

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re: XEBEC HOLDING USA INC., Debtor in a foreign proceeding.	Chapter 15 Case No. 22-10934 (KBO)
In re: XEBEC ADSORPTION INC., Debtor in a foreign proceeding.	Chapter 15 Case No. 22-10935 (KBO)
In re: XEBEC RNG HOLDINGS INC., Debtor in a foreign proceeding.	Chapter 15 Case No. 22-10936 (KBO)
In re: APPLIED COMPRESSION SYSTEMS LTD, Debtor in a foreign proceeding.	Chapter 15 Case No. 22-10937 (KBO)
In re: COMPRESSED AIR INTERNATIONAL INC., Debtor in a foreign proceeding.	Chapter 15 Case No. 22-10938 (KBO)
In re: ENERPHASE INDUSTRIAL SOLUTIONS INC., Debtor in a foreign proceeding.	Chapter 15 Case No. 22-10939 (KBO)

In re: CDA SYSTEMS, LLC, Debtor in a foreign proceeding.	Chapter 15 Case No. 22-10940 (KBO)
In re: XEBEC ADSORPTION USA, INC., Debtor in a foreign proceeding.	Chapter 15 Case No. 22-10941 (KBO)
In re: THE TITUS COMPANY, Debtor in a foreign proceeding.	Chapter 15 Case No. 22-10942 (KBO)
In re: NORTEKBELAIR CORPORATION, Debtor in a foreign proceeding.	Chapter 15 Case No. 22-10943 (KBO)
In re: XBC FLOW SERVICES – WISCONSIN INC., Debtor in a foreign proceeding.	Chapter 15 Case No. 22-10944 (KBO)
In re: CALIFORNIA COMPRESSION, LLC, Debtor in a foreign proceeding.	Chapter 15 Case No. 22-10945 (KBO)

In re:

XEBEC SYSTEMS USA LLC,

Debtor in a foreign proceeding.

Chapter 15

Case No. 22-10946 (KBO)

MOTION FOR AN ORDER (A) DIRECTING JOINT ADMINISTRATION OF CASES UNDER CHAPTER 15 OF THE BANKRUPTCY CODE AND (B) AUTHORIZING THE FILING OF A CONSOLIDATED LIST UNDER BANKRUPTCY RULE 1007

Xebec Adsorption Inc., in its capacity as the duly-appointed foreign representative (the “**Foreign Representative**”) for the above-captioned debtors (collectively, the “**Debtors**”), which are the subject of the proceeding (the “**Canadian Proceeding**”) currently pending before the Superior Court of Québec, in the Province of Québec, District of Montréal (the “**Canadian Court**”), initiated pursuant to the Companies’ Creditors Arrangement Act, R.S.C. 1985, C-36 (as amended, the “**CCAA**”), has commenced the above-captioned chapter 15 cases (the “**Chapter 15 Cases**”) and moves (this “**Motion**”) for entry of an order, substantially in the form attached hereto as **Exhibit A** (the “**Proposed Order**”), (a) directing joint administration of the Debtors’ cases under chapter 15 for procedural purposes only pursuant to section 105(a) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (as amended, the “**Bankruptcy Code**”), Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and Rule 1015-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”) and (b) authorizing the filing of a consolidated list pursuant to Bankruptcy Rule 1007(a)(4).

JURISDICTION AND VENUE

1. The Bankruptcy Court has jurisdiction to consider 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 District of Delaware, dated February 29, 2012.

2. Recognition of a foreign proceeding and other matters under chapter 15 of the Bankruptcy Code are core matters under 28 U.S.C. § 157(b)(2)(P).

3. The Foreign Representative, in its capacity as authorized foreign representative, has properly commenced the Chapter 15 Cases pursuant to sections 1504, 1509, and 1515 of the Bankruptcy Code and Bankruptcy Rules 2002 and 9007.

4. The Foreign Representative consents to the entry of final orders or judgments by the Bankruptcy Court if it is determined that the Bankruptcy Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

5. Venue in this district is proper under 28 U.S.C. § 1410.

BACKGROUND

6. The Debtors and certain non-U.S. based subsidiaries and affiliates of the Debtors (the “**Xebec Group**”) supply a wide range of renewable and low-emission gas products and services sold globally through several channels, including direct sales, channel partners, project developers, and e-commerce. The Xebec Group portfolio includes proprietary technologies for the on-site and distributed production of hydrogen, renewable and low-emission natural gas, oxygen and nitrogen and proprietary technologies that transform raw gases into clean sources of renewable and low-emission energy. The Xebec Group’s operations include manufacturing, research and development, service and sales. The Xebec Group operates in North America, Europe, the Middle East and Asia.

12. The Xebec Group’s financial difficulties were attributable to a number of factors, including its inability to raise additional capital, supply chain constraints, increasing selling and administrative expenses, and the completion costs of certain legacy renewable and low-emission natural gas contracts, as more fully described in the *Motion for Recognition of Foreign Main*

Proceeding and Request for Certain Related Relief and the Declaration of Jim Vounassis in support thereof, both filed contemporaneously herewith.

13. Despite various pre-filing restructuring efforts, and following extensive analysis and consideration, the Debtors concluded their only alternative under the circumstances is to engage in a formal restructuring process. With their advisors' assistance, the Debtors determined the best course includes a further streamlining of their operations and a divestiture of certain non-core assets through a Court-supervised process, all in order to focus on their core business operations.

14. To achieve their objectives, the Debtors initiated the Canadian Proceeding under the CCAA and filed the Chapter 15 Petitions.

15. On September 29, 2022, the Canadian Court entered an Interim Order (the “**Initial Order**”) authorizing the Foreign Representative to initiate proceedings under Chapter 15 of the Bankruptcy Code. The Initial Order stated that the Debtors are authorized:

to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States of America or elsewhere, for orders which aid and complement this Order and any subsequent orders of this Court and, without limitation to the foregoing, any orders under Chapter 15 of the U.S. Bankruptcy Code, including an order for recognition of these CCAA proceedings as “Foreign Main Proceedings” in the United States of America pursuant to Chapter 15 of the U.S. Bankruptcy Code, for which Xebec Adsorption Inc., shall be the foreign representative of the Petitioners. All courts and administrative bodies of all such jurisdictions are hereby respectively requested to make such orders and to provide such assistance to the Petitioners and the Monitor as may be deemed necessary or appropriate for that purpose.

Initial Order at ¶ 66.

RELIEF REQUESTED

16. The Foreign Representative seeks entry of an order substantially in the form attached as hereto **Exhibit A** (a) directing joint administration of the Debtors' cases under

chapter 15 for procedural purposes only and (b) authorizing the filing of a consolidated list pursuant to Bankruptcy Rule 1007(a)(4).

17. The Foreign Representative 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
DISTRICT OF DELAWARE**

In re:

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

Debtor in a foreign proceeding.¹

Chapter 15

Case No. 22-10934 (KBO)

Jointly Administered

¹ The Debtors in the chapter 15 proceedings and the last four digits of their federal tax identification numbers are: Xebec Adsorption Inc. (0228), Xebec RNG Holdings Inc. (N/A), Applied Compression Systems Ltd. (N/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), Nortekbelair 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: 700-1130 Sherbrooke Street West, Montréal, Québec H3A 2M8.

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

19. The Foreign Representative also seeks the Bankruptcy Court's direction that the following docket entry be made in each of the Debtors' Chapter 15 Cases (other than the Chapter 15 Case of Xebec Holding USA Inc):

An order has been entered in this chapter 15 case in accordance with Rule 1015(b) of the Federal Rules of Bankruptcy Procedure and Rule 1015-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware directing the procedural consolidation and joint administration of the chapter 15 cases of: Xebec Adsorption Inc. 22-10935 (KBO), Xebec RNG Holdings Inc. 22-10936 (KBO), Applied Compression Systems Ltd. 22-10937 (KBO), Compressed Air International Inc. 22-10938 (KBO), Xebec Holding USA Inc. 22-10934 (KBO), Enerphase Industrial Solutions Inc. 22-10939 (KBO), CDA Systems, LLC 22-10940 (KBO), Xebec Adsorption USA, Inc. 22-10941 (KBO), The Titus Company 22-10942 (KBO), Nortekbelair Corporation 22-10943 (KBO), XBC Flow Services – Wisconsin Inc. 22-10944 (KBO), California Compression, LLC 22-10945 (KBO), and Xebec Systems USA LLC 22-10946 (KBO). The docket in Case No. 22-10934 (KBO) should be consulted for all matters affecting this chapter 15 case.

20. Further, the Foreign Representative requests that the Bankruptcy Court authorize the Foreign Representative to file and utilize a consolidated list under Bankruptcy Rule 1007(a)(4) for the 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

21. 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 Bankruptcy Court may order joint administration of the bankruptcy cases. *See Fed. R. Bankr. P. 1015(b)*. The Debtors are affiliates of each other.

22. Additionally, Local Rule 1015-1 provides that the Bankruptcy Court may order joint administration without notice or a hearing upon the filing of a motion requesting such joint administration and an affidavit or verification establishing that joint administration is warranted and will ease the administrative burden for the Bankruptcy Court and parties in interest.

23. 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, as well as ease the administrative burden on the Bankruptcy Court and related 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 and will thereby be better able to keep apprised of the matters before the Bankruptcy Court.

24. Additionally, filing a consolidated list under Bankruptcy Rule 1007(a)(4) is appropriate in the Chapter 15 Cases. As the relief sought in each of the Chapter 15 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 the Chapter 15 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

25. Notice of this Motion was provided to the Office of the United States Trustee. The Foreign Representative respectfully submits that no further notice is required.

NO PRIOR REQUEST

26. No previous request for the relief sought herein has been made by the Foreign Representative to this or any other court.

WHEREFORE, the Foreign Representative respectfully requests that the Bankruptcy Court enter an order substantially in the form attached as **Exhibit A**: (a) directing the joint administration of the Chapter 15 Cases for procedural purposes only; (b) authorizing the filing of a consolidated list pursuant to Bankruptcy Rule 1007(a)(4); and (c) granting related relief.

Dated: September 30, 2022
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

Proposed Order

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re: XEBEC HOLDING USA INC., Debtor in a foreign proceeding.	Chapter 15 Case No. 22-10934 (KBO)
In re: XEBEC ADSORPTION INC., Debtor in a foreign proceeding.	Chapter 15 Case No. 22-10935 (KBO)
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<p>In re: CDA SYSTEMS, LLC, Debtor in a foreign proceeding.</p>	<p>Chapter 15 Case No. 22-10940 (KBO)</p>
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<p>In re: XBC FLOW SERVICES – WISCONSIN INC., Debtor in a foreign proceeding.</p>	<p>Chapter 15 Case No. 22-10944 (KBO)</p>
<p>In re: CALIFORNIA COMPRESSION, LLC, Debtor in a foreign proceeding.</p>	<p>Chapter 15 Case No. 22-10945 (KBO)</p>

<p>In re:</p> <p>XEBEC SYSTEMS USA LLC,</p> <p style="text-align: center;">Debtor in a foreign proceeding.</p>	<p>Chapter 15</p> <p>Case No. 22-10946 (KBO)</p>
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ORDER (A) DIRECTING JOINT ADMINISTRATION OF CASES UNDER CHAPTER 15 OF THE BANKRUPTCY CODE AND (B) AUTHORIZING THE FILING OF A CONSOLIDATED LIST UNDER BANKRUPTCY RULE 1007

Upon the motion (the “**Motion**”)¹ of Xebec Adsorption Inc., in its capacity as the duly-appointed foreign representative (the “**Foreign Representative**”) for the above-captioned debtors (collectively, the “**Debtors**”), for entry of an order: (a) directing joint administration of the Debtors’ cases under Chapter 15 for procedural purposes only pursuant to section 105(a) of the Bankruptcy Code, Bankruptcy Rule 1015(b), and Local Rule 1015-1 and (b) authorizing the filing of a consolidated list pursuant to Bankruptcy Rule 1007(a)(4); the Court having found that (i) it 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 District of Delaware, dated as of February 29, 2012, (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P), (iii) venue is proper in this district pursuant to 28 U.S.C. § 1410, (iv) the Chapter 15 Cases have been properly commenced by the duly appointed Foreign Representative, and (v) due and sufficient notice of the Motion has been given and no other or further notice need be provided; upon consideration of the *Declaration of Jim Vounassis in Support of Petitions Under Chapter 15 for Order Granting Recognition of Foreign Main Proceeding and Other Related Relief* [Docket No. ___] and the *Declaration of Sandra Abitan Regarding Determination of Foreign Law* [Docket No. ___], each filed contemporaneously with the Motion; it appearing that the relief requested in the Motion is in the best interest of the Debtors and other parties in

¹ Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Motion.

interest in the Chapter 15 Cases; 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 are consolidated for procedural purposes only and shall be jointly administered by the Court under the docket of Case No. 22-10934 (KBO).

3. The Clerk of Court for the United States Bankruptcy Court for the District of Delaware shall maintain one file and one docket for the Debtors’ jointly administered Chapter 15 Cases, which file and docket for all the Chapter 15 Cases shall be the file and docket for Xebec Holding USA Inc., Case No. 22-10934 (KBO).

4. All pleadings and other papers filed in the Chapter 15 Cases shall bear a consolidated caption in the following form:

**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

¹ The Debtors in the chapter 15 proceedings and the last four digits of their federal tax identification numbers are: Xebec Adsorption Inc. (0228), Xebec RNG Holdings Inc. (N/A), Applied Compression Systems Ltd. (N/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), Nortekbelair 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: 700-1130 Sherbrooke Street West, Montréal, Québec H3A 2M8.

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

6. A docket entry shall be made in each of the Debtors' Chapter 15 Cases (other than the Chapter 15 Case of Xebec Holding USA Inc) substantially as follows:

An order has been entered in this chapter 15 case in accordance with Rule 1015(b) of the Federal Rules of Bankruptcy Procedure and Rule 1015-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware directing the procedural consolidation and joint administration of the chapter 15 cases of: Xebec Adsorption Inc. 22-10935 (KBO), Xebec RNG Holdings Inc. 22-10936 (KBO), Applied Compression Systems Ltd. 22-10937 (KBO), Compressed Air International Inc. 22-10938 (KBO), Xebec Holding USA Inc. 22-10934 (KBO), Enerphase Industrial Solutions Inc. 22-10939 (KBO), CDA Systems, LLC 22-10940 (KBO), Xebec Adsorption USA, Inc. 22-10941 (KBO), The Titus Company 22-10942 (KBO), Nortekbelair Corporation 22-10943 (KBO), XBC Flow Services – Wisconsin Inc. 22-10944 (KBO), California Compression, LLC 22-10945 (KBO), and Xebec Systems USA LLC 22-10946 (KBO).The docket in Case No. 22-10934 (KBO) should be consulted for all matters affecting this chapter 15 case.

7. Nothing contained in this order shall be deemed or construed as directing or otherwise effecting the substantive consolidation of any of the Chapter 15 Cases.

8. The Foreign Representative is authorized to file and utilize a combined list under Bankruptcy Rule 1007(a)(4) for the Debtors' jointly-administered Chapter 15 Cases and may send combined notices to creditors of the Debtors and other parties in interest where appropriate.

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

10. The terms and conditions of this order shall be immediately effective and enforceable upon its entry.

11. The Bankruptcy Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this order.