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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)
) Chapter 11
)
HOLLANDER SLEEP PRODUCTS, LLC, *et al.*,¹) Case No. 19-11608 (____)
)
Debtors.) (Joint Administration Requested)
)

**DEBTORS' MOTION FOR ENTRY OF AN ORDER (A) AUTHORIZING
HOLLANDER SLEEP PRODUCTS, LLC TO ACT AS FOREIGN REPRESENTATIVE
AND (B) GRANTING RELATED RELIEF**

The above-captioned debtors and debtors in possession (collectively, the "Debtors") respectfully state as follows in support of this motion:

Relief Requested

1. By this motion, the Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A**, (a) authorizing Hollander Sleep Products, LLC ("Hollander") to act as the Foreign Representative (as defined herein) on behalf of the Debtors' estates in the Canadian Proceeding (as defined herein), and (b) granting related relief.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Dream II Holdings, LLC (7915); Hollander Home Fashions Holdings, LLC (2063); Hollander Sleep Products, LLC (2143); Pacific Coast Feather, LLC (1445); Hollander Sleep Products Kentucky, LLC (4119); Pacific Coast Feather Cushion, LLC (3119); and Hollander Sleep Products Canada Limited (3477). The location of the Debtors' service address is: 901 Yamato Road, Suite 250, Boca Raton, Florida 33431.

Jurisdiction and Venue

2. The United States Bankruptcy Court for the Southern District of New York (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the Southern District of New York*, dated January 31, 2012. The Debtors confirm their consent, pursuant to Rule 7008 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), to the entry of a final order by the Court in connection with this motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

3. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The bases for the relief requested herein are sections 105 and 1505 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”), and Rule 9013-1 of the Bankruptcy Local Rules for the Southern District of New York (the “Local Rules”).

Appointment of Foreign Representative

5. Debtor Hollander Sleep Products Canada Limited is a corporation registered in British Columbia, Canada. Hollander, as the proposed Foreign Representative (as defined herein), will shortly seek ancillary relief in Canada on behalf of the Debtors’ estates in a court of proper jurisdiction in Ontario, Canada (the “Canadian Court”) pursuant to the Companies’ Creditors Arrangement Act (Canada) R.S.C. 1985, c. C-36 (as amended, the “CCAA”). The purpose of the ancillary proceeding (the “Canadian Proceeding”) is to request that the Canadian Court recognize the Debtors’ chapter 11 cases as “foreign main proceedings” under the applicable provisions of the CCAA to, among other things, protect the Debtors’ assets and operations in Canada.

6. To commence the Canadian Proceeding, the Debtors require authority for a Debtor entity to act as the “foreign representative”² on behalf of the Debtors’ estates (the “Foreign Representative”). Therefore, the Debtors request authority to appoint Hollander as such Foreign Representative.

7. More specifically, section 46 of the CCAA provides in part:

- a. **Application for recognition of a foreign proceeding.** — A foreign representative may apply to the court for recognition of the foreign proceeding in respect of which he or she is a foreign representative.
- b. **Documents that must accompany application.** — . . . the application must be accompanied by . . . (b) a certified copy of the instrument, however designated, authorizing the foreign representative to act in that capacity or a certificate from the foreign court affirming the foreign representative’s authority to act in that capacity

CCAA, R.S.C., Ch. C-36, § 46 (1985) (Can.).

8. Accordingly, for Hollander to seek recognition as the Foreign Representative in the Canadian Proceeding, and thereby apply to have the Debtors’ chapter 11 cases recognized by the Canadian Court, this Court must enter an order authorizing Hollander to act as the Foreign Representative in the Canadian Proceeding. If the order is granted, Hollander will be able to file the order with the Canadian Court as the instrument authorizing Hollander to act as the Foreign Representative pursuant to section 46 of the CCAA.

Basis for Relief

9. Section 1505 of the Bankruptcy Code provides that “[a] trustee or another entity (including an examiner) may be authorized by the court to act in a foreign country on behalf of an

² A “foreign representative” is defined in section 45(1) of the CCAA to mean “a person or body, including one appointed on an interim basis, who is authorized, in a foreign proceeding respect of a debtor company, to

- (a) monitor the debtor company’s business and financial affairs for the purpose of reorganization; or
- (b) act as a representative in respect of the foreign proceeding.”

estate created under section 541. An entity authorized to act under this section may act in any way permitted by the applicable foreign law.” 11 U.S.C. § 1505. Further, section 1107(a) of the Bankruptcy Code provides, in relevant part, that “a debtor in possession shall have all the rights . . . and powers, and shall perform all the functions and duties . . . of a trustee serving in a case under this chapter.” 11 U.S.C. § 1107(a).

10. The Debtors respectfully submit that section 1107 of the Bankruptcy Code confers upon Hollander, as a debtor in possession, sufficient rights, powers, and duties to act as a Foreign Representative of the Debtors’ estates in the Canadian Proceeding. To avoid any possible confusion or doubt regarding this authority and to comply with the requirements of section 46 of the CCAA, the Debtors seek entry of an order, pursuant to section 1505 of the Bankruptcy Code, explicitly authorizing Hollander to act as the Foreign Representative of the Debtors’ estates in the Canadian Proceeding.

11. Authorizing Hollander to act as the Foreign Representative on behalf of the Debtors’ estates in the Canadian Proceeding will allow for coordination between these chapter 11 cases and the Canadian Proceeding, and provide an effective mechanism to protect and maximize the value of the Debtors’ assets and estates. Indeed, courts in this and other jurisdictions have granted relief similar to that requested herein in other large chapter 11 cases where a debtor has foreign assets or operations requiring a recognition proceeding. *See, e.g., In re Aeropostale, Inc.*, No. 16-11275 (SHL) (Bankr. S.D.N.Y. May 6, 2016); *In re Chemtura Corporation*, No. 09-11233 (REG) (Bankr. S.D.N.Y. Aug. 9, 2010); *In re Payless Holdings LLC*, No. 17-42267 (KAS) (Bankr. E.D. Mo. Apr. 5, 2017); *In re CJ Holding Co.*, No. 16-33590 (DRJ) (Bankr. S.D. Tex. July 21, 2016); *In re Ultra Petroleum Corp.*, No. 16-32202 (MI) (Bankr. S.D. Tex. May 3, 2016).

Accordingly, the Debtors submit that the relief requested herein is necessary and appropriate, is in the best interests of their estates and creditors, and should be granted in all respects.

The Requirements of Bankruptcy Rule 6003 Are Satisfied

12. Bankruptcy Rule 6003 empowers a court to grant relief within the first 21 days after the Petition Date “to the extent that relief is necessary to avoid immediate and irreparable harm.” For the reasons discussed above, the Debtors believe an immediate and orderly transition into chapter 11 is critical to the viability of their operations and that any delay in granting the relief requested could hinder the Debtors’ operations and cause irreparable harm. Furthermore, the failure to receive the requested relief during the first 21 days of these chapter 11 cases would severely disrupt the Debtors’ operations at this important juncture. The motion requests relief from procedural rules and requirements that pertain to matters of immediate significance or which involve deadlines sooner than 21 days after the Petition Date. Accordingly, the Debtors submit that they have satisfied the “immediate and irreparable” standard of Bankruptcy Rule 6003 to support granting the relief requested herein.

Notice

13. The Debtors will provide notice of this motion to: (a) the Office of the United States Trustee for the Southern District of New York; (b) the holders of the 50 largest unsecured claims against the Debtors (on a consolidated basis); (c) the administrative agent for the Debtors’ term loan facility and counsel thereto; (d) the administrative agent for the Debtors’ asset-based loan credit facility and counsel thereto; (e) the administrative agent for the Debtors’ proposed debtor in possession term loan financing facility and counsel thereto; (f) the administrative agent for the Debtors’ proposed debtor in possession asset-based loan credit facility and counsel thereto; (g) the United States Attorney’s Office for the Southern District of New York; (h) the Internal Revenue Service; (i) the attorneys general for the states in which the Debtors operate; and (i) any party that

has requested notice pursuant to Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

No Prior Request

14. No prior request for the relief sought in this Motion has been made to this or any other court.

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WHEREFORE, the Debtors respectfully request entry of an order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein and granting such other relief as is just and proper.

New York, New York
Dated: May 19, 2019

/s/ Joshua A. Sussberg
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Proposed Counsel to the Debtors and Debtors in Possession

Exhibit A

Proposed Order

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

HOLLANDER SLEEP PRODUCTS, LLC., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 19-11608 (____)
)
) (Joint Administration Requested)
)
) **Re: Docket No. ____**

**ORDER (A) AUTHORIZING HOLLANDER SLEEP PRODUCTS, LLC TO
ACT AS FOREIGN REPRESENTATIVE AND (B) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order (this “Order”), (a) authorizing Hollander Sleep Products, LLC (“Hollander”) to act as foreign representative on behalf of the Debtors’ estates pursuant to section 1505 of the Bankruptcy Code and (b) granting related relief, all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the Southern District of New York*, dated January 31, 2012; and this Court having the power to 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 in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors’ notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Dream II Holdings, LLC (7915); Hollander Home Fashions Holdings, LLC (2063); Hollander Sleep Products, LLC (2143); Pacific Coast Feather, LLC (1445); Hollander Sleep Products Kentucky, LLC (4119); Pacific Coast Feather Cushion, LLC (3119); and Hollander Sleep Products Canada Limited (3477). The location of the Debtors’ service address is: 901 Yamato Road, Suite 250, Boca Raton, Florida 33431.

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

Motion and having heard the statements in support of the relief requested therein 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 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 ORDERED THAT:

1. The Motion is granted as set forth herein.
2. Hollander is hereby authorized to act as the Foreign Representative on behalf of the Debtors’ estates in connection with the Canadian Proceeding. As Foreign Representative, Hollander shall be authorized and shall have the power to act in any way permitted by applicable foreign law, including (a) seeking recognition of the Debtors’ chapter 11 cases in the Canadian Proceeding, (b) requesting that the Canadian Court lend assistance to this Court in protecting the Debtors’ property, and (c) seeking any other appropriate relief from the Canadian Court that Hollander deems just and proper in the furtherance of the protection of the Debtors’ estates.
3. This Court requests the aid and assistance of the Canadian Court to recognize the Debtors’ chapter 11 cases as a “foreign main proceeding” and Hollander as a “foreign representative” pursuant to the CCAA, and to recognize and give full force and effect in all provinces and territories of Canada to this Order.
4. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

5. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

New York, New York

Dated: _____, 2019

UNITED STATES BANKRUPTCY JUDGE