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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re

Comsale Group Inc.

Debtor in a Foreign Proceeding.

Chapter 15

Case No. 19-13625 (JLG)

In re

Comsale Computer Inc.

Debtor in a Foreign Proceeding.

Chapter 15

Case No. 19-13627 (JLG)

In re

Comsale Inc.

Debtor in a Foreign Proceeding.

Chapter 15

Case No. 19-3628 (JLG)

**MOTION OF THE RECEIVER AS AUTHORIZED FOREIGN REPRESENTATIVE
FOR JOINT ADMINISTRATION OF CHAPTER 15 CASES AND RELATED RELIEF**

Grant Thornton Limited, solely in its capacity as court-appointed receiver and manager and not in its personal or corporate capacity (the “Receiver”) and authorized foreign representative (the “Foreign Representative”) of Comsale Group Inc. (“CGI”), Comsale Computer Inc. (“CCI” or the “Borrower”) and Comsale Inc. (“CI” and together with CGI and CCI, the “Debtors”), each of

which was placed in a receivership on November 5, 2019 by order (the “Receivership Order”) of the Superior Court of Justice (Commercial List) in Ontario, Canada (the “Canadian Court”), Court File No.: CV-19-630501-00CL (the “Canadian Proceeding”), respectfully submits this motion (the “Motion”) for entry of an order, substantially in the form attached as **Exhibit A**, (i) directing the joint administration of these cases for procedural purposes only pursuant to section 105(a) of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), (ii) authorizing the filing of a consolidated list pursuant to Bankruptcy Rule 1007(a)(4), and (iii) granting related relief.

In support of the requested relief, the Foreign Representative respectfully incorporates the following herein by reference: (a) the *Verified Petition Under Chapter 15 for Recognition of a Foreign Main Proceeding and Related Relief* (the “Verified Petition”) and (b) the *Declaration of Rob Stelzer in Support of (i) Verified Petition Under Chapter 15 for Recognition of a Foreign Main Proceeding and Related Relief and (ii) Motion of the Foreign Representative for Provisional Relief* (the “Stelzer Declaration”).¹ In further support of the relief requested herein, the Foreign Representative represents as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order of Reference to Bankruptcy Judges of the District

¹ Capitalized terms not otherwise defined herein shall have the meanings given to them in the Stelzer Declaration.

Court for the Southern District of New York, dated January 31, 2012 (Preska, C.J.). This matter is a core proceeding pursuant to 28 U.S.C. § 157(b).

2. Venue in this district is proper under 28 U.S.C. §§ 1410(1) and (3).

3. The statutory bases for relief are section 101(2) of the Bankruptcy Code, and Bankruptcy Rules 1015(b) and 1007(a)(4).

RELIEF REQUESTED

4. The Foreign Representative seeks entry of an order substantially in the form attached as **Exhibit A** directing joint administration of the Debtors' chapter 15 cases for procedural purposes only.

5. The Foreign Representative also requests that the caption of the Debtors' chapter 15 cases be modified to reflect joint administration of the chapter 15 cases as follows:

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re

Comsale Group Inc., *et al.*,²

Debtors in a Foreign Proceeding.

Chapter 15

Case No. 19-13625 (JLG)

Jointly Administered

² The Debtors in these chapter 15 cases, along with the last four digits of each Debtor's U.S. Federal Tax Identification Number or other unique identifier are: Comsale Group Inc. (7355) (Ontario Corporation Number); Comsale Computer Inc. (7508) (Ontario Corporation Number); and Comsale Inc. (0354) (FEIN). The Receiver and Foreign Representative is Grant Thornton Limited, located at 200 King St. W. 11th Floor, Toronto, Ontario, Canada M5H 3T4.

6. The Foreign Representative requests that the Court find that the proposed caption satisfies the requirements of section 342(c)(1) of the Bankruptcy Code and Bankruptcy Rule 1005.

7. The Foreign Representative also requests that the following notation be entered on the dockets of the chapter 15 cases of Comsale Inc. and Comsale Computer Inc. to reflect the joint administration of these cases:

An Order has been entered in this case in accordance with Rule 1015(b) of the Federal Rules of Bankruptcy Procedure directing the procedural consolidation and joint administration of the chapter 15 cases of Comsale Group Inc., Comsale Computer Inc. and Comsale Inc. The docket in Case No. 19-13625(JLG) should be consulted for all matters affecting this case.

8. Further, the Foreign Representative requests that the Court authorize the Foreign Representative to file and utilize a combined list under Bankruptcy Rule 1007(a)(4) for these jointly-administered chapter 15 cases and that combined notices may be sent to the Debtors' creditors and other parties in interest where appropriate.

BASIS FOR RELIEF REQUESTED

9. Bankruptcy Rule 1015(b) provides that if two or more petitions for relief are pending in the same court by or against a debtor and its affiliate, the court may order joint administration of the cases. The Debtors are "affiliates" as that term is defined under section 101(2) of the Bankruptcy Code, as Comsale Group Inc. and Comsale Computer Inc. are wholly

owned by the same two individual shareholders, and Comsale Inc. is wholly owned by Comsale Group Inc.

10. Entry of an order directing joint administration of the Debtors' chapter 15 cases will avoid duplicative notices, applications and orders, thereby saving the Foreign Representative and parties in interest considerable time and expense and will ease the administrative burden on the Court and the parties. The rights of creditors will not be adversely affected because this Motion requests only administrative consolidation of the chapter 15 cases. By aggregating all papers related to the Debtors under the same case caption and docket, creditors and parties in interest will be able to access and review relevant information concerning the Debtors in one place, which will better enable parties to keep apprised of the matters before this Court.

11. Additionally, filing a consolidated list under Bankruptcy Rule 1007(a)(4) is appropriate in these cases. As the provisional and final relief sought in each of these cases is identical, and any additional relief sought is likely to impact most or all of the Debtors, the Foreign Representative anticipates that most if not all motions, notices, hearings, orders and other papers filed in these cases will affect most or all of the Debtors. Under these circumstances, filing and maintaining separate lists under Bankruptcy Rule 1007(a)(4) would result in unnecessary confusion and wasteful duplication of effort and service.

NOTICE

12. Notice of this Motion has been provided to: (i) the United States Trustee for the Southern District of New York; (ii) the Debtors; (iii) Comsale Malaysia Sdn. Bhd.; (iv) Comsale Hong Kong Limited; (v) Neil Shaul and Wenqiang Feng, shareholders of CGI and CCI; (vi) all persons or bodies authorized to administer foreign proceedings of the Debtors, including

the Canadian Proceeding; (vii) all entities against whom provisional relief is being sought under section 1519 of the Bankruptcy Code; (viii) all known creditors and contract counterparties of the Debtors in the United States; (ix) all parties to litigation pending in the United States to which any of the Debtors is a party at the time of the filing of the Petition; and (x) all parties that have filed a notice of appearance in these chapter 15 cases. The Foreign Representative submits that no other or further notice of this Motion is necessary or required.

NO PRIOR REQUEST

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

CONCLUSION

WHEREFORE, the Foreign Representative respectfully requests that the Court enter an order substantially in the form attached as **Exhibit A**: (i) directing the joint administration of these cases for procedural purposes only; (ii) authorizing the filing of a consolidated list pursuant to Bankruptcy Rule 1007(a)(4) and (iii) granting related relief.

[Remainder of page intentionally left blank.]

Dated: New York, New York
November 13, 2019

Respectfully submitted,

/s/ Robert H. Trust

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Counsel to the Foreign Representative

Exhibit A

Proposed Order

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

<i>In re</i> Comsale Group Inc. Debtor in a Foreign Proceeding.	Chapter 15 Case No. 19-13625 (JLG)
<i>In re</i> Comsale Computer Inc. Debtor in a Foreign Proceeding.	Chapter 15 Case No. 19-13627 (JLG)
<i>In re</i> Comsale Inc. Debtor in a Foreign Proceeding.	Chapter 15 Case No. 19-13628 (JLG)

**ORDER DIRECTING JOINT ADMINISTRATION OF
CHAPTER 15 CASES AND GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)¹ of Grant Thornton Limited, solely in its capacity as court-appointed receiver and manager and not in its personal or corporate capacity (the “Receiver”) and authorized foreign representative (the “Foreign Representative”) of Comsale Group Inc. (“CGI”), Comsale Computer Inc. (“CCI” or the “Borrower”) and Comsale Inc. (“CI” and together with CGI and CCI, the “Debtors”), each of which was placed in a receivership on November 5, 2019 by order (the “Receivership Order”) of the Superior Court of Justice (Commercial List) in Ontario, Canada (the “Canadian Court”), Court File No.: CV-19-630501-

¹ Capitalized terms not defined herein shall have the meanings ascribed to them in the Motion.

00CL (the “Canadian Proceeding”), for entry of an order: (i) directing the joint administration of these cases for procedural purposes only pursuant to section 105(a) of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), (ii) authorizing the filing of a consolidated list pursuant to Bankruptcy Rule 1007(a)(4); and (iii) granting related relief; and the Court having found that it has jurisdiction to consider the Motion and the relief requested therein 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 as of January 31, 2012, Reference M-431, *In re Standing Order of Reference Re: Title 11, 12 Misc. 00032* (S.D.N.Y. Feb. 1, 2012) (Preska, C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue of this proceeding being proper before the Court pursuant to 28 U.S.C. § 1410(1) and (3); and the Court having determined that the relief requested in the Motion is necessary and beneficial to the Debtors; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.
2. Pursuant to Bankruptcy Rule 1015(b), the Debtors’ chapter 15 cases shall be, and hereby are, consolidated for procedural purposes only and shall be jointly administered by the Bankruptcy Court under the docket of Comsale Group Inc., Case No. 19-13625 (JLG).

3. All pleadings and other papers filed in these chapter 15 cases shall bear a consolidated caption in the following form:

<i>In re</i>	Chapter 15
Comsale Group Inc., <i>et al.</i> , ²	Case No. 19-13625 (JLG)
Debtors in a Foreign Proceeding.	Jointly Administered

4. The foregoing caption satisfies the requirements set forth in section 342(c)(1) of the Bankruptcy Code and Bankruptcy Rule 1005 in all respects.

5. The following notation shall be entered on the dockets of the chapter 15 cases of Comsale Computer Inc. and Comsale Inc., to reflect the joint administration of these cases:

An Order has been entered in this case in accordance with Rule 1015(b) of the Federal Rules of Bankruptcy Procedure directing the procedural consolidation and joint administration of the chapter 15 cases of Comsale Group Inc., Comsale Computer Inc. and Comsale Inc. The docket in Case No. 19-13625 (JLG) should be consulted for all matters affecting this case.

6. Nothing contained in this Order shall be deemed or construed as directing or otherwise effecting the substantive consolidation of any of the above-captioned cases.

7. If these chapter 15 cases were initially assigned to different judges, these chapter 15 cases shall be transferred to the judge to whom the lowest numbered case was assigned.

² The Debtors in these chapter 15 cases, along with the last four digits of each Debtor's U.S. Federal Tax Identification Number or other unique identifier are: Comsale Group Inc. (7355) (Ontario Corporation Number); Comsale Computer Inc. (7508) (Ontario Corporation Number); and Comsale Inc. (0354) (FEIN). The Receiver and Foreign Representative is Grant Thornton Limited, located at 200 King St. W. 11th Floor, Toronto, Ontario, Canada M5H 3T4.

8. The Foreign Representative shall maintain, and the Clerk of the United States Bankruptcy Court for the Southern District of New York shall keep, one consolidated docket, one file and one consolidated service list in these chapter 15 cases.

9. The Foreign Representative is authorized to file and utilize a combined list under Bankruptcy Rule 1007(a)(4) for the Debtors' jointly-administered cases and may send combined notices to creditors of the Debtors and other parties in interest where appropriate.

10. The Foreign Representative is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order.

11. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry, and the Clerk is hereby directed to enter this Order on the docket in the chapter 15 case of each of the Debtors.

12. This Court shall retain jurisdiction with respect to all matters relating to the interpretation or implementation of this Order.

Dated: November [●], 2019
New York, New York

THE HONORABLE JAMES L. GARRITY, JR.
UNITED STATES BANKRUPTCY JUDGE