, the Debtors’ existing board of directors/managers and officers were appointed shortly before the Commencement Date, after the Prepetition First Lien Noteholders exercised their collateral rights to remove the Debtors’ prior management. First Day Declaration at ¶ 13. Accordingly, since immediately before the Commencement Date, the Debtors have been diligently identifying, and obtaining access to, the Debtors’ books, records and facilities, all while concurrently prosecuting proceedings in Mexico and before this Court to assert operational control over the Debtors’ Mexican headquarters and other facilities. While exerting control over the Debtors’ books, records, and facilities has proven challenging, the Debtors have made significant progress, including obtaining access to and control over the Debtors’ facilities, identifying and working with the Debtors’ operational management personnel, and obtaining a significant portion of the Debtors’ financial and operational records that are necessary to prepare cash flow forecasts, budgets, and identify and connect with the Debtors’ vendor base and other constituencies.

RELIEF REQUESTED

8. Unless extended, the Plan Periods and Solicitation Periods (each as defined below) will expire as follows: (i) for the Initial Debtors, on July 29, 2025 and September 29, 2025, respectively; (ii) for Controladora, on August 14, 2025 and October 14, 2025, respectively; and (iii) for Embassy, on September 1, 2025 and October 31, 2025, respectively.

9. By this Motion, the Debtors request entry of the Proposed Order extending the Plan Periods and Solicitation Periods (each as defined below) by approximately ninety (90) days, as follows: (i) for the Initial Debtors, through and including October 27, 2025 and December 29, 2025, respectively; (ii) for Controladora, through and including November 12, 2025 and January 12, 2026, respectively; and (iii) for Embassy, through and including December 1, 2025 and January 29, 2026, respectively, without prejudice to the Debtors' right to seek additional extensions of the Exclusive Periods.³

BASIS FOR RELIEF

10. Section 1121(b) of the Bankruptcy Code provides for an initial period of 120 days after commencement of a chapter 11 case during which a debtor has the exclusive right to propose and file a chapter 11 plan (with respect to a Debtor, the "**Plan Period**" and, with respect to the Debtors, the "**Plan Periods**"). If a debtor files a plan during the Plan Period, section 1121(c)(3) of the Bankruptcy Code provides a debtor with an additional 60 days following the expiration of such Plan Period (or 180 days following the commencement of the case) to solicit acceptances of the plan without competing plan filings (with respect to a Debtor, the "**Solicitation Period**" and, with respect to the Debtors, the "**Solicitation Periods**," together with the Plan Period,

³ Pursuant to Rule 9006-1 of the Local Rules of the United States Bankruptcy Court for the District of Delaware (the "**Local Rules**"), the filing of this Motion prior to the expiration of the current Exclusive Periods shall automatically extend the Exclusive Periods until the Court acts on this Motion without the necessity for entry of a bridge order. *See* Del. Bankr. L.R. 9006-1.

the “**Exclusive Periods**”). Section 1121(d) of the Bankruptcy Code permits the Court to extend the Exclusive Periods for “cause.” For the reasons set forth herein, “cause” exists to extend the Exclusive Periods.

I. Section 1121(d) of the Bankruptcy Code Permits the Court to Extend the Exclusive Periods “for Cause”

11. The Exclusive Periods are designed to provide a debtor with a full and fair opportunity to propose a consensual plan and solicit acceptances of such plan, without disruption to the administration of the estate that may result from the filing of competing plans by non-debtor parties. To this end, where the Exclusive Periods prove to be unfeasible timeframes, section 1121(d) of the Bankruptcy Code allows the Court to extend such Exclusive Periods for cause.⁴ Although the Bankruptcy Code does not define the term “cause,” the legislative history indicates it is intended to be a flexible standard to balance the competing interests of a debtor and its creditors. *See* H.R. REP. NO. 95–595, at 231–32 (1978), *reprinted in* 1978 U.S.C.C.A.N. 5787, 6191 (noting that Congress intended to give bankruptcy courts flexibility to protect a debtor’s interests by allowing unimpeded opportunity to negotiate settlement of debts without interference from other parties in interest).

12. Congress built flexibility into section 1121 of the Bankruptcy Code to give a debtor sufficient opportunity to stabilize its business operations at the outset of its chapter 11 case and to negotiate an effective plan with its creditors. *See In re Newark Airport/Hotel Ltd. P’ship*, 156 B.R. 444, 451 (Bankr. D. N.J.), *aff’d*, 155 B.R. 93 (D.N.J. 1993) (noting that Congress designed chapter 11 provisions to enable a debtor to remain in control for some period of time,

⁴ Pursuant to section 1121(d)(2)(A) of the Bankruptcy Code, the Plan Period may not be extended beyond a date that is 18 months after the commencement of a chapter 11 case. Pursuant to section 1121(d)(2)(B) of the Bankruptcy Code, the Solicitation Period may not be extended beyond a date that is 20 months after the commencement of a chapter 11 case.

thereby making reorganization an attractive alternative to financially troubled companies); *see also Gaines v. Perkins (In re Perkins)*, 71 B.R. 294, 297–98 (W.D. Tenn. 1987) (Congress designed section 1121 of the Bankruptcy Code to give the debtor time to reach an agreement with its creditors regarding a plan of reorganization.).

13. In making the determination to affirm or deny a request to extend the Exclusive Periods for “cause,” courts have considered a variety of factors, including:

- (a) the size and complexity of the debtor’s case;
- (b) the necessity of sufficient time to negotiate and prepare adequate information;
- (c) the existence of good-faith progress towards reorganization;
- (d) whether the debtor is paying its debts as they become due;
- (e) whether the debtor has made progress negotiating with creditors;
- (f) the length of time a case has been pending;
- (g) whether the debtor is seeking an extension to pressure creditors; and
- (h) whether or not unresolved contingencies exist.

In re Cent. Jersey Airport Servs., LLC, 228 B.R. 176, 184 (Bankr. D.N.J. 2002) (citations omitted); *see also In re McLean Indus., Inc.*, 87 B.R. 830, 834 (Bankr. S.D.N.Y. 1987) (citing to most of the factors listed above in determining whether to extend the exclusive periods); *In re United Press Int’l, Inc.*, 60 B.R. 265, 269 (Bankr. D.D.C. 1986) (holding that the debtor showed “cause” to extend its exclusive period based upon certain of the above-quoted factors).

14. Not all of the above factors are relevant to every case, and courts may consider the relevant subset of factors to determine whether cause exists to grant an exclusivity extension in a particular chapter 11 case. *See, e.g., In re Express One Int’l, Inc.*, 194 B.R. 98, 100-01 (Bankr. E.D. Tex. 1996) (identifying four of the factors as relevant in determining whether “cause” exists to extend exclusivity); *In re United Press Int’l, Inc.*, 60 B.R. 265, 269 (Bankr. D.D.C. 1986)

(finding that the debtor showed “cause” to extend exclusivity based upon three of the factors); *In re Pine Run Tr., Inc.*, 67 B.R. 432, 435 (Bankr. E.D. Pa. 1986) (relying on two factors in holding that cause existed to extend exclusivity). As detailed below, the facts and circumstances of the Chapter 11 Cases justify extending the Exclusive Periods.

II. Cause Exists for an Extension of the Exclusive Periods

15. Cause exists for an extension of the Exclusive Periods given the progress the Debtors have made thus far in the Chapter 11 Cases. The Debtors have been in chapter 11 for approximately four (4) months, during which period the Debtors and their advisors have devoted a significant amount of time and effort to preserve and maximize the value of the Debtors’ estates for the benefit of all stakeholders. To that end, the Debtors have, among other things: (a) obtained orders (i) authorizing the Debtors to obtain interim postpetition financing [Docket Nos. 40, 134, 213 & 255]; (ii) enforcing the automatic stay [Docket Nos. 34 & 205]; (iii) authorizing the Debtors to pay prepetition wages on interim [Docket No. 63] and final [Docket No. 105] bases; (b) retained professionals; (c) engaged in substantial litigation efforts in both Mexico and in the Chapter 11 Cases; (d) established, in consultation with the Debtors’ various professionals, a framework for a sale and marketing process; (e) submitted proposed bidding procedures [Docket No. 299] for a sale and marketing process; (f) sought and obtained the Debtors’ financial and other records and established cash management protocols and other operational systems to ensure a transparent and accurate financial accounting system; (g) responded to various creditor inquiries; and (h) handled various tasks related to the administration of the Debtors’ estates and the Chapter 11 Cases.

16. As has been the subject of numerous hearings and pleadings filed in the Chapter 11 Cases, the Debtors and their professionals have expended extensive resources to stabilize their businesses and achieve progress in the Chapter 11 Cases. The Debtors are now positioned to market their assets with the assistance of third-party professionals and with the support of the

Debtors' lenders and other creditor constituencies. In light of these circumstances, the Debtors submit that extension of the Exclusive Periods is appropriate and necessary to afford the Debtors sufficient time to negotiate the terms of a value-maximizing chapter 11 plan.

III. Other Relevant Factors Favor Extending the Exclusive Periods

A. The Size, Complexity, and Duration of the Chapter 11 Cases

17. This Motion is the Debtors' first request to extend the Exclusive Periods. In the four months since the Commencement Date, the Debtors have addressed critical litigation, case management, and operational issues to maximize the value of the Debtors' estates and sell certain of the Debtors' assets. The complexity of the various issues addressed, and the time, effort, and planning required to obtain the progress made thus far warrant the requested extension of the Exclusive Periods.

B. Good Faith Progress Made in the Chapter 11 Cases

18. The Debtors have made significant and material progress in the Chapter 11 Cases. As discussed above, the progress achieved to date was the result of the extensive efforts of the Debtors, their management, and their professional advisors, in cooperation with various parties in interest in the Chapter 11 Cases, to protect and maximize the value of the Debtors' estates. Accordingly, the Debtors submit that this factor weighs in favor of extending the Exclusive Periods.

C. The Necessity of Sufficient Time to Negotiate and Prepare Adequate Information

19. As set forth above, the Debtors faced significant challenges in obtaining access to and control over their books and records. The Debtors and their professionals expended substantial time and effort in attempt to obtain such access, which has limited the Debtors' opportunity to formulate and negotiate a chapter 11 plan. Accordingly, the Debtors submit that this factor weighs in favor of extending the Exclusive Periods.

D. The Debtors Are Paying Their Debts as They Come Due

20. The Debtors continue to pay undisputed postpetition obligations on a timely basis. As such, the requested extension of the Exclusive Periods will afford the Debtors a meaningful opportunity to solicit votes on a plan and negotiate with key parties to confirm a plan without prejudice to the parties in interest in the Chapter 11 Cases.

E. The Debtors Are Not Seeking an Extension to Pressure Creditors

21. Throughout the chapter 11 process, the Debtors have endeavored to establish and maintain cooperative working relationships with their primary creditor constituencies. Importantly, the Debtors are not seeking the extension of the Exclusive Periods to delay administration of the Chapter 11 Cases or to exert pressure on their creditors, but rather to continue the orderly, efficient, and cost-effective chapter 11 process. Thus, this factor also weighs in favor of the requested extension of the Exclusive Periods.

F. Termination of the Debtors' Exclusive Periods Would Adversely Impact the Chapter 11 Cases

22. Termination of the Exclusive Periods would adversely impact the Debtors' efforts to preserve and maximize the value of the estates and the progress of the Chapter 11 Cases. If the Court were to deny the Debtors' request for an extension of the Exclusive Periods, any party in interest would be permitted to propose an alternative chapter 11 plan for the Debtors, which would only foster a chaotic environment and cause opportunistic parties to engage in counterproductive behavior in pursuit of alternatives that are neither value-maximizing nor feasible under the circumstances of the Chapter 11 Cases. Allowing the Debtors a sufficient opportunity to market their assets and pursue a structured and transparent process will streamline the Chapter 11 Cases, reduce expense, and otherwise maximize the value of the Debtors' estates.

23. Based upon the foregoing, the Debtors respectfully submit that cause exists to extend the Exclusive Periods pursuant to section 1121(d) of the Bankruptcy Code. Specifically, the Debtors request that the Plan Periods and Solicitation Periods be extended as follows: (i) for the Initial Debtors, through and including October 27, 2025 and December 29, 2025, respectively; (ii) for Controladora, through and including November 12, 2025 and January 12, 2026, respectively; and (iii) for Embassy, through and including December 1, 2025 and January 29, 2026, respectively, without prejudice to the Debtors' right to seek further extensions of the Exclusive Periods.

NOTICE

24. Notice of this Motion will be provided to: (a) the U.S. Trustee; (b) counsel to the Committee; (c) counsel to the Prepetition First Lien Noteholders and DIP Lenders; (d) counsel to the DIP Agent; (e) counsel to the Prepetition Second Lien Noteholders; (f) counsel to the Prepetition First Lien Collateral Agent and the Prepetition Second Lien Collateral Agent; and (g) all parties that have filed a notice of appearance and request for service of papers pursuant to Bankruptcy Rule 2002. The Debtors submit that, under the circumstances, no other or further notice is required.

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CONCLUSION

WHEREFORE, the Debtors request entry of the Proposed Order granting the relief requested herein and such other and further relief as is just and proper.

Dated: July 29, 2025
Wilmington, Delaware

/s/ Jared W. Kochenash

YOUNG CONAWAY STARGATT & TAYLOR, LLP

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Counsel to the Debtors and Debtors in Possession

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

LEISURE INVESTMENTS HOLDINGS LLC,
et al.,¹

Debtors.

Chapter 11

Case No. 25-10606 (LSS)

(Jointly Administered)

Hearing Date:

August 12, 2025 at 2:00 p.m. (ET)

Objection Deadline:

August 5, 2025, at 4:00 p.m. (ET)

NOTICE OF MOTION

PLEASE TAKE NOTICE that the debtors and debtors in possession in the above-captioned cases (collectively, the “**Debtors**”) have filed the *Debtors’ Motion for Entry of an Order Extending the Exclusive Periods for the Filing of a Chapter 11 Plan and Solicitation of Acceptances Thereof* (the “**Motion**”) with the United States Bankruptcy Court for the District of Delaware (the “**Court**”).

PLEASE TAKE FURTHER NOTICE that any objections to the Motion must be filed on or before **August 5, 2025, at 4:00 p.m. (ET)** (the “**Objection Deadline**”) with the United States Bankruptcy Court for the District of Delaware, 3rd Floor, 824 North Market Street, Wilmington, Delaware 19801. At the same time, you must serve a copy of any objection upon the undersigned counsel to the Debtors so as to be received on or before the Objection Deadline.

PLEASE TAKE FURTHER NOTICE THAT A HEARING TO CONSIDER THE MOTION WILL BE HELD ON AUGUST 12, 2025 AT 2:00 P.M. (ET) BEFORE THE HONORABLE LAURIE SELBER SILVERSTEIN IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 N. MARKET STREET, 6TH FLOOR, COURTROOM NO. 2, WILMINGTON, DELAWARE 19801.

[Continued on Next Page]

¹ Due to the large number of Debtors in these chapter 11 cases a complete list of the Debtors is not provided herein. A complete list of the Debtors along with the last four digits of their tax identification numbers, where applicable, may be obtained on the website of the Debtors’ noticing and claims agent at <https://veritaglobal.net/dolphinco>, or by contacting counsel for the Debtors. For the purposes of these chapter 11 cases, the address for the Debtors is Leisure Investments Holdings LLC, c/o Riveron Management Services, LLC, 600 Brickell Avenue, Suite 2550, Miami, FL 33131.

PLEASE TAKE FURTHER NOTICE THAT, IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR A HEARING.

Dated: July 29, 2025

/s/ Jared W. Kochenash

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Counsel to the Debtors and Debtors in Possession

EXHIBIT A

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

LEISURE INVESTMENTS HOLDINGS LLC,
et al.,¹

Debtors.

Chapter 11

Case No. 25-10606 (LSS)

(Jointly Administered)

Ref. Docket No. __

**ORDER EXTENDING THE EXCLUSIVE PERIODS FOR THE FILING OF A
CHAPTER 11 PLAN AND SOLICITATION OF ACCEPTANCES THEREOF**

Upon consideration of the motion (the “**Motion**”)² of the Debtors for the entry of an order extending the Plan Periods and Solicitation Periods (i) for the Initial Debtors, through and including October 27, 2025 and December 29, 2025, respectively; (ii) for Controladora, through and including November 12, 2025 and January 12, 2026, respectively; and (iii) for Embassy, through and including December 1, 2025 and January 29, 2026, respectively; and this Court having determined that this Court has jurisdiction to consider the Motion and the relief requested therein in accordance with 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; and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409;

¹ Due to the large number of Debtors in these chapter 11 cases a complete list of the Debtors is not provided herein. A complete list of the Debtors along with the last four digits of their tax identification numbers, where applicable, may be obtained on the website of the Debtors’ noticing and claims agent at <https://veritaglobal.net/dolphinco>, or by contacting counsel for the Debtors. For the purposes of these chapter 11 cases, the address for the Debtors is Leisure Investments Holdings LLC, c/o Riveron Management Services, LLC, 600 Brickell Avenue, Suite 2550, Miami, FL 33131.

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

and due and proper notice of the Motion and the hearing thereon having been given as set forth in the Motion; and such notice having been adequate and appropriate under the circumstances; and it appearing that no other or further notice need be provided; and it appearing that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their creditors, their estates, and all other parties in interest; and after due deliberation and sufficient cause, therefore

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is GRANTED as set forth herein.
2. Pursuant to section 1121(d) of the Bankruptcy Code, the Plan Period is extended (i) for the Initial Debtors, through and including, October 27, 2025; (ii) for Controladora, through and including, November 12, 2025; and (iii) for Embassy, through and including December 1, 2025.
3. Pursuant to section 1121(d) of the Bankruptcy Code, the Solicitation Period is extended (i) for the Initial Debtors, through and including, December 29, 2025; (ii) for Controladora, through and including, January 12, 2026; and (iii) for Embassy, through and including, January 29, 2026.
4. The relief granted herein shall not prejudice the Debtors from seeking further extensions made pursuant to section 1121(d) of the Bankruptcy Code.
5. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Order.