

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re:

XEBEC HOLDING USA INC., *et al.*,

Debtors in a foreign proceeding.¹

Chapter 15

Case No. 22- 10934 (KBO)

Jointly Administered

**NOTICE OF ASSUMPTION AND ASSIGNMENT
AND CURE AMOUNTS WITH RESPECT TO EXECUTORY
CONTRACTS AND UNEXPIRED LEASES OF THE DEBTORS**

PLEASE TAKE NOTICE that on September 30, 2022 (the “**Petition Date**”), FormerXBC Inc. (f/k/a Xebec Adsorption Inc.), in its capacity as the authorized foreign representative (the “**Foreign Representative**”) for the above-captioned debtors (collectively, the “**Debtors**”), filed voluntary petitions for relief under chapter 15 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “**Bankruptcy Code**”) for each of the Debtors, in the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”). Prior to the Petition Date, the Debtors initiated a proceeding under Canada’s Companies’ Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended, which is pending before the Superior Court of Québec, in the Province of Québec, District of Montréal (the “**Canadian Court**”).

PLEASE TAKE FURTHER NOTICE that, on March 15, 2023, the Foreign Representative filed the *Motion for Order (I) Recognizing and Enforcing CCAA Vesting Order; (II) Approving the Sale of Certain of Debtor The Titus Company’s Assets Free and Clear of Liens, Claims, and Encumbrances; (III) Approving Assumption and Assignment of Certain Contracts; and (IV) Granting Related Relief* (the “**U.S. Sale Motion**”).² Pursuant to the U.S. Sale Motion, the Foreign Representative seeks entry of an order, among other things: (a) approving the sale (the “**Sale**”) by Debtor The Titus Company (“**Seller**”) of substantially all of its assets to FAD Pennsylvania Inc. (“**Buyer**”) free and clear of liens, claims, and encumbrances, as agreed by the parties in that certain Asset Purchase Agreement dated as of March 11, 2023 (the “**Purchase**”).

¹ The Debtors in the chapter 15 proceedings and the last four digits of their federal tax identification numbers are: FormerXBC Inc. (f/k/a Xebec Adsorption Inc.) (0228), 11941666 Canada Inc. (f/k/a Xebec RNG Holdings Inc.) (N/A), Applied Compression Systems Ltd. (N/A), 1224933 Ontario Inc. (f/k/a Compressed Air International Inc.) (N/A), Xebec Holding USA Inc. (8495), Enerphase Industrial Solutions Inc. (1979), CDA Systems, LLC (6293), Xebec Adsorption USA, Inc. (0821), The Titus Company (9757), Nortekelair Corporation (1897), XBC Flow Services – Wisconsin Inc. (7493), California Compression, LLC (4752), and Xebec Systems USA LLC (4156). The location of the Debtors’ corporate headquarters and the Debtors’ foreign representative is: 730 Industriel Boulevard, Blainville, Quebec, J7C 3V4, Canada.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the U.S. Sale Motion or, to the extent not defined therein, the Purchase Agreement attached to the U.S. Sale Motion as Exhibit C.

Agreement”); and (b) authorizing Seller to assume and assign certain of its executory contracts and unexpired leases to Buyer in connection with the Sale.

PLEASE TAKE FURTHER NOTICE that copies of the U.S. Sale Motion and related filings in these chapter 15 cases are available (a) on the Monitor’s case-specific website: <https://www.insolvencies.deloitte.ca/en-ca/pages/Xebec.aspx>; (b) on the Bankruptcy Court’s Electronic Case Filing System, which can be accessed from the Bankruptcy Court’s website at <http://www.ecf.deb.uscourts.gov> (a PACER login and password are required) or (c) upon request to counsel to the Foreign Representative, via email (jgadhraf@mcdonaldhopkins.com), or via mail, McDonald Hopkins LLC, 300 North LaSalle Street, Suite 1400, Chicago, Illinois 60654, Attn: Josh Gadharf.

PLEASE TAKE FURTHER NOTICE that you are receiving this Notice because you may be a counterparty to an executory contract (a “Contract”) or an unexpired lease (a “Lease”) that *may* be assumed and assigned in connection with such Sale. A list of the Contracts and Leases is attached hereto as Exhibit A.

PLEASE TAKE FURTHER NOTICE that the Debtors have determined the cure amounts owing (the “Cure Amounts”) under each Contract and Lease, and the Foreign Representative has listed the applicable Cure Amounts on Exhibit A attached hereto. The Cure Amounts are the only amounts proposed to be paid upon any assumption and assignment of the Contracts or Leases, in full satisfaction of all amounts outstanding under the Contracts or Leases.

PLEASE TAKE FURTHER NOTICE that to the extent that a counterparty to a Contract or Lease objects to (a) the assumption and assignment of the counterparty’s Contract or Lease (including, without limitation, on the basis that Buyer cannot provide adequate assurance of future performance) or (b) the Cure Amount, the counterparty must file and serve an objection (an “Objection”). Any Objection shall: (i) be in writing; (ii) comply with the Bankruptcy Rules and the Local Rules; (iii) be filed with the Clerk of the Court, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801 on or before 5:00 p.m. (ET) on March 29, 2023 (the “Objection Deadline”), and proof of service of such Objection upon the Objection Notice Parties shall be filed with the Court as and when required by the Local Rules; (iv) be served upon the Objection Notice Parties (as defined below); and (v) state with specificity the grounds for such objection, including, without limitation, the fully liquidated Cure Amount and the legal and factual bases for any unliquidated Cure Amount that the counterparty believes is required to be paid under section 365(b)(1)(A) and (B) of the Bankruptcy Code for the Contract, along with the specific nature and dates of any alleged defaults, the pecuniary losses, if any, resulting therefrom, and the conditions giving rise thereto and any objection to the provision of adequate assurance of future performance by Buyer.

PLEASE TAKE FURTHER NOTICE that the “Objection Notice Parties” are as follows: (i) counsel for the Foreign Representative, McDonald Hopkins LLC, 300 North LaSalle Street, Suite 1400, Chicago, Illinois 60654, Attn: Josh Gadharf, jgadhraf@mcdonaldhopkins.com, (ii) co-counsel for the Foreign Representative, Bielli & Klauder, LLC, 1204 North King Street, Wilmington, Delaware 19801, Attn: David M. Klauder, dklauder@bk-legal.com; (iii) counsel to Buyer, Meltzer, Purtil & Stelle LLC, 1515 Woodfield Road, Suite 250, Schaumburg, Illinois

60173, Attn: Roger T. Stelle, rstelle@mpslaw.com; and (iv) the Office of the United States Trustee for the District of Delaware, 855 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn: Timothy J. Fox, timothy.fox@usdoj.gov.

PLEASE TAKE FURTHER NOTICE that if no Objection is timely received with respect to a Contract or Lease: (i) the counterparty to such Contract or Lease shall be deemed to have consented to the assumption by Seller and assignment to Buyer of the Contract or Lease, and be forever barred (unless the Court orders otherwise) from asserting any objection with regard to such assumption and assignment (including, without limitation, with respect to adequate assurance of future performance by Buyer); (ii) any and all defaults under the Contract or Lease and any and all pecuniary losses related thereto shall be deemed cured and compensated pursuant to section 365(b)(1)(A) and (B) of the Bankruptcy Code; and (iii) the Cure Amount for such Contract or Lease shall be controlling, notwithstanding anything to the contrary in such Contract or Lease, or any other related document, and the counterparty shall be deemed to have consented to the Cure Amount and shall be forever barred (unless the Court orders otherwise) from asserting any other claims related to such Contract or Lease against the Debtors and their estates or Buyer, or the property of any of them, that existed prior to the entry of the Sale and Recognition Order.

PLEASE TAKE FURTHER NOTICE that to the extent that the Foreign Representatives and a counterparty are unable to consensually resolve any Objection prior to the commencement of the hearing set for **April 5, 2023, at 1:00 p.m. (prevailing Eastern time)**, before the Honorable Karen B. Owens at the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 6th Floor, Wilmington, DE 19801, in Courtroom No. 3 (the “**U.S. Sale Hearing**”), such Objection will be adjudicated at the U.S. Sale Hearing or at such other date and time as may be determined by the Foreign Representative, or otherwise fixed by the Court.

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Dated: March 15 2023
Wilmington, Delaware

BIELLI & KLAUDER, LLC

/s/ David M. Klauder

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- and -

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Counsel for the Foreign Representative

Exhibit A**Contracts and Leases**

	Contact Information for Counterparty	Description	Cure Amount
1.	Southgate Lease Services, Inc. Attn: Nicholas J. Miota P.O. Box 270557 Milwaukee, WI 53227	Lease agreement between Southgate Lease Services, Inc. and Xebec Adsorption USA, Inc. dated February 15, 2022 regarding a 2019 Ford Transit T250	\$0.00
2.	Titus Properties, LLC Attn: Stephen E. Titus 36 Mountain View Road Morgantown, PA 17543	Lease dated June 19, 2017, for premises located at 36 Mountain View Road, Morgantown, PA 17543	\$0.00
3.	Brian Titus 111 Talon Drive Ephrata, PA 17522	Promissory note dated August 1, 2020	\$0.00
4.	Christopher Titus 407 Pearl St Lancaster, PA 17603	Promissory note dated August 1, 2020	\$0.00
5.	James Good 152 Pinehurst Way Gilbertsville, PA 19525	Promissory note dated August 1, 2020	\$0.00
6.	James Bowers 135 Turnhill Court West Chester, PA 19380	Promissory note dated August 1, 2020	\$0.00
7.	Sean Patrick Dempsey 115 Diamond Rock Road Phoenixville, PA 19460	Promissory note dated August 1, 2020	\$0.00
8.	CareersUSA 6501 Congress Avenue, Suite 200 Boca Raton, FL 33487	Indemnity Agreement for Negotiable Instruments, Cash and/or Other Valuable Goods dated November 14, 2022	\$855.05 in the aggregate
9.	CareersUSA 6501 Congress Avenue, Suite 200 Boca Raton, FL 33487	Personnel Services Agreement dated November 15, 2022	

	Contact Information for Counterparty	Description	Cure Amount
10.	J&M Janitorial Services, Inc. Attn: Jim Cann, Jr. 350 Marshallton Thorndale Road Downingtown, PA 19335	Janitorial Services Agreement dated August 22, 2022	\$0.00
11.	Pure Water Technology of Central PA, Inc. Attn: John Burkholder 1200 Corporate Blvd Suite G Lancaster, PA 17601	Rental Agreement dated August 12, 2020	\$477.00
12.	Republic Services Attn: Sheena Ezell and Emily Welsh 50 Orchard Lane Leesport, PA 19533-86000	Customer Service Agreement dated August 23, 2022	\$236.06
13.	Stratix Systems, Inc. Attn: Shelby Griffith and Sean Ricketts 1011 N. Park Rd. Wyomissing, PA 19610	Lease Agreement dated December 11, 2018	\$0.00