

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

	X	
In re:	:	Chapter 11
	:	
COLT HOLDING COMPANY LLC, <i>et al.</i> , <sup>1</sup>	:	Case No. 15-11296 ( )
	:	
Debtors.	:	Joint Administration Requested
	:	
	X	

**DEBTORS' MOTION FOR ENTRY OF AN ORDER AUTHORIZING  
COLT HOLDING COMPANY LLC TO ACT AS FOREIGN  
REPRESENTATIVE ON BEHALF OF THE DEBTORS' ESTATES**

Colt Holding Company LLC (“**Colt Holding**”) and its affiliated debtors and debtors in possession (collectively, the “**Debtors**”) respectfully request entry of an order authorizing Colt Holding to act as the foreign representative on behalf of the Debtors’ estates in any judicial or other proceeding in any foreign country, including Canada (the “**Foreign Representative**”). In support of this motion, the Debtors rely upon and incorporate by reference *Keith A. Maib’s Declaration in Support of the Debtors’ Chapter 11 Petitions and First Day Pleadings* (the “**Maib Declaration**”), filed concurrently with this motion.<sup>2</sup> In further support of the motion, the Debtors, by and through their undersigned counsel, respectfully represent:

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<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are Colt Holding Company LLC (0094); Colt Security LLC (4276); Colt Defense LLC (1950); Colt Finance Corp. (7687); New Colt Holding Corp. (6913); Colt’s Manufacturing Company LLC (9139); Colt Defense Technical Services LLC (8809); Colt Canada Corporation (5534); Colt International Coöperatief U.A. (6822); and CDH II Holdco Inc. (1782). The address of the Debtors’ corporate headquarters is: 547 New Park Avenue, West Hartford, Connecticut 06110.

<sup>2</sup> Capitalized terms used but not defined in this motion have the meanings used in the Maib Declaration.

## JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this motion pursuant to 28 U.S.C. §§ 157 and 1334 and venue is proper under 28 U.S.C. §§ 1408 and 1409. This is a core proceeding under 28 U.S.C. § 157(b).<sup>3</sup>

## BACKGROUND

2. On June 14, 2015 (the “**Petition Date**”), each of the Debtors filed a voluntary petition with this Court for relief under chapter 11 of the Bankruptcy Code. The Debtors continue to manage and operate their businesses as debtors in possession under sections 1107(a) and 1108 of the Bankruptcy Code.

3. The Debtors are one of the world’s oldest and most renowned designers, developers, and manufacturers of firearms for military, law enforcement, personal defense, and recreational purposes. The Debtors’ end customers encompass every segment of the worldwide firearms market, including U.S., Canadian, and foreign military forces, global law enforcement and security agencies, consumers seeking personal protection, the hunting and sporting community, and collectors. Headquartered in West Hartford, Connecticut, the Debtors operate manufacturing facilities in West Hartford and Kitchener, Ontario, Canada. For the year ended December 31, 2014, the Debtors’ revenue was approximately \$190.8 million.

4. Additional information on the Debtors’ businesses and capital structure, as well as a description of the reasons for filing these cases and the Debtors’ goals for these cases, is set forth in the Maib Declaration.

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<sup>3</sup> Pursuant to rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”), the Debtors hereby expressly confirm their consent to the entry of a final order by this Court in connection with this motion if it is later determined that this Court, absent consent of the parties, cannot enter final orders or judgments in connection therewith consistent with Article III of the United States Constitution.

**RELIEF REQUESTED**

5. By this motion, pursuant to section 1505 of the Bankruptcy Code, the Debtors respectfully request entry of an order, substantially in the form attached as Exhibit A, authorizing Colt Holding to act as the Foreign Representative on behalf of the Debtors' estates in any judicial or other proceeding in any foreign country, including Canada.

6. The Debtors further request that, as Foreign Representative, Colt Holding shall expressly be authorized to (i) seek recognition of the chapter 11 cases in Canada; (ii) request that the Canadian courts lend assistance to this Court in protecting the property of the Debtors' estates; and (iii) seek any other appropriate relief from the Canadian courts that is just and proper in furtherance of the protection of the Debtors' estates.

**BASIS FOR RELIEF REQUESTED**

7. As part of their ongoing business operations, the Debtors have material assets in Canada that are critical to the successful restructuring of the Debtors, including the Debtors' facility in Kitchener, Ontario, which is utilized for manufacturing, engineering, and research and development. One of the Debtors, Colt Canada Corporation, is incorporated under the laws of Nova Scotia as an unlimited liability company. Therefore, it is necessary to ensure that these chapter 11 cases and certain of the orders of the Court issued herein are recognized and respected in Canada. Accordingly, shortly following the Petition Date, the Debtors intend to seek recognition of their chapter 11 cases in Canada.

8. Pursuant to Part IV of Canada's Companies' Creditors Arrangement Act (the "CCAA"), a foreign representative may apply to the Canadian courts for recognition of a foreign proceeding. A "foreign representative" is defined in the CCAA to mean "a person or body . . . 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." *Id.* at § 45(1). A recognition application under the CCAA must be accompanied by, among other things, 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." *Id.* at § 46(2)(b).

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 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. For purposes of section 1505, the term "trustee" expressly includes "a debtor in possession in a case under any chapter of [the Bankruptcy Code]." 11 U.S.C. § 1502(6).

10. It is in the best interests of the Debtors, their estates and creditors, and any parties in interest that Colt Holding be appointed as the Foreign Representative of the Debtors' estates. Because the Debtors have significant assets in Canada, it is critical that a stay similar to the automatic stay imposed pursuant to section 362 of the Bankruptcy Code be granted in Canada and that certain of this Court's orders also be recognized in Canada. As a Debtor in these chapter 11 cases and the ultimate parent to each of the Debtors, Colt Holding is well-positioned to represent the Debtors in any Canadian proceedings and to serve as a conscientious Foreign Representative to ensure that these proceedings are coordinated and recognized in Canada.

11. In other large chapter 11 cases where a debtor has foreign assets and/or operations, Courts have granted similar relief to that requested herein.<sup>4</sup> Based on the foregoing, 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.

### NOTICE

12. The Debtors will provide notice of this motion by facsimile, e-mail, overnight delivery, or hand delivery to: (i) the Office of the United States Trustee for the District of Delaware; (ii) the holders of the 30 largest unsecured claims against the Debtors on a consolidated basis; (iii) Cortland Capital Market Services LLC, as Prepetition Senior Loan Agent; (iv) counsel to the Prepetition Senior Loan Agent; (v) Wilmington Savings Fund Society, FSB, as Term Loan Agent; (vi) counsel to the Term Loan Agent; (vii) Wilmington Trust FSB, as Senior Notes Indenture Trustee; (viii) counsel to the Senior Notes Indenture Trustee; (ix) the DIP Term Loan Lender and Prepetition Term Loan Lender; (x) counsel to the DIP Term Loan Lender and Prepetition Term Loan Lender; (xi) the DIP Senior Loan Lenders and Prepetition Senior Loan Lenders; (xii) counsel to the DIP Senior Loan Lenders and Prepetition Senior Loan Lenders; (xiii) the Internal Revenue Service and Canada Revenue Agency; (xiv) the Securities and Exchange Commission; (xv) the Pension Benefit Guaranty Corporation; and (xvi) any local, state, provincial, or federal agencies that regulate the Debtors' businesses. Following the hearing, a copy of this motion and any order entered with respect to it will be served on the foregoing

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<sup>4</sup> See, e.g., *In re Xinerger Ltd., et al.*, Case No. 15-70444 (PMB) (Bankr. W.D. Va. Apr. 7, 2015); *In re Cal Dive International, Inc., et al.*, Case No. 15-10458 (CSS) (Bankr. D. Del. Mar. 6, 2015); *In re Vertis Holdings, Inc. et al.*, Case No. 12-12821 (CSS) (Bankr. D. Del. Feb. 19, 2013); *In re Digital Domain Media Group, Inc., et al.*, Case No. 12-12568 (BLS) (Bankr. D. Del. Sept. 12, 2012); *In re LightSquared Inc., et al.*, Case No. 12-12080 (SCC) (Bankr. S.D.N.Y. June 11, 2012); *In re TerreStar Networks Inc.*, Case No. 10-15446 (SHL) (Bankr. S.D.N.Y. Oct. 20, 2010).

parties and all parties having filed requests for notice in these chapter 11 cases. A copy of the motion is also available on the Debtors' case website at <http://www.kcellc.net/coltdefense>.

13. As this motion is seeking "first day" relief, notice of this motion and any order entered hereon will be served on all parties required by Local Rule 9013-1(m). Due to the urgency of the relief requested, the Debtors submit that no other or further notice is necessary.

**NO PRIOR MOTION**

14. The Debtors have not made any prior motion for the relief sought in this motion to this Court or any other.

The Debtors respectfully request entry of an order granting the relief requested in its entirety and any other relief as is just and proper.

Dated: June 15, 2015  
Wilmington, Delaware



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*Proposed Attorneys for the  
Debtors and Debtors in Possession*

**Exhibit A**

**Proposed Order**



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

	X	
In re:	:	Chapter 11
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COLT HOLDING COMPANY LLC, <i>et al.</i> , <sup>1</sup>	:	Case No. 15-11296 ( )
	:	
Debtors.	:	Joint Administration Requested
	:	
	X	

**ORDER AUTHORIZING COLT HOLDING COMPANY LLC TO ACT AS  
FOREIGN REPRESENTATIVE ON BEHALF OF THE DEBTORS' ESTATES**

Upon the motion (the “**Motion**”)<sup>2</sup> of the Debtors for entry of an order (this “**Order**”) authorizing Colt Holding Company LLC (“**Colt Holding**”) to act as the foreign representative (“**Foreign Representative**”) on behalf of the Debtors’ estates, all as more fully set forth in the Motion; and due and sufficient notice of the Motion having been provided under the particular circumstances, and it appearing that no other or further notice need be provided; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and that this Court may enter a final order consistent with Article III of the United States Constitution; and venue being proper before this Court under 28 U.S.C. §§ 1408 and 1409; and a hearing having been held to consider the relief requested in the Motion (the “**Hearing**”); and upon the Maib

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<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are Colt Holding Company LLC (0094); Colt Security LLC (4276); Colt Defense LLC (1950); Colt Finance Corp. (7687); New Colt Holding Corp. (6913); Colt’s Manufacturing Company LLC (9139); Colt Defense Technical Services LLC (8809); Colt Canada Corporation (5534); Colt International Coöperatief U.A. (6822); and CDH II Holdco Inc. (1782). The address of the Debtors’ corporate headquarters is: 547 New Park Avenue, West Hartford, Connecticut 06110.

<sup>2</sup> Capitalized terms used but not defined in this Order have the meanings used in the Motion.

Declaration, the record of the Hearing, and all of the proceedings before the Court; and the Court having found and determined that the relief requested in the Motion is in the best interests of the Debtors, their estates and creditors, and any parties in interest; and that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and after due deliberation thereon and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.
2. Colt Holding is authorized to act as Foreign Representative on behalf of the Debtors' estates in any judicial or other proceeding in any foreign country, including Canada. As Foreign Representative, Colt Holding may act in any way permitted by applicable foreign law, including, but not limited to, (i) seeking recognition of the these chapter 11 cases in Canada; (ii) requesting that the Canadian courts lend assistance to this Court in protecting the property of the Debtors' estates; and (iii) seeking any other appropriate relief from the Canadian courts that Colt Holding deems just and proper in furtherance of the protection of the Debtors' estates.
4. The terms and conditions of this Order are immediately effective and enforceable upon its entry.
5. The Debtors are authorized and empowered to take all actions necessary or appropriate to implement the relief granted in this Order.

6. This Court shall retain jurisdiction over all matters arising from or related to the implementation or interpretation of this Order.

Dated: \_\_\_\_\_, 2015  
Wilmington, Delaware

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United States Bankruptcy Judge