

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:

VILLAGE ROADSHOW ENTERTAINMENT  
GROUP USA INC., *et al.*,<sup>1</sup>

Debtors.

)  
) Chapter 11  
)  
) Case No. 25-10475 (TMH)  
)  
) (Jointly Administered)  
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**NOTICE OF FURTHER REVISED BIDDING PROCEDURES ORDER**

**PLEASE TAKE NOTICE** that on March 17, 2025, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed the *Debtors’ Motion for Entry of Orders (I)(A) Approving Bid Procedures for the Sale of the Debtors’ Assets, (B) Authorizing the Debtors’ Entry Into the Stalking Horse APA and Approving Bid Protections Thereunder, (C) Scheduling an Auction for, and Hearing to Approve, Sale of the Debtors’ Assets, (D) Approving Form and Manner of Notices of Sale, Auction, and Sale Hearing, and (E) Approving Assumption and Assignment Procedures; (II)(A) Approving the Sale of the Debtors’ Assets Free and Clear of All Liens, Claims, Interests, and Encumbrances, and (B) Approving Assumption and Assignment of Executory Contracts and Unexpired Leases; and (III) Granting Related Relief* [Docket No. 11] (the “Motion”) with the United States Bankruptcy Court for the District of Delaware.

**PLEASE TAKE FURTHER NOTICE** that on April 16, 2025, the Debtors filed the *Debtors’ Supplemental Motion for Entry of an Order (A) Approving (I) the Debtors’ Designation of the New Stalking Horse Bidder for the Library Assets as Set Forth in the Stalking Horse Agreement, (II) the Debtors’ Entry into the Stalking Horse Agreement, and (III) the Bid Protections and (B) Granting Related Relief* [Docket No. 197] (the “Supplemental Motion”).

**PLEASE TAKE FURTHER NOTICE** that on April 21, 2025, the Debtors filed the *Notice of Revised Bidding Procedures Order* [Docket No. 228] (the “Revised Order”), which revised certain exhibits attached thereto.

**PLEASE TAKE FURTHER NOTICE** that attached hereto as Exhibit A is a further revised proposed order approving the Motion and the Supplemental Motion (the “Further Revised Proposed Order”). Attached hereto as Exhibit B is a blackline of the Further Revised Proposed

<sup>1</sup> The last four digits of Village Roadshow Entertainment Group USA Inc.’s federal tax identification number are 0343. The mailing address for Village Roadshow Entertainment Group USA Inc. is 750 N. San Vicente Blvd., Suite 800 West, West Hollywood, CA 90069. Due to the large number of debtors in these cases, which are being jointly administered for procedural purposes only, a complete list of the Debtors and the last four digits of their federal tax identification is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.veritaglobal.net/vreg>.



Order, showing changes from the Revised Proposed Order. Certain exhibits attached to the Revised Proposed Order have not been modified and are therefore intentionally omitted.

**PLEASE TAKE FURTHER NOTICE** that the Debtors intend to seek entry of the Further Revised Proposed Order at the hearing scheduled for April 22, 2025, at 3:00 p.m. (ET).

**PLEASE TAKE FURTHER NOTICE** that copies of the Motion, Supplemental Motion, and other information regarding these chapter 11 cases are available for inspection free of charge on the case website at <https://www.veritaglobal.net/vreg>.

Dated: April 22, 2025  
Wilmington, Delaware

*/s/ Carol E. Thompson*

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**YOUNG CONAWAY STARGATT &  
TAYLOR, LLP**

Joseph M. Mulvihill (Del. Bar No. 6061)  
Carol E. Thompson (Del. Bar No. 6936)  
Benjamin C. Carver (Del. Bar No. 7176)  
Rodney Square  
1000 North King Street  
Wilmington, DE 19801  
Telephone: (302) 571-6600  
Facsimile: (302) 571-1253  
Email: [jmulvihill@ycst.com](mailto:jmulvihill@ycst.com)  
[cthompson@ycst.com](mailto:cthompson@ycst.com)  
[bcarver@ycst.com](mailto:bcarver@ycst.com)

*Co-Counsel for the Debtors and  
Debtors in Possession*

**SHEPPARD, MULLIN, RICHTER &  
HAMPTON LLP**

Justin R. Bernbrock (admitted *pro hac vice*)  
Matthew T. Benz (admitted *pro hac vice*)  
321 North Clark Street, 32nd Floor  
Chicago, IL 60654  
Telephone: (312) 499-6300  
Facsimile: (312) 499-6301  
Email: [jbernbrock@sheppardmullin.com](mailto:jbernbrock@sheppardmullin.com)  
[mbenz@sheppardmullin.com](mailto:mbenz@sheppardmullin.com)

-and-

Jennifer L. Nassiri (admitted *pro hac vice*)  
1901 Avenue of the Stars, Suite 1600  
Los Angeles, CA 90067  
Telephone: (310) 228-3700  
Facsimile: (310) 228-3701  
Email: [jnassiri@sheppardmullin.com](mailto:jnassiri@sheppardmullin.com)

-and-

Alyssa Paddock (admitted *pro hac vice*)  
30 Rockefeller Plaza, 39th Floor  
New York, NY 10112  
Telephone: (212) 653-8700  
Facsimile: (212) 653-8701  
Email: [apaddock@sheppardmullin.com](mailto:apaddock@sheppardmullin.com)

*Co-Counsel for the Debtors and  
Debtors in Possession*

**EXHIBIT A**

**Further Revised Proposed Order**

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

In re:

VILLAGE ROADSHOW ENTERTAINMENT  
GROUP USA INC., *et al.*,<sup>1</sup>

Debtors.

)  
 ) Chapter 11  
 )  
 ) Case No. 25-10475 (TMH)  
 )  
 ) (Jointly Administered)  
 )  
 ) **Re: Docket No. 11, 197**  
 )

**ORDER (I) APPROVING BID  
PROCEDURES FOR THE SALE OF THE DEBTORS'  
ASSETS, (II) AUTHORIZING THE DEBTORS' ENTRY  
INTO THE STALKING HORSE APA AND APPROVING  
BID PROTECTIONS THEREUNDER, (III) SCHEDULING AN  
AUCTION FOR, AND HEARING TO APPROVE, SALE OF THE  
DEBTORS' ASSETS, (IV) APPROVING FORM AND MANNER OF NOTICES  
OF SALE, AUCTION, AND SALE HEARING, (V) APPROVING ASSUMPTION  
AND ASSIGNMENT PROCEDURES, AND (VI) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)<sup>2</sup> and the Debtors’ *Supplemental Motion for Entry of an Order (A) Approving (I) the Debtors’ Designation of the New Stalking Horse Bidder for the Library Assets as set forth in the Stalking Horse Agreement, (II) the Debtors’ Entry into the Stalking Horse Agreement, and (III) the Bid Protections and (B) Granting Related Relief* [Docket No. 197] (the “Stalking Horse Supplement”) of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for the entry of an order (this “Order”), (a) authorizing and approving bid procedures, attached hereto as **Exhibit 1** (the “Bid Procedures”), in connection

<sup>1</sup> The last four digits of Village Roadshow Entertainment Group USA Inc.'s federal tax identification number are 0343. The mailing address for Village Roadshow Entertainment Group USA Inc. is 750 N. San Vicente Blvd., Suite 800 West, West Hollywood, CA 90069. Due to the large number of debtors in these cases, which are being jointly administered for procedural purposes only, a complete list of the Debtors and the last four digits of their federal tax identification is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://www.veritaglobal.net/vreg>.

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion or the Bid Procedures, as applicable.

with one or more sales or dispositions (collectively, the “Sale”) of the Debtors’ Assets; (b) authorizing and approving the Debtors’ entry into and performance under an asset purchase agreement, substantially in the form attached hereto as **Exhibit 2**, (including all exhibits, schedules, and addenda thereto, the “Stalking Horse APA”) pursuant to which the Debtors have agreed to sell the Library Assets to Alcon Media Group, LLC (the “Stalking Horse Bidder”); (c) authorizing and approving the Stalking Horse Bid Protections provided to the Stalking Horse Bidder in accordance with the terms and conditions set forth in the Stalking Horse APA and the Bid Procedures; (d) establishing certain dates and deadlines in connection with the sale process for all of the Debtors’ Assets, including scheduling an auction (the “Auction”), if necessary, in accordance with the Bid Procedures, and the hearing with respect to the approval of the Sale (the “Sale Hearing”); (e) approving the form and manner of notice of the Auction, if any, the Sale, and the Sale Hearing, attached hereto as **Exhibit 3** (the “Sale Notice”); (f) approving procedures for the assumption and assignment of certain executory contracts and unexpired leases in connection with the Sale and approving the form and manner of notice thereof, attached hereto as **Exhibit 4** (the “Cure Notice”); and (g) granting related relief, all as more fully set forth in the Motion and the Stalking Horse Supplement; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334, which was referred to the Court under 28 U.S.C. § 157 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 this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion and the Stalking Horse Supplement in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that

the relief requested in the Motion and the Stalking Horse Supplement is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and the Stalking Horse Supplement and opportunity for a hearing on the Motion and the Stalking Horse Supplement were appropriate and no other or further notice need or shall be provided; and this Court having reviewed the Motion and the Stalking Horse Supplement and having heard the statements in support of the relief requested therein, if any, at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and the Stalking Horse Supplement and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor,

**IT IS HEREBY FOUND AND DETERMINED THAT:**

A. The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent that any of the following findings of fact constitute conclusions of law, and to the extent that any of the following conclusions of law constitute findings of fact, they are adopted as such.

B. Bid Procedures. The Debtors have articulated good and sufficient business reasons for the Court to approve the Bid Procedures attached hereto as **Exhibit 1**. The Bid Procedures are fair, reasonable and appropriate, and are designed to maximize the value of the proceeds of the Sale of the Debtors' Assets. The Bid Procedures were negotiated in good faith and at arm's-length and are reasonably designed to promote a competitive and robust bidding process to generate the greatest level of interest in all of the Debtors' Assets, one or more Business Segments, or some portion of the Assets.

C. Stalking Horse APA. The Debtors have negotiated the Stalking Horse APA, the form of which is attached hereto as **Exhibit 2**, with the Stalking Horse Bidder for the Library Assets identified therein. The Bid Procedures and the Stalking Horse APA were negotiated at arm's-length and in good faith by the Debtors and the Stalking Horse Bidder, without collusion. The Stalking Horse Bidder has provided a material benefit to the Debtors and their creditors by increasing the likelihood that, given the circumstances, the best possible price for the Library Assets will be received.

D. The Stalking Horse Bidder. The Stalking Horse Bidder is not an "insider" or "affiliate" of any of the Debtors, as those terms are defined in section 101 of the Bankruptcy Code, and no common identity of incorporators, directors, or controlling stakeholders exist between the Stalking Horse Bidder and the Debtors.

E. Sale Notice. The Sale Notice, substantially in the form attached hereto as **Exhibit 3**, is reasonably calculated to provide interested parties with timely and proper notice of the Auction (if any) and any Sale with respect to the Debtors' Assets, including, without limitation: (a) the date, time, and place of the Auction; (b) the Bid Procedures; (c) the deadline for filing objections to the Sale and entry of an order approving any Sale; and (d) notice of the proposed assumption and assignment of Contracts to the Successful Bidder(s).

F. Auction. The Auction, if held, is necessary to determine whether any entity other than, or in addition to, the Stalking Horse Bidder is willing to enter into a definitive agreement on terms and conditions more favorable to the Debtors and their estates than the Stalking Horse APA with respect to the Library Assets, or otherwise with respect to Bids for the Business Segments or all of the Debtors' Assets.

G. Assumption and Assignment Procedures. The Debtors have articulated good and sufficient business reasons for the Court to approve the assumption and assignment procedures set forth herein (the “Assumption and Assignment Procedures”) as well as the separate assumption and assignment procedures that pertain to Warner Bros. Entertainment Inc. and its affiliates (“Warner Bros.”), and such procedures, (the “Warner Bros. Assumption and Assignment Procedures”), which are fair, reasonable, and appropriate. The Assumption and Assignment Procedures comply with the provisions of section 365 of the Bankruptcy Code and Bankruptcy Rule 6006.

H. Cure Notice. The Cure Notice, the form of which is attached hereto as **Exhibit 4**, and which for the avoidance of doubt does not apply to Warner Bros., is appropriate and reasonably calculated to provide all interested parties with timely and proper notice of the Assumption and Assignment Procedures, as well as any and all objection deadlines related thereto, and no other or further notice shall be required for the Motion and the Stalking Horse Supplement and the procedures described therein (including the Assumption and Assignment Procedures), except as expressly required herein.

**NOW, THEREFORE, IT IS HEREBY ORDERED THAT:**

1. The Motion and the Stalking Horse Supplement are GRANTED as set forth herein.
2. All objections to the relief granted in this Order that have not been withdrawn, waived, or settled, and all reservations of rights included therein, are hereby overruled and denied on the merits with prejudice.

**The Bid Procedures**

3. The Bid Procedures are hereby approved, are incorporated herein by reference, and shall govern the Bids and proceedings related to any Sale of the Debtors’ Assets and the Auction(s)



(if any) in all respects. The procedures and requirements set forth in the Bid Procedures, including those associated with submitting a Qualified Bid, are fair, reasonable, and appropriate, and are designed to maximize recoveries for the benefit of the Debtors' estates, creditors, and other parties in interest. The Debtors are authorized to take any and all actions necessary or appropriate to implement the Bid Procedures.

4. The failure to specifically include or reference any particular provision of the Bid Procedures in the Motion and the Stalking Horse Supplement or this Order shall not diminish or otherwise impair the effectiveness of such procedures, it being the Court's intent that the Bid Procedures are approved in their entirety, as if fully set forth in this Order.

5. Subject to this Order and the Bid Procedures, the Debtors, in the exercise of their reasonable business judgment and in a manner consistent with their fiduciary duties and applicable law, in consultation with the Consultation Parties, shall have the right to, in each case with respect to any Assets being sold pursuant to the Bid Procedures, (a) determine which Qualified Bid is the highest or otherwise best offer for the applicable Assets, and (b) reject any Bid that the Debtors determine is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Bankruptcy Code or the Bid Procedures, or (iii) contrary to the best interests of the Debtors' estates and their creditors, and (c) impose such other terms and conditions upon Qualified Bidders (other than the Stalking Horse Bidder) as the Debtors determine to be in the best interests of the Debtors' estates in these chapter 11 cases.

6. Subject to this Order and the Bid Procedures, the Debtors shall have the right, in their reasonable business judgment and in a manner consistent with their fiduciary duties and applicable law, in consultation with the Consultation Parties, to modify the Bid Procedures, including to, among other things, (a) extend or waive deadlines or other terms and conditions set

forth therein, (b) adopt new rules and procedures for conducting the bidding and the Auction process, (c) provide reasonable accommodations to the Stalking Horse Bidder, (d) appoint additional stalking horse bidder(s) for the Derivative Rights or the Studio Business upon notice to parties in interest, (e) adjourn the Auction one or more times, or hold one or more Auctions for the of the Assets, (f) to the extent there is not Successful Bidder(s) for the Derivative Rights or the Studio Business, seek to sell those Business Segments through new sale procedures, including expedited *de minimus* procedures, and (g) otherwise modify the Bid Procedures to further promote competitive bidding for and maximizing the value of the Assets, as applicable; *provided* that such extensions, waivers, new rules and procedures, accommodations, and modifications (except as are consented to or otherwise approved or permitted in accordance with the Bid Procedures) (i) do not conflict with and are not inconsistent with this Order, the Bid Procedures, the Bankruptcy Code, or any order of the Court and (ii) are as promptly as practicable communicated to each Qualified Bidder or at the Auction (if any).

7. If no Qualified Bid other than the Stalking Horse Bid is submitted on or before the Bid Deadline for the Library Assets, the Debtors will not hold an Auction for the Library Assets and will file a notice with the Court within one calendar day of the Bid Deadline that the Stalking Horse Bidder is deemed to be the Successful Bidder and they will seek approval of the Stalking Horse Bid for the Library Assets at the Sale Hearing.

8. The Debtors shall consult with the Consultation Parties in good faith regarding the sale process for the Debtors' Assets and the Sale, including evaluation of any and all Bids, scheduling and operation of the Auction (if applicable), and selection of a Successful Bid or Bids, as well as any modifications of the Bid Procedures; *provided* that subject to the Bid Procedures, the Debtors shall not be required to consult with a Consultation Party regarding the evaluation of

Bids or the selection of a Successful Bid if such Consultation Party has submitted a competing Bid.

9. Except for the Stalking Horse Bid Protections provided to the Stalking Horse Bidder, (i) no person or entity participating in the Debtors' sale process under the Bid Procedures shall be entitled to any expense reimbursement, break-up fees, "topping" fees, termination fees, or other fees, payments, or reimbursements whatsoever in connection with any Bid, preparation thereof, or participation at the Auction (if any) or generally under the Bid Procedures; and, (ii) by submitting a Bid, such person or entity shall be deemed to have forever waived its right to request or to file with the Court any request for allowance or payment of any such expense reimbursement or fee(s), whether by virtue of section 503(b) of the Bankruptcy Code or otherwise; provided, however, that this clause (ii) shall not apply to any Secured Party that submits a Credit Bid.

10. Any deposit provided by the Stalking Horse Bidder or other Qualified Bidder (as required under the Bid Procedures or the Stalking Horse APA) shall be held in escrow by the Debtors or their agent and shall not become property of the Debtors' bankruptcy estates unless and until released from escrow to the Debtors pursuant to the terms of the Bid Procedures, the applicable escrow agreement, or an order of the Court.

11. Nothing in this Order authorizes the Debtors to disburse any sale proceeds from any Sale(s) of the Debtors' Assets prior to further order of the Court. For avoidance of doubt, the rights of all parties in interest to address (i) the distribution and allocation of proceeds in connection with any Sale(s), (ii) the appropriate source of payment for any obligation satisfied with proceeds in connection with any Sale(s), including the source of payment of the ABS Obligations, and (ii) marshaling of assets as among the estates for payment of claims in connection with any Sale(s), are fully reserved.

**The Stalking Horse APA and Stalking Horse Bid Protections**

12. The Debtors are authorized to enter into the Stalking Horse APA with the Stalking Horse Bidder for the purchase and sale of the Library Assets, subject to all rights of Warner Bros. to object to the sale, including but not limited to its objections concerning adequate assurance of future performance, assumption and assignment of any Warner Bros. agreements with the Debtors (including Cure Costs) and the assignment of avoidance actions, including those related to the assets of the Library Debtors. The Stalking Horse Bidder shall be deemed a Qualified Bidder and the Stalking Horse Bid shall be deemed a Qualified Bid, and, for avoidance of doubt, need not comply with the Bid Requirements.

13. For avoidance of doubt, the term Purchased Assets in the Stalking Horse APA or any Successful Bid shall not be deemed to include the Magnum Assets (as defined below). Between 2013 and 2020, Debtors Village Roadshow Films (BVI) Limited (“VRF”), Village Roadshow Distribution (BVI) Limited (“VRD”), Village Roadshow Films North America Inc. (“VRFNA”), Village Roadshow Pictures North America Inc. (“VRPNA”), and Magnum Films SPC (“Magnum”) entered into (a) that certain Sale Agreement, dated December 20, 2013, as amended by that certain Amendment No. 4 to Sale Agreement dated November 10, 2020, by and among VRF, VRD and Magnum (as amended, restated, supplemented or otherwise modified from time to time) (the “Sale Agreement”), (b) that certain Fourth Amended and Restated Co-Investment Agreement, dated as of November 10, 2020, by and among VRF, VRD, VRFNA, Village Roadshow Distribution USA Inc. (“VRD-USA”), VRPNA, and Magnum (as amended, restated, supplemented or otherwise modified from time to time) (the “Co-Investment Agreement (Foreign & Domestic),” (c) that certain Second Amended and Restated Co-Investment Agreement (Global) dated as of November 10, 2020, by and among VRFG, VRD-USA and Magnum (as

amended, restated, supplemented or otherwise modified from time to time) (the “Co-Investment Agreement (Global)”), (d) that certain Second Amended and Restated Consolidated Intercreditor Agreement dated as of September 5, 2024, by and among Warner Bros. Production Limited, VRD, VRF, WAV Distribution LLC (“WAV”), VRD-USA, VRFNA, Village Roadshow Entertainment Group USA Inc. (“VREG-USA”), Magnum and U.S. Bank National Association (“Permanent Financing Trustee”) (as amended, restated, supplemented or otherwise modified from time to time); and (e) that certain Second Amended and Restated Intercreditor Agreement dated as of November 10, 2020, by and among Columbia Pictures Industries, Inc., VRFG, VRD-US, VREG-USA, Magnum and the Permanent Financing Trustee (as amended, restated, supplemented or otherwise modified from time to time) (subparagraphs (a) through (e) collectively, the “Magnum Sale, Co-Investment and Intercreditor Agreements”), which Magnum Sale, Co-Investment and Intercreditor Agreements resulted in Magnum, after exercising various rights and options thereunder, purchasing and acquiring a percentage of the Debtors’ rights (including intellectual property rights) in and to certain Pictures (“Distribution Rights”) and the proceeds of such Distribution Rights (such proceeds, the “Magnum Distributable Amount” and the “Magnum Payments” and together with the Distribution Rights, the “Magnum Assets”). Pursuant to the Magnum Sale, Co-Investment and Intercreditor Agreements, VRF, VRFNA, VRFG or VRFNA, as applicable, are obligated to pay the Magnum Distributable Amount and Magnum Payments to Magnum on a quarterly basis out of the bank accounts held in the names of VRF, VRFNA, VRFG, and VRPNA (“Secured Debtor Accounts”) by U.S. Bank National Association (“U.S. Bank” in its capacity as “Bank” under the applicable account control agreements) in accordance with the Magnum Sale, Co-Investment and Intercreditor Agreements, which Secured Debtor Accounts are all subject to various account control agreements between the applicable Debtor party, Magnum

and U.S. Bank (in its capacity as both “Bank” and “Secured Party”), all as defined and set forth more fully in the Magnum Sale, Co-Investment and Intercreditor Agreements.

14. The Debtors may, in their reasonable business judgment and after consultation with the Consultation Parties, select one or more Qualified Bidders to act as additional stalking horse bidders in connection with a sale transaction solely involving the Excluded Assets (the “Additional Stalking Horse Bidder”) and enter into an additional stalking horse agreement with respect to any such Excluded Assets (the “Additional Stalking Horse Agreement”). In such instance, the Debtors shall file an additional supplement to the Motion (an “Additional Stalking Horse Supplement”) seeking approval of the same, with notice of the objection deadline to the Notice Parties and any other parties who have filed the appropriate notice pursuant to Bankruptcy Rule 2002 requesting notice of all pleadings filed in these chapter 11 cases (the “Additional Stalking Horse Notice Parties”) with no further notice being required; *provided* that the Additional Stalking Horse Supplement: (a) sets forth the identity of the Additional Stalking Horse Bidder (and if the Additional Stalking Horse Bidder is a newly formed entity, then the Stalking Horse’s parent company or sponsor); (b) sets forth the purchase price contemplated by the Additional Stalking Horse Agreement, and, if the Additional Stalking Horse Bidders is a credit bidder, what portion of the bid is a Credit Bid and what portion (if any) is cash; (c) states whether the Additional Stalking Horse Bidder has any connection to the Debtors other than those that arise from the Additional Stalking Horse Agreement; (d) specifies any proposed bid protections; (e) attaches the Additional Stalking Horse Agreement, (f) attaches a proposed order approving the Additional Stalking Horse Bidder and any bid protections (the “Additional Stalking Horse Approval Order”); and (h) sets forth the deadline to object to the designation of the Additional Stalking Horse Bidder and any bid protections. The Additional Stalking Horse Supplement shall also include any evidence the

Debtors would like the Court to consider in connection with any request to approve any break-up fee and/or expense reimbursement and/or other bid protections as an administrative expense under section 503(b) of the Bankruptcy Code.

15. The Stalking Horse Bid Protections for the Stalking Horse Bidder are approved in their entirety, and the Debtors' obligations to pay the Stalking Horse Bid Protections, as set forth in the Stalking Horse APA, are (a) an actual and necessary cost and expense of preserving the Debtors' estates within the meaning of section 503(b) of the Bankruptcy Code, (b) of substantial benefit to the Debtors' estates, (c) reasonable and appropriate, (d) a necessary condition of the Stalking Horse Bidder's execution of the Stalking Horse APA, and (e) a necessary inducement to ensure that the Stalking Horse Bidder will continue to pursue its proposed acquisition of the Library Assets. The amount of such Stalking Horse Bid Protections, pursuant to sections 105(a), 503(b), and 507(a)(2) of the Bankruptcy Code, shall be an allowed superpriority administrative expense claim against the estates of each of the Debtors that are sellers under the Stalking Horse APA. The Debtors are authorized and directed to pay any amounts that may become due to the Stalking Horse Bidder on account of the Stalking Horse Bid Protections on the terms set forth in the Stalking Horse APA, and the Stalking Horse APA shall govern the terms and manner of payment of the Stalking Horse Bid Protections in all respects. The Stalking Horse Bidder may credit the amount of the Bid Protections against any subsequent bid made at Auction. For the avoidance of doubt, no other Qualified Bidder for the Library Assets shall be entitled to any form of bid protections.

#### **Key Dates and Deadlines**

16. The following dates and deadlines are hereby approved:

<b>Event or Deadline</b>	<b>Date and Time</b>
<b>Entry of Bid Procedures Order</b>	April 22, 2025
<b>Deadline to Serve and Publish the Sale Notice</b>	April 28, 2025
<b>Deadline to File and Serve the Cure Notice</b>	April 28, 2025
<b>Sale Objection Deadline</b>	May 12, 2025, at 4:00 p.m. (ET)
<b>Contract Objection Deadline</b>	May 12, 2025, at 4:00 p.m. (ET)
<b>Bid Deadline</b>	May 16, 2025
<b>Auction (if necessary)</b>	May 21, 2025
<b>Deadline to File Notice of Successful Bidder and Serve Counterparties to Potential Assumed Contracts with Notice and Process for Obtaining Adequate Assurance Information</b>	1 business day after conclusion of the Auction
<b>Post-Auction Objection Deadline<sup>3</sup></b>	2 business days after conclusion of the Auction
<b>Deadline to File Proposed Sale Order</b>	May 27, 2025
<b>Sale Hearing (subject to Court availability)</b>	June 11, 2025

17. Notwithstanding the foregoing, the Sale Objection Deadline, Contract Objection Deadline, and Post-Auction Objection Deadline set forth above shall not apply to Warner Bros., who shall instead be subject to the following dates and deadlines:

<b>Event or Deadline</b>	<b>Date and Time</b>
<b>Warner Bros.' Sale Objection Deadline</b>	14 days after the Debtors' Filing of Notice of Successful Bidder
<b>Warner Bros.' Contract Objection Deadline</b>	14 days after the Debtors' Filing of Notice of Successful Bidder

<sup>3</sup> The Post-Auction Objection Deadline applies only to objections related to the identity of the Successful Bidder(s) (other than the Stalking Horse Bidder) or adequate assurance of future performance provided by the Successful Bidder(s) (other than the Stalking Horse Bidder). For the avoidance of doubt, the Post-Auction Objection Deadline does not apply to Warner Bros.



Event or Deadline	Date and Time
<b>Warner Bros.' Post-Auction Objection Deadline</b>	14 days after the Debtors' Filing of Notice of Successful Bidder

*Provided*, that Warner Bros. Contract Objection Deadline is further modified as follows: Warner Bros. shall not be required to file an objection by the Warner Bros. Contract Objection Deadline to prove up or otherwise contest its Cure Costs related to the assumption or assignment of any Warner Bros. agreement on any basis. Instead, the Warner Bros. Contract Objection Deadline shall apply to Warner Bros. solely with respect to Warner Bros.' general objections to the assumption or assignment of any of its agreements, and not with respect to proving up and/or liquidating its Cure Costs or any other issues and claims in connection therewith. In addition, Warner Bros. is not bound by the Assumption and Assignment Procedures set forth in this Order, nor shall Warner Bros. be required to prove up or liquidate any of its Cure Cost or related claims in connection with such procedures. All of Warner Bros.' arguments and objections surrounding any of the Debtors' proposed Cure Costs and other claims against the Debtors regarding the assumption and assignment of any of Warner Bros.' contracts, licenses, copyrights or any other agreements with the Debtors shall instead be subject to the Warner Bros. Assumption and Assignment Procedures, as set forth in paragraph 32 of this Order.

18. The Warner Bros. Sale Objection Deadline and Warner Bros. Post-Auction Deadline apply to all of Warner Bros.' objections to the Debtors' sale of assets (to the Stalking Horse Bidder or any other Successful Bidder), including as to the identity of the Successful Bidder(s), and objections related to adequate assurance of future performance by the Stalking Horse Bidder or Successful Bidder(s), but shall not apply to, for the avoidance of doubt, Warner Bros.' objections to the Debtors' proposed Cure Costs (or issues in related thereto, including any proving up or liquidating of any other Warner Bros. claims), in connection with the Debtors'

assumption or assignment of any Warner Bros. agreement, which instead shall be governed by the Warner Bros. Assumption and Assignment Procedures, as set forth in paragraph 32 of this Order.

19. The deadline by which Bids for any of the Debtors' Assets, as applicable, must be **actually received** by the Debtors and their advisors (as set forth in the Bid Procedures) is **May 16, 2025** (the "Bid Deadline").

20. Each Qualified Bidder participating in the Auction, if any, shall be required to confirm that it has not engaged in any collusion with respect to any bidding (including preparing or submitting its Bids or the Sales, as set forth in the Bid Procedures; and the Auction, if any, shall be transcribed or otherwise recorded.

21. The Debtors shall file with the Court a Notice of Successful Bidder(s), identifying the identity of the Successful Bidder(s) (as applicable), the amount of the Successful Bid(s) (as applicable), the relevant Assets applicable to such Successful Bid, and, if the Successful Bidder is a credit bidder as set forth in paragraph 24 of this Order, what portion of its bid is a credit bid and what portion (if any) is cash, by: one business day after conclusion of the Auction. In the event that the Successful Bidder(s) is not the Stalking Horse Bidder, the Debtors shall serve counterparties to potential Assumed Contracts, by email or first-class mail, information regarding adequate assurance of future performance by the Success Bidder(s) or the process for obtaining such information. If the Successful Bidder is a special purpose entity, the notice shall also identify the entity or entities that are its primary equity holders, or otherwise control, the special purpose entity.

22. Any and all objections to a Sale of the Debtors' Assets and entry of a Sale Order (such objection, a "Sale Objection") must: (i) be in writing and specify the nature of such objection, (ii) comply with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and all orders of the

Court entered in these chapter 11 cases, (iii) except with respect to Warner Bros., who instead shall be subject to the Warner Bros. Sale Objection Deadline and Warner Bros. Post-Auction Objection Deadline as described and set forth in paragraphs 17 and 18 of this Order, be filed with the Court by (a) May 12, 2025 at 4:00 p.m. (prevailing Eastern Time) (the “Sale Objection Deadline”), or (b) with respect to objections solely related to the identity of the Successful Bidder(s) (other than the Stalking Horse Bidder), or adequate assurance of future performance by the Successful Bidder(s) (other than the Stalking Horse Bidder), by 4:00 p.m. (prevailing Eastern Time) on the date that is two business days following the filing of the Notice of Successful Bidder (the “Post-Auction Objection Deadline”), and (iv) be served upon the following parties (collectively, the “Notice Parties”): (1) proposed co-counsel to the Debtors, (i) Sheppard, Mullin, Richter & Hampton LLP, 321 North Clark Street, 32nd Floor, Chicago, IL 60654, Attn.: Justin R. Bernbrock (jbernbrock@sheppardmullin.com), and (ii) Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, DE 19801, Attn.: Joseph M. Mulvihill (jmulvihill@ycst.com); (2) counsel to the ABS Trustee, Barnes & Thornburg LLP, One North Wacker Drive Suite 4400, Chicago, IL 60606, Attn.: Aaron Gavant (agavant@btlaw.com) (3) counsel to the DIP Lenders, Morrison Foerster, 250 West 55th Street, New York, NY 10019, Attn.: James Newton (jnewton@mofo.com); (4) counsel to Vine Alternative Investments Group, LLC, Cooley LLP, 55 Hudson Yards, New York, NY 10001 Attn.: Daniel Shamah (dshamah@cooley.com); (5) Magnum Films SPC, DLA Piper LLP, 121 Avenue of the Americas, New York, New York, 10020, Attn: Dennis C. O’Donnell (dennis.odonnell@dlapiper.com); (6) counsel to the ad hoc group of ABS Noteholders, Wachtell, Lipton, Rosen & Katz, 51 West 52nd Street, New York, New York 10019, Attn: Joel Simwinga (jsimwinga@wlrk.com) and Katherine Waldock (kpwaldock@wlrk.com); (7) proposed counsel to the Official Committee of Unsecured

Creditors, Pachulski Stang Ziehl & Jones LLP, 780 Third Avenue 34<sup>th</sup> Floor, New York, NY 10017, Attn: Robert Feinstein (rfeinstein@pszjlaw.com) and Bradford Sandler (bsandler@pszjlaw.com); (8) counsel to Warner Bros., (i) O'Melveny & Myers LLP, 400 South Hope Street, Suite 1900, Los Angeles, CA 90071, Attn.: Steve Warren (swarren@omm.com), and (ii) Morris, Nichols, Arsht & Tunnell LLP, 1201 N. Market Street, 16th Floor, Wilmington, DE 19801, Attn.: Curtis S. Miller (cmiller@morrisnichols.com), (9) the Office of the United States Trustee for the District of Delaware (the "U.S. Trustee"), 844 N. King Street, Room 2207, Wilmington, DE 19801, Attn.: Rosa Sierra-Fox (rosa.sierra-fox@usdoj.gov); and (10) any Successful Bidders.

23. The Court will hold a hearing to consider approval of the Sale(s) on **June 11, 2025, at 4:00 p.m. (prevailing Eastern Time)**, subject to Court availability, if there is an Auction (the "Sale Hearing"). If no Qualified Bids are received by the Bid Deadline for the Library Assets, the Debtors will seek to hold the hearing to consider approval of the sale to the Stalking Horse Bidder pursuant to the Stalking Horse APA as soon as practicable after the Bid Deadline, subject to Court availability. The Sale Hearing may be adjourned in accordance with the Bid Procedures by announcement in open court or on the Court's calendar without any further notice required other than a notice filed on the docket of these cases.

### **Credit Bidding**

24. Any bidder holding a valid, unavoidable and perfected security interest in any of the Debtors' Assets may seek to credit bid all, or a portion of, such bidder's claims for its respective collateral in accordance with section 363(k) of the Bankruptcy Code (each such bid, a "Credit Bid"); *provided*, that such Credit Bid complies with the terms of the Bid Procedures. Any Credit Bid that complies with the terms of the Bid Procedures shall qualify as a Qualified Bid without

requiring a good faith deposit with respect to any non-cash portion of such Qualified Bid; *provided however*, all objections to any such Credit Bid are preserved, including any objection by Warner Bros. regarding any attempted Credit Bid concerning any Library Assets or Derivative Rights and any potential assumption and assignment of its contracts, Cure Costs and adequate assurance of performance. Any bidder holding a valid, unavoidable and perfected security interest in any of the Debtors' Assets who intends to submit a Credit Bid must: (a) include a cash component in its Bid adequate to pay off the ABS Noteholders in full satisfaction of their claims; (b) include a cash component adequate to pay the Stalking Horse Bid Protections; (c) identify any Business Segment or portions of the Assets on which such Secured Party is bidding; (d) otherwise comply with the Bid Requirements; and (e) assert its intention to Credit Bid by filing a notice on the Court's docket no later than May 16, 2025; which such notice will, for the avoidance of doubt, be provided to Warner Bros., who shall have the later of (i) the Warner Bros. Sale Objection Deadline or (ii) fourteen days after a bidder's filing of such notice as set forth herein, to object to such notice.

### **Notice of the Sale**

25. The Sale Notice, substantially in the form attached hereto as **Exhibit 3**, is approved. Within three business days of the entry of this Order, the Debtors shall cause the Sale Notice, this Order, and the Bid Procedures to be served upon the following parties or their respective counsel, if known (collectively, the "Sale Notice Parties"): (i) the Notice Parties; (ii) all taxing and regulatory authorities having jurisdiction over any of the Debtors' Assets; (iii) the Federal Trade Commission; (iv) the United States Attorney General/Antitrust Division of Department of Justice; (v) all entities known by the Debtors to have asserted an Interest against the Debtors' Assets; (vi) all parties who have expressed a written interest to the Debtors in acquiring all or a substantial portion of the Debtors' Assets in the twelve months prior to the Petition Date; (vii) all non-Debtor

counterparties to potential Assumed Contracts; (viii) parties who have asserted a perfected security interest in the Debtors' Assets; and (ix) all of the other known creditors and equity security holders of the Debtors.

26. Within three business days of the entry of this Order or as soon as reasonably practicable thereafter, the Debtors shall publish a notice, substantially in the form of the Sale Notice, on one occasion, in the national editions of *The Wall Street Journal* and *The Los Angeles Times*. Such notice shall be deemed sufficient and proper notice of the Bid Procedures, the Sale, and the Auction (if any) with respect to known interested parties and no other or further notice shall be required.

27. In the event an Auction is conducted, the Debtors shall provide Notice of the Successful Bidder as described in the Bid Procedures. In the event that the Auction is cancelled, including, without limitation, because no Qualified Bids have been received as of the Bid Deadline, the Debtors shall file a Notice of Successful Bidder promptly identifying the Stalking Horse Bidder as the Successful Bidder.

**Non-Warner Bros. Assumption and Assignment Procedures**

28. The procedures set forth below regarding the assumption and assignment of non-Warner Bros. executory contracts proposed to be assumed by the Debtors pursuant to section 365(b) of the Bankruptcy Code and assigned to the Stalking Horse Bidder or otherwise Successful Bidder(s), as applicable, pursuant to section 365(f) of the Bankruptcy Code in connection with the Sale (the "Assumption and Assignment Procedures") are hereby approved as set forth herein. For the avoidance of doubt, the Assumption and Assignment Procedures do not apply to Warner Bros.

29. Except with respect to Warner Bros., the Assumption and Assignment Procedures shall govern the assumption and assignment of all of the Debtors' executory contracts and

unexpired leases to be assumed and assigned in connection with the Sale, subject to the payment of any payments necessary to cure any defaults arising under any Assumed Contract (as defined below) (the “Cure Costs”):

- (a) **Contracts Schedule and Cure Notice.** Within six calendar days following the entry of the Bid Procedures Order, the Debtors will file with the Court, and cause to be published on the Debtors’ case website maintained by Verita, the Cure Notice, which will specify: (i) each potential contract or lease that may be assumed and assigned in connection with the Sale, including the name of each counterparty and (ii) the proposed Cure Cost with respect to such contract or lease (the “Contracts Schedule”). The Cure Notice shall also be served on each counterparty listed on the Contracts Schedule via first-class mail, and email where available, and will: (a) state the Cure Cost; (b) notify each counterparty to a contract or lease listed on the Contract Schedule that such party’s contract or lease may be assumed and assigned to the Stalking Horse Bidder or otherwise Successful Bidder(s), as applicable, at the conclusion of the Sale Hearing; (c) state the date of the Sale Hearing and that objections to any Cure Cost or to assumption and assignment of any contract or lease will be heard at the Sale Hearing or at a later hearing, as determined by the Debtors, the Court, and the applicable counterparty; and (d) state a deadline by which objections to the Cure Cost or to the assumption and assignment of its contract or lease must be filed; *provided, however*, that the inclusion of a contract, lease, or agreement on the Cure Notice or the Contracts Schedule will not constitute an admission that such contract, lease, or agreement is an executory contract or lease.
- (b) **Modifications to Contract Schedule.** Unless otherwise provided in the applicable APA, at any time prior to closing, the Stalking Horse Bidder or otherwise Successful Bidder(s), as applicable, may, by written notice to the Debtors and following good faith consultation with the Debtors, add or eliminate any contract or lease from the Contracts Schedule (and the Debtors shall be responsible for payment of any Cure Costs incurred in connection therewith). Any contract or lease that remains on the Contracts Schedule as of such date will be assumed and assigned to the Stalking Horse Bidder or otherwise Successful Bidder(s), as applicable, in connection with the Sale (the “Assumed Contracts”), subject to the resolution of any timely asserted objection to the assumption and assignment of such contract or lease.
- (c) **Supplemental Contracts.** In the event that any contract or lease is added to the Contract Schedule or any previously-stated Cure Costs are modified, in accordance with the applicable APA, the Debtors will promptly serve a supplemental cure notice (each, a “Supplemental Cure Notice”) on each impacted counterparty by email and first-class mail. Each Supplemental Cure Notice will include the same information with respect to the applicable contract or lease as is required to be included in the Cure Notice.

- (d) **Objections.** The Debtors request that the Court set the deadline to object to any Cure Cost or to assumption and assignment on any basis (except objections solely related to adequate assurance of future performance by a Successful Bidder other than the Stalking Horse Bidder) as May 12, 2025 (the “Contract Objection Deadline”), and require that any such objections: (1)(a) be in writing; (b) state the basis for such objection; and (c) if such objection is to the Cure Cost, state with specificity what Cure Cost the counterparty believes is required (in all cases, with appropriate documentation in support thereof) and (2) be filed with the Court and served on the Notice Parties by the Contract Objection Deadline. Any objections to the assumption and assignment of the Assumed Contracts will be heard at the Sale Hearing (to the extent such hearing has not occurred as of the applicable Contract Objection Deadline) or at a later hearing, as determined by the Debtors. Any parties impacted by a Supplemental Cure Notice will have 14 days from the service of such Supplemental Cure Notice to object to any Cure Cost or to assumption and assignment on any basis (except objections solely related to adequate assurance of future performance by a Successful Bidder other than the Stalking Horse Bidder). The Debtors further request the ability to settle on a consensual basis any dispute regarding Cure Costs without further order of the Court.
- (e) **Post-Auction Objection.** If, following the Auction, the Stalking Horse Bidder is not the Successful Bidder, then the Debtors shall serve the Notice of Successful Bidder on each counterparty to a contract or lease that received the Cure Notice or any Supplemental Cure Notice at the same time as such Notice of Successful Bidder is filed with the Court and published on the Debtors’ website maintained by Verita. Objections of any counterparty to a potential Assumed Contract related solely to the identity of the Successful Bidder(s) (other than the Stalking Horse Bidder) or adequate assurance of future performance provided by the Successful Bidder(s) (other than the Stalking Horse Bidder) must (i) be in writing, (ii) comply with the Bankruptcy Code, Bankruptcy Rules and Local Rules, (iii) state, with specificity, the legal and factual bases thereof, (iv) be filed by the Post-Auction Objection Deadline and (v) be served on the Notice Parties.
- (f) **Reservation of Rights.** The inclusion of a contract or lease, or Cure Costs with respect thereto on a Cure Notice, any Supplemental Cure Notice, or the Contracts Schedule shall not constitute or be deemed a determination or admission by the Debtors, the Stalking Horse Bidder or otherwise Successful Bidder(s), as applicable, or any other party in interest that such contract or lease is an executory contract or unexpired lease of the Debtors within the meaning of the Bankruptcy Code. The Debtors reserve all of their rights, claims and causes of action with respect to each contract and lease listed on the Cure Notice, any Supplemental Cure Notice, or the Contracts Schedule. The Debtors’ inclusion of any contract or lease on a Cure Notice, any Supplemental Cure Notice or the Contracts Schedule shall not be a guarantee that such contract or lease ultimately will be assumed or assumed and assigned.
30. Except with respect to Warner Bros., unless a counterparty to an Assumed Contract



timely files an objection to the Cure Cost of its Assumed Contract by the Contract Objection Deadline, such counterparty will be (i) deemed to have consented to such Cure Cost and the Debtors, and the Successful Bidder (as applicable) shall be entitled to rely upon the Cure Costs set forth in the Contracts Schedule, and (ii) forever barred, estopped, and permanently enjoined from asserting or claiming against the Debtors, the Stalking Horse Bidder, the Successful Bidder, or their respective property (as applicable), that any additional prepetition amounts are due or that other prepetition defaults exist. The Cure Costs set forth in the Contracts Schedule shall constitute a final determination of the total Cure Costs required to be paid by the Debtors in connection with the assumption and assignment of the Assumed Contracts. For the avoidance of doubt, the terms set forth in this paragraph do not apply to Warner Bros.

31. Except with respect to Warner Bros., unless a counterparty to an Assumed Contract files an objection to the proposed assumption and assignment of its Assumed Contract by the Contract Objection Deadline or, solely with respect to objections related to the identity of the Successful Bidder(s) (other than the Stalking Horse Bidder) or adequate assurance of future performance provided by the Successful Bidder(s) (other than the Stalking Horse Bidder), the Post-Auction Objection Deadline, as applicable, such counterparty shall be (i) deemed to have consented to (a) the assumption and assignment of such Assumed Contract, and (b) the related relief requested in the Motion and the Stalking Horse Supplement, and (ii) forever barred, estopped, and permanently enjoined from (x) objecting to the assumption and assignment of the Assumed Contract or adequate assurance of future performance, (y) asserting that conditions to assignment must be satisfied under such Assumed Contract or that there is any objection or defense to the assumption and assignment of such Assumed Contract, and (z) otherwise objecting to the relief requested in the Motion and the Stalking Horse Supplement, in each case, whether applicable

law excuses such counterparty from accepting performance by, or rendering performance to, the Stalking Horse Bidder or Successful Bidder(s), as applicable, for purposes of section 365(c)(1) of the Bankruptcy Code, and from asserting any additional cure or other amounts against the Debtors or the Stalking Horse Bidder or Successful Bidder(s), as applicable, with respect to such party's Assumed Contract. For the avoidance of doubt, the terms set forth in this paragraph do not apply to Warner Bros.

**Warner Bros. Assumption and Assignment Procedures**

32. The procedures set forth below regarding the assumption and assignment of the Warner Bros. executory contracts proposed to be assumed by the Debtors pursuant to section 365(b) of the Bankruptcy Code and assigned to the Stalking Horse Bidder or otherwise Successful Bidder(s), as applicable, pursuant to section 365(f) of the Bankruptcy Code in connection with the Sale (the "Warner Bros. Assumption and Assignment Procedures") are hereby approved as set forth herein.

- (a) **Contracts Schedule and Cure Notice.** Within three calendar days following the entry of the Bid Procedures Order, the Debtors will file with the Court, and cause to be published on the Debtors' case website maintained by Verita, the Warner Bros. cure notice (the "Warner Bros. Cure Notice"), in form and format to be agreeable by Warner Bros., which will specify: (i) each potential Warner Bros. contract or lease that may be assumed and assigned in connection with the Sale, and (ii) the proposed Cure Cost with respect to such contract or lease (the "Warner Bros. Contracts Schedule"). The Warner Bros. Cure Notice shall also be served on Warner Bros. via electronic and first-class mail, and will: (a) state the Cure Cost; (b) notify Warner Bros. that any Warner Bros. contract or lease may be assumed and assigned to the Stalking Horse Bidder or Successful Bidder(s), as applicable, at the conclusion of the Sale Hearing, subject to Warner Bros.' intellectual property and contractual rights and any objections related thereto; (c) state that the date of the Sale Hearing and that objections to any assumption and assignment of any Warner Bros. contract or lease will be heard at the Sale Hearing or at a later hearing, as determined by the Debtors in consultation with, and upon agreement by Warner Bros., or as otherwise determined by a separate order of the Court; and (d) state a proposed deadline by which objections to the Cure Cost shall be mutually agreed upon, or, in the alternative, be determined by separate order of the Court (at all times, subject to the provisions of paragraphs 32(d) and (e) below); *provided*,

*however*, that the inclusion of a contract, lease, or agreement on the Warner Bros. Cure Notice or the Warner Bros. Contracts Schedule will not constitute an admission that such contract, lease, or agreement is an executory contract or lease.

- (b) **Modifications to Contract Schedule.** Unless otherwise provided in the applicable APA, at any time prior to closing, the Stalking Horse Bidder or Successful Bidder(s), as applicable, may, by written notice to the Debtors and Warner Bros. and following good faith consultation with the Debtors and Warner Bros. (and subject to all of Warner Bros.’ contractual and intellectual property rights under applicable law), add or eliminate any contract or lease from the Warner Bros. Contracts Schedule (and the Debtors shall be responsible for payment of any Cure Costs incurred in connection therewith, as provided under Section 365(b) of the Bankruptcy Code, this Order, and the Court’s entry of the Interim DIP Order on a final basis the “Final DIP Order”). Solely to the extent that (i) Warner Bros.’ written consent to assumption and assignment of any of its agreements with the Debtors is obtained or (ii) upon entry of an effective and unstayed order by the Court (after proper notice and a hearing) of any Warner Bros.’ objections to the assignment and assumption of any Warner Bros. contract with the Debtors, any contract or lease that remains on the Warner Bros. Contracts Schedule as of such date may be assumed and assigned to the Stalking Horse Bidder or otherwise Successful Bidder(s), as applicable, in connection with the Sale and subject to any rights of appeal that Warner Bros. may have under applicable law (the “Warner Bros. Assumed Contracts”).
- (c) **Supplemental Contracts.** In the event that the Debtors seek to add any contract or lease to the Warner Bros. Contract Schedule or any previously-stated Cure Costs are modified, in accordance with the applicable APA, the Debtors will promptly serve a supplemental cure notice (each, a “Warner Bros. Supplemental Cure Notice”) on Warner Bros. Each Warner Bros. Supplemental Cure Notice will include the same information with respect to the applicable contract or lease as is required to be included in the Cure Notice.
- (d) **Objections.** Within 5 business days following the Debtors’ service of the Warner Bros. Cure Notice or any Warner Bros. Supplemental Cure Notice, the Debtors and Warner Bros. shall confer in good faith regarding a proposed scheduling order as to any applicable objection deadlines and procedures for liquidating any Warner Bros. Cure Costs and other claims against the Debtors before this Court or any other appropriate forum. Following 14 days after the Debtors’ service of the Warner Bros. Cure Notice or Warner Bros. Supplemental Cure Notice, the Debtors and Warner Bros. shall either submit a proposed scheduling order to the Court or, in the event that such parties cannot agree on a proposed schedule, shall request a status conference to discuss the parties’ scheduling and procedural proposals. For the avoidance of doubt, this provision applies irrespective of whether the Stalking Horse Bidder or other Successful Bidder(s) are designated as the Successful Bidder(s) in connection with any sale. Notwithstanding the foregoing, any proposed schedule or scheduling order relating to the foregoing shall not impact the Outside

Date (as defined in the Stalking Horse APA), which Outside Date may only be extended in accordance with Section 8.01(d) of the Stalking Horse APA.

- (e) **Reservation of Rights.** The inclusion of a contract or lease, or Cure Costs with respect thereto on a Warner Bros. Cure Notice, any Warner Bros. Supplemental Cure Notice, or the Warner Bros. Contracts Schedule shall not constitute or be deemed a determination or admission by the Debtors, the Stalking Horse Bidder or otherwise Successful Bidder(s), as applicable, or any other party in interest that such contract or lease is an executory contract or unexpired lease of the Debtors within the meaning of the Bankruptcy Code. Warner Bros. and the Debtors reserve all of their rights, claims and causes of action with respect to each contract and lease listed on the Warner Bros. Cure Notice, any Warner Bros. Supplemental Cure Notice, or the Warner Bros. Contracts Schedule, including Warner Bros.' rights to seek to liquidate its Cure Costs and other claims against the Debtors in an alternate forum and/or through arbitration.

### **Miscellaneous**

33. All persons and entities that participate in the applicable Auction (if any) or bidding for any of the Debtors' Assets during the sale process under the Bid Procedures shall be deemed to have knowingly and voluntarily (i) consented to the core jurisdiction of the Court to enter any order related to the Bid Procedures, the Auction (if any), or any other relief requested in the Motion and the Stalking Horse Supplement or granted in this Order, and (ii) waived any right to a jury trial in connection with any disputes relating to the Bid Procedures, the Auction, or any other relief requested in the Motion and the Stalking Horse Supplement or granted in this Order, provided Warner Bros. reserves all rights with respect to its contracts and claims, including the right to seek arbitration.

34. This Order shall be binding on the Debtors and its successors and assigns, including any chapter 7 or chapter 11 trustee or other fiduciary appointed for the estates of the Debtors.

35. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

36. Except as set forth herein, to the extent that there may be any inconsistency between

the terms of the Motion, the Stalking Horse Supplement, the Bid Procedures, and this Order, the terms of this Order shall govern.

37. Notwithstanding the relief granted in this Order and any actions taken pursuant to such relief (including any payment made in accordance with this Order), nothing in this Order is intended as or shall be construed or deemed to be: (a) an implication or admission as to the amount of, basis for, or validity of any particular claim against the Debtors under the Bankruptcy Code or other applicable non-bankruptcy law; (b) a waiver of the Debtors' or any other party in interest's rights to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication, admission, or finding that any particular claim is an administrative expense claim, other priority claim, or otherwise of a type specified or defined in this Order or the Motion and the Stalking Horse Supplement or any order granting the relief requested by the Motion and the Stalking Horse Supplement; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (g) a waiver or limitation of the Debtors' or any other party in interest's claims, causes of action, or other rights under the Bankruptcy Code or any other applicable law; (h) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy under section 365 of the Bankruptcy Code; (i) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) that may be satisfied pursuant to the relief requested in the Motion and the Stalking Horse Supplement are valid, and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens; (j) a waiver of the obligation of any party in interest to file a proof of claim; or (k) otherwise affecting the Debtors' rights under

section 365 of the Bankruptcy Code to assume or reject any executory contract or unexpired lease. Any payment made pursuant to this Order is not intended and should not be construed as an admission as to the validity, priority, or amount of any particular claim or a waiver of the Debtors' or any other party in interest's rights to subsequently dispute such claim.

38. Notice of the Motion and the Stalking Horse Supplement as provided therein shall be deemed good and sufficient notice of such Motion and the Stalking Horse Supplement and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

39. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

40. The Debtors are authorized to make non-substantive changes to the Bid Procedures, the Assumption and Assignment Procedures, and any related documents without further order of the Court, including, without limitation, changes to correct typographical and grammatical errors.

41. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion and the Stalking Horse Supplement.

42. This Court shall retain jurisdiction over any and all matters arising from or related to the implementation, interpretation, and/or enforcement of this Order.

**EXHIBIT 1**

**Bid Procedures**

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

In re:	)	
	)	Chapter 11
	)	
VILLAGE ROADSHOW ENTERTAINMENT	)	Case No. 25-10475 (TMH)
GROUP USA INC., <i>et al.</i> , <sup>1</sup>	)	
	)	(Jointly Administered)
Debtors.	)	
	)	

**BID PROCEDURES**

On March 17, 2025 (the “Petition Date”), the above-captioned debtors and debtors in possession (collectively, the “Debtors”) each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”) in the United States Bankruptcy Court for the District of Delaware (the “Court”).

On April [●], 2025, the Court entered the Order (I) Approving Bid Procedures for the Sale of the *Debtors’ Assets*, (II) *Authorizing the Debtors’ Entry into the Stalking Horse APA and Approving Bid Protections Thereunder*, (III) *Scheduling an Auction for, and Hearing to Approve, Sale of the Debtors’ Assets*, (IV) *Approving Form and Manner of Notices of Sale, Auction, and Sale Hearing*, (V) *Approving Assumption and Assignment Procedures*, and (VI) *Granting Related Relief* [Docket No. [●]] (the “Bid Procedures Order”), by which the Court approved the bid procedures set forth herein (these “Bid Procedures”).<sup>2</sup>

These Bid Procedures set forth the process by which the Debtors are authorized to conduct a marketing and sale process (including pursuant to an Auction (as defined below), if any) for the sale or sales (collectively, the “Sale”) of some, all, or substantially all of the Debtors’ assets (the “Assets”). To facilitate this marketing and sale process, Alcon Media Group, LLC (the “Stalking Horse Bidder”) and the Debtors have executed that certain *Purchase Agreement*, dated April [22], 2025 (including all exhibits, schedules, and addenda thereto, the “Stalking Horse APA”), pursuant to which the Stalking Horse Bidder has agreed to acquire the Debtors’ Library Assets (as defined below and referred to in the Stalking Horse APA as the “Purchased Assets”), subject to the terms and conditions set forth therein. The Court has approved the Stalking Horse

<sup>1</sup> The last four digits of Village Roadshow Entertainment Group USA Inc.’s federal tax identification number are 0343. The mailing address for Village Roadshow Entertainment Group USA Inc. is 750 N. San Vicente Blvd., Suite 800 West, West Hollywood, CA 90069. Due to the large number of debtors in these cases, which are being jointly administered for procedural purposes only, a complete list of the Debtors and the last four digits of their federal tax identification is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.veritaglobal.net/vreg>.

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the Bid Procedures Order, its respective motion [Docket No. 11]; or the *Debtors’ Supplemental Motion for Entry of an Order (A) Approving (I) the Debtors’ Designation of the New Stalking Horse Bidder for the Library Assets as Set Forth in the Stalking Horse Agreement, (II) the Debtors’ Entry into the Stalking Horse Agreement, and (III) the Bid Protections and (B) Granting Related Relief* [Docket No. 197].



APA as the “stalking-horse” bid for the Library Assets (the “Stalking Horse Bid”). The Stalking Horse Bid is subject to higher or otherwise better offers for the Library Assets submitted in accordance herewith.

The ability of the Debtors to undertake and consummate any Sale shall be subject to competitive bidding as set forth in these Bid Procedures and approval of any Sale by the Court. The Debtors will consider bids for any or all of the Assets in a single bid from a single bidder or in multiple bids from multiple bidders. Any bid for less than all of the Assets, even if such bid is the highest or otherwise best bid for such Assets, is subject to higher or otherwise better bids for packages of Assets that may include such Assets. Additionally, any bid on all of the Assets is subject to bids on individual Assets or packages of Assets that are, in the aggregate, higher or otherwise better bids. The Debtors may determine in their discretion, following consultation with the Consultation Parties, whether to proceed with a Sale with respect to any Asset pursuant to these Bid Procedures.

## 1. ASSETS TO BE AUCTIONED

The Debtors are seeking to sell some, all, or substantially all of the Assets to the person or entity making the most value maximizing bid through the process outlined in these Bid Procedures. The Assets are generally segregated into the following primary business segments (collectively, the “Business Segments”):

- the Debtors’ interests in their library of 108 feature films (the “Film Library”), including the Debtors’ undivided interest in their relevant percentage of the intellectual property, distribution rights, cash flows, and other property related to the Film Library (the “Library Assets”), which are Purchased Assets in the Stalking Horse APA;
- the Debtors’ rights to produce, distribute, and otherwise exploit remakes, sequels, and prequels of the feature films in the Film Library (the “Derivative Rights”), which the Debtors co-own with certain studio partners; and
- the Debtors’ assets related to their studio business centered around the development and production of independent films (for clarity, excluding the Film Library) and scripted and unscripted television series (the “Studio Business”).

For avoidance of doubt, the term Purchased Assets in the Stalking Horse APA or any Successful Bid shall not be deemed to include the Magnum Assets (as defined in the Bid Procedures Order), nor shall it include, for the avoidance of doubt, any cause of action under Chapter 5 of the Bankruptcy Code. Warner Bros.’ rights and objections with respect to any sale of assets under these Bid Procedures are fully preserved, as set forth in the Bid Procedures Order.

**2. KEY DATES AND DEADLINES**

<b>Event or Deadline</b>	<b>Date and Time</b>
<b>Entry of Bid Procedures Order</b>	April 22, 2025
<b>Deadline to Serve and Publish the Sale Notice</b>	April 28, 2025
<b>Deadline to File and Serve the Cure Notice</b>	April 28, 2025
<b>Sale Objection Deadline</b>	May 12, 2025, at 4:00 p.m. (ET)
<b>Contract Objection Deadline</b>	May 12, 2025, at 4:00 p.m. (ET)
<b>Bid Deadline</b>	May 16, 2025
<b>Auction (if necessary)</b>	May 21, 2025
<b>Deadline to File Notice of Successful Bidder and Serve Counterparties to Potential Assumed Contracts with Notice and Process for Obtaining Adequate Assurance Information</b>	1 business day after conclusion of the Auction
<b>Post-Auction Objection Deadline</b>	2 business days after conclusion of the Auction
<b>Deadline to File Proposed Sale Order</b>	May 27, 2025
<b>Sale Hearing (subject to Court availability)</b>	June 11, 2025

Notwithstanding the foregoing, the Sale Objection Deadline, Contract Objection Deadline, and Post-Auction Objection Deadline set forth above shall not apply to Warner Bros., who shall instead be subject to the following dates and deadlines, as set forth and as further described in the Bid Procedures Order:

<b>Event or Deadline</b>	<b>Date and Time</b>
<b>Warner Bros.' Sale Objection Deadline</b>	14 days after the Debtors' Filing of Notice of Successful Bidder
<b>Warner Bros.' Contract Objection Deadline</b>	14 days after the Debtors' Filing of Notice of Successful Bidder
<b>Warner Bros.' Post-Auction Objection Deadline</b>	14 days after the Debtors' Filing of Notice of Successful Bidder

### 3. SUBMISSIONS TO THE DEBTORS; CONSULTATION PARTIES

All submissions to the Debtors required or permitted to be made under these Bid Procedures must be directed to each of the following persons or entities unless otherwise provided:<sup>3</sup>

- 3.1 **Debtors:** Village Roadshow Entertainment Group USA Inc., Attn.: Kevin Berg (kevin.berg@vreg.com) and Louis Santor (louis.santor@vreg.com);
- 3.2 **Debtors' Proposed Counsel:** (i) proposed co-counsel to the Debtors, Sheppard, Mullin, Richter & Hampton LLP, 321 North Clark Street, 32nd Floor, Chicago, IL 60654, Attn.: Justin R. Bernbrock (jbernbrock@sheppardmullin.com); and (ii) Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, DE 19801, Attn.: Joseph M. Mulvihill (jmulvihill@ycst.com);
- 3.3 **Debtors' Proposed Financial Advisor:** Accordion Partners, LLC, 1920 McKinney Avenue, Suite 950, Dallas, TX 75201, Attn.: Keith Maib (kmaib@accordion.com);
- 3.4 **Debtors' Proposed Investment Banker:** Solic Capital Advisors, LLC, 150 North Wacker Drive, Suite 3000, Chicago, IL 60606, Attn.: Reid Snellenbarger (reids@soliccapiatl.com) and George N. Koutsoniciolis (georgek@soliccapiatl.com).
- 3.5 **Counsel to the Debtors' DIP Lenders:** Morrison & Foerster LLP, 250 W. 55<sup>th</sup> Street, New York, New York 10019, Attn: James Newton (JNewton@mofo.com) and Miranda Russel (MRussell@mofo.com).
- 3.6 **Proposed Advisors to the Official Committee of Unsecured Creditors:** Pachulski Stang Ziehl & Jones LLP, 780 Third Avenue 34<sup>th</sup> Floor, New York NY, 10017, Attn: Robert Feinstein (rfeinstein@pszjlaw.com) and Bradford Sandler (bsandler@pszjlaw.com) and Dundon Advisers LLC, Ten Bank Street, Suite 1100, White Plains NY 10606, Attn: Peter Hurwitz (ph@dundon.com).

The "Consultation Parties" are (a) the DIP Lenders, (b) the ABS Trustee, (c) proposed counsel to the Official Committee of Unsecured Creditors (the "Committee"), Pachulski Stang Ziehl & Jones LLP, (d) the ad hoc group of ABS Noteholders advised by Wachtell, Lipton, Rosen & Katz (the "Ad Hoc Group of ABS Noteholders"), (e) Warner Bros. Entertainment Inc. and its affiliates ("Warner Bros."), advised by O'Melveny & Myers LLP, and (f) Magnum Films SPC, advised by DLA Piper LLP; *provided* that any Consultation Party, who submits a Bid (as defined

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<sup>3</sup> The Debtors shall provide Warner Bros., upon request, with (i) copies of all provisions in any bid or related document that relate to any Warner Bros. contract or claims, including schedules or exhibits concerning assumed contracts and the pending Warner Bros. contract disputes and (ii) any other document the Debtors provide to any other Consultation Party that is not an estate fiduciary. The Debtors may satisfy such request from Warner Bros. by providing Warner Bros. with copies of the complete bid submissions and related documents with the bid amounts redacted.

below), including a Credit Bid (as set forth in, and subject to Section 10 herein), for any Assets in connection with these Bid Procedures, or is a participant in any active Bid with respect to any Asset(s), shall immediately no longer be a Consultation Party with respect to the evaluation and qualification of competing Bids for the Assets included in their Bid or with respect to seeking and/or obtaining information about other Bids, unless and until such party unequivocally revokes its Bid and waives its right to continue in the bidding process; *provided, further*, that immediately upon any Consultation Party's secured debt (as applicable) being indefeasibly paid in full in cash, such Consultation Party shall immediately no longer be a Consultation Party under these Bid Procedures. Materials and information provided by the Debtors or their advisors to the advisors to any Consultation Party may be shared with such Consultation Party, subject in all respects to these Bid Procedures, the Bid Procedures Order, and the respective Confidentiality Agreement entered into by and among or otherwise agreed to between each such Consultation Party and the Debtors.

The Debtors shall consult with the Consultation Parties in good faith regarding the sale process for the Assets and the Sale, including evaluation of any and all Bids, determination of whether Bids are Qualified Bids, scheduling and operation of the Auction (if applicable), selection of a Successful Bid or Bids (as defined below), negotiation of purchase agreements or other agreements, as applicable, as well as any modifications of these Bid Procedures. The Debtors shall also provide to the Consultation Parties and their advisors regular reports (at least weekly) concerning the sale process, including parties contacted, proposals received, and any due diligence requested by potential purchasers.

#### **4. POTENTIAL BIDDERS & ACCEPTABLE BIDDERS**

To participate in the bidding process or otherwise be considered for any purpose under these Bid Procedures, a person or entity interested in consummating a Sale (a "Potential Bidder") must deliver or have previously delivered to the Debtors and each of their advisors the following documents and information (unless the Debtors, in their reasonable business judgment after consultation with the Consultation Parties, choose to waive any of the requirements set forth in this Section 4 for any Potential Bidder):

- 4.1 an executed confidentiality agreement on terms acceptable to the Debtors (a "Confidentiality Agreement");
- 4.2 sufficient information that the Potential Bidder has or can reasonably obtain the financial capacity to close a purchase of the targeted assets, the adequacy of which must be acceptable to the Debtors; and
- 4.3 any other information or documentation that the Debtors reasonably request.

The Debtors, in their reasonable business judgment and in consultation with the Consultation Parties, will determine and notify each Potential Bidder whether such Potential Bidder has submitted adequate documents so that such Potential Bidder may proceed to conduct due diligence and submit a Bid (as defined below) (such Potential Bidder, an "Acceptable Bidder"). The Debtors shall promptly inform the Consultation Parties of any entity that becomes

an Acceptable Bidder. The Stalking Horse Bidder shall be deemed to be an Acceptable Bidder for all purposes under these Bid Procedures and the Stalking Horse Bid shall be deemed to be a Qualified Bid in respect of the Library Assets, in each case, without any further requirement.

## 5. DUE DILIGENCE

The Debtors, with their advisors, have established an electronic data room (the “Data Room”) that provides standard and customary diligence materials, including information to allow Acceptable Bidders to submit a Qualified Bid (as defined below).

Only Acceptable Bidders shall be eligible to receive due diligence information and access to the Data Room and to additional non-public information regarding the Debtors. Subject to the other terms herein, the Debtors may provide to each Acceptable Bidder reasonable due diligence information, as requested by such Acceptable Bidder in writing, as soon as reasonably practicable after such request. For all Acceptable Bidders, the due diligence period will end on the Bid Deadline. The Debtors may, in their reasonable business judgment after consultation with the Consultation Parties, but shall have no obligation to, furnish any additional due diligence information to any person following the Bid Deadline.

The Debtors shall not furnish any confidential information relating to the Assets, liabilities of the Debtors, or the Sale to any person except to an Acceptable Bidder or to such Acceptable Bidder’s duly authorized representatives subject to the applicable Confidentiality Agreement. The Debtors and their advisors shall coordinate all reasonable requests from Acceptable Bidders for additional information and due diligence access; *provided* that the Debtors may decline to provide such information to Acceptable Bidders who, at such time and in the Debtors’ reasonable business judgment after consultation with the Consultation Parties, have not established, or who have raised doubt, that such Acceptable Bidder intends in good faith to, or has the capacity to, consummate a Sale.

Neither the Debtors nor any of their representatives shall be obligated to furnish any information of any kind whatsoever relating to the Assets (1) to any person or entity who is not an Acceptable Bidder or (2) if and to the extent doing so would (a) violate any law to which the Debtors are subject, including any privacy law, (b) result in the disclosure of any trade secrets of third parties in breach of any contract with such third party, (c) violate any legally-binding obligation of any Debtor with respect to confidentiality, non-disclosure or privacy, or (d) jeopardize protections afforded to any Debtor under the attorney-client privilege or the attorney work product doctrine; *provided* that, in case of each of clauses (a) through (d), the Debtors shall use commercially reasonable efforts to (i) provide such access as can be provided (or otherwise convey such information regarding the applicable matter as can be conveyed) without violating such privilege, doctrine, contract, obligation or law and (ii) provide such information in a manner without violating such privilege, doctrine, contract, obligation, or law.

The Debtors, in consultation with the Consultation Parties, also reserve the right to withhold any diligence materials that the Debtors determine are sensitive or otherwise not appropriate for disclosure, including to an Acceptable Bidder whom the Debtors determine in consultation with the Consultation Parties is a competitor of the Debtors, a potential competitor of

the Debtors, or is affiliated with any competitor of the Debtors. Neither the Debtors nor their representatives shall be obligated to furnish information of any kind whatsoever to any person that is not determined to be an Acceptable Bidder.

**All due diligence requests directed to the Debtors must be directed to: Solic Capital Advisors, LLC, Attn: Reid Snellenbarger (reids@soliccapi.com) and George N. Koutsoniciolis (georgek@soliccapi.com).**

**Each Potential Bidder or Acceptable Bidder shall comply with all reasonable requests for information and due diligence access made by the Debtors, their advisors, regarding such Potential Bidder or Acceptable Bidder, as applicable, and its contemplated Sale. Other than with respect to the Stalking Horse Bidder, failure by a Potential Bidder or Acceptable Bidder to comply with reasonable requests for additional information and due diligence access will be a basis for the Debtors to determine that the Potential Bidder or Acceptable Bidder, as applicable, is not a Qualified Bidder. Other than with respect to the Stalking Horse Bidder, failure by a Qualified Bidder to comply with such requests for additional information and due diligence access will be a basis for the Debtors, after consultation with the Consultation Parties, to determine that a bid made by a Qualified Bidder is not a Qualified Bid.**

## **6. BID REQUIREMENTS**

Any proposal, solicitation, or offer to consummate a Sale (each, a “Bid”) must be submitted in writing and must satisfy the following requirements (collectively, the “Bid Requirements”):

- 6.1 **Proposed Sale.** Each Bid must specify (1) which of the Assets, Business Segments, or subsets thereof—with as much specificity as is possible—are to be included in the proposed Sale (the “Acquired Assets”); (2) which Assets, if any, are to be excluded from the proposed Sale (the “Excluded Assets”); and (3) the liabilities and obligations, including any debt and cure costs to be assumed (the “Assumed Liabilities”).
- 6.2 **Purchase Price.** Each Bid must (1) clearly specify the purchase price to be paid for the applicable Assets, Business Segments, or subsets thereof (as applicable) (the “Purchase Price”); (2) identify separately any cash and non-cash components (which non-cash components shall be limited only to credit bids and Assumed Liabilities) of the Purchase Price in United States dollars; and (3) indicate the allocation of the Purchase Price among the applicable Assets, Business Segments, or subsets thereof.
- 6.3 **All Asset Bids.** Each Bid for all or substantially all of the Assets (an “All Asset Bid”) must clearly state that it is an All Asset Bid and identify the Assumed Liabilities, if any. Each All Asset Bid must clearly set forth the aggregate Purchase Price for the Assets (the “All Asset Purchase Price”) and indicate the allocation thereof among each Business Segment. The All Asset Purchase Price must include an allocated Purchase Price for the Library Assets that exceeds the Stalking Horse Bid for the Library Assets by at least the Initial Library Assets Overbid (as defined

below), *provided, however*, that the Debtors reserve the right to approve joint Bids that satisfy the foregoing conditions in their reasonable business judgment after consultation with the Consultation Parties.

- 6.4 **Partial Asset Bids.** The Debtors reserve the right to auction off the Business Segments collectively, individually, or in such combinations of Business Segments or individual Assets within a Business Segment, as the Debtors may determine, in their reasonable business judgment and in consultation with the Consultation Parties. Potential Bidders are invited to submit an All Asset Bid, or a partial Bid on one or two Business Segments or any portion of the Assets (a “Partial Asset Bid”) as the Potential Bidder may elect; *provided*, that any Partial Asset Bid must (i) clearly state which Assets, Business Segments, or subsets thereof the Potential Bidder seeks to acquire, (ii) contain sufficient information as to allow the Debtors to determine an allocation of value among each Business Segment or group of Assets included in such Partial Asset Bid (including, as applicable, by allocating the Purchase Price among each of the Assets that the Potential Bidder intends to acquire), (iii) state whether the Partial Asset Bid is conditioned upon the Potential Bidder being the Successful Bidder (as defined herein) on more than one Asset or Business Segment and, if so, which Assets or Business Segments the Partial Asset Bid is conditioned upon, (iv) state whether the Potential Bidder is willing to purchase any of the Assets or Business Segments included in the Partial Asset Bid individually, and if so, state the price the Potential Bidder would pay for each such Asset or Business Segment, and (v) clearly set forth the cash purchase price and Assumed Liabilities to be paid for such Assets and Business Segments (as the same may be increased at the Auction, the “Partial Asset Purchase Price”); *provided, however*, that any Partial Asset Bid that includes the Library Assets must be for all of the Library Assets. Any Partial Asset Purchase Price that includes a Bid for the Library Assets must include an allocated Purchase Price for the Library Assets that exceeds the Stalking Horse Bid for the Library Assets by at least the Initial Library Assets Overbid.
- 6.5 **Deposit.** Other than the non-cash portion of a Credit Bid (which such Credit Bid remains at all times subject to Section 10 herein), each Bid must be accompanied by a cash deposit equal to ten percent of the applicable aggregate Purchase Price (the “Deposit”), to be held in one or more non-interest bearing escrow accounts on terms acceptable to the Debtors and the Consultation Parties. To the extent the Purchase Price of a Bid is increased, at any time or from time to time, the amount of the Deposit shall automatically increase accordingly (to be equal to ten percent of any increased Purchased Price) and the corresponding Potential Bidder will pay into escrow the amount of such increase, as promptly as practicable, and in any event within one business day, following such increase. Without limiting the foregoing, if a Purchase Price is increased in order to make a bid into a Qualified Bid, the Debtors may, in consultation with the Consultation Parties, condition participation of the applicable Potential Bidder at the Auction on such Potential Bidder paying the then full amount of the Deposit into escrow prior to

commencement of the Auction or such participation. For the avoidance of doubt, a Bid that is comprised of both a Credit Bid and cash consideration does not need to include a Deposit with respect to the Credit Bid portion of the Bid other than with respect to amounts necessary to satisfy the Stalking Horse Bid Protections.

The Stalking Horse Bidder is not required to make any Deposit other than as contemplated in the Stalking Horse APA. For the avoidance of doubt, any Credit Bid remains subject to Section 10 herein.

- 6.6 **Transaction Documents.** Each Bid must be accompanied by an executed form of purchase agreement (a “Competing APA”), together with all exhibits and schedules (the “Transaction Documents”), pursuant to which the Acceptable Bidder proposes to effectuate the contemplated Sale, which Competing APA for the Library Assets must be similar in form and substance to the Stalking Horse APA and include a markup reflecting the differences between the Stalking Horse APA and the Competing APA.
- 6.7 **Back-Up Bidder Commitment.** Each Bid must include a written commitment by the applicable Potential Bidder to serve as a Back-Up Bidder (as defined below) in the event that such Potential Bidder’s Bid is not selected as the Successful Bid for the applicable Assets; *provided* that the foregoing shall not apply to any Potential Bidder that both (a) qualifies as a Secured Party (as defined below) and (b) submits a Credit Bid (subject to Section 10 herein).
- 6.8 **Proof of Financial Ability to Perform.** To the extent that a Bid is not accompanied by evidence of the Potential Bidder’s capacity to consummate the Sale set forth in its Bid with cash on hand, each Bid must include unconditional committed financing from a reputable financing institution, documented to the satisfaction of the Debtors in consultation with the Consultation Parties, that demonstrates that the Potential Bidder has received sufficient debt and/or equity funding commitments to satisfy the Potential Bidder’s Purchase Price and other obligations under its Bid for the applicable Assets and the proposed Sale. Such funding commitments or other financing must be unconditional and must not be subject to any internal approvals, syndication requirements, diligence, or credit committee approvals, and shall have covenants and conditions reasonably acceptable to the Debtors, in consultation with the Consultation Parties.
- 6.9 **Contingencies; No Financing or Diligence Outs.** Each Bid shall not be conditioned in any way on the obtaining or the sufficiency of financing or any internal approval, or on the outcome or review of due diligence.
- 6.10 **Identity.** Each Bid must fully disclose the identity of each entity that will be bidding or otherwise participating in connection with such Bid—including each equity holder or other financial backer of the Potential Bidder if such Potential Bidder is an entity formed for the purpose of consummating the proposed Sale contemplated by such Bid—and the complete terms of any such participation. Each



Bid must also fully disclose whether any current or former officer, director, or equity holder of the Debtors, or any entity affiliated with any current or former officer, director, or equity holder of the Debtors, will be bidding or otherwise participating in connection with such Bid, including any employment or compensation arrangements being negotiated or agreed to between the Qualified Bidder and any employee of the Debtors. Under no circumstances shall any undisclosed insiders, principals, equity holders, or financial backers of the Debtors be associated with any Bid. Each Bid should also include contact information for the specific person(s) and counsel whom the Debtors (and their advisors) should contact regarding such Bid.

- 6.11 **Authorization.** Each Bid must contain evidence acceptable to the Debtors, in consultation with the Consultation Parties, that the Potential Bidder has obtained authorization or approval from its board of directors (or a comparable governing body) with respect to the submission of its Bid and the consummation of the Sale contemplated by such Bid.
- 6.12 **Contracts and Leases.** Each Bid must identify each and every executory contract and unexpired lease to be assumed and assigned in connection with the proposed Sale (collectively, the “Assumed Contracts”). Each Bid must be accompanied by adequate assurance of future performance under all Assumed Contracts, which shall include audited and unaudited financial statements, tax returns, bank account statements, and a description of the business to be conducted at the premises, and such other documentation as the Debtors may request (the “Adequate Assurance Package”). The Adequate Assurance Package should be submitted in its own compiled PDF document along with the Bid.
- 6.13 **As-Is, Where-Is.** Each Bid must include a written acknowledgement and representation that: (1) the Potential Bidder has had an opportunity to conduct due diligence regarding the Sale prior to making its offer; (2) the Potential Bidder has relied solely upon its own independent review, investigation, or inspection of any documents in making its Bid; (3) except as may be set forth in Definitive Sale Documents (as defined below) concerning such Bid, the Potential Bidder did not rely, and is not relying upon any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express, implied by operation of law, or otherwise, by the Debtors or their advisors or other representatives regarding the Sale, the completeness of any information provided in connection therewith or the Auction, if any, or otherwise; and (4) the Potential Bidder did not engage in any collusive conduct and acted in good faith in submitting its Bid.
- 6.14 **No Break-Up Fee or Reimbursement of Expenses.** Each Bid, with the exception of the Stalking Horse Bid, must expressly state and acknowledge that such Potential Bidder shall not be entitled to, and shall not seek, any transaction break-up fee, termination fee, expense reimbursement, working fee, or similar type of payment. Each Bid other than the Stalking Horse Bid and any Credit Bid submitted by a

Secured Party must expressly waive any claim or right to assert any substantial contribution administrative expense claim under section 503(b) of the Bankruptcy Code or the payment of any broker fees or costs in connection with bidding for any of the Assets and/or otherwise participating in the Auction or the sale process.

- 6.15 **Commitment to Close.** Each Bid must include a commitment to close as soon as practicable and state the expected date of closing of the Sale.
- 6.16 **Irrevocable Bid.** Each Bid must contain a statement by the applicable Potential Bidder acknowledging and agreeing that such Bid and each of its provisions is binding upon the Potential Bidder and irrevocable in all respects, and (except in the case of a Credit Bid submitted by a Secured Party) that such Bidder agrees to serve as the Back-Up Bidder, if selected.
- 6.17 **Compliance with Bid Procedures.** Each Bid must contain a covenant that the applicable Potential Bidder will comply in all respects with the terms of these Bid Procedures and the Bid Procedures Order.
- 6.18 **Initial Overbid for Library Assets.** Any incremental Bids that comply with the terms set forth in Section 11.2 of these Bid Procedures regarding the Library Assets must have a value to the Debtors that is at least the sum of (i) \$500,000 more than the value offered under the Stalking Horse APA, plus (ii) the Stalking Horse Bid Protections (the “Initial Library Assets Overbid”).

By submitting a Bid, each Potential Bidder is agreeing, and shall be deemed to have agreed, to abide by and honor the terms of these Bid Procedures and to refrain from (1) submitting a Bid after conclusion of the Auction (if any) or (2) seeking to reopen the Auction (if any) once closed. **Subject to the Stalking Horse APA, the submission of a Bid, including at Auction, shall constitute a binding and irrevocable offer (1) for the Successful Bidder, until consummation of the proposed Sale, (2) for the Back-Up Bidder (if any), as provided in these Bidding Procedures, including Section 12 hereof, and (3) for any bidder other than the Successful Bidder, the Back-Up Bidder, or any Secured Party that submitted a Credit Bid (Subject to Section 10 herein), until two business days after entry of the Court’s order approving the Successful Bid(s) and (if applicable) the Back-Up Bid for the applicable Assets (each, as applicable, a “Sale Order”).**

Subject to the terms of the Stalking Horse APA, the Debtors may, in their reasonable business judgment after consultation with the Consultation Parties, combine multiple Partial Asset Bids such that, if taken together in the aggregate, such Bids otherwise satisfy the Bid Requirements for an All Asset Bid or a Partial Asset Bid (in which event those multiple Bids will be treated as a single Qualified Bid for purposes of selecting the Successful Bidder); *provided*, that the Debtors also reserve the right, in consultation with the Consultation Parties, to conduct the Auction in multiple lots, with respect to each Business Segment or portions of the Assets (other than the Library Assets).

## 7. STALKING HORSE BIDDER

To provide the Stalking Horse Bidder with an inducement to participate in a competitive process and to compensate the Stalking Horse Bidder for (1) performing substantial due diligence and incurring the expenses related thereto and (2) entering into the Stalking Horse APA with the risk that arises from maintaining the Stalking Horse Bid through the sale process, the Debtors have agreed, and the Court has approved in the Bid Procedures Order, that the Stalking Horse Bidder is entitled, subject to the terms of the Stalking Horse APA and pursuant to the terms thereof, to an expense reimbursement to \$2,000,000 (the “Stalking Horse Bid Protections”). As set forth herein, the amount of the Stalking Horse Bid Protections (to the extent payable under the Stalking Horse APA and Bid Procedures Order) shall be a component of any Qualified Bid for any or all of the Library Assets (including, for the avoidance of doubt, an All Asset Bid) submitted by a Qualified Bidder (other than the Stalking Horse Bidder). The Stalking Horse Bid Protections shall be payable as provided for pursuant to the terms of the Bid Procedures Order, the Sale Order (as defined in the Bid Procedures Order) and the Stalking Horse APA. For the avoidance of doubt, no other Qualified Bidder for the Library Assets shall be entitled to any form of bid protections.

## 8. BID DEADLINE

Any Bid for the Assets must be transmitted via email (in .pdf or similar format) to the Debtors and their advisors (as specified in Section 3 hereof) so as to be **actually received by such parties** on or before May 16, 2025, by 4:00 p.m. (prevailing Eastern Time) (the “Bid Deadline”).

The Debtors shall promptly provide the Consultation Parties copies of all Bids received by the Debtors, but in no event later than the next business day following receipt.

## 9. QUALIFIED BIDS & QUALIFIED BIDDERS

A Bid is a “Qualified Bid” if the Debtors, in their reasonable business judgment and in consultation with the Consultation Parties, determine that such Bid (1) satisfies the Bid Requirements set forth above and (2) is reasonably likely to be consummated if selected as the Successful Bid (or Back-Up Bid, as applicable) for the applicable Assets; *provided* that the Stalking Horse Bid shall constitute and be deemed a Qualified Bid with respect to the Library Assets for all purposes under these Bid Procedures and the Bid Requirements and, for the avoidance of doubt, need not comply with the Bid Requirements, including, without limitation, Section 6.5 thereof. For the avoidance of doubt, joint Bids may constitute a Qualified Bid; *provided* that, for the avoidance of doubt, any bid for the Library Assets that includes less than all of the Library Assets will not constitute a Qualified Bid for the Library Assets.

An Acceptable Bidder that submits a Qualified Bid is a “Qualified Bidder” with respect to the Assets to which such Qualified Bid relates; *provided* that the Stalking Horse Bidder shall constitute and be deemed a Qualified Bidder with respect to the Library Assets. To the extent that any Secured Party submits a Credit Bid in accordance with Section 10 herein, such bid shall be a Qualified Bid, and such Secured Party shall be a Qualified Bidder with respect to such Bid. For the avoidance of doubt and notwithstanding anything to the contrary herein, the DIP Collateral Agent and the Prepetition Agents (each as defined in the Interim DIP Order, as defined herein), as applicable, shall be considered a “Qualified Bidder” with respect to the rights to acquire all or any

of the Debtors' assets by Credit Bid, subject in all respects to Warner Bros.' ability to object to any such Credit Bid as set forth in Section 10 herein.

As soon as reasonably practicable after the applicable Bid Deadline, the Debtors will notify each Acceptable Bidder whether such party is a Qualified Bidder and shall provide the Consultation Parties' counsel with a copy of each Qualified Bid. If an Acceptable Bidder's Bid is determined not to be a Qualified Bid, the Debtors will refund such Acceptable Bidder's Deposit (if any) as promptly as practicable, and in any event within two business days after the Bid Deadline.

Between the date that the Debtors notify an Acceptable Bidder that it is a Qualified Bidder and the date set for the Auction, the Debtors may discuss, negotiate, or seek clarification of any Qualified Bid from a Qualified Bidder. Without the prior written consent of the Debtors following consultation with the Consultation Parties, a Qualified Bidder may not modify, amend, or withdraw its Qualified Bid, except for proposed amendments to increase the Purchase Price, or otherwise improve the terms of, the Qualified Bid, during the period that such Qualified Bid remains binding as specified in these Bid Procedures; *provided* that any Qualified Bid may be improved at the Auction (if any) as set forth herein. Other than with respect to the Stalking Horse Bidder, any improved Qualified Bid must continue to comply with the requirements for Qualified Bids set forth in these Bid Procedures.

Notwithstanding anything herein to the contrary, the Debtors, in consultation with the Consultation Parties, reserve the right to work with (1) Potential Bidders and Acceptable Bidders to aggregate two or more Bids into a single consolidated Bid prior to the applicable Bid Deadline and (2) Qualified Bidders to aggregate two or more Qualified Bids into a single Qualified Bid prior to the conclusion of the Auction (if any). The Debtors, in consultation with the Consultation Parties, may accept a single Qualified Bid or multiple Bids that, if taken together in the aggregate, would otherwise meet the standards for a single Qualified Bid (in which event those multiple Qualified Bidders shall be treated as a single Qualified Bidder and their Bid a single Qualified Bid for purposes of the Auction (if any)); *provided, however*, that, except as otherwise set forth herein with respect to the Stalking Horse Bidder, the Debtors shall not waive any qualification required for a Potential Bidder to be deemed an Acceptable Bidder or Qualified Bidder, as applicable, or for a Bid to be deemed a Qualified Bid.

## **10. RIGHT TO CREDIT BID**

Any party that has a valid and perfected lien on any Assets of the Debtors' estates (a "Secured Party") may seek to credit bid all or a portion of the face value of such Secured Party's claims against the Debtors toward the Purchase Price specified in such Secured Party's Bid in accordance with section 363(k) of the Bankruptcy Code (a "Credit Bid"); *provided* that a Secured Party shall be entitled to credit bid its claim(s) only with respect to Assets that are subject to a valid, unavoidable and perfected lien in favor of such Secured Party as to such claim(s); *provided further* that any Credit Bid must: (a) include a cash component adequate to pay off the ABS Noteholders in full satisfaction of their claims; (b) include a cash component adequate to pay the Stalking Horse Bid Protections; (c) assert its intention to Credit Bid by filing a notice on the Court's docket no later than May 16, 2025; (d) identify any Business Segment or portions of the

Assets on which such Secured Party is bidding; and (e) otherwise comply with the Bid Requirements. Notwithstanding anything to the contrary in these Bid Procedures, all objections to any Credit Bid are preserved, including any objection by Warner Bros. concerning any attempted Credit Bid concerning any Library Assets or Derivative Rights and any potential assumption and assignment of its contracts, Cure Costs and adequate assurance of performance. Any dispute concerning a party's right to Credit Bid shall be resolved by further order of the Court.

Pursuant to the *Interim Order (I) Authorizing the Debtors to Obtain Post-Petition Secured Financing, (II) Authorizing the Use of Cash Collateral, (III) Granting Liens and Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying the Automatic Stay, (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief* [Docket No. 69] (the "Interim DIP Order") and subject to the terms thereof (including with respect to any Challenge as defined therein), the Debtors have stipulated to the amount, nature, extent, validity, and perfection of the secured claims of the DIP Collateral Agent and the Prepetition Agents (each as defined in the Interim DIP Order). At any time during the Auction (as defined below), (i) the DIP Collateral Agent, subject to section 363(k) of the Bankruptcy Code, may credit bid all or any portion of its postpetition secured claims pursuant to section 363(k) of the Bankruptcy Code; and (ii) each of the Prepetition Agents, subject to section 363(k) of the Bankruptcy Code, may credit bid all or any portion of their respective prepetition secured claims, provided that notice of intent to credit bid has been timely given and any such credit bid remains subject in all respects to Warner Bros.' ability to object to such credit bids as set forth herein. For the avoidance of doubt, nothing in this paragraph or in these Bid Procedures shall impact any rights of the DIP Secured Parties or the Prepetition Secured Parties (each as defined in the Interim DIP Order), or Warner Bros.

Notwithstanding the above, the Stalking Horse Bidder shall be entitled to Credit Bid an amount equivalent to the Stalking Horse Bid Protections in connection with any Qualified Bid subsequent to the Stalking Horse Bid.

## **11. AUCTION & AUCTION PROCEDURES**

If the Debtors receive two or more Qualified Bids with respect to any Business Segment or portions thereof or substantially all of the Assets, the Debtors may, in consultation with the Consultation Parties, conduct an auction (the "Auction") to determine the Successful Bidder (or Back-Up Bidder, as applicable) with respect to such Assets. In such event, the Debtors will (1) notify all Qualified Bidders of the highest or otherwise best Qualified Bid with respect to the applicable Assets, as determined by the Debtors in their reasonable business judgment and in consultation with the Consultation Parties (each such Qualified Bid, a "Baseline Bid") and (2) provide copies of the documents setting forth the terms of the Baseline Bid(s) to all Qualified Bidders, in each case, as soon as reasonably practicable after the Bid Deadline and in any event no later than prior to the commencement of the Auction. The Debtors' determination of which Qualified Bid constitutes the Baseline Bid shall consider any factors the Debtors, in their reasonable business judgment and in consultation with the Consultation Parties, deem relevant to the value of the Qualified Bid to the Debtors' estates. For the avoidance of doubt, notwithstanding anything to the contrary herein, all Qualified Bidders with respect to the Library Assets will have a full opportunity to bid at the Auction with respect to the Library Assets regardless of whether the Baseline Bid is an All Asset Bid or a Partial Asset Bid.

If the Debtors, in consultation with the Consultation Parties, determine that they have received no Qualified Bids other than the Stalking Horse Bid or they have received only a single Qualified Bid, then the Auction will not occur, and the Stalking Horse Bid or the Qualified Bid will be deemed to be the Successful Bid(s) for the Assets to which the Stalking Horse Bid or Qualified Bid relates. If the Debtors make such a determination, the Debtors shall file a notice with the Court within one business day of making such determination.

The Auction may take place on or after **May 21, 2025**, at a time to be announced by the Debtors in consultation with the Consultation Parties, via remote video and/or in person at the Debtors' election, and shall be conducted in a timely fashion according to the procedures set forth below (the "Auction Procedures").

- 11.1 **The Debtors Shall Conduct the Auction; General Provisions.** The Debtors, with the assistance of their advisors, shall direct and preside over any Auction and shall consult with the Consultation Parties throughout the Auction process. At the commencement of the Auction, the Debtors, in consultation with the Consultation Parties (1) may announce procedural and related rules governing the Auction, including time periods available to all Qualified Bidders to submit any successive Bid(s) and (2) shall describe the terms of the Baseline Bid. Only incremental Bids that comply with the terms set forth in Section 11.2 of these Bid Procedures shall be considered Overbids. Overbids shall be made and received on an open basis, and all material terms of each Overbid shall be fully disclosed to all other Qualified Bidders on the record. The Debtors, in consultation with the Consultation Parties, shall determine in their reasonable business judgment whether an incremental Bid is an Overbid for the applicable Assets. The Debtors shall maintain a written transcript of all Bids made and announced at the Auction, including the Baseline Bid, all Overbids, and the Successful Bid (or Back-Up Bid, as applicable) (as defined below).

Only Qualified Bidders, the Debtors, the United States Trustee for the District of Delaware, the Consultation Parties and each of their respective legal and financial advisors, creditors that provide at least two business days' notice to the Debtors, and any other parties specifically invited or permitted to attend by the Debtors, shall be entitled to attend the Auction, and the Qualified Bidders shall appear at the Auction in person and may speak or bid themselves or through duly authorized representatives. Except as otherwise permitted by the Debtors in consultation with the Consultation Parties, only Qualified Bidders shall be entitled to bid at the Auction.

The Debtors and the Consultation Parties have the right to request any additional information that will allow the Debtors to make a reasonable determination as to a Qualified Bidder's financial and other capabilities to consummate the transactions contemplated by their proposal and any further information that the Debtors and the Consultation Parties believe is reasonably necessary to clarify and evaluate any Bid made by a Qualified Bidder during the Auction.

The Debtors may, subject to Section 16 of these Bid Procedures, announce at the Auction modified or additional procedures for conducting the Auction or otherwise modify these Bid Procedures.

11.2 **Terms of Overbids.** Each overbid (the “Overbid”) must comply with the following terms:

- (a) **Minimum Overbid Increment.** At the commencement of the initial solicitation of Overbids, the Debtors, in consultation with the Consultation Parties, shall announce the minimum increment by which any Overbid must exceed the applicable Baseline Bid for the applicable Assets; *provided that* the first Overbid with regard to the Library Assets shall be the Initial Library Assets Overbid, and each incremental Overbid with respect to the Library Assets shall be \$500,000 (the “Library Assets Incremental Overbid”).

At the commencement of each subsequent round of solicitation of Overbids, the Debtors shall announce the minimum increment by which any Overbid must exceed the Prevailing Highest Bid (as defined below) at such time, *provided*, however that the minimum incremental overbid for the Library Assets shall be the Library Assets Incremental Overbid. The Debtors may, in their reasonable business judgment and in consultation with the Consultation Parties, announce increases or reductions to the applicable minimum Overbid increment at any time during the Auction.

- (b) **Conclusion of Each Overbid Round.** Upon the solicitation of each round of Overbids, the Debtors may announce a deadline by which time any Overbids must be submitted to the Debtors (an “Overbid Round Deadline”); *provided that* the Debtors, in their reasonable business judgment and after consultation with the Consultation Parties, may extend any Overbid Round Deadline.
- (c) **Overbid Alterations.** An Overbid may contain alterations, modifications, additions, or deletions of any terms of the Bid no less favorable in the aggregate to the Debtors’ estates than any prior Qualified Bid or Overbid, as determined in the Debtors’ reasonable business judgment and after consultation with the Consultation Parties, but shall otherwise comply with the terms of these Bid Procedures.
- (d) **Announcing Highest Bid.** Subsequent to each Overbid Round Deadline, the Debtors shall announce whether the Debtors, in consultation with the Consultation Parties, have identified an Overbid as being higher or otherwise better than, in the initial Overbid round, the Baseline Bid or, in subsequent rounds, the Overbid previously designated by the Debtors as the prevailing highest or otherwise best Bid (the “Prevailing Highest Bid”). The Debtors shall describe to all applicable Qualified Bidders the material terms of any new Overbid designated by the Debtors as the Prevailing

Highest Bid, as well as the value attributable by the Debtors to such Prevailing Highest Bid.

- 11.3 **Consideration of Overbids.** The Debtors reserve the right, in their reasonable business judgment and in consultation with the Consultation Parties, to adjourn the Auction one or more times, to, among other things (1) facilitate discussions between the Debtors and Qualified Bidders; (2) allow Qualified Bidders the opportunity to consider how they wish to proceed; and (3) provide Qualified Bidders the opportunity to provide the Debtors with such additional evidence as the Debtors, in their reasonable business judgment and in consultation with the Consultation Parties, may require, demonstrating that the Qualified Bidder has sufficient internal resources or has received sufficient and sufficiently unconditional financing commitments to consummate the proposed Sale at the prevailing Overbid amount.
- 11.4 **Closing the Auction.** The Auction shall continue until there is only one Qualified Bid for the Assets, Business Segments, or subsets thereof that the Debtors determine, in their reasonable business judgment and in consultation with the Consultation Parties, to be the highest or otherwise best Qualified Bid for the applicable Assets. Such Qualified Bid shall be designated the “Successful Bid” (or Back-Up Bid, as applicable, and the Qualified Bidder who submitted the Successful Bid, the “Successful Bidder”) with respect to its proposed Acquired Assets, at which time the Auction with respect to such Assets shall be closed; *provided that* (1) such Auction shall not close unless and until all Qualified Bidders have been given a reasonable opportunity to submit an Overbid at the Auction to the then Prevailing Highest Bid; and (2) the Debtors’ designation of a Qualified Bid as the Successful Bid for the applicable Assets (or Back-Up Bid, as applicable) shall be subject to and conditioned on finalization of definitive documentation and the Court’s approval of such Successful Bid (or Back-Up Bid, as applicable), applicable regulatory and third-party approvals, and the consummation of the Sale contemplated thereby. As soon as reasonably practicable after the designation of a Successful Bid(s) (or Back-Up Bid(s), as applicable), the Debtors, in consultation with the Consultation Parties, shall finalize definitive documentation to implement the terms of such Successful Bid(s) (or Back-Up Bid(s), as applicable) and cause such definitive documentation to be filed with the Court. For the avoidance of doubt, notwithstanding anything to the contrary herein, the Debtors’ determination that an All Asset Bid or Partial Asset Bid may presently, or in the future, represent the highest or otherwise best Qualified Bid for the Library Assets shall not prevent any Qualified Bidder from having a full opportunity to bid at the Auction solely with respect to the Library Assets.
- 11.5 **No Collusion; Good Faith Offer.** Each Qualified Bidder participating at the Auction will be required to confirm on the record at the Auction that (1) such Qualified Bidder has not engaged in any collusion with respect to the bidding process; (2) such Qualified Bidders’ Qualified Bid is a good faith and irrevocable offer and such Qualified Bidder intends to consummate the Sale contemplated by



its Qualified Bid if such Qualified Bid is the Successful Bid (or Back-Up Bid, as applicable) with respect to the applicable Acquired Assets; and (3) with the exception of any Secured Party that submits a Credit Bid, such Qualified Bidder will serve as the Back-Up Bidder if its Qualified Bid is selected as the Back-Up Bid.

- 11.6 **Rejection of Bids.** The Debtors, in their reasonable business judgment, in consultation with the Consultation Parties, may reject, at any time prior to the conclusion of the Auction, any Bid that the Debtors determine, after consultation with the Consultation Parties, is (1) inadequate or insufficient, (2) not in conformity with the requirements of the Bankruptcy Code and/or these Bid Procedures, or (3) contrary to the best interests of the Debtors, their estates, their creditors, and other stakeholders.

**For the avoidance of doubt, the Debtors reserve the right, after consultation with the Consultation Parties, at any point prior to the selection of the Successful Bidder(s), to: (i) adjourn the Auction one or more times, or hold one or more Auctions for the sale of the Assets; (ii) other than with respect to the Library Assets, and subject to the terms of the Stalking Horse APA, terminate the Sale processes with respect to any or all Assets or seek to sell any Assets pursuant to section 363(b) of the Bankruptcy Code; (iii) to the extent there is not a Successful Bidder(s) for the Derivative Rights or the Studio Business, seek to sell them through new sale procedures, including expedited *de minimis* procedures; and (iv) subject to Section 16 of these Bid Procedures, modify the Bid Procedures and Auction Procedures.**

## **12. DESIGNATION OF A BACK-UP BIDDER**

If for any reason the Successful Bidder fails to consummate the Qualified Bid within the time permitted after the entry of the Sale Order approving the Sale to the Successful Bidder, then the Qualified Bidder or Qualified Bidders with the next-highest or otherwise second-best Bid (each, a “Back-Up Bidder”), as determined by the Debtors after consultation with the Consultation Parties, at the conclusion of the Auction and announced at that time to all the Qualified Bidders participating therein and as set forth in the Sale Order, will automatically be deemed to have submitted the highest or otherwise best Bid or Bids (each, a “Back-Up Bid”), and the Debtors shall consummate the transaction pursuant to the Back-Up Bid as soon as is commercially reasonable without further order of the Bankruptcy Court upon at least twenty-four hours advance notice, which notice will be filed with the Court; *provided* that the forgoing shall not apply to any Potential Bidder that both (1) qualifies as a Secured Party and (2) submits a Credit Bid (subject to Section 10 herein).

Upon designation of the Back-Up Bidder at the Auction, subject to the Stalking Horse APA, the Back-Up Bid must remain open and irrevocable until the closing of the transactions contemplated by the Successful Bid notwithstanding any outside date set forth in such Back-Up Bidder’s proposed purchase agreement.

## **13. FIDUCIARY OUT**

Notwithstanding anything to the contrary in these Bid Procedures or any document filed with or entered by the Court, nothing in these Bid Procedures or the Bid Procedures Order shall require a Debtor or its board of directors or similar governing body to take any action or to refrain from taking any action with respect to the Sale or these Bid Procedures solely to the extent such Debtor or governing body determines in good faith, in consultation with counsel and its advisors, that taking or failing to take such action, as applicable, would be inconsistent with applicable law or its fiduciary obligations under applicable law.

#### **14. “AS-IS, WHERE IS”**

Consummation of the Sale will be on an “as is, where is” basis and without representations or warranties of any kind, nature, or description by the Debtors or their estates, except as specifically accepted and agreed to by the Debtors, in their reasonable business judgment after consultation with the Consultation Parties, in the executed definitive written documentation for the Sale (the “Definitive Sale Documents”). Unless otherwise specifically accepted and agreed to by the Debtors in Definitive Sale Documents, all of the Debtors’ right, title, and interest in and to the Assets disposed of in the Sale will be transferred to the Successful Bidder(s) (or Back-Up Bidder, as applicable) free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests in accordance with sections 363(f) of the Bankruptcy Code.

By submitting a Bid, each bidder will be deemed to acknowledge and represent that it (1) has had an opportunity to conduct adequate due diligence regarding the Debtors and the proposed Sale prior to making its Bid; (2) has relied solely on its own independent review, investigation, and inspection of any document, including executory contracts and unexpired leases, in making its Bid; and (3) did not rely on or receive from any person or entity (including any of the Debtors or their advisors or other representatives) any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express, implied by operation of law, or otherwise, with respect to the Sale or the completeness of any information provided in connection with the Sale or the Auction (if any), except as may be set forth in Definitive Sale Documents.

#### **15. COMMISSIONS**

The Debtors shall be under no obligation to pay any commissions, fees, or expenses to any Potential Bidder’s agent, advisor, or broker. All commissions, fees, or expenses for any such agents, advisors, or brokers shall be paid by the applicable Potential Bidder at such Potential Bidder’s discretion. In no case shall any commissions, fees, or expenses for any Potential Bidder’s agent, advisor, or broker be deducted from any proceeds derived from any Sale for the Assets. This Section 15 shall not apply to any Stalking Horse Bid Protections that become payable pursuant to the terms of the Stalking Horse APA.

#### **16. RESERVATION OF RIGHTS**

Except as otherwise set forth herein and subject to the Stalking Horse APA, the Debtors reserve the right, in their reasonable business judgment, in a manner consistent with their fiduciary duties and applicable law, and (except to the extent set forth herein) in consultation with the

Consultation Parties, to: (1) modify these Bid Procedures in any manner that will best promote the goals of these Bid Procedures; (2) waive terms and conditions set forth herein with respect to any Potential Bidder(s); (3) extend the deadlines set forth herein; (4) announce at the Auction modified or additional procedures for conducting the Auction; or (5) alter the assumptions set forth herein. The Debtors may, in consultation with the Consultation Parties, provide reasonable accommodations to any Potential Bidder(s) with respect to such terms, conditions, and deadlines of the bidding and Auction process to promote further Bids on the Assets, in each case, to the extent not materially inconsistent with these Bid Procedures and the Bid Procedures Order, as applicable; *provided, however*, that, except as otherwise set forth herein with respect to the Stalking Horse Bidder, the Debtors shall not waive any qualification required for a Potential Bidder to be deemed an Acceptable Bidder or Qualified Bidder, as applicable, or for a Bid to be deemed a Qualified Bid.

In addition, the Debtors reserve the right, in consultation with the Consultation Parties, to cancel these Bid Procedures and the Auction with respect to the Library Assets if the Debtors determine, in their reasonable business judgment, in a manner consistent with their fiduciary duties and applicable law, and in consultation with the Consultation Parties, to proceed with a private sale of such Library Assets pursuant to the Stalking Horse APA.

## 17. CONSENT TO JURISDICTION

All Qualified Bidders at the Auction shall be deemed to have consented to the jurisdiction of the Court and waived any right to a jury trial in connection with any disputes relating to the Auction or the construction and enforcement of these Bid Procedures.

## 18. SALE HEARING

The Court shall hold a hearing to consider approval of the Successful Bid(s) (and Back-Up Bid(s), as applicable) and the Sale contemplated thereby (the “Sale Hearing”). **The Sale Hearing shall be held on June 11, 2025, subject to the availability of the Court, if there is an Auction. The Sale Hearing may be continued to a later date by the Debtors, in consultation with the Consultation Parties, by sending written notice to all Qualified Bidders and Consultation Parties prior to, or by making an announcement at, the Sale Hearing. No further notice of any such continuance will be required to be provided to any bidder or other party.**

## 19. RETURN OF DEPOSIT

Any Deposits provided by Qualified Bidders shall be held in one or more escrow accounts on terms acceptable to the Debtors. Any such Deposits will be returned to Qualified Bidders that are not Successful Bidders (or Back-Up Bidders, as applicable) as promptly as practicable, and in any event within two business days, after the Auction (if any). Any Deposit provided by a Successful Bidder (or Back-Up Bidder, as applicable) shall be applied to the Purchase Price of the applicable Sale at closing, subject in all respects to the limitations and reservation of rights set forth in paragraph 11 of the Bid Procedures Order.

Other than as contemplated in the Stalking Horse APA, if a Successful Bidder (or Back-Up Bidder, as applicable) fails to consummate the Sale contemplated by its Successful Bid (or Back-Up Bid, as applicable) because of a breach by such Successful Bidder (or Back-Up Bidder, as applicable), the Debtors will not have any obligation to return any Deposit provided by such Successful Bidder (or Back-Up Bidder, as applicable), which may be retained by the Debtors as liquidated damages, in addition to any and all rights, remedies, or causes of action that may be available to the Debtors and their estates.

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**EXHIBIT 3**

**[Omitted]**

**EXHIBIT 4**

**[Omitted]**

**EXHIBIT B**

**Blackline**

	)	
In re:	)	Chapter 11
	)	
VILLAGE ROADSHOW ENTERTAINMENT	)	Case No. 25-10475 (TMH)
GROUP USA INC., <i>et al.</i> , <sup>1</sup>	)	
	)	(Jointly Administered)
Debtors.	)	
	)	<b>Re: Docket No. 11, 197</b>
	)	

**ORDER (I) APPROVING BID  
PROCEDURES FOR THE SALE OF THE DEBTORS'  
ASSETS, (II) AUTHORIZING THE DEBTORS' ENTRY  
INTO THE STALKING HORSE APA AND APPROVING  
BID PROTECTIONS THEREUNDER, (III) SCHEDULING AN  
AUCTION FOR, AND HEARING TO APPROVE, SALE OF THE  
DEBTORS' ASSETS, (IV) APPROVING FORM AND MANNER OF NOTICES  
OF SALE, AUCTION, AND SALE HEARING, (V) APPROVING ASSUMPTION  
AND ASSIGNMENT PROCEDURES, AND (VI) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)<sup>2</sup> and the Debtors’ *Supplemental Motion for Entry of an Order (A) Approving (I) the Debtors’ Designation of the New Stalking Horse Bidder for the Library Assets as set forth in the Stalking Horse Agreement, (II) the Debtors’ Entry into the Stalking Horse Agreement, and (III) the Bid Protections and (B) Granting Related Relief* [Docket No. 197] (the “Stalking Horse Supplement”) of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for the entry of an order (this “Order”), (a) authorizing and approving bid procedures, attached hereto as **Exhibit 1** (the “Bid Procedures”), in connection

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion or the Bid Procedures, as applicable.



with one or more sales or dispositions (collectively, the “Sale”) of the Debtors’ Assets; (b) authorizing and approving the Debtors’ entry into and performance under an asset purchase agreement, substantially in the form attached hereto as **Exhibit 2**, (including all exhibits, schedules, and addenda thereto, the “Stalking Horse APA”) pursuant to which the Debtors have agreed to sell the Library Assets to Alcon Media Group, LLC (the “Stalking Horse Bidder”); (c) authorizing and approving the Stalking Horse Bid Protections provided to the Stalking Horse Bidder in accordance with the terms and conditions set forth in the Stalking Horse APA and the Bid Procedures; (d) establishing certain dates and deadlines in connection with the sale process for all of the Debtors’ Assets, including scheduling an auction (the “Auction”), if necessary, in accordance with the Bid Procedures, and the hearing with respect to the approval of the Sale (the “Sale Hearing”); (e) approving the form and manner of notice of the Auction, if any, the Sale, and the Sale Hearing, attached hereto as **Exhibit 3** (the “Sale Notice”); (f) approving procedures for the assumption and assignment of certain executory contracts and unexpired leases in connection with the Sale and approving the form and manner of notice thereof, attached hereto as **Exhibit 4** (the “Cure Notice”); and (g) granting related relief, all as more fully set forth in the Motion and the Stalking Horse Supplement; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334, which was referred to the Court under 28 U.S.C. § 157 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 this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion and the Stalking Horse Supplement in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that

the relief requested in the Motion and the Stalking Horse Supplement is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and the Stalking Horse Supplement and opportunity for a hearing on the Motion and the Stalking Horse Supplement were appropriate and no other or further notice need or shall be provided; and this Court having reviewed the Motion and the Stalking Horse Supplement and having heard the statements in support of the relief requested therein, if any, at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and the Stalking Horse Supplement and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor,

**IT IS HEREBY FOUND AND DETERMINED THAT:**

A. The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent that any of the following findings of fact constitute conclusions of law, and to the extent that any of the following conclusions of law constitute findings of fact, they are adopted as such.

B. Bid Procedures. The Debtors have articulated good and sufficient business reasons for the Court to approve the Bid Procedures attached hereto as Exhibit 1. The Bid Procedures are fair, reasonable and appropriate, and are designed to maximize the value of the proceeds of the Sale of the Debtors' Assets. The Bid Procedures were negotiated in good faith and at arm's-length and are reasonably designed to promote a competitive and robust bidding process to generate the greatest level of interest in all of the Debtors' Assets, one or more Business Segments, or some portion of the Assets.

C. Stalking Horse APA. The Debtors have negotiated the Stalking Horse APA, the form of which is attached hereto as **Exhibit 2**, with the Stalking Horse Bidder for the Library Assets identified therein. The Bid Procedures and the Stalking Horse APA were negotiated at arm's-length and in good faith by the Debtors and the Stalking Horse Bidder, without collusion. The Stalking Horse Bidder has provided a material benefit to the Debtors and their creditors by increasing the likelihood that, given the circumstances, the best possible price for the Library Assets will be received.

D. The Stalking Horse Bidder. The Stalking Horse Bidder is not an “insider” or “affiliate” of any of the Debtors, as those terms are defined in section 101 of the Bankruptcy Code, and no common identity of incorporators, directors, or controlling stakeholders exist between the Stalking Horse Bidder and the Debtors.

E. Sale Notice. The Sale Notice, substantially in the form attached hereto as **Exhibit 3**, is reasonably calculated to provide interested parties with timely and proper notice of the Auction (if any) and any Sale with respect to the Debtors' Assets, including, without limitation: (a) the date, time, and place of the Auction; (b) the Bid Procedures; (c) the deadline for filing objections to the Sale and entry of an order approving any Sale; and (d) notice of the proposed assumption and assignment of Contracts to the Successful Bidder(s).

F. Auction. The Auction, if held, is necessary to determine whether any entity other than, or in addition to, the Stalking Horse Bidder is willing to enter into a definitive agreement on terms and conditions more favorable to the Debtors and their estates than the Stalking Horse APA with respect to the Library Assets, or otherwise with respect to Bids for the Business Segments or all of the Debtors' Assets.

G. Assumption and Assignment Procedures. The Debtors have articulated good and sufficient business reasons for the Court to approve the assumption and assignment procedures set forth herein (the “Assumption and Assignment Procedures”) as well as the separate assumption and assignment procedures that pertain to Warner Bros. Entertainment Inc. and its affiliates (“Warner Bros.”), and such procedures, (the “Warner Bros. Assumption and Assignment Procedures”), which are fair, reasonable, and appropriate. The Assumption and Assignment Procedures comply with the provisions of section 365 of the Bankruptcy Code and Bankruptcy Rule 6006.

H. Cure Notice. The Cure Notice, the form of which is attached hereto as **Exhibit 4**, and which for the avoidance of doubt does not apply to Warner Bros., is appropriate and reasonably calculated to provide all interested parties with timely and proper notice of the Assumption and Assignment Procedures, as well as any and all objection deadlines related thereto, and no other or further notice shall be required for the Motion and the Stalking Horse Supplement and the procedures described therein (including the Assumption and Assignment Procedures), except as expressly required herein.

**NOW, THEREFORE, IT IS HEREBY ORDERED THAT:**

1. The Motion and the Stalking Horse Supplement are GRANTED as set forth herein.
2. All objections to the relief granted in this Order that have not been withdrawn, waived, or settled, and all reservations of rights included therein, are hereby overruled and denied on the merits with prejudice.

**The Bid Procedures**

3. The Bid Procedures are hereby approved, are incorporated herein by reference, and shall govern the Bids and proceedings related to any Sale of the Debtors’ Assets and the Auction(s)

(if any) in all respects. The procedures and requirements set forth in the Bid Procedures, including those associated with submitting a Qualified Bid, are fair, reasonable, and appropriate, and are designed to maximize recoveries for the benefit of the Debtors' estates, creditors, and other parties in interest. The Debtors are authorized to take any and all actions necessary or appropriate to implement the Bid Procedures.

4. The failure to specifically include or reference any particular provision of the Bid Procedures in the Motion and the Stalking Horse Supplement or this Order shall not diminish or otherwise impair the effectiveness of such procedures, it being the Court's intent that the Bid Procedures are approved in their entirety, as if fully set forth in this Order.

5. Subject to this Order and the Bid Procedures, the Debtors, in the exercise of their reasonable business judgment and in a manner consistent with their fiduciary duties and applicable law, in consultation with the Consultation Parties, shall have the right to, in each case with respect to any Assets being sold pursuant to the Bid Procedures, (a) determine which Qualified Bid is the highest or otherwise best offer for the applicable Assets, and (b) reject any Bid that the Debtors determine is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Bankruptcy Code or the Bid Procedures, or (iii) contrary to the best interests of the Debtors' estates and their creditors, and (c) impose such other terms and conditions upon Qualified Bidders (other than the Stalking Horse Bidder) as the Debtors determine to be in the best interests of the Debtors' estates in these chapter 11 cases.

6. Subject to this Order and the Bid Procedures, the Debtors shall have the right, in their reasonable business judgment and in a manner consistent with their fiduciary duties and applicable law, in consultation with the Consultation Parties, to modify the Bid Procedures, including to, among other things, (a) extend or waive deadlines or other terms and conditions set

forth therein, (b) adopt new rules and procedures for conducting the bidding and the Auction process, (c) provide reasonable accommodations to the Stalking Horse Bidder, (d) appoint additional stalking horse bidder(s) for the Derivative Rights or the Studio Business [upon notice to parties in interest](#), (e) adjourn the Auction one or more times, or hold one or more Auctions for the of the Assets, (f) to the extent there is not Successful Bidder(s) for the Derivative Rights or the Studio Business, seek to sell those Business Segments through new sale procedures, including expedited *de minimus* procedures, and (g) otherwise modify the Bid Procedures to further promote competitive bidding for and maximizing the value of the Assets, as applicable; *provided* that such extensions, waivers, new rules and procedures, accommodations, and modifications (except as are consented to or otherwise approved or permitted in accordance with the Bid Procedures) (i) do not conflict with and are not inconsistent with this Order, the Bid Procedures, the Bankruptcy Code, or any order of the Court and (ii) are as promptly as practicable communicated to each Qualified Bidder or at the Auction (if any).

7. If no Qualified Bid other than the Stalking Horse Bid is submitted on or before the Bid Deadline for the Library Assets, the Debtors will not hold an Auction for the Library Assets and will file a notice with the Court within one calendar day of the Bid Deadline that the Stalking Horse Bidder is deemed to be the Successful Bidder and they will seek approval of the Stalking Horse Bid for the Library Assets at the Sale Hearing.

8. The Debtors shall consult with the Consultation Parties in good faith regarding the sale process for the Debtors' Assets and the Sale, including evaluation of any and all Bids, scheduling and operation of the Auction (if applicable), and selection of a Successful Bid or Bids, as well as any modifications of the Bid Procedures; *provided* that subject to the Bid Procedures, the Debtors shall not be required to consult with a Consultation Party regarding the evaluation of

Bids or the selection of a Successful Bid if such Consultation Party has submitted a competing Bid.

9. Except for the Stalking Horse Bid Protections provided to the Stalking Horse Bidder, (i) no person or entity participating in the Debtors' sale process under the Bid Procedures shall be entitled to any expense reimbursement, break-up fees, "topping" fees, termination fees, or other fees, payments, or reimbursements whatsoever in connection with any Bid, preparation thereof, or participation at the Auction (if any) or generally under the Bid Procedures; and, (ii) by submitting a Bid, such person or entity shall be deemed to have forever waived its right to request or to file with the Court any request for allowance or payment of any such expense reimbursement or fee(s), whether by virtue of section 503(b) of the Bankruptcy Code or otherwise; provided, however, that this clause (ii) shall not apply to any Secured Party that submits a Credit Bid.

10. Any deposit provided by the Stalking Horse Bidder or other Qualified Bidder (as required under the Bid Procedures or the Stalking Horse APA) shall be held in escrow by the Debtors or their agent and shall not become property of the Debtors' bankruptcy estates unless and until released from escrow to the Debtors pursuant to the terms of the Bid Procedures, the applicable escrow agreement, or an order of the Court.

11. Nothing in this Order authorizes the Debtors to disburse any sale proceeds from any Sale(s) of the Debtors' Assets prior to further order of the Court. For avoidance of doubt, the rights of all parties in interest to address (i) the distribution and allocation of proceeds in connection with any Sale(s), (ii) the appropriate source of payment for any obligation satisfied with proceeds in connection with any Sale(s), including the source of payment of the ABS Obligations, and (ii) marshaling of assets as among the estates for payment of claims in connection with any Sale(s), are fully reserved.

**The Stalking Horse APA and Stalking Horse Bid Protections**

12. The Debtors are authorized to enter into the Stalking Horse APA with the Stalking Horse Bidder for the purchase and sale of the Library Assets, ~~and the terms of the Stalking Horse APA are hereby approved in all respects,~~ subject to all rights of Warner Bros. to object to the sale, including but not limited to its objections concerning adequate assurance of future performance, assumption and assignment of any Warner Bros. agreements with the Debtors (including Cure Costs) and the assignment of avoidance actions, including those related to the assets of the Library Debtors. The Stalking Horse Bidder shall be deemed a Qualified Bidder and the Stalking Horse Bid shall be deemed a Qualified Bid, and, for avoidance of doubt, need not comply with the Bid Requirements.

13. For avoidance of doubt, the term Purchased Assets in the Stalking Horse APA or any Successful Bid shall not be deemed to include the Magnum Assets (as defined below). Between 2013 and 2020, Debtors Village Roadshow Films (BVI) Limited (“VRF”), Village Roadshow Distribution (BVI) Limited (“VRD”), Village Roadshow Films North America Inc. (“VRFNA”), Village Roadshow Pictures North America Inc. (“VRPNA”), and Magnum Films SPC (“Magnum”) entered into (a) that certain Sale Agreement, dated December 20, 2013, as amended by that certain Amendment No. 4 to Sale Agreement dated November 10, 2020, by and among VRF, VRD and Magnum (as amended, restated, supplemented or otherwise modified from time to time) (the “Sale Agreement”), (b) that certain Fourth Amended and Restated Co-Investment Agreement, dated as of November 10, 2020, by and among VRF, VRD, VRFNA, Village Roadshow Distribution USA Inc. (“VRD-USA”), VRPNA, and Magnum (as amended, restated, supplemented or otherwise modified from time to time) (the “Co-Investment Agreement (Foreign & Domestic),” (c) that certain Second Amended and Restated Co-Investment Agreement



(Global) dated as of November 10, 2020, by and among VRFG, VRD-USA and Magnum (as amended, restated, supplemented or otherwise modified from time to time) (the “Co-Investment Agreement (Global)”), (d) that certain Second Amended and Restated Consolidated Intercreditor Agreement dated as of September 5, 2024, by and among Warner Bros. Production Limited, VRD, VRF, WAV Distribution LLC (“WAV”), VRD-USA, VRFNA, Village Roadshow Entertainment Group USA Inc. (“VREG-USA”), Magnum and U.S. Bank National Association (“Permanent Financing Trustee”) (as amended, restated, supplemented or otherwise modified from time to time); and (e) that certain Second Amended and Restated Intercreditor Agreement dated as of November 10, 2020, by and among Columbia Pictures Industries, Inc., VRFG, VRD-US, VREG-USA, Magnum and the Permanent Financing Trustee (as amended, restated, supplemented or otherwise modified from time to time) (subparagraphs (a) through (e) collectively, the “Magnum Sale, Co-Investment and Intercreditor Agreements”), which Magnum Sale, Co-Investment and Intercreditor Agreements resulted in Magnum, after exercising various rights and options thereunder, purchasing and acquiring a percentage of the Debtors’ rights (including intellectual property rights) in and to certain Pictures (“Distribution Rights”) and the proceeds of such Distribution Rights (such proceeds, the “Magnum Distributable Amount” and the “Magnum Payments” and together with the Distribution Rights, the “Magnum Assets”). Pursuant to the Magnum Sale, Co-Investment and Intercreditor Agreements, VRF, VRFNA, VRFG or VRFNA, as applicable, are obligated to pay the Magnum Distributable Amount and Magnum Payments to Magnum on a quarterly basis out of the bank accounts held in the names of VRF, VRFNA, VRFG, and VRPNA (“Secured Debtor Accounts”) by U.S. Bank National Association (“U.S. Bank” in its capacity as “Bank” under the applicable account control agreements) in accordance with the Magnum Sale, Co-Investment and Intercreditor Agreements, which Secured Debtor Accounts are

all subject to various account control agreements between the applicable Debtor party, Magnum and U.S. Bank (in its capacity as both “Bank” and “Secured Party”), all as defined and set forth more fully in the Magnum Sale, Co-Investment and Intercreditor Agreements.

14. The Debtors ~~shall be authorized, but not obligated, in an exercise of~~ may, in their reasonable business judgment and after consultation with the Consultation Parties, ~~to (a)~~ select one or more Qualified Bidders to act as additional stalking horse bidders in connection with a sale transaction solely involving the Excluded Assets (the “Additional Stalking Horse Bidder”) and enter into an additional stalking horse agreement with respect to any such Excluded Assets (the “Additional Stalking Horse Agreement”); ~~and (b) in connection with any Additional Stalking Horse Agreement with an Additional Stalking Horse Bidder, to agree to the additional bid protections; provided that the aggregate of the breakup fee and the expense reimbursement shall in no event exceed three percent (3%) of the cash portion of the applicable purchase price; provided, further, that all expenses to be reimbursed to the Additional Stalking Horse Bidder from the Debtors’ estates must be documented and set forth in a notice filed with the Court. The Debtors, the Consultation Parties (except for Warner Bros., who shall instead have a fourteen day review period as set forth herein), and the U.S. Trustee shall have a ten day review period upon the filing and service of such notice. If there is an objection by such parties during those times, such disputed portion of the expenses shall not be paid until the objection is resolved consensually or by the Court. For the avoidance of doubt, Warner Bros. maintains all rights to object to any Additional Stalking Horse Bidder and/or Stalking Horse Purchase Agreement in regards to the Excluded Assets, which such objection period shall be the later of (i) the Warner Bros. Sale Objection Deadline, or (ii) fourteen days after the Debtors’ filing of the Additional Stalking Horse Agreement”).~~ In such instance, the Debtors shall file an additional supplement to the Motion (an

“Additional Stalking Horse Supplement”) seeking approval of the same, with notice of the objection deadline to the Notice Parties and any other parties who have filed the appropriate notice pursuant to Bankruptcy Rule 2002 requesting notice of all pleadings filed in these chapter 11 cases (the “Additional Stalking Horse Notice Parties”) with no further notice being required; *provided* that the Additional Stalking Horse Supplement: (a) sets forth the identity of the Additional Stalking Horse Bidder (and if the Additional Stalking Horse Bidder is a newly formed entity, then the Stalking Horse’s parent company or sponsor); (b) sets forth the purchase price contemplated by the Additional Stalking Horse Agreement, and, if the Additional Stalking Horse Bidders is a credit bidder, what portion of the bid is a Credit Bid and what portion (if any) is cash; (c) states whether the Additional Stalking Horse Bidder has any connection to the Debtors other than those that arise from the Additional Stalking Horse Agreement; (d) specifies any proposed bid protections; (e) attaches the Additional Stalking Horse Agreement, (f) attaches a proposed order approving the Additional Stalking Horse Bidder and any bid protections (the “Additional Stalking Horse Approval Order”); and (h) sets forth the deadline to object to the designation of the Additional Stalking Horse Bidder and any bid protections. The Additional Stalking Horse Supplement shall also include any evidence the Debtors would like the Court to consider in connection with any request to approve any break-up fee and/or expense reimbursement and/or other bid protections as an administrative expense under section 503(b) of the Bankruptcy Code.

15. The Stalking Horse Bid Protections for the Stalking Horse Bidder are approved in their entirety, and the Debtors’ obligations to pay the Stalking Horse Bid Protections, as set forth in the Stalking Horse APA, are (a) an actual and necessary cost and expense of preserving the Debtors’ estates within the meaning of section 503(b) of the Bankruptcy Code, (b) of substantial benefit to the Debtors’ estates, (c) reasonable and appropriate, (d) a necessary condition of the

Stalking Horse Bidder's execution of the Stalking Horse APA, and (e) a necessary inducement to ensure that the Stalking Horse Bidder will continue to pursue its proposed acquisition of the Library Assets. The amount of such Stalking Horse Bid Protections, pursuant to sections 105(a), 503(b), and 507(a)(2) of the Bankruptcy Code, shall be an allowed superpriority administrative expense claim against the estates of each of the Debtors that are sellers under the Stalking Horse APA. The Debtors are authorized and directed to pay any amounts that may become due to the Stalking Horse Bidder on account of the Stalking Horse Bid Protections on the terms set forth in the Stalking Horse APA, and the Stalking Horse APA shall govern the terms and manner of payment of the Stalking Horse Bid Protections in all respects. The Stalking Horse Bidder may credit the amount of the Bid Protections against any subsequent bid made at Auction. For the avoidance of doubt, no other Qualified Bidder for the Library Assets shall be entitled to any form of bid protections.

### **Key Dates and Deadlines**

16. The following dates and deadlines are hereby approved:

<b>Event or Deadline</b>	<b>Date and Time</b>
<b>Entry of Bid Procedures Order</b>	April 22, 2025
<b>Deadline to Serve and Publish the Sale Notice</b>	April 28, 2025
<b>Deadline to File and Serve the Cure Notice</b>	April 28, 2025
<b>Sale Objection Deadline</b>	May 12, 2025, at 4:00 p.m. (ET)
<b>Contract Objection Deadline</b>	May 12, 2025, at 4:00 p.m. (ET)
<b>Bid Deadline</b>	May 16, 2025
<b>Auction (if necessary)</b>	May 21, 2025
<b>Deadline to File Notice of Successful Bidder and Serve Counterparties to Potential Assumed Contracts with Notice and Process</b>	1 business day after conclusion of the Auction

<b>Event or Deadline</b>	<b>Date and Time</b>
<b>for Obtaining Adequate Assurance Information</b>	
<b>Post-Auction Objection Deadline<sup>3</sup></b>	2 business days after conclusion of the Auction
<b>Deadline to File Proposed Sale Order</b>	May 27, 2025
<b>Sale Hearing (subject to Court availability)</b>	June 11, 2025

17. Notwithstanding the foregoing, the Sale Objection Deadline, Contract Objection Deadline, and Post-Auction Objection Deadline set forth above shall not apply to Warner Bros., who shall instead be subject to the following dates and deadlines:

<b>Event or Deadline</b>	<b>Date and Time</b>
<b>Warner Bros.' Sale Objection Deadline</b>	14 days after the Debtors' Filing of Notice of Successful Bidder
<b>Warner Bros.' Contract Objection Deadline</b>	14 days after the Debtors' Filing of Notice of Successful Bidder
<b>Warner Bros.' Post-Auction Objection Deadline</b>	14 days after the Debtors' Filing of Notice of Successful Bidder

*Provided*, that Warner Bros. Contract Objection Deadline is further modified as follows: Warner Bros. shall not be required to file an objection by the Warner Bros. Contract Objection Deadline to prove up or otherwise contest its Cure Costs related to the assumption or assignment of any Warner Bros. agreement on any basis. Instead, the Warner Bros. Contract Objection Deadline shall apply to Warner Bros. solely with respect to Warner Bros.' general objections to the assumption or assignment of any of its agreements, and not with respect to proving up and/or liquidating its Cure Costs or any other issues and claims in connection therewith. In addition,

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<sup>3</sup> The Post-Auction Objection Deadline applies only to objections related to the identity of the Successful Bidder(s) (other than the Stalking Horse Bidder) or adequate assurance of future performance provided by the Successful Bidder(s) (other than the Stalking Horse Bidder). For the avoidance of doubt, the Post-Auction Objection Deadline does not apply to Warner Bros.

Warner Bros. is not bound by the Assumption and Assignment Procedures set forth in this Order, nor shall Warner Bros. be required to prove up or liquidate any of its Cure Cost or related claims in connection with such procedures. All of Warner Bros.' arguments and objections surrounding any of the Debtors' proposed Cure Costs and other claims against the Debtors regarding the assumption and assignment of any of Warner Bros.' contracts, licenses, copyrights or any other agreements with the Debtors shall instead be subject to the Warner Bros. Assumption and Assignment Procedures, as set forth in paragraph 32 of this Order.

18. The Warner Bros. Sale Objection Deadline and Warner Bros. Post-Auction Deadline apply to all of Warner Bros.' objections to the Debtors' sale of assets (to the Stalking Horse Bidder or any other Successful Bidder), including as to the identity of the Successful Bidder(s), and objections related to adequate assurance of future performance by the Stalking Horse Bidder or Successful Bidder(s), but shall not apply to, for the avoidance of doubt, Warner Bros.' objections to the Debtors' proposed Cure Costs (or issues in related thereto, including any proving up or liquidating of any other Warner Bros. claims), in connection with the Debtors' assumption or assignment of any Warner Bros. agreement, which instead shall be governed by the Warner Bros. Assumption and Assignment Procedures, as set forth in paragraph 32 of this Order.

19. The deadline by which Bids for any of the Debtors' Assets, as applicable, must be **actually received** by the Debtors and their advisors (as set forth in the Bid Procedures) is **May 16, 2025** (the "**Bid Deadline**").

20. Each Qualified Bidder participating in the Auction, if any, shall be required to confirm that it has not engaged in any collusion with respect to any bidding (including preparing or submitting its Bids or the Sales, as set forth in the Bid Procedures; and the Auction, if any, shall be transcribed or otherwise recorded.

21. The Debtors shall file with the Court a Notice of Successful Bidder(s), identifying the identity of the Successful Bidder(s) (as applicable), the amount of the Successful Bid(s) (as applicable), the relevant Assets applicable to such Successful Bid, and, if the Successful Bidder is a credit bidder as set forth in paragraph 24 of this Order, what portion of its bid is a credit bid and what portion (if any) is cash, by: one business day after conclusion of the Auction. In the event that the Successful Bidder(s) is not the Stalking Horse Bidder, the Debtors shall serve counterparties to potential Assumed Contracts, by email or first-class mail, information regarding adequate assurance of future performance by the Success Bidder(s) or the process for obtaining such information. If the Successful Bidder is a special purpose entity, the notice shall also identify the entity or entities that are its primary equity holders, or otherwise control, the special purpose entity.

22. Any and all objections to a Sale of the Debtors' Assets and entry of a Sale Order (such objection, a "Sale Objection") must: (i) be in writing and specify the nature of such objection, (ii) comply with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and all orders of the Court entered in these chapter 11 cases, (iii) except with respect to Warner Bros., who instead shall be subject to the Warner Bros. Sale Objection Deadline and Warner Bros. Post-Auction Objection Deadline as described and set forth in paragraphs 17 and 18 of this Order, be filed with the Court by (a) May 12, 2025 at 4:00 p.m. (prevailing Eastern Time) (the "Sale Objection Deadline"), or (b) with respect to objections solely related to the identity of the Successful Bidder(s) (other than the Stalking Horse Bidder), or adequate assurance of future performance by the Successful Bidder(s) (other than the Stalking Horse Bidder), by 4:00 p.m. (prevailing Easter Time) on the date that is two business days following the filing of the Notice of Successful Bidder (the "Post-Auction Objection Deadline"), and (iv) be served upon the following parties (collectively, the "Notice

Parties”): (1) proposed co-counsel to the Debtors, (i) Sheppard, Mullin, Richter & Hampton LLP, 321 North Clark Street, 32nd Floor, Chicago, IL 60654, Attn.: Justin R. Bernbrock (jbernbrock@sheppardmullin.com), and (ii) Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, DE 19801, Attn.: Joseph M. Mulvihill (jmulvihill@ycst.com); (2) counsel to the ABS Trustee, Barnes & Thornburg LLP, One North Wacker Drive Suite 4400, Chicago, IL 60606, Attn.: Aaron Gavant (agavant@btlaw.com) (3) counsel to the DIP Lenders, Morrison Foerster, 250 West 55th Street, New York, NY 10019, Attn.: James Newton (jnewton@mofo.com); (4) counsel to Vine Alternative Investments Group, LLC, Cooley LLP, 55 Hudson Yards, New York, NY 10001 Attn.: Daniel Shamah (dshamah@cooley.com); (5) Magnum Films SPC, DLA Piper LLP, 121 Avenue of the Americas, New York, New York, 10020, Attn: Dennis C. O’Donnell (dennis.odonnell@dlapiper.com); (6) counsel to the ad hoc group of ABS Noteholders, Wachtell, Lipton, Rosen & Katz, 51 West 52nd Street, New York, New York 10019, Attn: Joel Simwinda (jmsimwinda@wlrk.com) and Katherine Waldock (kpwaldock@wlrk.com); (7) proposed counsel to the Official Committee of Unsecured Creditors, Pachulski Stang Ziehl & Jones LLP, 780 Third Avenue 34<sup>th</sup> Floor, New York, NY 10017, Attn: Robert Feinstein (rfeinstein@pszjlaw.com) and Bradford Sandler (bsandler@pszjlaw.com); (8) counsel to Warner Bros., (i) O’Melveny & Myers LLP, 400 South Hope Street, Suite 1900, Los Angeles, CA 90071, Attn.: Steve Warren (swarren@omm.com), and (ii) Morris, Nichols, Arsht & Tunnell LLP, 1201 N. Market Street, 16th Floor, Wilmington, DE 19801, Attn.: Curtis S. Miller (cmiller@morrisnichols.com), (9) the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”), 844 N. King Street, Room 2207, Wilmington, DE 19801, Attn.: Rosa Sierra-Fox (rosa.sierra-fox@usdoj.gov); and (10) any Successful Bidders.



23. The Court will hold a hearing to consider approval of the Sale(s) on **June 11, 2025, at 4:00 p.m. (prevailing Eastern Time)**, subject to Court availability, if there is an Auction (the “Sale Hearing”). If no Qualified Bids are received by the Bid Deadline for the Library Assets, the Debtors will seek to hold the hearing to consider approval of the sale to the Stalking Horse Bidder pursuant to the Stalking Horse APA as soon as practicable after the Bid Deadline, subject to Court availability. The Sale Hearing may be adjourned in accordance with the Bid Procedures by announcement in open court or on the Court’s calendar without any further notice required other than a notice filed on the docket of these cases.

### **Credit Bidding**

24. Any bidder holding a valid, unavoidable and perfected security interest in any of the Debtors’ Assets may seek to credit bid all, or a portion of, such bidder’s claims for its respective collateral in accordance with section 363(k) of the Bankruptcy Code (each such bid, a “Credit Bid”); *provided*, that such Credit Bid complies with the terms of the Bid Procedures. Any Credit Bid that complies with the terms of the Bid Procedures shall qualify as a Qualified Bid without requiring a good faith deposit with respect to any non-cash portion of such Qualified Bid; *provided however*, all objections to any such Credit Bid are preserved, including any objection by Warner Bros. regarding any attempted Credit Bid concerning any Library Assets or Derivative Rights and any potential assumption and assignment of its contracts, Cure Costs and adequate assurance of performance. Any bidder holding a valid, unavoidable and perfected security interest in any of the Debtors’ Assets who intends to submit a Credit Bid must: (a) include a cash component in its Bid adequate to pay off the ABS Noteholders in full satisfaction of their claims; (b) include a cash component adequate to pay the Stalking Horse Bid Protections; (c) identify any Business Segment or portions of the Assets on which such Secured Party is bidding; (d) otherwise comply with the

Bid Requirements; and (e) assert its intention to Credit Bid by filing a notice on the Court's docket no later than May 16, 2025; which such notice will, for the avoidance of doubt, be provided to Warner Bros., who shall have the later of (i) the Warner Bros. Sale Objection Deadline or (ii) fourteen days after a bidder's filing of such notice as set forth herein, to object to such notice.

### **Notice of the Sale**

25. The Sale Notice, substantially in the form attached hereto as **Exhibit 3**, is approved. Within three business days of the entry of this Order, the Debtors shall cause the Sale Notice, this Order, and the Bid Procedures to be served upon the following parties or their respective counsel, if known (collectively, the "Sale Notice Parties"): (i) the Notice Parties; (ii) all taxing and regulatory authorities having jurisdiction over any of the Debtors' Assets; (iii) the Federal Trade Commission; (iv) the United States Attorney General/Antitrust Division of Department of Justice; (v) all entities known by the Debtors to have asserted an Interest against the Debtors' Assets; (vi) all parties who have expressed a written interest to the Debtors in acquiring all or a substantial portion of the Debtors' Assets in the twelve months prior to the Petition Date; (vii) all non-Debtor counterparties to potential Assumed Contracts; (viii) parties who have asserted a perfected security interest in the Debtors' Assets; and (ix) all of the other known creditors and equity security holders of the Debtors.

26. Within three business days of the entry of this Order or as soon as reasonably practicable thereafter, the Debtors shall publish a notice, substantially in the form of the Sale Notice, on one occasion, in the national editions of *The Wall Street Journal* and *The Los Angeles Times*. Such notice shall be deemed sufficient and proper notice of the Bid Procedures, the Sale, and the Auction (if any) with respect to known interested parties and no other or further notice shall be required.

27. In the event an Auction is conducted, the Debtors shall provide Notice of the Successful Bidder as described in the Bid Procedures. In the event that the Auction is cancelled, including, without limitation, because no Qualified Bids have been received as of the Bid Deadline, the Debtors shall file a Notice of Successful Bidder promptly identifying the Stalking Horse Bidder as the Successful Bidder.

**Non-Warner Bros. Assumption and Assignment Procedures**

28. The procedures set forth below regarding the assumption and assignment of non-Warner Bros. executory contracts proposed to be assumed by the Debtors pursuant to section 365(b) of the Bankruptcy Code and assigned to the Stalking Horse Bidder or otherwise Successful Bidder(s), as applicable, pursuant to section 365(f) of the Bankruptcy Code in connection with the Sale (the “Assumption and Assignment Procedures”) are hereby approved as set forth herein. For the avoidance of doubt, the Assumption and Assignment Procedures do not apply to Warner Bros.

29. Except with respect to Warner Bros., the Assumption and Assignment Procedures shall govern the assumption and assignment of all of the Debtors’ executory contracts and unexpired leases to be assumed and assigned in connection with the Sale, subject to the payment of any payments necessary to cure any defaults arising under any Assumed Contract (as defined below) (the “Cure Costs”):

- (a) **Contracts Schedule and Cure Notice.** Within six calendar days following the entry of the Bid Procedures Order, the Debtors will file with the Court, and cause to be published on the Debtors’ case website maintained by Verita, the Cure Notice, which will specify: (i) each potential contract or lease that may be assumed and assigned in connection with the Sale, including the name of each counterparty and (ii) the proposed Cure Cost with respect to such contract or lease (the “Contracts Schedule”). The Cure Notice shall also be served on each counterparty listed on the Contracts Schedule via first-class mail, and email where available, and will: (a) state the Cure Cost; (b) notify each counterparty to a contract or lease listed on the Contract Schedule that such party’s contract or lease may be assumed and assigned to the Stalking Horse Bidder or otherwise Successful Bidder(s), as applicable, at the conclusion of the Sale Hearing; (c) state the date of the Sale Hearing and that

objections to any Cure Cost or to assumption and assignment of any contract or lease will be heard at the Sale Hearing or at a later hearing, as determined by the Debtors, the Court, and the applicable counterparty; and (d) state a deadline by which objections to the Cure Cost or to the assumption and assignment of its contract or lease must be filed; *provided, however*, that the inclusion of a contract, lease, or agreement on the Cure Notice or the Contracts Schedule will not constitute an admission that such contract, lease, or agreement is an executory contract or lease.

- (b) **Modifications to Contract Schedule.** Unless otherwise provided in the applicable APA, at any time prior to closing, the Stalking Horse Bidder or otherwise Successful Bidder(s), as applicable, may, by written notice to the Debtors and following good faith consultation with the Debtors, add or eliminate any contract or lease from the Contracts Schedule (and the Debtors shall be responsible for payment of any Cure Costs incurred in connection therewith). Any contract or lease that remains on the Contracts Schedule as of such date will be assumed and assigned to the Stalking Horse Bidder or otherwise Successful Bidder(s), as applicable, in connection with the Sale (the “Assumed Contracts”), subject to the resolution of any timely asserted objection to the assumption and assignment of such contract or lease.
- (c) **Supplemental Contracts.** In the event that any contract or lease is added to the Contract Schedule or any previously-stated Cure Costs are modified, in accordance with the applicable APA, the Debtors will promptly serve a supplemental cure notice (each, a “Supplemental Cure Notice”) on each impacted counterparty by email and first-class mail. Each Supplemental Cure Notice will include the same information with respect to the applicable contract or lease as is required to be included in the Cure Notice.
- (d) **Objections.** The Debtors request that the Court set the deadline to object to any Cure Cost or to assumption and assignment on any basis (except objections solely related to adequate assurance of future performance by a Successful Bidder other than the Stalking Horse Bidder) as May 12, 2025 (the “Contract Objection Deadline”), and require that any such objections: (1)(a) be in writing; (b) state the basis for such objection; and (c) if such objection is to the Cure Cost, state with specificity what Cure Cost the counterparty believes is required (in all cases, with appropriate documentation in support thereof) and (2) be filed with the Court and served on the Notice Parties by the Contract Objection Deadline. Any objections to the assumption and assignment of the Assumed Contracts will be heard at the Sale Hearing (to the extent such hearing has not occurred as of the applicable Contract Objection Deadline) or at a later hearing, as determined by the Debtors. Any parties impacted by a Supplemental Cure Notice will have 14 days from the service of such Supplemental Cure Notice to object to any Cure Cost or to assumption and assignment on any basis (except objections solely related to adequate assurance of future performance by a Successful Bidder other than the Stalking Horse Bidder). The Debtors further request the ability to settle on a

consensual basis any dispute regarding Cure Costs without further order of the Court.

- (e) **Post-Auction Objection.** If, following the Auction, the Stalking Horse Bidder is not the Successful Bidder, then the Debtors shall serve the Notice of Successful Bidder on each counterparty to a contract or lease that received the Cure Notice or any Supplemental Cure Notice at the same time as such Notice of Successful Bidder is filed with the Court and published on the Debtors' website maintained by Verita. Objections of any counterparty to a potential Assumed Contract related solely to the identity of the Successful Bidder(s) (other than the Stalking Horse Bidder) or adequate assurance of future performance provided by the Successful Bidder(s) (other than the Stalking Horse Bidder) must (i) be in writing, (ii) comply with the Bankruptcy Code, Bankruptcy Rules and Local Rules, (iii) state, with specificity, the legal and factual bases thereof, (iv) be filed by the Post-Auction Objection Deadline and (v) be served on the Notice Parties.
- (f) **Reservation of Rights.** The inclusion of a contract or lease, or Cure Costs with respect thereto on a Cure Notice, any Supplemental Cure Notice, or the Contracts Schedule shall not constitute or be deemed a determination or admission by the Debtors, the Stalking Horse Bidder or otherwise Successful Bidder(s), as applicable, or any other party in interest that such contract or lease is an executory contract or unexpired lease of the Debtors within the meaning of the Bankruptcy Code. The Debtors reserve all of their rights, claims and causes of action with respect to each contract and lease listed on the Cure Notice, any Supplemental Cure Notice, or the Contracts Schedule. The Debtors' inclusion of any contract or lease on a Cure Notice, any Supplemental Cure Notice or the Contracts Schedule shall not be a guarantee that such contract or lease ultimately will be assumed or assumed and assigned.

30. Except with respect to Warner Bros., unless a counterparty to an Assumed Contract timely files an objection to the Cure Cost of its Assumed Contract by the Contract Objection Deadline, such counterparty will be (i) deemed to have consented to such Cure Cost and the Debtors, and the Successful Bidder (as applicable) shall be entitled to rely upon the Cure Costs set forth in the Contracts Schedule, and (ii) forever barred, estopped, and permanently enjoined from asserting or claiming against the Debtors, the Stalking Horse Bidder, the Successful Bidder, or their respective property (as applicable), that any additional prepetition amounts are due or that other prepetition defaults exist. The Cure Costs set forth in the Contracts Schedule shall constitute a final determination of the total Cure Costs required to be paid by the Debtors in connection with

the assumption and assignment of the Assumed Contracts. For the avoidance of doubt, the terms set forth in this paragraph do not apply to Warner Bros.

31. Except with respect to Warner Bros., unless a counterparty to an Assumed Contract files an objection to the proposed assumption and assignment of its Assumed Contract by the Contract Objection Deadline or, solely with respect to objections related to the identity of the Successful Bidder(s) (other than the Stalking Horse Bidder) or adequate assurance of future performance provided by the Successful Bidder(s) (other than the Stalking Horse Bidder), the Post-Auction Objection Deadline, as applicable, such counterparty shall be (i) deemed to have consented to (a) the assumption and assignment of such Assumed Contract, and (b) the related relief requested in the Motion and the Stalking Horse Supplement, and (ii) forever barred, estopped, and permanently enjoined from (x) objecting to the assumption and assignment of the Assumed Contract or adequate assurance of future performance, (y) asserting that conditions to assignment must be satisfied under such Assumed Contract or that there is any objection or defense to the assumption and assignment of such Assumed Contract, and (z) otherwise objecting to the relief requested in the Motion and the Stalking Horse Supplement, in each case, whether applicable law excuses such counterparty from accepting performance by, or rendering performance to, the Stalking Horse Bidder or Successful Bidder(s), as applicable, for purposes of section 365(c)(1) of the Bankruptcy Code, and from asserting any additional cure or other amounts against the Debtors or the Stalking Horse Bidder or Successful Bidder(s), as applicable, with respect to such party's Assumed Contract. For the avoidance of doubt, the terms set forth in this paragraph do not apply to Warner Bros.

**Warner Bros. Assumption and Assignment Procedures**

32. The procedures set forth below regarding the assumption and assignment of the

Warner Bros. executory contracts proposed to be assumed by the Debtors pursuant to section 365(b) of the Bankruptcy Code and assigned to the Stalking Horse Bidder or otherwise Successful Bidder(s), as applicable, pursuant to section 365(f) of the Bankruptcy Code in connection with the Sale (the “Warner Bros. Assumption and Assignment Procedures”) are hereby approved as set forth herein.

- (a) **Contracts Schedule and Cure Notice.** Within three calendar days following the entry of the Bid Procedures Order, the Debtors will file with the Court, and cause to be published on the Debtors’ case website maintained by Verita, the Warner Bros. cure notice (the “Warner Bros. Cure Notice”), in form and format to be agreeable by Warner Bros., which will specify: (i) each potential Warner Bros. contract or lease that may be assumed and assigned in connection with the Sale, and (ii) the proposed Cure Cost with respect to such contract or lease (the “Warner Bros. Contracts Schedule”). The Warner Bros. Cure Notice shall also be served on Warner Bros. via electronic and first-class mail, and will: (a) state the Cure Cost; (b) notify Warner Bros. that any Warner Bros. contract or lease may be assumed and assigned to the Stalking Horse Bidder or Successful Bidder(s), as applicable, at the conclusion of the Sale Hearing, subject to Warner Bros.’ intellectual property and contractual rights and any objections related thereto; (c) state that the date of the Sale Hearing and that objections to any assumption and assignment of any Warner Bros. contract or lease will be heard at the Sale Hearing or at a later hearing, as determined by the Debtors in consultation with, and upon agreement by Warner Bros., or as otherwise determined by a separate order of the Court; and (d) state a proposed deadline by which objections to the Cure Cost shall be mutually agreed upon, or, in the alternative, be determined by separate order of the Court (at all times, subject to the provisions of paragraphs 32(d) and (e) below); *provided, however,* that the inclusion of a contract, lease, or agreement on the Warner Bros. Cure Notice or the Warner Bros. Contracts Schedule will not constitute an admission that such contract, lease, or agreement is an executory contract or lease.
- (b) **Modifications to Contract Schedule.** Unless otherwise provided in the applicable APA, at any time prior to closing, the Stalking Horse Bidder or Successful Bidder(s), as applicable, may, by written notice to the Debtors and Warner Bros. and following good faith consultation with the Debtors and Warner Bros. (and subject to all of Warner Bros.’ contractual and intellectual property rights under applicable law), add or eliminate any contract or lease from the Warner Bros. Contracts Schedule (and the Debtors shall be responsible for payment of any Cure Costs incurred in connection therewith, as provided under Section 365(b) of the Bankruptcy Code, this Order, and the Court’s entry of the Interim DIP Order on a final basis the “Final DIP Order”). Solely to the extent that (i) Warner Bros.’ written consent to assumption and assignment of any of its agreements with the Debtors is obtained or (ii) upon entry of an effective and unstayed order by the



Court (after proper notice and a hearing) of any Warner Bros.’ objections to the assignment and assumption of any Warner Bros. contract with the Debtors, any contract or lease that remains on the Warner Bros. Contracts Schedule as of such date may be assumed and assigned to the Stalking Horse Bidder or otherwise Successful Bidder(s), as applicable, in connection with the Sale and subject to any rights of appeal that Warner Bros. may have under applicable law (the “Warner Bros. Assumed Contracts”).

- (c) **Supplemental Contracts.** In the event that the Debtors seek to add any contract or lease to the Warner Bros. Contract Schedule or any previously-stated Cure Costs are modified, in accordance with the applicable APA, the Debtors will promptly serve a supplemental cure notice (each, a “Warner Bros. Supplemental Cure Notice”) on Warner Bros. Each Warner Bros. Supplemental Cure Notice will include the same information with respect to the applicable contract or lease as is required to be included in the Cure Notice.
- (d) **Objections.** Within 5 business days following the Debtors’ service of the Warner Bros. Cure Notice or any Warner Bros. Supplemental Cure Notice, the Debtors and Warner Bros. shall confer in good faith regarding a proposed scheduling order as to any applicable objection deadlines and procedures for liquidating any Warner Bros. Cure Costs and other claims against the Debtors before this Court or any other appropriate forum. Following 14 days after the Debtors’ service of the Warner Bros. Cure Notice or Warner Bros. Supplemental Cure Notice, the Debtors and Warner Bros. shall either submit a proposed scheduling order to the Court or, in the event that such parties cannot agree on a proposed schedule, shall request a status conference to discuss the parties’ scheduling and procedural proposals. For the avoidance of doubt, this provision applies irrespective of whether the Stalking Horse Bidder or other Successful Bidder(s) are designated as the Successful Bidder(s) in connection with any sale. Notwithstanding the foregoing, any proposed schedule or scheduling order relating to the foregoing shall not impact the Outside Date (as defined in the Stalking Horse APA), which Outside Date may only be extended in accordance with Section 8.01(d) of the Stalking Horse APA.
- (e) **Reservation of Rights.** The inclusion of a contract or lease, or Cure Costs with respect thereto on a Warner Bros. Cure Notice, any Warner Bros. Supplemental Cure Notice, or the Warner Bros. Contracts Schedule shall not constitute or be deemed a determination or admission by the Debtors, the Stalking Horse Bidder or otherwise Successful Bidder(s), as applicable, or any other party in interest that such contract or lease is an executory contract or unexpired lease of the Debtors within the meaning of the Bankruptcy Code. Warner Bros. and the Debtors reserve all of their rights, claims and causes of action with respect to each contract and lease listed on the Warner Bros. Cure Notice, any Warner Bros. Supplemental Cure Notice, or the Warner Bros. Contracts Schedule, including Warner Bros.’ rights to seek to liquidate its Cure Costs and other claims against the Debtors in an alternate forum and/or through arbitration.



**Miscellaneous**

33. All persons and entities that participate in the applicable Auction (if any) or bidding for any of the Debtors' Assets during the sale process under the Bid Procedures shall be deemed to have knowingly and voluntarily (i) consented to the core jurisdiction of the Court to enter any order related to the Bid Procedures, the Auction (if any), or any other relief requested in the Motion and the Stalking Horse Supplement or granted in this Order, and (ii) waived any right to a jury trial in connection with any disputes relating to the Bid Procedures, the Auction, or any other relief requested in the Motion and the Stalking Horse Supplement or granted in this Order, provided Warner Bros. reserves all rights with respect to its contracts and claims, including the right to seek arbitration.

34. This Order shall be binding on the Debtors and its successors and assigns, including any chapter 7 or chapter 11 trustee or other fiduciary appointed for the estates of the Debtors.

35. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

36. Except as set forth herein, to the extent that there may be any inconsistency between the terms of the Motion, the Stalking Horse Supplement, the Bid Procedures, and this Order, the terms of this Order shall govern.

37. Notwithstanding the relief granted in this Order and any actions taken pursuant to such relief (including any payment made in accordance with this Order), nothing in this Order is intended as or shall be construed or deemed to be: (a) an implication or admission as to the amount of, basis for, or validity of any particular claim against the Debtors under the Bankruptcy Code or other applicable non-bankruptcy law; (b) a waiver of the Debtors' or any other party in interest's rights to dispute any particular claim on any grounds; (c) a promise or requirement to pay any

particular claim; (d) an implication, admission, or finding that any particular claim is an administrative expense claim, other priority claim, or otherwise of a type specified or defined in this Order or the Motion and the Stalking Horse Supplement or any order granting the relief requested by the Motion and the Stalking Horse Supplement; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (g) a waiver or limitation of the Debtors' or any other party in interest's claims, causes of action, or other rights under the Bankruptcy Code or any other applicable law; (h) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy under section 365 of the Bankruptcy Code; (i) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) that may be satisfied pursuant to the relief requested in the Motion and the Stalking Horse Supplement are valid, and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens; (j) a waiver of the obligation of any party in interest to file a proof of claim; or (k) otherwise affecting the Debtors' rights under section 365 of the Bankruptcy Code to assume or reject any executory contract or unexpired lease. Any payment made pursuant to this Order is not intended and should not be construed as an admission as to the validity, priority, or amount of any particular claim or a waiver of the Debtors' or any other party in interest's rights to subsequently dispute such claim.

38. Notice of the Motion and the Stalking Horse Supplement as provided therein shall be deemed good and sufficient notice of such Motion and the Stalking Horse Supplement and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

39. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order

are immediately effective and enforceable upon its entry.

40. The Debtors are authorized to make non-substantive changes to the Bid Procedures, the Assumption and Assignment Procedures, and any related documents without further order of the Court, including, without limitation, changes to correct typographical and grammatical errors.

41. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion and the Stalking Horse Supplement.

42. This Court shall retain jurisdiction over any and all matters arising from or related to the implementation, interpretation, and/or enforcement of this Order.

**EXHIBIT 1**

**Bid Procedures**

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

In re:	)	
	)	Chapter 11
	)	
VILLAGE ROADSHOW ENTERTAINMENT	)	Case No. 25-10475 (TMH)
GROUP USA INC., <i>et al.</i> , <sup>1</sup>	)	
	)	(Jointly Administered)
Debtors.	)	
	)	

**BID PROCEDURES**

On March 17, 2025 (the “Petition Date”), the above-captioned debtors and debtors in possession (collectively, the “Debtors”) each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”) in the United States Bankruptcy Court for the District of Delaware (the “Court”).

On April [●], 2025, the Court entered the Order (I) Approving Bid Procedures for the Sale of the *Debtors’ Assets*, (II) *Authorizing the Debtors’ Entry into the Stalking Horse APA and Approving Bid Protections Thereunder*, (III) *Scheduling an Auction for, and Hearing to Approve, Sale of the Debtors’ Assets*, (IV) *Approving Form and Manner of Notices of Sale, Auction, and Sale Hearing*, (V) *Approving Assumption and Assignment Procedures*, and (VI) *Granting Related Relief* [Docket No. [●]] (the “Bid Procedures Order”), by which the Court approved the bid procedures set forth herein (these “Bid Procedures”).<sup>2</sup>

These Bid Procedures set forth the process by which the Debtors are authorized to conduct a marketing and sale process (including pursuant to an Auction (as defined below), if any) for the sale or sales (collectively, the “Sale”) of some, all, or substantially all of the Debtors’ assets (the “Assets”). To facilitate this marketing and sale process, Alcon Media Group, LLC (the “Stalking Horse Bidder”) and the Debtors have executed that certain *Purchase Agreement*, dated April [22], 2025 (including all exhibits, schedules, and addenda thereto, the “Stalking Horse APA”), pursuant to which the Stalking Horse Bidder has agreed to acquire the Debtors’ Library Assets (as defined below and referred to in the Stalking Horse APA as the “Purchased Assets”), subject to the terms and conditions set forth therein. The Court has approved the Stalking Horse

<sup>1</sup> The last four digits of Village Roadshow Entertainment Group USA Inc.’s federal tax identification number are 0343. The mailing address for Village Roadshow Entertainment Group USA Inc. is 750 N. San Vicente Blvd., Suite 800 West, West Hollywood, CA 90069. Due to the large number of debtors in these cases, which are being jointly administered for procedural purposes only, a complete list of the Debtors and the last four digits of their federal tax identification is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.veritaglobal.net/vreg>.

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the Bid Procedures Order, its respective motion [Docket No. 11]; or the *Debtors’ Supplemental Motion for Entry of an Order (A) Approving (I) the Debtors’ Designation of the New Stalking Horse Bidder for the Library Assets as Set Forth in the Stalking Horse Agreement, (II) the Debtors’ Entry into the Stalking Horse Agreement, and (III) the Bid Protections and (B) Granting Related Relief* [Docket No. 197].

APA as the “stalking-horse” bid for the Library Assets (the “Stalking Horse Bid”). The Stalking Horse Bid is subject to higher or otherwise better offers for the Library Assets submitted in accordance herewith.

The ability of the Debtors to undertake and consummate any Sale shall be subject to competitive bidding as set forth in these Bid Procedures and approval of any Sale by the Court. The Debtors will consider bids for any or all of the Assets in a single bid from a single bidder or in multiple bids from multiple bidders. Any bid for less than all of the Assets, even if such bid is the highest or otherwise best bid for such Assets, is subject to higher or otherwise better bids for packages of Assets that may include such Assets. Additionally, any bid on all of the Assets is subject to bids on individual Assets or packages of Assets that are, in the aggregate, higher or otherwise better bids. The Debtors may determine in their discretion, following consultation with the Consultation Parties, whether to proceed with a Sale with respect to any Asset pursuant to these Bid Procedures.

## 1. ASSETS TO BE AUCTIONED

The Debtors are seeking to sell some, all, or substantially all of the Assets to the person or entity making the most value maximizing bid through the process outlined in these Bid Procedures. The Assets are generally segregated into the following primary business segments (collectively, the “Business Segments”):

- the Debtors’ interests in their library of 108 feature films (the “Film Library”), including the Debtors’ undivided interest in their relevant percentage of the intellectual property, distribution rights, cash flows, and other property related to the Film Library (the “Library Assets”), which are Purchased Assets in the Stalking Horse APA;
- the Debtors’ rights to produce, distribute, and otherwise exploit remakes, sequels, and prequels of the feature films in the Film Library (the “Derivative Rights”), which the Debtors co-own with certain studio partners; and
- the Debtors’ assets related to their studio business centered around the development and production of independent films (for clarity, excluding the Film Library) and scripted and unscripted television series (the “Studio Business”).

For avoidance of doubt, the term Purchased Assets in the Stalking Horse APA or any Successful Bid shall not be deemed to include the Magnum Assets (as defined in the Bid Procedures Order), nor shall it include, for the avoidance of doubt, any cause of action under Chapter 5 of the Bankruptcy Code. Warner Bros.’ rights and objections with respect to any sale of assets under these Bid Procedures are fully preserved, as set forth in the Bid Procedures Order.

**2. KEY DATES AND DEADLINES**

<b>Event or Deadline</b>	<b>Date and Time</b>
<b>Entry of Bid Procedures Order</b>	April 22, 2025
<b>Deadline to Serve and Publish the Sale Notice</b>	April 28, 2025
<b>Deadline to File and Serve the Cure Notice</b>	April 28, 2025
<b>Sale Objection Deadline</b>	May 12, 2025, at 4:00 p.m. (ET)
<b>Contract Objection Deadline</b>	May 12, 2025, at 4:00 p.m. (ET)
<b>Bid Deadline</b>	May 16, 2025
<b>Auction (if necessary)</b>	May 21, 2025
<b>Deadline to File Notice of Successful Bidder and Serve Counterparties to Potential Assumed Contracts with Notice and Process for Obtaining Adequate Assurance Information</b>	1 business day after conclusion of the Auction
<b>Post-Auction Objection Deadline</b>	2 business days after conclusion of the Auction
<b>Deadline to File Proposed Sale Order</b>	May 27, 2025
<b>Sale Hearing (subject to Court availability)</b>	June 11, 2025

Notwithstanding the foregoing, the Sale Objection Deadline, Contract Objection Deadline, and Post-Auction Objection Deadline set forth above shall not apply to Warner Bros., who shall instead be subject to the following dates and deadlines, as set forth and as further described in the Bid Procedures Order:

<b>Event or Deadline</b>	<b>Date and Time</b>
<b>Warner Bros.' Sale Objection Deadline</b>	14 days after the Debtors' Filing of Notice of Successful Bidder
<b>Warner Bros.' Contract Objection Deadline</b>	14 days after the Debtors' Filing of Notice of Successful Bidder
<b>Warner Bros.' Post-Auction Objection Deadline</b>	14 days after the Debtors' Filing of Notice of Successful Bidder

### 3. SUBMISSIONS TO THE DEBTORS; CONSULTATION PARTIES

All submissions to the Debtors required or permitted to be made under these Bid Procedures must be directed to each of the following persons or entities unless otherwise provided:<sup>3</sup>

- 3.1 **Debtors:** Village Roadshow Entertainment Group USA Inc., Attn.: Kevin Berg (kevin.berg@vreg.com) and Louis Santor (louis.santor@vreg.com);
- 3.2 **Debtors' Proposed Counsel:** (i) proposed co-counsel to the Debtors, Sheppard, Mullin, Richter & Hampton LLP, 321 North Clark Street, 32nd Floor, Chicago, IL 60654, Attn.: Justin R. Bernbrock (jbernbrock@sheppardmullin.com); and (ii) Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, DE 19801, Attn.: Joseph M. Mulvihill (jmulvihill@ycst.com);
- 3.3 **Debtors' Proposed Financial Advisor:** Accordion Partners, LLC, 1920 McKinney Avenue, Suite 950, Dallas, TX 75201, Attn.: Keith Maib (kmaib@accordion.com);
- 3.4 **Debtors' Proposed Investment Banker:** Solic Capital Advisors, LLC, 150 North Wacker Drive, Suite 3000, Chicago, IL 60606, Attn.: Reid Snellenbarger (reids@soliccapiatl.com) and George N. Koutsonicilis (georgek@soliccapiatl.com).
- 3.5 **Counsel to the Debtors' DIP Lenders:** Morrison & Foerster LLP, 250 W. 55<sup>th</sup> Street, New York, New York 10019, Attn: James Newton (JNewton@mofo.com) and Miranda Russel (MRussell@mofo.com).
- 3.6 **Proposed Advisors to the Official Committee of Unsecured Creditors:** Pachulski Stang Ziehl & Jones LLP, 780 Third Avenue 34<sup>th</sup> Floor, New York NY, 10017, Attn: Robert Feinstein (rfeinstein@pszjlaw.com) and Bradford Sandler (bsandler@pszjlaw.com) and Dundon Advisers LLC, Ten Bank Street, Suite 1100, White Plains NY 10606, Attn: Peter Hurwitz (ph@dundon.com).

The "Consultation Parties" are (a) the DIP Lenders, (b) the ABS Trustee, (c) proposed counsel to the Official Committee of Unsecured Creditors (the "Committee"), Pachulski Stang Ziehl & Jones LLP, (d) the ad hoc group of ABS Noteholders advised by Wachtell, Lipton, Rosen & Katz (the "Ad Hoc Group of ABS Noteholders"), (e) Warner Bros. Entertainment Inc. and its

<sup>3</sup> The Debtors shall provide Warner Bros., upon request, with (i) copies of all provisions in any bid or related document that relate to any Warner Bros. contract or claims, including schedules or exhibits concerning assumed contracts and the pending Warner Bros. contract disputes and (ii) any other document the Debtors provide to any other Consultation Party that is not an estate fiduciary. The Debtors may satisfy such request from Warner Bros. by providing Warner Bros. with copies of the complete bid submissions and related documents with the bid amounts redacted.



affiliates (“Warner Bros.”), advised by O’Melveny & Myers LLP, and (f) Magnum Films SPC, advised by DLA Piper LLP; *provided* that any Consultation Party, who submits a Bid (as defined below), including a Credit Bid (as set forth in, and subject to Section 10 herein), for any Assets in connection with these Bid Procedures, or is a participant in any active Bid with respect to any Asset(s), shall immediately no longer be a Consultation Party with respect to the evaluation and qualification of competing Bids for the Assets included in their Bid or with respect to seeking and/or obtaining information about other Bids, unless and until such party unequivocally revokes its Bid and waives its right to continue in the bidding process; *provided, further*, that immediately upon any Consultation Party’s secured debt (as applicable) being indefeasibly paid in full in cash, such Consultation Party shall immediately no longer be a Consultation Party under these Bid Procedures. ~~If any member of the Committee submits a Bid, that member shall be screened off by the Committee and shall not have any derivative rights as a Consultation Party through the Committee under these Bid Procedures (although the Committee shall remain a Consultation Party).~~ Materials and information provided by the Debtors or their advisors to the advisors to any Consultation Party may be shared with such Consultation Party, subject in all respects to these Bid Procedures, the Bid Procedures Order, and the respective Confidentiality Agreement entered into by and among or otherwise agreed to between each such Consultation Party and the Debtors.

The Debtors shall consult with the Consultation Parties in good faith regarding the sale process for the Assets and the Sale, including evaluation of any and all Bids, determination of whether Bids are Qualified Bids, scheduling and operation of the Auction (if applicable), selection of a Successful Bid or Bids (as defined below), negotiation of purchase agreements or other agreements, as applicable, as well as any modifications of these Bid Procedures. The Debtors shall also provide to the Consultation Parties and their advisors regular reports (at least weekly) concerning the sale process, including parties contacted, proposals received, and any due diligence requested by potential purchasers.

#### **4. POTENTIAL BIDDERS & ACCEPTABLE BIDDERS**

To participate in the bidding process or otherwise be considered for any purpose under these Bid Procedures, a person or entity interested in consummating a Sale (a “Potential Bidder”) must deliver or have previously delivered to the Debtors and each of their advisors the following documents and information (unless the Debtors, in their reasonable business judgment after consultation with the Consultation Parties, choose to waive any of the requirements set forth in this Section 4 for any Potential Bidder):

- 4.1 an executed confidentiality agreement on terms acceptable to the Debtors (a “Confidentiality Agreement”);
- 4.2 sufficient information that the Potential Bidder has or can reasonably obtain the financial capacity to close a purchase of the targeted assets, the adequacy of which must be acceptable to the Debtors; and
- 4.3 any other information or documentation that the Debtors reasonably request.

The Debtors, in their reasonable business judgment and in consultation with the Consultation Parties, will determine and notify each Potential Bidder whether such Potential Bidder has submitted adequate documents so that such Potential Bidder may proceed to conduct due diligence and submit a Bid (as defined below) (such Potential Bidder, an “Acceptable Bidder”). The Debtors shall promptly inform the Consultation Parties of any entity that becomes an Acceptable Bidder. The Stalking Horse Bidder shall be deemed to be an Acceptable Bidder for all purposes under these Bid Procedures and the Stalking Horse Bid shall be deemed to be a Qualified Bid in respect of the Library Assets, in each case, without any further requirement.

## 5. DUE DILIGENCE

The Debtors, with their advisors, have established an electronic data room (the “Data Room”) that provides standard and customary diligence materials, including information to allow Acceptable Bidders to submit a Qualified Bid (as defined below).

Only Acceptable Bidders shall be eligible to receive due diligence information and access to the Data Room and to additional non-public information regarding the Debtors. Subject to the other terms herein, the Debtors may provide to each Acceptable Bidder reasonable due diligence information, as requested by such Acceptable Bidder in writing, as soon as reasonably practicable after such request. For all Acceptable Bidders, the due diligence period will end on the Bid Deadline. The Debtors may, in their reasonable business judgment after consultation with the Consultation Parties, but shall have no obligation to, furnish any additional due diligence information to any person following the Bid Deadline.

The Debtors shall not furnish any confidential information relating to the Assets, liabilities of the Debtors, or the Sale to any person except to an Acceptable Bidder or to such Acceptable Bidder’s duly authorized representatives subject to the applicable Confidentiality Agreement. The Debtors and their advisors shall coordinate all reasonable requests from Acceptable Bidders for additional information and due diligence access; *provided* that the Debtors may decline to provide such information to Acceptable Bidders who, at such time and in the Debtors’ reasonable business judgment after consultation with the Consultation Parties, have not established, or who have raised doubt, that such Acceptable Bidder intends in good faith to, or has the capacity to, consummate a Sale.

Neither the Debtors nor any of their representatives shall be obligated to furnish any information of any kind whatsoever relating to the Assets (1) to any person or entity who is not an Acceptable Bidder or (2) if and to the extent doing so would (a) violate any law to which the Debtors are subject, including any privacy law, (b) result in the disclosure of any trade secrets of third parties in breach of any contract with such third party, (c) violate any legally-binding obligation of any Debtor with respect to confidentiality, non-disclosure or privacy, or (d) jeopardize protections afforded to any Debtor under the attorney-client privilege or the attorney work product doctrine; *provided* that, in case of each of clauses (a) through (d), the Debtors shall use commercially reasonable efforts to (i) provide such access as can be provided (or otherwise convey such information regarding the applicable matter as can be conveyed) without violating such privilege, doctrine, contract, obligation or law and (ii) provide such information in a manner without violating such privilege, doctrine, contract, obligation, or law.

The Debtors, in consultation with the Consultation Parties, also reserve the right to withhold any diligence materials that the Debtors determine are sensitive or otherwise not appropriate for disclosure, including to an Acceptable Bidder whom the Debtors determine in consultation with the Consultation Parties is a competitor of the Debtors, a potential competitor of the Debtors, or is affiliated with any competitor of the Debtors. Neither the Debtors nor their representatives shall be obligated to furnish information of any kind whatsoever to any person that is not determined to be an Acceptable Bidder.

**All due diligence requests directed to the Debtors must be directed to: Solic Capital Advisors, LLC, Attn: Reid Snellenbarger (reids@soliccapiatal.com) and George N. Koutsonicilis (georgek@soliccapiatal.com).**

**Each Potential Bidder or Acceptable Bidder shall comply with all reasonable requests for information and due diligence access made by the Debtors, their advisors, regarding such Potential Bidder or Acceptable Bidder, as applicable, and its contemplated Sale. Other than with respect to the Stalking Horse Bidder, failure by a Potential Bidder or Acceptable Bidder to comply with reasonable requests for additional information and due diligence access will be a basis for the Debtors to determine that the Potential Bidder or Acceptable Bidder, as applicable, is not a Qualified Bidder. Other than with respect to the Stalking Horse Bidder, failure by a Qualified Bidder to comply with such requests for additional information and due diligence access will be a basis for the Debtors, after consultation with the Consultation Parties, to determine that a bid made by a Qualified Bidder is not a Qualified Bid.**

## **6. BID REQUIREMENTS**

Any proposal, solicitation, or offer to consummate a Sale (each, a “Bid”) must be submitted in writing and must satisfy the following requirements (collectively, the “Bid Requirements”):

- 6.1 **Proposed Sale.** Each Bid must specify (1) which of the Assets, Business Segments, or subsets thereof—with as much specificity as is possible—are to be included in the proposed Sale (the “Acquired Assets”); (2) which Assets, if any, are to be excluded from the proposed Sale (the “Excluded Assets”); and (3) the liabilities and obligations, including any debt and cure costs to be assumed (the “Assumed Liabilities”).
- 6.2 **Purchase Price.** Each Bid must (1) clearly specify the purchase price to be paid for the applicable Assets, Business Segments, or subsets thereof (as applicable) (the “Purchase Price”); (2) identify separately any cash and non-cash components (which non-cash components shall be limited only to credit bids and Assumed Liabilities) of the Purchase Price in United States dollars; and (3) indicate the allocation of the Purchase Price among the applicable Assets, Business Segments, or subsets thereof.
- 6.3 **All Asset Bids.** Each Bid for all or substantially all of the Assets (an “All Asset Bid”) must clearly state that it is an All Asset Bid and identify the Assumed Liabilities, if any. Each All Asset Bid must clearly set forth the aggregate Purchase

Price for the Assets (the “All Asset Purchase Price”) and indicate the allocation thereof among each Business Segment. The All Asset Purchase Price must include an allocated Purchase Price for the Library Assets that exceeds the Stalking Horse Bid for the Library Assets by at least the Initial Library Assets Overbid (as defined below), *provided, however*, that the Debtors reserve the right to approve joint Bids that satisfy the foregoing conditions in their reasonable business judgment after consultation with the Consultation Parties.

- 6.4 **Partial Asset Bids.** The Debtors reserve the right to auction off the Business Segments collectively, individually, or in such combinations of Business Segments or individual Assets within a Business Segment, as the Debtors may determine, in their reasonable business judgment and in consultation with the Consultation Parties. Potential Bidders are invited to submit an All Asset Bid, or a partial Bid on one or two Business Segments or any portion of the Assets (a “Partial Asset Bid”) as the Potential Bidder may elect; *provided*, that any Partial Asset Bid must (i) clearly state which Assets, Business Segments, or subsets thereof the Potential Bidder seeks to acquire, (ii) contain sufficient information as to allow the Debtors to determine an allocation of value among each Business Segment or group of Assets included in such Partial Asset Bid (including, as applicable, by allocating the Purchase Price among each of the Assets that the Potential Bidder intends to acquire), (iii) state whether the Partial Asset Bid is conditioned upon the Potential Bidder being the Successful Bidder (as defined herein) on more than one Asset or Business Segment and, if so, which Assets or Business Segments the Partial Asset Bid is conditioned upon, (iv) state whether the Potential Bidder is willing to purchase any of the Assets or Business Segments included in the Partial Asset Bid individually, and if so, state the price the Potential Bidder would pay for each such Asset or Business Segment, and (v) clearly set forth the cash purchase price and Assumed Liabilities to be paid for such Assets and Business Segments (as the same may be increased at the Auction, the “Partial Asset Purchase Price”); *provided, however*, that any Partial Asset Bid that includes the Library Assets must be for all of the Library Assets. Any Partial Asset Purchase Price that includes a Bid for the Library Assets must include an allocated Purchase Price for the Library Assets that exceeds the Stalking Horse Bid for the Library Assets by at least the Initial Library Assets Overbid.
- 6.5 **Deposit.** Other than the non-cash portion of a Credit Bid (which such Credit Bid remains at all times subject to Section 10 herein), each Bid must be accompanied by a cash deposit equal to ten percent of the applicable aggregate Purchase Price (the “Deposit”), to be held in one or more non-interest bearing escrow accounts on terms acceptable to the Debtors and the Consultation Parties. To the extent the Purchase Price of a Bid is increased, at any time or from time to time, the amount of the Deposit shall automatically increase accordingly (to be equal to ten percent of any increased Purchased Price) and the corresponding Potential Bidder will pay into escrow the amount of such increase, as promptly as practicable, and in any event within one business day, following such increase. Without limiting the

foregoing, if a Purchase Price is increased in order to make a bid into a Qualified Bid, the Debtors may, in consultation with the Consultation Parties, condition participation of the applicable Potential Bidder at the Auction on such Potential Bidder paying the then full amount of the Deposit into escrow prior to commencement of the Auction or such participation. For the avoidance of doubt, a Bid that is comprised of both a Credit Bid and cash consideration does not need to include a Deposit with respect to the Credit Bid portion of the Bid other than with respect to amounts necessary to satisfy the Stalking Horse Bid Protections.

The Stalking Horse Bidder is not required to make any Deposit other than as contemplated in the Stalking Horse APA. For the avoidance of doubt, any Credit Bid remains subject to Section 10 herein.

- 6.6 **Transaction Documents.** Each Bid must be accompanied by an executed form of purchase agreement (a “Competing APA”), together with all exhibits and schedules (the “Transaction Documents”), pursuant to which the Acceptable Bidder proposes to effectuate the contemplated Sale, which Competing APA for the Library Assets must be similar in form and substance to the Stalking Horse APA and include a markup reflecting the differences between the Stalking Horse APA and the Competing APA.
- 6.7 **Back-Up Bidder Commitment.** Each Bid must include a written commitment by the applicable Potential Bidder to serve as a Back-Up Bidder (as defined below) in the event that such Potential Bidder’s Bid is not selected as the Successful Bid for the applicable Assets; *provided* that the foregoing shall not apply to any Potential Bidder that both (a) qualifies as a Secured Party (as defined below) and (b) submits a Credit Bid (subject to Section 10 herein).
- 6.8 **Proof of Financial Ability to Perform.** To the extent that a Bid is not accompanied by evidence of the Potential Bidder’s capacity to consummate the Sale set forth in its Bid with cash on hand, each Bid must include unconditional committed financing from a reputable financing institution, documented to the satisfaction of the Debtors in consultation with the Consultation Parties, that demonstrates that the Potential Bidder has received sufficient debt and/or equity funding commitments to satisfy the Potential Bidder’s Purchase Price and other obligations under its Bid for the applicable Assets and the proposed Sale. Such funding commitments or other financing must be unconditional and must not be subject to any internal approvals, syndication requirements, diligence, or credit committee approvals, and shall have covenants and conditions reasonably acceptable to the Debtors, in consultation with the Consultation Parties.
- 6.9 **Contingencies; No Financing or Diligence Outs.** Each Bid shall not be conditioned in any way on the obtaining or the sufficiency of financing or any internal approval, or on the outcome or review of due diligence.

- 6.10 **Identity.** Each Bid must fully disclose the identity of each entity that will be bidding or otherwise participating in connection with such Bid—including each equity holder or other financial backer of the Potential Bidder if such Potential Bidder is an entity formed for the purpose of consummating the proposed Sale contemplated by such Bid—and the complete terms of any such participation. Each Bid must also fully disclose whether any current or former officer, director, or equity holder of the Debtors, or any entity affiliated with any current or former officer, director, or equity holder of the Debtors, will be bidding or otherwise participating in connection with such Bid, including any employment or compensation arrangements being negotiated or agreed to between the Qualified Bidder and any employee of the Debtors. Under no circumstances shall any undisclosed insiders, principals, equity holders, or financial backers of the Debtors be associated with any Bid. Each Bid should also include contact information for the specific person(s) and counsel whom the Debtors (and their advisors) should contact regarding such Bid.
- 6.11 **Authorization.** Each Bid must contain evidence acceptable to the Debtors, in consultation with the Consultation Parties, that the Potential Bidder has obtained authorization or approval from its board of directors (or a comparable governing body) with respect to the submission of its Bid and the consummation of the Sale contemplated by such Bid.
- 6.12 **Contracts and Leases.** Each Bid must identify each and every executory contract and unexpired lease to be assumed and assigned in connection with the proposed Sale (collectively, the “Assumed Contracts”). Each Bid must be accompanied by adequate assurance of future performance under all Assumed Contracts, which shall include audited and unaudited financial statements, tax returns, bank account statements, and a description of the business to be conducted at the premises, and such other documentation as the Debtors may request (the “Adequate Assurance Package”). The Adequate Assurance Package should be submitted in its own compiled PDF document along with the Bid.
- 6.13 **As-Is, Where-Is.** Each Bid must include a written acknowledgement and representation that: (1) the Potential Bidder has had an opportunity to conduct due diligence regarding the Sale prior to making its offer; (2) the Potential Bidder has relied solely upon its own independent review, investigation, or inspection of any documents in making its Bid; (3) except as may be set forth in Definitive Sale Documents (as defined below) concerning such Bid, the Potential Bidder did not rely, and is not relying upon any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express, implied by operation of law, or otherwise, by the Debtors or their advisors or other representatives regarding the Sale, the completeness of any information provided in connection therewith or the Auction, if any, or otherwise; and (4) the Potential Bidder did not engage in any collusive conduct and acted in good faith in submitting its Bid.



- 6.14 **No Break-Up Fee or Reimbursement of Expenses.** Each Bid, with the exception of the Stalking Horse Bid, must expressly state and acknowledge that such Potential Bidder shall not be entitled to, and shall not seek, any transaction break-up fee, termination fee, expense reimbursement, working fee, or similar type of payment. Each Bid other than the Stalking Horse Bid and any Credit Bid submitted by a Secured Party must expressly waive any claim or right to assert any substantial contribution administrative expense claim under section 503(b) of the Bankruptcy Code or the payment of any broker fees or costs in connection with bidding for any of the Assets and/or otherwise participating in the Auction or the sale process.
- 6.15 **Commitment to Close.** Each Bid must include a commitment to close as soon as practicable and state the expected date of closing of the Sale.
- 6.16 **Irrevocable Bid.** Each Bid must contain a statement by the applicable Potential Bidder acknowledging and agreeing that such Bid and each of its provisions is binding upon the Potential Bidder and irrevocable in all respects, and (except in the case of a Credit Bid submitted by a Secured Party) that such Bidder agrees to serve as the Back-Up Bidder, if selected.
- 6.17 **Compliance with Bid Procedures.** Each Bid must contain a covenant that the applicable Potential Bidder will comply in all respects with the terms of these Bid Procedures and the Bid Procedures Order.
- 6.18 **Initial Overbid for Library Assets.** Any incremental Bids that comply with the terms set forth in Section 11.2 of these Bid Procedures regarding the Library Assets must have a value to the Debtors that is at least the sum of (i) \$500,000 more than the value offered under the Stalking Horse APA, plus (ii) the Stalking Horse Bid Protections (the “Initial Library Assets Overbid”).

By submitting a Bid, each Potential Bidder is agreeing, and shall be deemed to have agreed, to abide by and honor the terms of these Bid Procedures and to refrain from (1) submitting a Bid after conclusion of the Auction (if any) or (2) seeking to reopen the Auction (if any) once closed. **Subject to the Stalking Horse APA, the submission of a Bid, including at Auction, shall constitute a binding and irrevocable offer (1) for the Successful Bidder, until consummation of the proposed Sale, (2) for the Back-Up Bidder (if any), as provided in these Bidding Procedures, including Section 12 hereof, and (3) for any bidder other than the Successful Bidder, the Back-Up Bidder, or any Secured Party that submitted a Credit Bid (Subject to Section 10 herein), until two business days after entry of the Court’s order approving the Successful Bid(s) and (if applicable) the Back-Up Bid for the applicable Assets (each, as applicable, a “Sale Order”).**

Subject to the terms of the Stalking Horse APA, the Debtors may, in their reasonable business judgment after consultation with the Consultation Parties, combine multiple Partial Asset Bids such that, if taken together in the aggregate, such Bids otherwise satisfy the Bid Requirements for an All Asset Bid or a Partial Asset Bid (in which event those multiple Bids will be treated as a single Qualified Bid for purposes of selecting the Successful Bidder); *provided*, that the Debtors

also reserve the right, in consultation with the Consultation Parties, to conduct the Auction in multiple lots, with respect to each Business Segment or portions of the Assets (other than the Library Assets).

## 7. STALKING HORSE BIDDER

To provide the Stalking Horse Bidder with an inducement to participate in a competitive process and to compensate the Stalking Horse Bidder for (1) performing substantial due diligence and incurring the expenses related thereto and (2) entering into the Stalking Horse APA with the risk that arises from maintaining the Stalking Horse Bid through the sale process, the Debtors have agreed, and the Court has approved in the Bid Procedures Order, that the Stalking Horse Bidder is entitled, subject to the terms of the Stalking Horse APA and pursuant to the terms thereof, to an expense reimbursement to \$2,000,000 (the “Stalking Horse Bid Protections”). As set forth herein, the amount of the Stalking Horse Bid Protections (to the extent payable under the Stalking Horse APA and Bid Procedures Order) shall be a component of any Qualified Bid for any or all of the Library Assets (including, for the avoidance of doubt, an All Asset Bid) submitted by a Qualified Bidder (other than the Stalking Horse Bidder). The Stalking Horse Bid Protections shall be payable as provided for pursuant to the terms of the Bid Procedures Order, the Sale Order (as defined in the Bid Procedures Order) and the Stalking Horse APA. For the avoidance of doubt, no other Qualified Bidder for the Library Assets shall be entitled to any form of bid protections.

## 8. BID DEADLINE

Any Bid for the Assets must be transmitted via email (in .pdf or similar format) to the Debtors and their advisors (as specified in Section 3 hereof) so as to be **actually received by such parties** on or before May 16, 2025, by 4:00 p.m. (prevailing Eastern Time) (the “Bid Deadline”).

The Debtors shall promptly provide the Consultation Parties copies of all Bids received by the Debtors, but in no event later than the next business day following receipt.

## 9. QUALIFIED BIDS & QUALIFIED BIDDERS

A Bid is a “Qualified Bid” if the Debtors, in their reasonable business judgment and in consultation with the Consultation Parties, determine that such Bid (1) satisfies the Bid Requirements set forth above and (2) is reasonably likely to be consummated if selected as the Successful Bid (or Back-Up Bid, as applicable) for the applicable Assets; *provided* that the Stalking Horse Bid shall constitute and be deemed a Qualified Bid with respect to the Library Assets for all purposes under these Bid Procedures and the Bid Requirements and, for the avoidance of doubt, need not comply with the Bid Requirements, including, without limitation, Section 6.5 thereof. For the avoidance of doubt, joint Bids may constitute a Qualified Bid; *provided* that, for the avoidance of doubt, any bid for the Library Assets that includes less than all of the Library Assets will not constitute a Qualified Bid for the Library Assets.

An Acceptable Bidder that submits a Qualified Bid is a “Qualified Bidder” with respect to the Assets to which such Qualified Bid relates; *provided* that the Stalking Horse Bidder shall constitute and be deemed a Qualified Bidder with respect to the Library Assets. To the extent that



any Secured Party submits a Credit Bid in accordance with Section 10 herein, such bid shall be a Qualified Bid, and such Secured Party shall be a Qualified Bidder with respect to such Bid. For the avoidance of doubt and notwithstanding anything to the contrary herein, the DIP Collateral Agent and the Prepetition Agents (each as defined in the Interim DIP Order, as defined herein), as applicable, shall be considered a “Qualified Bidder” with respect to the rights to acquire all or any of the Debtors’ assets by Credit Bid, subject in all respects to Warner Bros.’ ability to object to any such Credit Bid as set forth in Section 10 herein.

As soon as reasonably practicable after the applicable Bid Deadline, the Debtors will notify each Acceptable Bidder whether such party is a Qualified Bidder and shall provide the Consultation Parties’ counsel with a copy of each Qualified Bid. If an Acceptable Bidder’s Bid is determined not to be a Qualified Bid, the Debtors will refund such Acceptable Bidder’s Deposit (if any) as promptly as practicable, and in any event within two business days after the Bid Deadline.

Between the date that the Debtors notify an Acceptable Bidder that it is a Qualified Bidder and the date set for the Auction, the Debtors may discuss, negotiate, or seek clarification of any Qualified Bid from a Qualified Bidder. Without the prior written consent of the Debtors following consultation with the Consultation Parties, a Qualified Bidder may not modify, amend, or withdraw its Qualified Bid, except for proposed amendments to increase the Purchase Price, or otherwise improve the terms of, the Qualified Bid, during the period that such Qualified Bid remains binding as specified in these Bid Procedures; *provided* that any Qualified Bid may be improved at the Auction (if any) as set forth herein. Other than with respect to the Stalking Horse Bidder, any improved Qualified Bid must continue to comply with the requirements for Qualified Bids set forth in these Bid Procedures.

Notwithstanding anything herein to the contrary, the Debtors, in consultation with the Consultation Parties, reserve the right to work with (1) Potential Bidders and Acceptable Bidders to aggregate two or more Bids into a single consolidated Bid prior to the applicable Bid Deadline and (2) Qualified Bidders to aggregate two or more Qualified Bids into a single Qualified Bid prior to the conclusion of the Auction (if any). The Debtors, in consultation with the Consultation Parties, may accept a single Qualified Bid or multiple Bids that, if taken together in the aggregate, would otherwise meet the standards for a single Qualified Bid (in which event those multiple Qualified Bidders shall be treated as a single Qualified Bidder and their Bid a single Qualified Bid for purposes of the Auction (if any)); *provided, however*, that, except as otherwise set forth herein with respect to the Stalking Horse Bidder, the Debtors shall not waive any qualification required for a Potential Bidder to be deemed an Acceptable Bidder or Qualified Bidder, as applicable, or for a Bid to be deemed a Qualified Bid.

## **10. RIGHT TO CREDIT BID**

Any party that has a valid and perfected lien on any Assets of the Debtors’ estates (a “Secured Party”) may seek to credit bid all or a portion of the face value of such Secured Party’s claims against the Debtors toward the Purchase Price specified in such Secured Party’s Bid in accordance with section 363(k) of the Bankruptcy Code (a “Credit Bid”); *provided* that a Secured Party shall be entitled to credit bid its claim(s) only with respect to Assets that are subject to a

valid, unavoidable and perfected lien in favor of such Secured Party as to such claim(s); *provided further* that any Credit Bid must: (a) include a cash component adequate to pay off the ABS Noteholders in full satisfaction of their claims; (b) include a cash component adequate to pay the Stalking Horse Bid Protections; (c) assert its intention to Credit Bid by filing a notice on the Court's docket no later than May 16, 2025; (d) identify any Business Segment or portions of the Assets on which such Secured Party is bidding; and (e) otherwise comply with the Bid Requirements. Notwithstanding anything to the contrary in these Bid Procedures, all objections to any Credit Bid are preserved, including any objection by Warner Bros. concerning any attempted Credit Bid concerning any Library Assets or Derivative Rights and any potential assumption and assignment of its contracts, Cure Costs and adequate assurance of performance. Any dispute concerning a party's right to Credit Bid shall be resolved by further order of the Court.

Pursuant to the *Interim Order (I) Authorizing the Debtors to Obtain Post-Petition Secured Financing, (II) Authorizing the Use of Cash Collateral, (III) Granting Liens and Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying the Automatic Stay, (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief* [Docket No. 69] (the "Interim DIP Order") and subject to the terms thereof (including with respect to any Challenge as defined therein), the Debtors have stipulated to the amount, nature, extent, validity, and perfection of the secured claims of the DIP Collateral Agent and the Prepetition Agents (each as defined in the Interim DIP Order). At any time during the Auction (as defined below), (i) the DIP Collateral Agent, subject to section 363(k) of the Bankruptcy Code, may credit bid all or any portion of its postpetition secured claims pursuant to section 363(k) of the Bankruptcy Code; and (ii) each of the Prepetition Agents, subject to section 363(k) of the Bankruptcy Code, may credit bid all or any portion of their respective prepetition secured claims, provided that notice of intent to credit bid has been timely given and any such credit bid remains subject in all respects to Warner Bros.' ability to object to such credit bids as set forth herein. For the avoidance of doubt, nothing in this paragraph or in these Bid Procedures shall impact any rights of the DIP Secured Parties or the Prepetition Secured Parties (each as defined in the Interim DIP Order), or Warner Bros.

Notwithstanding the above, the Stalking Horse Bidder shall be entitled to Credit Bid an amount equivalent to the Stalking Horse Bid Protections in connection with any Qualified Bid subsequent to the Stalking Horse Bid.

## 11. AUCTION & AUCTION PROCEDURES

If the Debtors receive two or more Qualified Bids with respect to any Business Segment or portions thereof or substantially all of the Assets, the Debtors may, in consultation with the Consultation Parties, conduct an auction (the "Auction") to determine the Successful Bidder (or Back-Up Bidder, as applicable) with respect to such Assets. In such event, the Debtors will (1) notify all Qualified Bidders of the highest or otherwise best Qualified Bid with respect to the applicable Assets, as determined by the Debtors in their reasonable business judgment and in consultation with the Consultation Parties (each such Qualified Bid, a "Baseline Bid") and (2) provide copies of the documents setting forth the terms of the Baseline Bid(s) to all Qualified Bidders, in each case, as soon as reasonably practicable after the Bid Deadline and in any event no later than prior to the commencement of the Auction. The Debtors' determination of which Qualified Bid constitutes the Baseline Bid shall consider any factors the Debtors, in their

reasonable business judgment and in consultation with the Consultation Parties, deem relevant to the value of the Qualified Bid to the Debtors' estates. For the avoidance of doubt, notwithstanding anything to the contrary herein, all Qualified Bidders with respect to the Library Assets will have a full opportunity to bid at the Auction with respect to the Library Assets regardless of whether the Baseline Bid is an All Asset Bid or a Partial Asset Bid.

If the Debtors, in consultation with the Consultation Parties, determine that they have received no Qualified Bids other than the Stalking Horse Bid or they have received only a single Qualified Bid, then the Auction will not occur, and the Stalking Horse Bid or the Qualified Bid will be deemed to be the Successful Bid(s) for the Assets to which the Stalking Horse Bid or Qualified Bid relates. If the Debtors make such a determination, the Debtors shall file a notice with the Court within one business day of making such determination.

The Auction may take place on or after **May 21, 2025**, at a time to be announced by the Debtors in consultation with the Consultation Parties, via remote video and/or in person at the Debtors' election, and shall be conducted in a timely fashion according to the procedures set forth below (the "Auction Procedures").

- 11.1 The Debtors Shall Conduct the Auction; General Provisions.** The Debtors, with the assistance of their advisors, shall direct and preside over any Auction and shall consult with the Consultation Parties throughout the Auction process. At the commencement of the Auction, the Debtors, in consultation with the Consultation Parties (1) may announce procedural and related rules governing the Auction, including time periods available to all Qualified Bidders to submit any successive Bid(s) and (2) shall describe the terms of the Baseline Bid. Only incremental Bids that comply with the terms set forth in Section 11.2 of these Bid Procedures shall be considered Overbids. Overbids shall be made and received on an open basis, and all material terms of each Overbid shall be fully disclosed to all other Qualified Bidders on the record. The Debtors, in consultation with the Consultation Parties, shall determine in their reasonable business judgment whether an incremental Bid is an Overbid for the applicable Assets. The Debtors shall maintain a written transcript of all Bids made and announced at the Auction, including the Baseline Bid, all Overbids, and the Successful Bid (or Back-Up Bid, as applicable) (as defined below).

Only Qualified Bidders, the Debtors, the United States Trustee for the District of Delaware, the Consultation Parties and each of their respective legal and financial advisors, creditors that provide at least two business days' notice to the Debtors, and any other parties specifically invited or permitted to attend by the Debtors, shall be entitled to attend the Auction, and the Qualified Bidders shall appear at the Auction in person and may speak or bid themselves or through duly authorized representatives. Except as otherwise permitted by the Debtors in consultation with the Consultation Parties, only Qualified Bidders shall be entitled to bid at the Auction.

The Debtors and the Consultation Parties have the right to request any additional

information that will allow the Debtors to make a reasonable determination as to a Qualified Bidder's financial and other capabilities to consummate the transactions contemplated by their proposal and any further information that the Debtors and the Consultation Parties believe is reasonably necessary to clarify and evaluate any Bid made by a Qualified Bidder during the Auction.

The Debtors may, subject to Section 16 of these Bid Procedures, announce at the Auction modified or additional procedures for conducting the Auction or otherwise modify these Bid Procedures.

**11.2 Terms of Overbids.** Each overbid (the "Overbid") must comply with the following terms:

- (a) Minimum Overbid Increment. At the commencement of the initial solicitation of Overbids, the Debtors, in consultation with the Consultation Parties, shall announce the minimum increment by which any Overbid must exceed the applicable Baseline Bid for the applicable Assets; *provided* that the first Overbid with regard to the Library Assets shall be the Initial Library Assets Overbid, and each incremental Overbid with respect to the Library Assets shall be \$500,000 (the "Library Assets Incremental Overbid").

At the commencement of each subsequent round of solicitation of Overbids, the Debtors shall announce the minimum increment by which any Overbid must exceed the Prevailing Highest Bid (as defined below) at such time, *provided*, however that the minimum incremental overbid for the Library Assets shall be the Library Assets Incremental Overbid. The Debtors may, in their reasonable business judgment and in consultation with the Consultation Parties, announce increases or reductions to the applicable minimum Overbid increment at any time during the Auction.

- (b) Conclusion of Each Overbid Round. Upon the solicitation of each round of Overbids, the Debtors may announce a deadline by which time any Overbids must be submitted to the Debtors (an "Overbid Round Deadline"); *provided* that the Debtors, in their reasonable business judgment and after consultation with the Consultation Parties, may extend any Overbid Round Deadline.
- (c) Overbid Alterations. An Overbid may contain alterations, modifications, additions, or deletions of any terms of the Bid no less favorable in the aggregate to the Debtors' estates than any prior Qualified Bid or Overbid, as determined in the Debtors' reasonable business judgment and after consultation with the Consultation Parties, but shall otherwise comply with the terms of these Bid Procedures.
- (d) Announcing Highest Bid. Subsequent to each Overbid Round Deadline, the Debtors shall announce whether the Debtors, in consultation with the

Consultation Parties, have identified an Overbid as being higher or otherwise better than, in the initial Overbid round, the Baseline Bid or, in subsequent rounds, the Overbid previously designated by the Debtors as the prevailing highest or otherwise best Bid (the “Prevailing Highest Bid”). The Debtors shall describe to all applicable Qualified Bidders the material terms of any new Overbid designated by the Debtors as the Prevailing Highest Bid, as well as the value attributable by the Debtors to such Prevailing Highest Bid.

- 11.3 **Consideration of Overbids.** The Debtors reserve the right, in their reasonable business judgment and in consultation with the Consultation Parties, to adjourn the Auction one or more times, to, among other things (1) facilitate discussions between the Debtors and Qualified Bidders; (2) allow Qualified Bidders the opportunity to consider how they wish to proceed; and (3) provide Qualified Bidders the opportunity to provide the Debtors with such additional evidence as the Debtors, in their reasonable business judgment and in consultation with the Consultation Parties, may require, demonstrating that the Qualified Bidder has sufficient internal resources or has received sufficient and sufficiently unconditional financing commitments to consummate the proposed Sale at the prevailing Overbid amount.
- 11.4 **Closing the Auction.** The Auction shall continue until there is only one Qualified Bid for the Assets, Business Segments, or subsets thereof that the Debtors determine, in their reasonable business judgment and in consultation with the Consultation Parties, to be the highest or otherwise best Qualified Bid for the applicable Assets. Such Qualified Bid shall be designated the “Successful Bid” (or Back-Up Bid, as applicable, and the Qualified Bidder who submitted the Successful Bid, the “Successful Bidder”) with respect to its proposed Acquired Assets, at which time the Auction with respect to such Assets shall be closed; *provided* that (1) such Auction shall not close unless and until all Qualified Bidders have been given a reasonable opportunity to submit an Overbid at the Auction to the then Prevailing Highest Bid; and (2) the Debtors’ designation of a Qualified Bid as the Successful Bid for the applicable Assets (or Back-Up Bid, as applicable) shall be subject to and conditioned on finalization of definitive documentation and the Court’s approval of such Successful Bid (or Back-Up Bid, as applicable), applicable regulatory and third-party approvals, and the consummation of the Sale contemplated thereby. As soon as reasonably practicable after the designation of a Successful Bid(s) (or Back-Up Bid(s), as applicable), the Debtors, in consultation with the Consultation Parties, shall finalize definitive documentation to implement the terms of such Successful Bid(s) (or Back-Up Bid(s), as applicable) and cause such definitive documentation to be filed with the Court. For the avoidance of doubt, notwithstanding anything to the contrary herein, the Debtors’ determination that an All Asset Bid or Partial Asset Bid may presently, or in the future, represent the highest or otherwise best Qualified Bid for the Library Assets shall not prevent any Qualified Bidder from having a full opportunity to bid at the Auction solely



with respect to the Library Assets.

- 11.5 **No Collusion; Good Faith Offer.** Each Qualified Bidder participating at the Auction will be required to confirm on the record at the Auction that (1) such Qualified Bidder has not engaged in any collusion with respect to the bidding process; (2) such Qualified Bidders' Qualified Bid is a good faith and irrevocable offer and such Qualified Bidder intends to consummate the Sale contemplated by its Qualified Bid if such Qualified Bid is the Successful Bid (or Back-Up Bid, as applicable) with respect to the applicable Acquired Assets; and (3) with the exception of any Secured Party that submits a Credit Bid, such Qualified Bidder will serve as the Back-Up Bidder if its Qualified Bid is selected as the Back-Up Bid.
- 11.6 **Rejection of Bids.** The Debtors, in their reasonable business judgment, in consultation with the Consultation Parties, may reject, at any time prior to the conclusion of the Auction, any Bid that the Debtors determine, after consultation with the Consultation Parties, is (1) inadequate or insufficient, (2) not in conformity with the requirements of the Bankruptcy Code and/or these Bid Procedures, or (3) contrary to the best interests of the Debtors, their estates, their creditors, and other stakeholders.

**For the avoidance of doubt, the Debtors reserve the right, after consultation with the Consultation Parties, at any point prior to the selection of the Successful Bidder(s), to: (i) adjourn the Auction one or more times, or hold one or more Auctions for the sale of the Assets; (ii) other than with respect to the Library Assets, and subject to the terms of the Stalking Horse APA, terminate the Sale processes with respect to any or all Assets or seek to sell any Assets pursuant to section 363(b) of the Bankruptcy Code; (iii) to the extent there is not a Successful Bidder(s) for the Derivative Rights or the Studio Business, seek to sell them through new sale procedures, including expedited *de minimis* procedures; and (iv) subject to Section 16 of these Bid Procedures, modify the Bid Procedures and Auction Procedures.**

## **12. DESIGNATION OF A BACK-UP BIDDER**

If for any reason the Successful Bidder fails to consummate the Qualified Bid within the time permitted after the entry of the Sale Order approving the Sale to the Successful Bidder, then the Qualified Bidder or Qualified Bidders with the next-highest or otherwise second-best Bid (each, a "Back-Up Bidder"), as determined by the Debtors after consultation with the Consultation Parties, at the conclusion of the Auction and announced at that time to all the Qualified Bidders participating therein and as set forth in the Sale Order, will automatically be deemed to have submitted the highest or otherwise best Bid or Bids (each, a "Back-Up Bid"), and the Debtors shall consummate the transaction pursuant to the Back-Up Bid as soon as is commercially reasonable without further order of the Bankruptcy Court upon at least twenty-four hours advance notice, which notice will be filed with the Court; *provided* that the forgoing shall not apply to any Potential Bidder that both (1) qualifies as a Secured Party and (2) submits a Credit Bid (subject to Section 10 herein).

Upon designation of the Back-Up Bidder at the Auction, subject to the Stalking Horse APA, the Back-Up Bid must remain open and irrevocable until the closing of the transactions contemplated by the Successful Bid notwithstanding any outside date set forth in such Back-Up Bidder's proposed purchase agreement.

### **13. FIDUCIARY OUT**

Notwithstanding anything to the contrary in these Bid Procedures or any document filed with or entered by the Court, nothing in these Bid Procedures or the Bid Procedures Order shall require a Debtor or its board of directors or similar governing body to take any action or to refrain from taking any action with respect to the Sale or these Bid Procedures solely to the extent such Debtor or governing body determines in good faith, in consultation with counsel and its advisors, that taking or failing to take such action, as applicable, would be inconsistent with applicable law or its fiduciary obligations under applicable law.

### **14. "AS-IS, WHERE IS"**

Consummation of the Sale will be on an "as is, where is" basis and without representations or warranties of any kind, nature, or description by the Debtors or their estates, except as specifically accepted and agreed to by the Debtors, in their reasonable business judgment after consultation with the Consultation Parties, in the executed definitive written documentation for the Sale (the "Definitive Sale Documents"). Unless otherwise specifically accepted and agreed to by the Debtors in Definitive Sale Documents, all of the Debtors' right, title, and interest in and to the Assets disposed of in the Sale will be transferred to the Successful Bidder(s) (or Back-Up Bidder, as applicable) free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests in accordance with sections 363(f) of the Bankruptcy Code.

By submitting a Bid, each bidder will be deemed to acknowledge and represent that it (1) has had an opportunity to conduct adequate due diligence regarding the Debtors and the proposed Sale prior to making its Bid; (2) has relied solely on its own independent review, investigation, and inspection of any document, including executory contracts and unexpired leases, in making its Bid; and (3) did not rely on or receive from any person or entity (including any of the Debtors or their advisors or other representatives) any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express, implied by operation of law, or otherwise, with respect to the Sale or the completeness of any information provided in connection with the Sale or the Auction (if any), except as may be set forth in Definitive Sale Documents.

### **15. COMMISSIONS**

The Debtors shall be under no obligation to pay any commissions, fees, or expenses to any Potential Bidder's agent, advisor, or broker. All commissions, fees, or expenses for any such agents, advisors, or brokers shall be paid by the applicable Potential Bidder at such Potential Bidder's discretion. In no case shall any commissions, fees, or expenses for any Potential Bidder's agent, advisor, or broker be deducted from any proceeds derived from any Sale for the Assets.

This Section 15 shall not apply to any Stalking Horse Bid Protections that become payable pursuant to the terms of the Stalking Horse APA.

## 16. RESERVATION OF RIGHTS

Except as otherwise set forth herein and subject to the Stalking Horse APA, the Debtors reserve the right, in their reasonable business judgment, in a manner consistent with their fiduciary duties and applicable law, and (except to the extent set forth herein) in consultation with the Consultation Parties, to: (1) modify these Bid Procedures in any manner that will best promote the goals of these Bid Procedures; (2) waive terms and conditions set forth herein with respect to any Potential Bidder(s); (3) extend the deadlines set forth herein; (4) announce at the Auction modified or additional procedures for conducting the Auction; or (5) alter the assumptions set forth herein. The Debtors may, in consultation with the Consultation Parties, provide reasonable accommodations to any Potential Bidder(s) with respect to such terms, conditions, and deadlines of the bidding and Auction process to promote further Bids on the Assets, in each case, to the extent not materially inconsistent with these Bid Procedures and the Bid Procedures Order, as applicable; *provided, however*, that, except as otherwise set forth herein with respect to the Stalking Horse Bidder, the Debtors shall not waive any qualification required for a Potential Bidder to be deemed an Acceptable Bidder or Qualified Bidder, as applicable, or for a Bid to be deemed a Qualified Bid.

In addition, the Debtors reserve the right, in consultation with the Consultation Parties, to cancel these Bid Procedures and the Auction with respect to the Library Assets if the Debtors determine, in their reasonable business judgment, in a manner consistent with their fiduciary duties and applicable law, and in consultation with the Consultation Parties, to proceed with a private sale of such Library Assets pursuant to the Stalking Horse APA.

## 17. CONSENT TO JURISDICTION

All Qualified Bidders at the Auction shall be deemed to have consented to the jurisdiction of the Court and waived any right to a jury trial in connection with any disputes relating to the Auction or the construction and enforcement of these Bid Procedures.

## 18. SALE HEARING

The Court shall hold a hearing to consider approval of the Successful Bid(s) (and Back-Up Bid(s), as applicable) and the Sale contemplated thereby (the “Sale Hearing”). **The Sale Hearing shall be held on June 11, 2025, subject to the availability of the Court, if there is an Auction. The Sale Hearing may be continued to a later date by the Debtors, in consultation with the Consultation Parties, by sending written notice to all Qualified Bidders and Consultation Parties prior to, or by making an announcement at, the Sale Hearing. No further notice of any such continuance will be required to be provided to any bidder or other party.**

## 19. RETURN OF DEPOSIT



Any Deposits provided by Qualified Bidders shall be held in one or more escrow accounts on terms acceptable to the Debtors. Any such Deposits will be returned to Qualified Bidders that are not Successful Bidders (or Back-Up Bidders, as applicable) as promptly as practicable, and in any event within two business days, after the Auction (if any). Any Deposit provided by a Successful Bidder (or Back-Up Bidder, as applicable) shall be applied to the Purchase Price of the applicable Sale at closing, subject in all respects to the limitations and reservation of rights set forth in paragraph 11 of the Bid Procedures Order.

Other than as contemplated in the Stalking Horse APA, if a Successful Bidder (or Back-Up Bidder, as applicable) fails to consummate the Sale contemplated by its Successful Bid (or Back-Up Bid, as applicable) because of a breach by such Successful Bidder (or Back-Up Bidder, as applicable), the Debtors will not have any obligation to return any Deposit provided by such Successful Bidder (or Back-Up Bidder, as applicable), which may be retained by the Debtors as liquidated damages, in addition to any and all rights, remedies, or causes of action that may be available to the Debtors and their estates.

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