

Below is the Order of the Court.



Marc Barreca
U.S. Bankruptcy Judge

(Dated as of Entered on Docket date above)

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UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

In re:

BDO CANADA LIMITED
as Foreign Representative of

COMBAT SPORTS INC.
Debtor in Foreign Bankruptcy

No. 13-11632-MLB

(Jointly Administered)

In re:

BDO CANADA LIMITED
as Foreign Representative of

COMBAT SPORTS, INC.
Debtor in Foreign Bankruptcy

TEMPORARY RESTRAINING
ORDER

The *Ex Parte Motion for Temporary Restraining Order and, After Notice and a Hearing, a Preliminary Injunction, Pursuant to Sections 105(a) and 1519 of the Bankruptcy Code* (the "**Provisional Relief Motion**") was brought by BDO Canada Limited, the court-appointed Receiver (the "**Receiver**") and authorized foreign representative of Combat Sports Inc. and Combat Sports, Inc. (collectively, "**Combat**") in a proceeding (the "**Canadian Proceeding**") under Subsection 243(1) of Canada's *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (as amended) and Section 101 of Ontario's *Courts of Justice Act*, R.S.O. 1990, c. C.43 (as amended), pending before the Superior Court of Justice of Ontario (the "**Canadian Court**").

1 The Receiver brought the captioned chapter 15 cases ancillary to the Canadian Proceeding
2 pursuant to chapter 15 of title 11 of the United States Code, as amended (the "Bankruptcy
3 Code").

4 By its *ex parte* Provisional Relief Motion, the Receiver requested the entry of a
5 temporary restraining order staying execution against the assets of Combat and applying section
6 365(e) and 362 of the Bankruptcy Code in Combat's chapter 15 cases on a provisional basis
7 pursuant to sections 1519(a)(1), 1519(a)(3), 1521(a)(7), and 105(a) of the Bankruptcy Code,
8 and scheduling a hearing on a preliminary injunction extending such relief until such time as an
9 order disposing of the petitions (collectively, the "Chapter 15 Petitions") filed by the Receiver
10 in Combat's chapter 15 cases is entered.
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12 The Court has considered and reviewed the Provisional Relief Motion, the Chapter 15
13 Petitions and all of documents filed contemporaneously therewith, including the Declaration of
14 Ken Pearl in Support of Chapter 15 Petitions for Recognition of a Foreign Proceeding and the
15 Declaration of Ken Pearl in Support of Provisional Relief Motion. Based upon the foregoing,
16 the Court finds and concludes as follows:
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18 (A) The Receiver has demonstrated a substantial likelihood of success on the merits
19 that Combat is subject to a foreign main proceeding in Canada and that the Receiver is the
20 foreign representative of Combat;
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22 (B) The Receiver has demonstrated that without the protections of section 365(e) and
23 362 of the Bankruptcy Code and a stay on execution of Combat's assets pursuant to 1519(a)(1)
24 of the Bankruptcy Code, there is a material risk that Combat will suffer immediate and
25 irreparable harm to the value of its business, assets and property pending disposition of the

1 Chapter 15 Petitions from enforcement and collection efforts of its creditors that will impede
2 the Receiver's ability to market Combat's business as a going-concern;

3 (C) The Receiver has demonstrated that no injury will result to any party that is
4 greater than the harm to Combat's business, assets and property in the absence of the requested
5 relief, and that the interests of the public will be served by this Court's granting of the relief
6 requested by the Receiver;
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8 (D) Due to the nature of the relief requested, the Court finds that no security is
9 required under Rule 65(c) of the Federal Rules of Civil Procedure as made applicable in this
10 cases by Rule 7065 of the Federal Rules of Bankruptcy Procedure;

11 (E) In the context of these chapter 15 cases, the Court finds that it would be
12 infeasible for the Receiver to serve notice of the Provisional Relief Motion on all parties in
13 interest;
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15 (F) The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and
16 1334 and section 1501 of the Bankruptcy Code; and

17 (G) Venue is proper in this District pursuant to 28 U.S.C. §§ 1410(1) and (3).

18 NOW THEREFORE, IT IS ORDERED:

19 1. The Receiver's Motion for temporary restraining order is GRANTED;

20 2. Pending the Hearing (as defined below):

21 (i) Pursuant to section 105(a) and 1519(a)(1) of the Bankruptcy Code, all persons
22 and entities are enjoined from seizing, attaching, possessing, executing and/or enforcing liens
23 against the assets Combat and/or any member of Combat;
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1 (ii) Pursuant to section 105(a), 1519(a)(3) and 1521(a)(7) of the Bankruptcy Code,
2 section 365(e) of the Bankruptcy Code is applicable to Combat's chapter 15 cases within the
3 territorial jurisdiction of the United States, and, accordingly, all persons and entities are
4 enjoined from terminating or modifying any executory contract or unexpired lease to which
5 Combat and/or any member of Combat is a party, or terminating or modifying any right or
6 obligation under such executory contract or lease, solely because of a condition of the kind
7 described in section 365(e)(1); and

9 (iii) Pursuant to section 105(a), 1519(a)(3) and 1521(a)(7) of the Bankruptcy Code,
10 section 362 of the Bankruptcy Code is applicable to Combat's chapter 15 cases, and,
11 accordingly, all persons and entities are enjoined from: (a) commencing or continuing any
12 judicial, administrative or other action or proceeding against Combat and/or any member of
13 Combat that was or could have been commenced before the commencement of Combat's
14 chapter 15 cases, or to recover a claim against Combat and/or any member of Combat that
15 arose before the commencement of Combat's chapter 15 cases; (b) taking any action to obtain
16 possession of property of or from Combat and/or any member of Combat or to exercise control
17 over the property of Combat and/or any member of Combat; (c) taking any action to collect,
18 assess or recover a claim against Combat and/or any member of Combat that arose before the
19 commencement of Combat's chapter 15 cases; and (d) taking any other action in respect of
20 Combat and/or any member of Combat that is prohibited by section 362 of the Bankruptcy
21 Code.
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24 3. Pursuant to Rule 7065(b) of the Federal Rules of Bankruptcy Procedure, no
25 notice to any person is required prior to the entry and issuance of this Order.

1 4. Any party in interest may move for relief from or modification of this Order by,
2 (i) on not less than two (2) business days' notice to the Receiver's United States counsel and
3 counsel for PNC Bank Canada Branch, and (ii) filing a motion seeking an order from this Court
4 vacating or modifying the injunction entered in this proceeding. Any such request shall be the
5 subject matter of a hearing scheduled by the Court.
6

7 Receiver's United States Counsel

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13 PNC Bank Canada Branch's Counsel

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21 5. Pursuant to Rule 7065 of the Federal Rules of Bankruptcy Procedure, the
22 security provisions of Rule 65(e) of the Federal Rules of Civil Procedure are waived.
23

24 6. A hearing (the "**Hearing**") on the Receiver's motion for a preliminary injunction
25 shall be held at 11:00 a.m. on March 22, 2013 before the Honorable Marc Barreca or as soon
thereafter as counsel may be heard.

 7. Unless extended for cause shown or the consent of the parties, this Order shall
expire on March 25, 2013.

 8. Notice of entry of this Order shall be served by the Receiver by electronic mail
or, in the event that service by electronic mail cannot be accomplished, then by United States

1 mail, first class postage pre-paid or by overnight courier on the Office of the United States
2 Trustee for the Western District of Washington, on all known creditors and all parties against
3 whom relief is sought (or their counsel).

4 9. Service in accordance with this Order shall constitute adequate and sufficient
5 service and notice.

6 10. Objections, if any, submitted for the purpose of opposing the Receiver's motion
7 for preliminary injunction must be made in writing describing the basis thereof and shall be
8 filed with the Court and served on the Receiver's United States counsel and counsel for PNC
9 Bank Canada Branch so as to be received no later than March 15, 2013.

10 12. This Court retains jurisdiction with respect to all matters pertaining to the
11 interpretation and implementation of this Order.

12
13 ///End of Order///

14 Presented by

15 Hanson Baker Ludlow Drumheller P.S.

16
17 /s/ Merrilee A. MacLean
18 Merrilee A. MacLean, WSBA#12732