IN THE UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	Chapter 15
HARKAND GULF CONTRACTING LTD., *et al.*,[1]	§	Case No. 16-[_____] (___)
Debtors in a foreign proceeding.	§	(Joint Administration Requested)
	§	(Emergency Hearing Requested)

VERIFIED PETITION FOR (I) RECOGNITION OF FOREIGN MAIN PROCEEDINGS, (II) RECOGNITION OF FOREIGN REPRESENTATIVES, (III) RELATED RELIEF UNDER CHAPTER 15, AND (IV) PROVISIONAL RELIEF UNDER SECTIONS 105 AND 1519 OF THE BANKRUPTCY CODE

THIS PETITION SEEKS ENTRY OF AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE PETITION, YOU SHOULD IMMEDIATELY CONTACT THE PETITIONING PARTIES TO RESOLVE THE DISPUTE. IF YOU AND THE PETITIONING PARTIES CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE PETITIONING PARTIES. YOUR RESPONSE MUST STATE WHY THE PETITION SHOULD NOT BE GRANTED. UNLESS OTHERWISE DIRECTED BY THE COURT, YOU MUST FILE YOUR RESPONSE WITH THE CLERK OF THE BANKRUPTCY COURT WITHIN TWENTY-ONE DAYS FROM THE DATE YOU WERE SERVED WITH THIS PLEADING. YOU MUST TIMELY SERVE A COPY OF YOUR RESPONSE ON THE PERSON WHO SENT YOU THE NOTICE; OTHERWISE, THE COURT MAY TREAT THE PLEADING AS UNOPPOSED AND GRANT THE RELIEF REQUESTED. IF YOU OPPOSE THE PETITION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING ON THE PETITION. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE PETITION AT THE HEARING.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

The petitioners, Ian Wormleighton, Philip Stephen Bowers (partners in Deloitte LLP ("Deloitte")), and Michael Magnay (a director at Deloitte) (collectively, the "Petitioners"), as the

[1] The Debtors in these chapter 15 cases and the last four digits of each Debtor's United Kingdom Company Registration Number are as follows: Harkand Gulf Contracting Limited (4491); Harkand Global Holdings Limited (9919); and Integrated Subsea Services Limited (8386). The Debtors' principal offices are located at: c/o Deloitte LLP, Four Brindleyplace, Birmingham for Harkand Gulf Contracting Limited; and c/o Deloitte LLP, 110 Queen Street, Glasgow, G1 3BX for Harkand Global Holdings Limited and Integrated Subsea Services Limited.

appointed joint administrators and authorized foreign representatives of the above-captioned debtors (collectively, the "Debtors"), by and through Petitioner Ian Wormleighton, submit this verified petition (together with the form petitions filed concurrently herewith, the "Petition") on behalf of the following Debtors, each of whom commenced proceedings in the United Kingdom of Great Britain and Northern Ireland (the "United Kingdom" or "UK") under the Insolvency Act 1986 (c 45) (as amended, the "1986 Act") which applies throughout the UK: (a) Harkand Gulf Contracting Limited ("HGCL"), a debtor whose administration proceedings (the "English Proceedings") were commenced before the High Court of Justice of England and Wales (Chancery Division) (Companies Court) (the "English Court"), and (b) Harkand Global Holdings Limited ("HGHL") and (c) Integrated Subsea Services Limited ("ISS"), debtors whose administration proceedings (the "Scottish Proceedings," and together with the English Proceedings, the "UK Proceedings") were commenced before the Court of Session in Edinburgh, Scotland (the "Scottish Court"). The Petitioners respectfully seek recognition of the UK Proceedings as "foreign main proceedings," and additional relief, pursuant to sections 105(a), 362, 1507, 1515, 1517, 1519, 1520, and 1521 of title 11 of the United States Code (the "Bankruptcy Code").[2]

In support of the Petition, the Petitioners have filed contemporaneously herewith (a) the *Declaration of Ian Wormleighton in Support of Verified Petition for Recognition and Chapter 15 Relief* (the "Wormleighton Declaration"), (b) the *Declaration of Elaine Nolan in Support of Verified Petition for Recognition and Chapter 15 Relief* (the "Nolan Declaration"), and (c) the

[2] By this Petition, the Petitioners seek recognition of, and relief regarding, foreign main proceedings, as defined in section 1502(4) of the Bankruptcy Code, because the UK Proceedings are pending in England and Scotland, the respective centers of the Debtors' main interests. Should this Court determine that any of the UK Proceedings is not a foreign main proceeding, the Petitioners respectfully request that the Court entertain the Petition with respect to that Debtor as one for recognition of, and relief respecting, a foreign nonmain proceeding, as defined in section 1502(5) of the Bankruptcy Code, as each of the Debtors, respectively, has establishments, as defined in section 1502(2) of the Bankruptcy Code, in either England or Scotland.

Declaration of Alan Crawford Meek in Support of Verified Petition for Recognition and Chapter 15 Relief (the "Meek Declaration"), each of which is incorporated herein by reference.

Preliminary Statement

1. Prior to commencing insolvency proceedings in the United Kingdom, the Debtors were part of a family of companies known as the Harkand group (the "Harkand Group" or "Harkand") that provided subsea capabilities and services to the offshore oil and gas industry. Harkand's business was closely tied to that of exploration and production operators around the world. As is the case with many of Harkand's competitors, demand for Harkand's services dramatically decreased as a result of the recent global depression in crude oil prices. Faced with operations that were crippled by creditor collection efforts and an imminent liquidity crisis, Harkand determined that commencing insolvency proceedings in the United Kingdom was its only viable option. On April 27, 2016, and April 29, 2016, the Debtors officially commenced insolvency proceedings in Scotland and England, as applicable, and, on May 4, 2016, the Petitioners were appointed as joint administrators in the UK Proceedings.

2. For the reasons discussed herein, restructuring the Harkand Group as a going concern was not possible. Consequently, Harkand sold certain of its assets and business segments shortly after commencing the UK Proceedings and the Debtors estates are now in administration in the United Kingdom for purposes of an orderly liquidation and distribution of the Debtors' assets to their creditors. The Petitioners filed these chapter 15 cases in order to facilitate the liquidation of the Debtors' estates in the UK Proceedings and protect certain of the Debtors' property and other interests in the United States. Specifically, Debtor HGCL is the subject of at least two lawsuits that were commenced in the United States following the commencement of the UK Proceedings, notwithstanding a moratorium on such lawsuits that exists under the laws of the United Kingdom. Facing current and potential future litigation over

the Debtors' valuable assets in the United States, the Petitioners believe that an immediate stay of creditor collection efforts and ultimate recognition of the UK Proceedings in the United States in necessary to promote the fair and efficient administration of the UK Proceedings for the benefit of the Debtors and their creditors and parties in interest.

Relief Requested

3. Pursuant to sections 105(a), 362, 1507, 1515, 1517, 1519, 1520, and 1521 of the Bankruptcy Code, the Petitioners seek (a) entry of a provisional order (the "Provisional Order") granting, on an interim basis, (i) a stay of actions against the Debtors, including, but not limited to, the Titan Lawsuit (as defined herein), (ii) a stay of any other execution against the assets of the Debtors located in the territorial jurisdiction of the United States, and (iii) certain related relief in these chapter 15 cases (these "Chapter 15 Cases"), and (b) entry of a final order (the "Final Order"), after notice and a hearing, (i) granting the Petition and recognizing the UK Proceedings as foreign main proceedings pursuant to section 1517 of the Bankruptcy Code, (ii) recognizing the Petitioners as "foreign representatives" of the Debtors as defined in section 101(24) of the Bankruptcy Code, (iii) granting all relief afforded a foreign main proceeding automatically upon recognition pursuant to section 1520 of the Bankruptcy Code;[3] and (iv) granting such other relief as the Court deems just and proper. A proposed form of the Provisional Order is attached hereto as **Exhibit A** and a proposed form of the Final Order is attached hereto as **Exhibit B**.

[3] If any of the UK Proceedings is recognized as a foreign nonmain proceeding, the Petitioners request relief under section 1521 that tracks the relief granted automatically under section 1520 upon recognition as a foreign main proceeding. In that event, the Petitioners are prepared to demonstrate that they meet the appropriate standards for such relief, including satisfying the traditional standards for obtaining injunctive relief.

Jurisdiction and Venue

4. The United States Bankruptcy Court for the Southern District of Texas, Houston Division (the "Court") has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334.

5. These Chapter 15 Cases have been properly commenced pursuant to section 1504 of the Bankruptcy Code by the filing of petitions for recognition of the UK Proceedings under section 1515 of the Bankruptcy Code.

6. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2)(p). Venue is proper in this district pursuant to 28 U.S.C. § 1410(1), as each of the Debtors has principal assets in Houston, Texas. With respect to Debtor HGCL, venue is also proper pursuant to 28 U.S.C. § 1410(2), as HGCL is a party to a pending action in the District Court of Harris County, Texas.

7. The bases for the relief requested herein are sections 105(a), 362, 1507, 1515, 1517, 1519, 1520, and 1521 of the Bankruptcy Code.

Background

I. Introduction to Harkand.

8. HGHL is the corporate parent of HGCL and ISS whom, together with other subsidiaries and affiliates of HGHL, were known as the Harkand Group. In addition to the Debtors, many other members of the Harkand Group are debtors in proceedings similar to the UK Proceedings in the United Kingdom. Prior to commencing insolvency proceedings in the United Kingdom, the Harkand Group was comprised of a family of companies that provided subsea capabilities and services to the offshore oil and gas industry. Headquartered in London, England, and Aberdeen, Scotland, the Harkand Group had worldwide operations—with locations in the United States, West Africa, and Europe—and a fleet of dive support vessels and remotely operated vehicles ("ROVs"). Harkand provided services that are essential to offshore

exploration and production ("E&P") companies, including survey, inspection, repair, and maintenance of offshore E&P equipment.

A. Harkand's Business.

9. Harkand's business was generally divided into three broad segments, each of which was organized under HGHL as the corporate parent: (a) its European business, with a primary focus on operations in the North Sea; (b) its US business, with operations in the Gulf of Mexico and West Africa; and (c) its survey business.

10. Harkand's European business included ISS and its affiliates and was based in Aberdeen, Scotland. The European business segment offered diving, ROV, and survey services to E&P operators, primarily in the North Sea. The business additionally provided repair and maintenance programs, platform inspection, pipeline inspection, and construction and drill support ROV services. The European business segment supported both new and existing field developments, existing field infrastructure, and field decommissioning. Harkand's US business was based in Houston, Texas, and offered the same services as its European business, but to operators in the Gulf of Mexico and West Africa. In addition to Harkand Gulf Services LLC ("Harkand LLC"), a company organized under the laws of the State of Delaware and an indirect subsidiary of HGHL, HGCL was the other primary counterparty to Harkand's US business operations. Finally, Harkand's survey business, centered in Aberdeen, Scotland, operates relatively independently from Harkand's other business segments. The survey business provides survey and position services to E&P operators as well as construction survey support services for the laying of pipes and cables, trenching survey support, acoustic metrology, survey project management, and installation support for renewable energy projects.

B. Harkand's Capital Structure.

11. Harkand financed its operations through several credit facilities entered into and/or guaranteed by various Harkand entities. The most significant of its funded debt includes the Secured Bonds, the Hire Purchase Facilities, the Nordea Loan, the Veolia Loan, and the RBS Receivables Finance Facilities, each as defined and described below.

i. The Secured Bonds.

12. On March 27, 2014, Harkand Finance Inc., an affiliate of HGHL incorporated in the Marshall Islands, issued $230 million in 7.5% senior secured bonds due in 2019, which were guaranteed by certain of the Harkand entities, none of whom is a Debtor in these Chapter 15 Cases (the "Secured Bonds"). The proceeds from the Secured Bonds were used to purchase vessels, including the Harkand Atlantis and the Harkand Da Vinci (together, the "Bondholder Vessels").

13. The Secured Bonds are currently in default, and the bondholders have taken, or are currently taking, various enforcement actions, among them replacing the board of directors of the Harkand Finance Inc. and selling the Bondholder Vessels by court order in Gibraltar (where the Bondholder Vessels are currently docked). At a court hearing held on May 18, 2016, in Gibraltar, the court issued a sale order of the Bondholder Vessels upon the lapse of a 60-day waiting period.

ii. The Hire Purchase Facilities.

14. In 2013 and 2014, ISS entered into certain hire purchase agreements (the "Hire Purchase Facilities") whereby ISS leased for use approximately 32 ROVs from ABN AMRO Lease N.V. ("ABN"). The Hire Purchase Facilities are secured by the ROVs and guarantees from various Harkand entities, including ISS. ISS is in default under the Hire Purchase Facilities. The Petitioners are currently in negotiations with ABN regarding the approximately

£10.4 million and $3.6 million outstanding under the Hire Purchase Facility, and have agreed to facilitate the recovery of the ROVs for the benefit of ABN, being the major creditor of ISS, and ISS's estate. The ROVs are located in various places throughout the world. However, five of the seven ROVs that are located in the United States are located in Houston, Texas, with the remaining two located in Hammond, Louisiana.

iii. The Nordea Loan.

15. Swordfish Shipco Limited ("Shipco"), a subsidiary of HGHL incorporated under the laws of England and Wales that is currently in administration in England, entered into a $20 million loan agreement with Nordea Bank AB, London Branch ("Nordea") on August 29, 2013 (the "Nordea Loan"). The proceeds of the Nordea Loan were used to purchase the Swordfish vessel (the "Swordfish"). The Nordea Loan is currently in default. None of the Debtors is a guarantor on the Nordea Loan.

iv. The Veolia Loan.

16. On August 29, 2013, HGHL entered into a $36 million vendor loan agreement (the "Veolia Loan") with Veolia ES Special Services, Inc. ("Veolia"). The Veolia Loan was secured by a guarantee from Harkand Asset Company Ltd, the parent of Shipco and a subsidiary of HGHL, incorporated under the laws of England and Wales, which has had a receiver appointed over certain of its assets. Shipco purchased the Swordfish from Veolia, with part of the consideration deferred in the form of the Veolia Loan. The Veolia Loan is also currently in default and the Petitioners are in negotiations with Veolia.

v. The RBS Receivables Finance Facilities.

17. RBS Invoice Finance Limited ("RBSIF") provided two receivables finance facilities to certain Harkand entities (collectively, the "RBS Receivables Finance Facilities"):

a. ISS and Andrews Hydrographics Limited (an indirect subsidiary of ISS) entered into a £20.0 million receivables finance facility provided by RBSIF on July 26, 2013. This facility was terminated on May 9, 2016.

b. HGCL entered into a $16.5 million receivables finance facility provided by RBSIF on February 21, 2014 (the facility limit was subsequently increased to $20.0 million on November 18, 2014). The Petitioners are currently negotiating the termination of this facility.

C. Events Leading to the UK Proceedings.

18. Harkand's business was closely tied to that of E&P operators around the world. The recent and prolonged depression in crude oil prices significantly decreased demand for Harkand's services, negatively impacting Harkand's operating performance and constraining liquidity. As a result, Harkand struggled to meet its debt payment obligations and, as discussed in detail herein, ultimately determined that commencing the UK Proceedings and the proceedings commenced by other members of the Harkand Group was its only viable option.

i. Financial Restructuring Efforts Prior to Commencement of the UK Proceedings.

19. Before entering administration, Harkand's senior management took a proactive approach to the economic challenges faced by Harkand. On March 31, 2015, Deloitte was retained by HGCL and Harkand Gulf Limited, a subsidiary of HGHL ("HGL") to provide options analysis in respect of certain companies in the Harkand Group. This work was completed during April 2015.

20. In February 2016, Harkand's management engaged its various creditors—specifically ABN, Nordea, Veolia, and certain holders of the Secured Bonds—as well as other key stakeholders, in an effort to consensually restructure Harkand's debt obligations. In addition, Harkand's management sought to amend lease terms with the owners of Harkand's vessels and approached Harkand's shareholder, investment funds managed by Oaktree Capital Management, L.P. ("Oaktree"), for additional working capital funding. Around February 12,

2016, Oaktree provided a $2.5 million loan to HGHL (the "Oaktree Bridge Loan"). The Oaktree Bridge Loan provided the capital that Harkand required to continue negotiating consensual restructuring solutions with its key stakeholders while maintaining its operations.

ii. The Pre-Pack Sale.

21. On February 17, 2016, HGHL, HGCL and HGL retained Deloitte to provide initial advice as to alternative options in the event that a consensual restructuring was not viable. Although negotiations progressed, the parties could not ultimately agree on terms of an out-of-court restructuring. Despite receipt of the Oaktree Bridge Loan, Harkand's liquidity situation continued to deteriorate, with management projecting that additional working capital of approximately $20 million would be required as soon as June 2016, for Harkand to continue as a going concern. Harkand's management was unable to secure a commitment for this additional capital.

22. On April 18, 2016, when it became apparent that a consensual restructuring was unlikely, Harkand elevated Deloitte's engagement to assist with the preparation of detailed contingency plans. Harkand's management thereafter commenced marketing efforts to sell Harkand Group as a going concern (the "Sales Process"). The Petitioners provided advice to the Harkand Group regarding the framework of the Sales Process.

23. With its liquidity position worsening, Harkand accelerated the timeline of the Sales Process to avoid a piecemeal liquidation of the group. On April 21, 2016, management approached a shortlist of interested buyers, and soon thereafter engaged a trade buyer and a financial buyer in earnest negotiations. As due diligence progressed, however, it became clear to management and Deloitte that neither buyer was willing or able to purchase the entire Harkand Group as a going concern, particularly in light of the accelerated Sales Process necessitated by Harkand's deteriorating liquidity position.

24. To make matters worse, in the midst of these efforts, Harkand faced significant operational challenges:

a. Holders of the Secured Bonds terminated existing intra-group charter arrangements under which the Bondholder Vessels were leased to certain Harkand entities;

b. The owner of one of Harkand's leased vessels, the Spearfish, issued a notice of default under the lease terms, and directed the master of the vessel to return to port;

c. Subcontractors onboard another vessel, Go Electra, returned to port after hearing rumors surrounding Harkand's operational viability; and

d. Key customers threatened to terminate contracts with Harkand.

As market speculation increased regarding Harkand's viability, suppliers, customers, and employees grew unwilling to continue business with Harkand. By late April, Harkand had control of only one of its six vessels.

25. Faced with Harkand's distressed financial and operational position and an unsuccessful sales process for the Harkand Group as a whole, management, with legal advice, concluded that it would not be possible to rescue Harkand as a going concern given that: (a) Harkand was unable to secure needed working capital of approximately $20 million; (b) a consensual restructuring had proven unsuccessful; (c) Harkand had largely ceased all business operations, with the exception of parts of its US business and its survey operations; and (d) to mount a sale process after commencing insolvency proceedings would be time-intensive, and delays would further deplete value without a guarantee that another buyer capable of purchasing all the assets would materialize. Unable to rescue Harkand's going concern operations, management opened the Sales Process to potential buyers capable of acquiring parts of Harkand's business on a shortened timeframe. The only viable purchaser that emerged was Ethos Offshore and certain of its affiliates ultimately owned and controlled by funds managed by

Oaktree, the ultimate beneficial owner and a creditor of various Harkand Group companies, (collectively, the "Ethos Group"). The Ethos Group was interested in acquiring all of Harkand's US and West African operations, and the Petitioners assisted management in negotiating the sale of those operations. Management, with the assistance and advice of its advisors, negotiated with the Ethos Group and determined that a sale following the commencement of administration proceedings in the United Kingdom was the best course of action and would provide greater value than a piecemeal liquidation of the group.

iii. The UK Proceedings.

26. With no other viable options, on April 26, 2016, the board of directors of the Debtors concluded that it would be in the best interests of the Debtors, amongst other Harkand entities (the "UK Debtors"), and their respective creditors and other parties in interest to place the Debtors and the UK Debtors into administration in England and in Scotland and approved the appointment of the Petitioners as joint administrators of the Debtors pursuant to Schedule B1 to the 1986 Act. On April 27, 2016, the directors of ISS and HGHL filed a notice of intention to appoint an administrator with the Scottish Court, and on April 29, 2016, the directors of HGCL filed a notice of intention to appoint an administrator in the English Court (each a "Notice of Intention"). The minutes of the board meetings at which the appointments were approved were attached to each Notice of Intention. On May 4, 2016, the directors of the Debtors filed a notice of appointment of an administrator in the Scottish and English Courts (each a "Notice of Appointment"), confirming the appointments and officially commencing the UK Proceedings. Certified copies of each Notice of Intention and Notice of Appointment, which effectively commenced the administrations of HGCL, ISS, and HGHL, are attached to the Wormleighton Declaration as **Exhibit A**, **Exhibit B**, and **Exhibit C**, respectively.

27. Now in administration, the Petitioners, acting as agents of certain Harkand entities including HGHL and HGCL, entered into a share and asset purchase agreement with the Ethos Group and consummated the sale of its US and West African operations to the Ethos Group (the "Transaction"). With respect to HGCL, the Transaction included HGCL's sale of its shares in Harkand Arena S.A.P.I de C.V., its Mexican subsidiary, and sale of certain of its customer contracts. Pre-administration, HGCL (per HGCL's records) had approximately $8 million in customer receivables; the Transaction preserved those receivables for HGCL's estate and obligated the Ethos Group to assist the Petitioners in collecting the receivables and distributing receipts to HGCL's creditors. Further, the share sale of HGCL's Mexican subsidiary ensured that it would continue to operate and maintain its workforce, and enabled HGCL to realize measurable value for its creditors as compared to a break up or liquidation of HGCL that would have created no value. With respect to HGHL, the Transaction included the sale of HGHL's intellectual property in the Harkand Group including, but not limited to, the "Harkand" name and all trademarks, service marks and business names (in each case, whether registered or unregistered) which includes all domain names (including email addresses) owned by the Harkand Group, all information, data and records relating primarily to the Harkand business, and all intellectual property rights subsisting therein. The Transaction additionally included the sale of Harkand LLC. The Transaction had the support of Harkand's management, Oaktree, and Shipco, whose support was critical to the performance of key customer contracts in West Africa.

28. Currently, the Petitioners are continuing to recover value for the estates of the Debtors (as well as the other UK Debtors) for the ultimate purpose of distributing assets to creditors. Already, Harkand's commercial operations have substantively ceased, and the

Petitioners are attempting to recover and maximize the value of the Harkand Group's remaining assets. Steps the Petitioners are currently taking include:

a. negotiating the sale of Harkand's survey business to a trade buyer, which will realize value to the estate of ISS (the survey business being a corporate subsidiary of ISS);

b. attempting to collect the approximately $8 million in customer receivables owed to HGCL;

c. cooperating with ABN to help find third party operators potentially interested in leasing or purchasing the ROVs; and

d. engaging with holders of the Secured Bonds to recover Harkand property and equipment currently located on board the Bondholder Vessels.

D. Joint Administrators Continue to Recover Value for the Estates.

i. Collection of HGCL's Receivables.

29. As noted, the Petitioners were tasked with collecting outstanding customer receivables for the benefit of HGCL's estate for eventual distribution to HGCL's creditors. As of June 8, 2016, almost $7 million remained outstanding on such receivables, of which $6.4 million is owed based on contracts with HGCL's US customers. Payment on the US-based receivables are being directed to the bank account that HGCL has historically maintained at Wells Fargo Bank, N.A. in Houston, Texas.

ii. ISS's ROVs in the United States.

30. As part of the Scottish Proceedings, the Petitioners, acting as joint administrators of ISS, are currently in negotiations with ABN regarding ROVs that are subject to the Hire Purchase Facilities. The Petitioners are currently taking steps to recover the ROVs on behalf of ABN, who has title to the ROVs. As noted, several of the ROVs are located in the United States, in both Houston, Texas, and Hammond, Louisiana.

iii. HGHL's IT equipment in the United States.

31. Also in the Scottish Proceedings, the Petitioners are recovering certain IT equipment and software, the majority of which is located in a data center in Houston, on behalf of HGHL's estate. While the IT equipment, itself, is of relatively low value, there is sensitive data on the system that the Petitioners seek to retrieve.

iv. Pending U.S. Litigation.

32. Upon commencement of the UK Proceedings, a moratorium goes into effect pursuant to the 1986 Act, which is similar to an automatic stay under section 362 of the Bankruptcy Code, to prevent creditor actions that could interfere with an orderly administration. Notwithstanding the moratorium, on May 6, 2016, Titan Logistics and Support Services, Ltd. ("Titan"), a company based in Trinidad and Tobago, filed a lawsuit in the District Court of Harris County, Texas, against HGCL, Harkand LLC, certain members of the Ethos Group, and Anglo-Eastern (UK) Limited, another Titan debtor (the "Titan Lawsuit"). Titan alleges breach of a master services agreement and fraudulent transfers involving the Transaction and seeks, among other things, monetary damages from HGCL totaling $2.58 million and a writ of attachment on assets transferred to the Ethos Group. Further, certain Debtors and UK Debtors, including HGHL, are parties to other litigation pending in the United States, about which the Petitioners have limited information.

Basis for Relief

I. These Chapter 15 Cases Were Properly Commenced Pursuant to Sections 1515 and 1517 of the Bankruptcy Code.

33. Chapter 15 of the Bankruptcy Code was specifically designed to assist foreign representatives, such as the Petitioners, in the performance of their duties. One of the primary objectives of Chapter 15 is the "fair and efficient administration of cross-border insolvencies that

protects the interests of all creditors, and other interested entities, including the debtor." 11 U.S.C. § 1501(a)(3). Consistent with this purpose, section 1517(a) of the Bankruptcy Code provides that, after notice and a hearing, the Court *shall* enter an order recognizing a foreign proceeding if:

a. such foreign proceeding for which recognition is sought is a foreign main proceeding or foreign nonmain proceeding within the meaning of section 1502 of the Bankruptcy Code;

b. the foreign representative applying for recognition is a person or body; and

c. the petition meets the requirements of section 1515 of the Bankruptcy Code.

11 U.S.C. § 1517(a). As set forth below and in the Wormleighton, Nolan, and Meek Declarations, the UK Proceedings, the Petitioners, and the Petition satisfy all of the foregoing requirements, including the requirements for recognition of foreign main proceedings, and the Court should therefore recognize the UK Proceedings as foreign main proceedings.

A. The UK Proceedings are "Foreign Proceedings."

34. Section 101(23) of the Bankruptcy Code defines a "foreign proceeding" as:

> a collective judicial or administrative proceeding in a foreign country, including an interim proceeding, under a law relating to insolvency or adjustment of debt in which proceeding the assets and affairs of the debtor are subject to control or supervision by a foreign court, for the purpose of reorganization or liquidation.

11 U.S.C. § 101(23).

35. Courts previously have held that a "foreign proceeding" is one:

a. in which acts and formalities are set down in law so that courts, merchants and creditors can know them in advance and apply them evenly in practice;

b. that has either a judicial or an administrative character;

c. that is collective in nature, in the sense that the proceeding considers the rights and obligations of all creditors;

d. that is located in a foreign country;

e. that is authorized or conducted under a law related to insolvency or the adjustment of debt, even if the debtor that has commenced such proceedings is not actually insolvent;

f. in which the debtor's assets and affairs are subject to the control or supervision of a foreign court or other authority competent to control or supervise a foreign proceeding; and

g. that is for the purpose of reorganization or liquidation.

See In re Ashapura Minechem Ltd., 480 B.R. 129, 136 (S.D.N.Y. 2012) (citing *In re Betcorp Ltd.*, 400 B.R. 266, 277 (Bankr. D. Nev. 2009)); *see also In re Overnight and Control Commission of Avánzit, S.A.*, 385 B.R. 525, 533 (Bankr. S.D.N.Y. 2008) (discussing the factors). As set forth in detail in the Nolan and Meek Declarations, the UK Proceedings satisfy all seven requirements and, therefore, qualify as "foreign proceedings" for purposes of section 101(23) of the Bankruptcy Code.

i. In the UK Proceedings, Acts and Formalities are Set Down in Law.

36. The UK Proceedings satisfy the first requirement for foreign proceedings under section 101(23) of the Bankruptcy Code. For the purpose of chapter 15 recognition, "the hallmark of a 'proceeding' is a statutory framework that constrains a company's actions and that regulates the final distribution of a company's assets." *In re Betcorp, Ltd.*, 400 B.R. at 278. The UK Proceedings operate under just such a statutory framework. As described in the Nolan and Meek Declarations, the UK Proceedings are governed by the 1986 Act and, in England, the Insolvency Rules 1986 (as amended, the "1986 Rules") and, in Scotland, the Insolvency (Scotland) Rules 1986 (as amended, the "Scottish Rules"). Together, the 1986 Act, the 1986 Rules, and the Scottish Rules establish a comprehensive framework that determines how a

company's assets will ultimately be distributed to its creditors. *See* Nolan Decl. ¶ 9; Meek Decl. ¶ 9. Because the UK Proceedings operate under this framework, they satisfy the first factor of section 101(23) of the Bankruptcy Code.

ii. The UK Proceedings are Judicial and Administrative in Character.

37. The UK Proceedings are both judicial and administrative in character. An insolvency proceeding is administrative in character where it is directed by a party other than the court and judicial in character whenever a "court exercises its supervisory powers." *In re ABC Learning Centres Ltd.*, 445 B.R. 318, 328 (Bankr. Del. 2010); *see also In re Betcorp Ltd.*, 400 B.R. at 280-81 (holding that a winding-up under Australian law was both administrative and judicial in character given varying levels of court involvement); *see also In re Kingscroft Ins. Co., Ltd.*, 138 B.R. 12, 125 (Bankr. S.D. Fla. 1992) (finding that "a final winding-up [under the 1986 Act] may be roughly analogized to liquidation under Chapter 7 of the Bankruptcy Code" and granting relief under former section 304 of the Bankruptcy Code, the predecessor to Chapter 15, on that basis). Here the UK Proceedings have an administrative character because the Petitioners, as administrators appointed under Schedule B1 of the 1986 Act, have broad authority to liquidate the Debtors' affairs and make distributions to the Debtors' creditors, both in England and Wales and Scotland. *See* Nolan Decl. ¶ 16; Meek Decl. ¶ 12. The UK Proceedings are also judicial in character because the Petitioners' authority, per the 1986 Act, is subject to the supervision of the English and Scottish Courts.[4] *See* Nolan Decl. ¶ 20; Meek Decl. ¶ 12. Accordingly, the UK Proceedings are both administrative and judicial in character.

[4] Under paragraph 5 of Schedule B1 to the 1986 Act, an administrator is an officer of the court. *See* Nolan Decl. ¶ 10. Additionally, there are a number of routes by which decisions taken in the capacity of an administrator may be challenged per the 1986 Act. For example, a creditor may apply to the court claiming that the administrator has acted, or proposed to act, unfairly so as to harm the interests of the creditor. *Id.*

iii. The UK Proceedings are Collective in Nature.

38. The UK Proceedings are collective in nature. "A proceeding is collective in nature pursuant to 11 U.S.C. § 101(23) if it 'considers the rights and obligations of all creditors.'" *In re Ashapura Minechem Ltd.*, No. 11–14668, 2011 WL 5855475, at *3 (Bankr. S.D.N.Y. Nov. 22, 2011) (quoting *In re Betcorp, Ltd.*, 400 B.R. at 281); *see also In re ABC Learning Centres Ltd.*, 445 B.R at 328 (same). "The 'collective proceeding' requirement is intended to limit access to chapter 15 to proceedings which benefit creditors generally and to exclude proceedings which are for the benefit of a single creditor." 8 COLLIER ON BANKRUPTCY ¶ 1501.03[1] (16th ed. Rev. 2009). As described in the Nolan and Meek Declarations, paragraph 3(1)(b) of Schedule B1 of the 1986 Act requires that the administrators must aim to achieve a better result for the company's creditors as a whole in the event that the company cannot be rescued as a going concern. Equally, it is a fundamental principle of corporate insolvency law in England and Wales and in Scotland that a debtor's assets are to be distributed *pari passu* among all unsecured creditors ratably after any secured liabilities have been repaid. *See* Nolan Decl. ¶¶ 19, 20; Meek Decl. ¶ 12. Therefore, the UK Proceedings are collective in nature.

iv. The UK Proceedings are Located in a Foreign Country.

39. The UK Proceedings are located in a foreign country. On May 4, 2016, the Petitioners were appointed as joint administrators of the Debtors. With the appointments, the UK Proceedings were commenced in England and Scotland, and the UK Notices of Appointment were filed with the English and Scottish Courts, respectively. *See* Wormleighton Decl., Exs. A, B, and C; Nolan Decl. ¶ 11; Meek Decl. ¶ 10. Further, the Petitioners themselves, who are administering the UK Proceedings, are located in London, England, and Edinburgh, Scotland. Accordingly, the UK Proceedings are located in a foreign country, namely the United Kingdom.

v. The 1986 Act Relates to Insolvency or the Adjustment of Debt.

40. The UK Proceedings operate under laws relating to insolvency or adjustment of debt. As described in the Nolan and Meek Declarations, the UK Proceedings are governed by the 1986 Act, the 1986 Rules and the Scottish Rules. *See* Nolan Decl. ¶ 9; Meek Decl. ¶ 9. The 1986 Act establishes the framework for the principal types of insolvency proceedings available to English and Scottish corporations, including administrations and liquidations that involve the adjustment of debt. *See* Nolan Decl. ¶¶ 9-10; Meek Decl. ¶ 9-10. Accordingly, the 1986 Act is a law relating to insolvency or the adjustment of debt.

vi. The Debtors' Assets and Affairs are Subject to the Control or Supervision of Foreign Courts.

41. The UK Proceedings subject the administration of each of the Debtors' respective assets and affairs to the supervision of the English and Scottish Courts. Under the 1986 Act, upon commencement of the UK Proceedings, authority for managing the Debtors' business, assets, and affairs was transferred from the Debtors' management to the Petitioners as joint administrators of the Debtors. *See* Nolan Decl. ¶¶ 16-17; Meek Decl. ¶ 12. While the Petitioners have broad powers to act as agents of the Debtors, their authority is limited by the respective foreign courts where the insolvency proceedings were commenced. Indeed, the 1986 Act prohibits the Petitioners from taking certain actions with respect to the Debtors, such as making distributions to unsecured creditors, without permission from the applicable foreign court. *See* Nolan Decl. ¶ 19; Meek Decl. ¶ 12. Accordingly, the Debtors' assets and affairs are subject to the supervision of the foreign English and Scottish Courts.

vii. The UK Proceedings are for the Purpose of Liquidation.

42. The UK Proceedings were commenced for the purpose of facilitating the Transaction and subsequent liquidation of the Debtors.[5] *See* Nolan Decl. ¶¶ 21-22; Meek Decl. ¶¶ 13-14. As noted above and in the Wormleighton Declaration, in the months preceding commencement of the UK Proceedings, Harkand's management attempted to broker a consensual, out-of-court restructuring with creditors, to no avail. *See* Wormleighton Decl. ¶ 18. Together with Deloitte and their advisors, Harkand concluded that an accelerated sales process of certain subsidiaries, including Harkand LLC, would generate a return for their creditors. Thus, Harkand with the assistance of Deloitte and their advisors, pursued the Transaction with the Ethos Group, which was executed in the UK Proceedings and the proceedings of the other UK Debtors. The Debtors' and the UK Debtors' estates currently remain open for purposes of liquidation and distribution of assets to creditors. Wormleighton Decl. ¶ 26. Therefore the UK Proceedings were, by extension, commenced for the purpose of realizing value on liquidation for creditors of the Harkand Group, as required by section 101(23) of the Bankruptcy Code.

viii. Conclusion.

43. Because the English and Scottish Proceedings satisfy all seven elements of a "foreign proceeding" as set forth in section 101(23) of the Bankruptcy Code, they are foreign proceedings entitled to recognition under chapter 15 of the Bankruptcy Code. US courts have recognized collective proceedings in the United Kingdom (including administrations and liquidations following administration proceedings) as "foreign proceedings" on numerous occasions. *See, e.g.*, *In re hibu Inc.*, No, 14-70323 (Bankr. S.D.N.Y. Feb. 27, 2014) (recognizing

[5] Under English and Scottish law, when an administrator is appointed to a company, the administrator's objective is to rescue the company as a going concern. *See* Nolan Decl. ¶ 13; Meek Decl. ¶ 10. If the administrator does not believe this objective can be achieved, the objective then becomes to achieve a better result for the company's creditors as a whole than would be likely if the company were wound up without first being in administration. *See id.*

an English "scheme," which is similar to a plan of reorganization under chapter 11 of the Bankruptcy Code, under Part 26 of UK Companies Act 2006 as a foreign nonmain proceeding); *In re Seven Arts Pictures plc*, No. 12-11187 (Bankr. La. May 25, 2012) (recognizing as a foreign proceeding an involuntary creditor liquidation in England pursuant to the 1986 Act); *In re Hellas Telecommunications (Luxembourg) II SCA*, No. 12-10631 (Bankr. S.D.N.Y. March 14, 2012) (recognizing as a foreign proceeding a compulsory liquidation pursuant to Section 130 of the 1986 Act); *In re Pro-Fit Holdings Limited*, Nos. 08-17043, 08-17049, 08-17054 (Bankr. C.D. Calif. August 28, 2008) (presuming that the administration of several debtor companies under the 1986 Act are foreign proceedings).

B. The UK Proceedings Should Be Recognized as Foreign Main Proceedings.

44. This Court should recognize the UK Proceedings as "foreign main" proceedings as defined in section 1502(4) of the Bankruptcy Code. A foreign proceeding must be recognized as a "foreign main proceeding" if it is pending in the country where the debtor has its center of its main interests. 11 U.S.C. § 1517(b). The term "center of main interests" (or "COMI") is not defined in the Bankruptcy Code. COMI, however, has been equated with a debtor's principal place of business. *See Bear Stearns*, 374 B.R. at 129 (citing *In re Tri-Continental Exchange Ltd.*, 349 B.R. 627, 633-34 (E.D. Calif. 2006)). In the absence of evidence to the contrary, a debtor's registered office is presumed to be the debtor's COMI. 11 U.S.C. § 1516(c).

45. In the Fifth Circuit, courts have identified five non-exhaustive factors in determining a debtor's COMI:

a. the location of those who actually manage the debtor (which could be the headquarters of a holding company);

b. the location of the debtor's headquarters;

c. the location of the debtor's primary assets;

d. the location of the majority of the debtor's creditors or the majority of creditors affected by the case; and

e. the jurisdiction whose law would apply to most disputes.

See Lavie v. Ran (*In re Ran*), 607 F.3d 1017, 1023 (5th Cir. 2010) (citing *In re SPhinX, Ltd.*, 351 B.R. 103, 117 (Bankr. S.D.N.Y. 2006) aff'd, 371 B.R. 10 (S.D.N.Y. 2007)).

46. In applying the *Ran* test outlined above, as well as other factors commonly considered by bankruptcy courts, it is clear that HGCL's COMI is in England, where the English Proceedings are pending, and HGHL and ISS have their COMI in Scotland, where the Scottish Proceedings are pending. Indeed, the English and Scottish Courts have implicitly recognized that HGCL's COMI is in England and HGHL and ISS have their COMI in Scotland through the stamping of the UK Notices of Appointment. *See* Nolan Decl. ¶ 12; Meek Decl. ¶ 10. Accordingly, the UK Proceedings should be recognized as foreign main proceedings.

i. HGCL's Center of Main Interests is in England.

47. As set forth in the Wormleighton Declaration, HGCL is incorporated under the laws of England and Wales, and is registered in England at Four Brindleyplace, Birmingham, B1 2HZ. Prior to commencing the English Proceedings, HGCL was registered at 1 Silk Street, London, England. *See* Wormleighton Decl. ¶ 32. HGCL's two directors are British nationals and reside in the United Kingdom. *See* Wormleighton Decl. ¶ 32. Further, the directors conduct all business related to HGCL in London. *See* Wormleighton Decl. ¶ 32.

48. Although HGCL's principal assets are primarily located in Houston, all decisions concerning HGCL are now made by the Petitioners—two of whom are located in London—or the English Court, which is also located in London. *See* Wormleighton Decl. ¶ 32. Moreover, the English Proceedings and any disputes related thereto will be subject to English law. *See* Nolan Decl. ¶ 20. Since the onset of Harkand's financial difficulties, negotiations between

HGCL's directors, its professional advisers, and its principal creditors were centered in London. *See* Wormleighton Decl. ¶ 32. Until administrators were appointed, HGCL's accounting and cash management systems were located in London. *See* Wormleighton Decl. ¶ 32. Based on the foregoing, HGCL's COMI is in England and, therefore, the English Proceedings should be recognized as foreign main proceedings.

ii. The Center of Main Interests for ISS and HGHL is in Scotland.

49. As further set forth in the Wormleighton Declaration, ISS and HGHL are incorporated under the laws of Scotland, and are registered in Scotland at 10 Queen Street, Glasgow, G1 3BX. Wormleighton Decl. ¶¶ 33, 34. Prior to commencing the Scottish Proceedings, ISS and HGHL were registered at Ocean Spirit House, 33 Waterloo Quay, Aberdeen, AB11 5BS, Scotland (the "Aberdeen Office"). Wormleighton Decl. ¶¶ 33, 34. Just as for HGCL, all management decisions for the Scottish Debtors are now also made by the Petitioners, one of whom is located in Edinburgh, Scotland. *See* Wormleighton Decl. ¶ 33.

50. Although senior management conducted some business in London, the actual running of ISS' operations, particularly the European business, was conducted in Aberdeen, where Harkand's largest office, with approximately 180 employees, was located. *See* Wormleighton Decl. ¶¶ 33. Further, ISS' managing director, David Kerr, who had responsibility for day to day running of ISS, is based in the Aberdeen Office in Scotland. *See* Wormleighton Decl. ¶ 33.

51. Now in administration, ISS and HGHL will resolve issues with their creditors in the Scottish Proceedings, and any disputes related thereto will be subject to Scottish law. *See* Meek Decl. ¶ 12. In addition, since the onset of Harkand's financial difficulties, HGHL and ISS have held negotiations with certain of their creditors in Scotland. Specifically, most of the negotiations with RBSIF regarding the RBS Receivables Finance Facilities have been primarily

conducted with RBS employees based in Scotland. *See* Wormleighton Decl. ¶¶ 33, 34. Furthermore, the RBS Receivables Finance Facilities were governed by Scottish law, and guaranteed by HGHL pursuant to guarantees under Scottish law. *See* Wormleighton Decl. ¶ 34.

52. Based on these facts, the COMI for ISS and HGHL is in Scotland, and as such, the Scottish Proceedings should be recognized as foreign main proceedings.

iii. Conclusion.

53. Based on the foregoing, the Debtors' COMI is in either England or Scotland, and as such, the UK Proceedings should be recognized as foreign main proceedings. Courts have found COMI in other chapter 15 cases that had fewer connections than those present here. *See, e.g.*, *In re Ernst & Young, Inc.*, 383 B.R. 773, 780-81 (Bankr. D. Colo. 2008) (finding COMI in Canada notwithstanding the fact that two of the factors—the location of the debtors' creditors and applicable law—yielded inconclusive and possibly contrary results); *In re Gandi Innovations Holdings, LLC*, No. 09-51782-C, 2009 WL 2916908, at *2 (Bankr. W.D. Tex. June 5, 2009) (finding Canada to be debtor's COMI despite mixed results, for example, senior management was located in Ontario, but assets, employees, and operations were both in Texas and Ontario).

C. The Petitioners are "Foreign Representatives."

54. The Petitioners submit that as joint administrators appointed on behalf of the Debtors, they are duly authorized to commence this chapter 15 case as "foreign representatives" within the meaning of section 101(24) of the Bankruptcy Code. Section 101(24) defines "foreign representative" as "a person or body, including a person or body appointed on an interim basis, authorized in a foreign proceeding to administer the reorganization or the liquidation of the debtor's assets or affairs or to act as a representative of such foreign proceeding." 11 U.S.C. § 101(24). In interpreting this section, the Fifth Circuit has concluded that the statute does not require that a foreign representative be specifically appointed by a

foreign court. *See Ad Hoc Grp. of Vitro Noteholders v. Vitro S.A.B. de C.V. (In re Vitro S.A.B. de C.V.)*, 701 F.3d 1031, 1047 (5th Cir. 2012) ("Section 101(24)—defining the term "foreign representative"—is wholly devoid of any statement that a foreign representative must be judicially appointed."). The court in *Vitro* held that individuals were not disqualified from serving as "foreign representatives" of a company reorganizing under Mexican law merely because they were designated by the debtor-company's board of directors, and not officially appointed by the Mexican court. Courts in the Fifth Circuit as well as other jurisdictions have held, either explicitly or implicitly, that a corporate debtor can duly authorize a person to act as the debtor's foreign representative in a chapter 15 proceeding. *See In re OAS S.A.*, 533 B.R. 83, 98 (Bankr. S.D.N.Y. July 13, 2015) (holding that authorization of petitioner by debtors' board of directors to administer their restructuring under Brazilian law included acting as the debtors' foreign representative in its chapter 15 case; the court noted that "[t]he powers granted to [the officer] authorized [him] to administer the [] Debtors' assets and affairs, and the filing of the chapter 15 cases themselves constituted the administration of their assets and affairs"); *In re Metrofinanciera, S.A.P.I. de C.V.*, No. 10–20666 2010 WL 10063949, at *2 (Bankr. S.D. Tex. Sept. 24, 2010) (finding that the debtor's board of directors effectively authorized an individual to commence chapter 15 proceedings through a board resolution).

55. On April 26, 2016, the Debtors' boards of directors commenced the UK Proceedings under the 1986 Act by way of a board resolution, and on May 4, 2016, effectively appointed the Petitioners as administrators of their insolvent estates. Under the 1986 Act, an administrator is vested with extensive powers to do all things necessary or expedient for the management of the affairs, business, and property of the company to which he or she is

appointed.[6] This includes the power to sell assets of the company and make distributions to the creditors of the company. In addition to acting as an agent of the company with respect to its insolvency proceeding, the administrator is an officer of the court. *See* Nolan Decl. ¶ 10; Meek Decl. ¶ 10. Since their appointments, the Petitioners have carried out actions on behalf, and at the direction, of the Debtors, including executing the Transaction as well as the release of certain pre-existing intercompany liabilities.

56. Under the 1986 Act, a court does not need to enter an order appointing administrators such as the Petitioners. Instead, a notice of appointment of an administrator can be signed by a director of the company (or a solicitor granted authority to do so on behalf of the directors) and filed with the court. *See* Nolan Decl. ¶ 11-12; Meek Decl. ¶ 10. Although the Board Minutes and the Notice of Appointment do not specify that the Petitioners will act as foreign representatives in a chapter 15 case, commencing these Chapter 15 Cases on behalf of the Debtors is necessary for the Petitioners to carry out their duties as joint administrators in the Scottish and English Proceedings and achieve the best result for the Debtors' creditors as a whole than would be likely were the Debtors to be placed into liquidation. Further and more importantly, it is authorized by the plain language of the statute itself. *See* 11 U.S.C. § 101(24) (a "foreign representative" is "a person or body . . . authorized in a foreign proceeding to administer the reorganization or the liquidation of the debtor's assets or affairs . . ."); *see also In re Vitro S.A.B. de CV*, 701 F.3d at 1047. As mentioned above, a moratorium is provided in the UK in order to facilitate the implementation of these statutory objectives and commencing

[6] Pursuant to Schedule B1 of the Insolvency Act of 1986, an administrator is an officer of the court, appointed by order of the court, or by the company or its directors, with the objective of (a) rescuing the company as a going concern, (b) achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration), or (c) realizing property in order to make a distribution to one of more secured or preferential creditors. *See* Nolan Decl. ¶ 13; Meek Decl. ¶ 10.

these Chapter 15 Cases similarly looks to ensure that the Petitions are capable of not treating one unsecured creditors more favorably than another. Bankruptcy courts have recognized a foreign representative as defined under section 101(24) of the Bankruptcy Code under similar circumstances, that is, where an "administrator" or "liquidator" was appointed by a company's directors, without mention of the words "foreign representative" in the appointment. *See, e.g.*, *In re Pro-Fit Holdings Ltd.*, 391 B.R. 850, 858 (Bankr. C.D. Cal. 2008) (provisionally finding notices of appointment sufficient, pursuant to section 1515(b)(3), to show the existence of foreign proceedings and the appointment of foreign representatives despite not specifically mentioning a chapter 15 filing to the term "foreign representative"; granting final recognition based on the same evidence); *Seven Arts Pictures plc*, No. 12-11187 (Bankr. E.D. La. May 25, 2012) (granting recognition of English proceeding based on a certificate simply showing that a certain individual was "appointed as liquidator" at a meeting of creditors).

57. In light of the foregoing, the Petitioners, as the Debtors' duly appointed administrators under the 1986 Act, are "foreign representatives" as that term is defined in section 101(24) of the Bankruptcy Code. Because the Petitioners are "persons" as defined in section 101(41) of the Bankruptcy Code, the second requirement of Section 1517(a) of the Bankruptcy Code has been met.

D. The Petition Meets the Requirements Section 1515(b) of the Bankruptcy Code.

58. Pursuant to section 1515(b) of the Bankruptcy Code, a petition for recognition must be accompanied by one of the following pieces of evidentiary support:

a. a certified copy of the decision commencing such foreign proceeding and appointing the foreign representative;

b. a certificate from the foreign court affirming the existence of such foreign proceeding and of the appointment of the foreign representative; or

> c. in the absence of evidence referred to in paragraphs (1) and (2), any other evidence acceptable to the court of the existence of such foreign proceeding and of the appointment of the foreign representative.

11 U.S.C. § 1515(b).

59. In satisfaction of section 1515(b), attached as **Exhibit A**, **Exhibit B**, and **Exhibit C** to the Wormleighton Declaration, and incorporated herein by reference, are true and correct copies of the following documents regarding the UK Proceedings and appointment of the Petitioners as joint administrators: (a) the Notice of Intention; (b) the Board Minutes; (c) the Notice of Appointment; and (d) statements for the purposes of paragraph 100(2) of Schedule B1 to the 1986 Act. As described in detail in the Wormleighton Declaration, these documents are sufficient to satisfy the requirements of section 1515(b) of the Bankruptcy Code. Therefore, the Petition meets the requirements of section 1515 of the Bankruptcy Code in satisfaction of the third requirement of section 1517(a). Because the Petition satisfies the requirements for recognition of a foreign proceeding set forth in section 1517 of the Bankruptcy Code, the Court should recognize the UK Proceedings in these Chapter 15 Cases.

II. Provisional Relief is Authorized by Bankruptcy Code Section 1519.

60. Although a "petition for recognition of a foreign proceeding shall be decided upon at the earliest possible time," there is a gap between the filing of the petition for recognition and entry of a court's recognition order. 11 U.S.C. § 1517(c); *see also* Fed. R. Bankr. P. 2002(q) (requiring 21 days' notice by mail of the hearing on the petition for recognition). Prior to recognition, a chapter 15 debtor is not entitled to the automatic stay or other provisions of the Bankruptcy Code, which, in this case, necessitates an order granting provisional relief. Provisional relief should be granted "where relief is urgently needed to protect the assets of the debtor or the interests of the creditors." 11 U.S.C. § 1519(a). Sections 1519(a)(1), (2), and (3) of the Bankruptcy Code define the scope of available provisional relief, including relief:

a. staying execution of the debtor's assets;

b. entrusting the administration or realization of all or part of the debtor's assets located in the United States to the foreign representative or another person authorized by the court, including an examiner, in order to protect and preserve the value of assets that, by their nature or because of other circumstances, are perishable, susceptible to devaluation or otherwise in jeopardy; and

c. any relief referred to in paragraph (3), (4), or (7) of section 1521(a).

11 U.S.C. § 1519(a).

61. Consistent with section 1519 of the Bankruptcy Code and principles of comity, the Petitioners request the following provisional relief (collectively, the "Provisional Relief") pending entry of the Final Order:

a. a stay of the commencement or continuation of any action or proceeding concerning the assets, rights, obligations, or liabilities of the Debtors, including, without limitation, the Titan Lawsuit;

b. a stay of any execution against the assets of the Debtors; and

c. that the administration or realization of all of the assets of the Debtors within the territorial jurisdiction of the United States be entrusted to the Petitioners.

62. The standard for issuance of provisional relief under section 1519 of the Bankruptcy Code is the same as that which is required for an injunction. *See* 11 U.S.C. § 1519(e).[7] Accordingly, the following factors applicable to the issuance of an injunction apply to this Petition:

> (1) a substantial likelihood of success on the merits; (2) a substantial threat that the movant will suffer irreparable injury if the injunction is not issued; (3) that the threatened injury to the movant outweighs any damage the injunction might cause the opponent; and (4) that the injunction will not disserve the public interest.

[7] However, an adversary proceeding need not be filed in order to obtain relief under section 1519. *In re Pro-Fit Holdings Ltd.*, 391 B.R. 850, 858-59 (Bankr. C.D. Cal. 2008); *In re Ho Seok Lee*, 348 B.R. 799, 801 (Bankr. W.D. Wash. 2006).

Blue Bell Bio-Medical v. Cin-Bad, Inc., 864 F.2d 1253, 1256 (5th Cir. 1989); *see also Dallas Cowboy Cheerleaders, Inc. v. Scoreboard Posters, Inc.*, 600 F.2d 1184, 1187 (5th Cir. 1979). The Petitioners contend that these four factors are met in this case.

A. The Petitioners Have a Substantial Likelihood of Success on the Merits.

63. There is no serious dispute that the UK Proceedings will be recognized, as courts have repeatedly recognized proceedings under the 1989 Act. *See, e.g.*, *In re Seven Arts Pictures plc*, 12-11187 (Bankr. La. May 25, 2012); *In re Pro-Fit Holdings Limited*, Nos. 08-17043, 08-17049, 08-17054 (Bankr. C.D. Calif. Aug. 28, 2008); *In re Loy*, No. 07-51040 (Bankr. E.D. Va. Dec. 18, 2007); *In re Hellas Telecommunications (Luxembourg) II SCA*, No. 12-10631 (Bankr. S.D.N.Y. March 13, 2012). In addition, as set forth above and in the Wormleighton Declaration, there is no serious dispute that the Debtors' COMI is in either England or Scotland. Therefore, the UK Proceedings will be recognized as foreign main proceedings.

64. Upon recognition as foreign main proceedings, most of the Provisional Relief requested herein is granted automatically under section 1520, including:

a. sections 361 and 362 apply with respect to the debtor and the property of the debtor that is within the territorial jurisdiction of the United States;

b. sections 363, 549, and 552 apply to a transfer of an interest of the debtor in property that is within the territorial jurisdiction of the United States to the same extent that the sections would apply to property of an estate;

c. unless the court orders otherwise, the foreign representative may operate the debtor's business and may exercise the rights and powers of a trustee under and to the extent provided by sections 363 and 552; and

d. section 552 applies to property of the debtor that is within the territorial jurisdiction of the United States.

11 U.S.C. § 1520(a).

65. Even if the Court were to determine that the UK Proceedings were foreign nonmain proceedings, the Court could still enter protective orders during the pendency of the

Debtors' chapter 15 cases pursuant to section 1521 of the Bankruptcy Code "where necessary to effectuate the purpose of this chapter and to protect the assets of the debtor…". 11 U.S.C. § 1521(a). Such relief includes:

a. staying the commencement or continuation of an individual action or proceeding concerning the debtor's assets, rights, obligations or liabilities to the extent they have not been stayed under section 1520(a);

b. staying execution against the debtor's assets to the extent it has not been stayed under section 1520(a);

c. suspending the right to transfer, encumber or otherwise dispose of any assets of the debtor to the extent this right has not been suspended under section 1520(a);

d. providing for the examination of witnesses, the taking of evidence or the delivery of information concerning the debtor's assets, affairs, rights, obligations or liabilities;

e. entrusting the administration or realization of all or part of the debtor's assets within the territorial jurisdiction of the United States to the foreign representative or another person, including an examiner, authorized by the court;

f. extending relief granted under section 1519(a); and

g. granting any additional relief that may be available to a trustee, except for relief available under sections 522, 544, 545, 547, 548, 550, and 724(a).

11 U.S.C. § 1521(a).

66. Additionally, a court may "entrust the distribution of all or part of the debtor's assets located in the United States to the foreign representative." 11 U.S.C. § 1521(b). Accordingly, there is a high likelihood that, irrespective of whether the UK Proceedings are recognized as foreign main or nonmain proceedings, the Debtors will succeed in receiving the Provisional Relief on a final basis in these Chapter 15 Cases.

B. There is a Substantial Threat of Irreparable Injury if the Interim Relief is Not Granted.

67. Each of the Debtors has property interests in the United States that are subject to the UK Proceedings that are vulnerable to existing and potential adverse actions. Specifically, HGCL owns $6.4 million in receivables with US-based customers as well as a Houston bank account that continues to be funded by payments on those receivables. HGHL, owns certain IT equipment and software at a data center in Houston, Texas, which contains sensitive information that is valuable to HGHL. In the case of ISS, seven ROVs that ISS had leased under the Hire Purchase Facilities located in Houston and Hammond, Louisiana, and are the target of recovery efforts by the Petitioners. Although a moratorium pursuant to the 1986 Act went into effect with respect to all of the Debtors' assets under administration, the moratorium may not have extraterritorial reach. *See* Nolan Decl. ¶ 15; Meek Decl. ¶ 11. Consequently, without the Provisional Relief, the Debtors' US-based assets, which constitute property of the Debtors' estates, remain unprotected from unwarranted creditor actions in the United States. Such actions would undoubtedly interfere with the orderly liquidation of the Debtors' assets in UK Proceedings.

68. The Titan Lawsuit poses a material risk to HGCL's assets in the United States, which could become encumbered should Titan succeed on the merits, effectively allowing Titan to effectuate an end-run around the English Proceedings and force the Petitioners to engage in potentially lengthy proceedings to undo any unauthorized and improper actions taken by Titan. *In re MMG, LLC*, 256 B.R. 544, 555 (Bankr. S.D.N.Y. 2000). Such an outcome would be detrimental to HGCL's administration as well as to HGCL's other creditors. ("[I]rreparable harm exists whenever local creditors of the foreign debtor seek to collect their claims or obtain preferred positions to the detriment of other creditors."). Additional lawsuits in various federal

districts pose a similar threat to the proceedings. HGHL, itself not subject to a US lawsuit, would nonetheless be severely harmed, and its liquidation jeopardized, if its invaluable data was seized by a misguided creditor and thus removed from HGHL's estate. *See, e.g., In re Netia Holdings S.A.*, 278 B.R. 344, 352 (Bankr. S.D.N.Y. 2002) ("It is well established . . . that the dissipation of the finite resources of an insolvent estate constitutes irreparable injury."). ISS's leased ROVs are equally vulnerable to unwarranted attempts to lay claim to the vehicles, notwithstanding ABN's legal title to them. Such attempts could hinder or delay the return of the ROVs to ABN, which would hinder what have been productive negotiations between ISS and ABN. For the foregoing reasons, an automatic stay is necessary on an immediate basis to protect against any interference with the UK Proceedings. Absent this relief, the Debtors will suffer irreparable harm.

C. The Threatened Injury to the Debtors Outweighs Any Damage the Interim Relief Would Cause to an Opponent.

69. The requested Provisional Relief would actually benefit the Debtors' creditors by ensuring an equitable and orderly distribution of assets in the UK Proceedings rather than allowing a piecemeal attack on Debtors' US-based interests through a race to the courthouse by various creditor entities. *See, e.g., In re Basis Yield Alpha Fund (Master)*, No. 07-12762 (Bankr. S.D.N.Y.), ECF No. 5 (stating that failing to issue a restraining order against creditors could, *inter alia*, "undermine the Foreign Representative's efforts to achieve an equitable result for the benefit of all of the Foreign Debtor's creditors."). Leaving HGCL exposed to the Titan Lawsuit could lead to a piecemeal distribution of its assets, a reality that outweighs any perceived harm to Titan caused by staying the Titan Lawsuit. In the case of ISS and HGHL, an automatic stay that protects their property interests in the United States from seizure faces no opposition. The Provisional Relief requested herein will afford the Debtors and the Petitioners the "breathing

room" necessary to continue the orderly review and wind-up of their estates so that all similarly situated creditors receive equitable treatment.

D. The Provisional Relief Will Not Disservice the Public Interest.

70. The Provisional Relief will not disservice the public interest because it is actually *in* the public interest for the Provisional Relief to be granted. *Cornfeld v. Investors Overseas Servs., Ltd.*, 471 F. Supp. 1255, 1259 (S.D.N.Y. 1979), *aff'd* 614 F.2d 1286 (2d Cir. 1979) (recognizing a Canadian liquidation proceeding because "American public policy would be furthered, for the firm policy of American courts is the staying of actions against a corporation which is the subject of a bankruptcy proceeding in another jurisdiction."); *see also In re Hansmeier*, No. BR 15-42460-KHS, 2016 WL 483360, at *6 (Bankr. D. Minn. Feb. 3, 2016) ("[T]he public interest weighs heavily in favor of an orderly continuation of the liquidation of the debtor's assets for the benefit of creditors by an independent person."); *In re CD Liquidation Co.*, LLC, 462 B.R. 124, 135 (Bankr. D. Del. 2011) (finding that the public interest "clearly" favors the requested injunction "given the Bankruptcy Code's overriding policy of promoting an orderly distribution and preventing a 'race to the courthouse' among creditors."). The Provisional Relief will facilitate a cross-border liquidation that will provide a benefit to the Debtors' creditors. *See, e.g., Cunard S.S. Co. Ltd. v. Salen Reefer Svcs. A.B.*, 773 F.2d 452, 458 (2d Cir. 1985) ("The granting of comity to a foreign bankruptcy proceeding enables the assets of a debtor to be dispersed in an equitable, orderly, and systematic manner, rather than in a haphazard, erratic or piecemeal fashion [and] American courts have consistently recognized the interest of foreign courts in liquidating or winding up the affairs of their own domestic business entities.").

E. Provisional Relief Should be Granted.

71. According to the foregoing, the Petitioners meet the standards for provisional relief under section 1519 of the Bankruptcy Code and the Provisional Relief requested herein should be granted. Courts within the Fifth Circuit have granted provisional and final relief substantially similar to the Provisional Relief sought herein. *See e.g.*, *In re Sanjel (USA) Inc.*, No. 16-50778 (Bankr. W.D. Texas April 6, 2106) (granting interim relief based on potential threat of creditors seeking prejudgment attachments and other remedies against the chapter 15 debtors' US assets); *In re Argent Energy (Canada) Holdings, Inc.* and *Argent Energy (US) Holdings, Inc.*, 16-20060, 16-20061 (Bankr. S.D. Texas Feb. 17, 2016) (granting stay of execution against chapter 15 debtors' assets pursuant to sections 1519 and 105(a) until the consideration of recognition of Canadian proceeding); *In re Hotel Solutions USA Inc.*, No. 11-31691 (Bankr. N.D. Texas Mar. 11, 2011) (immediately enforcing the automatic stay of section 362 as if Canadian chapter 15 debtor had been granted relief under chapter 11); *In re Calmena Drilling Services, LLC et al*., No. 15-30786 (Bankr. S.D. Tex. Mar. 5, 2015) (upon recognition of the foreign proceeding, granting an appointed receiver relief under 1520 and 1521); *In re GASFRAC Energy Svcs., Inc.*, No. 15-50161 (Bankr. W.D. Tex. Jan. 30, 2015) (granting TRO based on threat that US creditors could disrupt chapter 15 debtor's planned asset sale in Canadian proceedings).

Conclusion

72. The Petitioners respectfully submit that (a) the UK Proceedings should be recognized as "foreign main proceedings" under section 1517 of the Bankruptcy Code; (b) the Petitioners are persons who meets the definitional requirements for "foreign representatives" set forth in section 101(24) of the Bankruptcy Code; (c) the Petition meets the requirements of

section 1515 of the Bankruptcy Code; and (d) the Provisional Relief, which includes an automatic stay, is warranted under sections 105 and 1519 of the Bankruptcy Code.

Notice

73. The Petitioners have provided notice of the Petition, pursuant to Bankruptcy Rule 2002(q) (as may be modified by an order of the Court in these Chapter 15 Cases), to the following parties, or their counsel, if known: (a) the Debtors; (b) all persons or bodies authorized to administer foreign proceedings of the Debtors; and (c) all entities against whom provisional relief is being sought under section 1519 of the Bankruptcy Code, which includes (i) all parties to litigation pending in the United States in which the Debtors are a party at the time of the filing of the Petition, and (ii) all entities listed on the Debtors' creditor matrix prepared in relation to these Chapter 15 Cases.

No Prior Request

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

[*Remainder of Page Intentionally Left Blank*]

WHEREFORE, the Petitioners respectfully request entry of a provisional order, substantially in the form attached hereto as **Exhibit A**, and entry of a final order, substantially in the form attached hereto as **Exhibit B**, granting the relief requested herein and such other and further relief as is just and proper.

Dated: June 20, 2016

/s/ Zack A. Clement

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- and -

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Counsel to the Petitioners

Certificate of Accuracy

Pursuant to Local Rule of Bankruptcy Procedure 9013-1, the undersigned hereby certifies the accuracy of the reasons for expedited consideration set forth in the foregoing motion.

/s/ Zack A. Clement
Zack A. Clement

EXHIBIT A

Provisional Order

IN THE UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	Chapter 15
HARKAND GULF CONTRACTING LTD., *et al.*,[1]	§	Case No. 16-[_____] (___)
Debtors in a foreign proceeding.	§	(Jointly Administered)

ORDER GRANTING PROVISIONAL RELIEF PURSUANT TO SECTIONS 105(a) AND 1519 OF THE BANKRUPTCY CODE

On June 20, 2016, Phillip Stephen Bowers, Michael Magnay, and Ian Wormleighton, the joint administrators and authorized foreign representatives of the above-captioned debtors (collectively, the "Debtors"), filed the *Verified Petition for (i) Recognition of Foreign Main Proceedings, (ii) Recognition of Foreign Representatives, (iii) Related Relief Under Chapter 15, and (iv) Provisional Relief Under Sections 105 and 1519 of the Bankruptcy Code* (together with the form petition filed concurrently therewith, the "Petition") in these chapter 15 cases. [2]

The Court finds that notice was proper (or to the extent that notice was insufficient, this Provisional Order should be issued without notice to avoid irreparable harm to the Debtors), and further finds that the provisional relief requested in the Petition should be granted.

Having considered and reviewed: (i) the Petition; (ii) the Wormleighton Declaration and the exhibits thereto; (iii) the Nolan Declaration; (iv) the *Meek Declaration*; and (v) all other documents filed in support of the Petition; and this Court having heard the parties on June [___],

[1] The Debtors in these chapter 15 cases and the last four digits of each Debtor's United Kingdom Company Registration Number are as follows: Harkand Gulf Contracting Limited (4491); Harkand Global Holdings Limited (9919); and Integrated Subsea Services Limited (8386). The Debtors' principal offices are located at: c/o Deloitte LLP, Four Brindleyplace, Birmingham for Harkand Gulf Contracting Limited; and c/o Deloitte LLP, 110 Queen Street, Glasgow, G1 3BX for Harkand Global Holdings Limited and Integrated Subsea Services Limited.

[2] All capitalized terms used but not defined herein shall have the meanings ascribed to them in the Petition.

2016, and based upon the representations made on the record at such hearing, this Court finds and concludes as follows:

(A) On May 4, 2016, the Petitioners were appointed as joint administrators of the Debtors pursuant to the 1986 Act and the Petitioners were authorized to commence the UK Proceedings and submit to the supervision of the English and Scottish Courts;

(B) On May 5, 2016, the Petitioners, acting in their capacity as joint administrators, finalized the sale of certain assets owned by Harkand entities as part of the UK Proceedings;

(C) This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334;

(D) This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(p);

(E) Venue is proper in this district pursuant to 28 U.S.C. § 1410;

(F) These Chapter 15 Cases were properly commenced pursuant to 11 U.S.C. §§ 1504 and 1515. The notice of the Petition was sufficient given the circumstances of these cases and potential for irreparable harm to the Debtors;

(G) There is a substantial likelihood that the Court, upon final consideration, will find that the UK Proceedings are foreign proceedings within the meaning of 11 U.S.C. § 101(23);

(H) There is a substantial likelihood that the Court, upon final consideration, will find that the UK Proceedings are entitled to recognition by this Court as foreign main or foreign nonmain proceedings pursuant to 11 U.S.C. § 1517;

(I) There is a substantial likelihood that the court, upon final consideration, will find that the Petitioners are the duly appointed foreign representatives of the Debtors within the meaning of 11 U.S.C. § 101(24) and are persons within the meaning of 11 U.S.C. § 101(41);

(J) Relief is urgently needed to protect the Debtors' assets and the interests of the Debtors' creditors. Therefore, the Petitioners are entitled to the provisional relief afforded under 11 U.S.C. § 1519;

(K) The relief granted herein is necessary and appropriate, in the interest of international comity, consistent with United States public policy, and will not cause any hardship to any party in interest that is not outweighed by the benefits of granting the requested relief;

(L) There is a substantial threat of irreparable injury if the Provisional Relief is not granted;

(M) The Provisional Relief will not disserve the public interest; and

(N) The Petitioners, in their role as foreign representatives of the Debtors, are entitled to the full protections and rights available pursuant to 11 U.S.C. § 1519(a).

NOW, THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:

1. All relief granted herein is on a provisional basis, subject to this Court's recognition of the Chapter 15 Cases as a foreign proceeding.

2. The commencement or continuation of any action or proceeding concerning the assets, rights, obligations, or liabilities of the Debtors, including, without limitation, the Titan Lawsuit and any action or proceeding against the Petitioners in their capacity as foreign representatives of the Debtors, is hereby stayed in a manner coextensive with 11 U.S.C. § 362.

3. Any execution against the assets of the Debtors that are located or are deemed to be located in the territorial jurisdiction of the United States is hereby stayed.

4. The administration or realization of all or part of the assets of the Debtors that is within the territorial jurisdiction of the United States is hereby entrusted to the Petitioners.

5. This Court shall retain jurisdiction with respect to the enforcement, amendment, or modification of this Provisional Order, any request for additional relief or adversary proceeding brought in and through these Chapter 15 Cases, and any request by an entity for relief from the provisions of this Provisional Order, for cause shown, that is properly commenced and within the jurisdiction of this Court.

6. This Provisional Order applies to all parties in interest in these Chapter 15 Cases and all of their agents, employees, and representatives, and all those who act in concert with them who receive notice of this Provisional Order.

7. A hearing to consider permanent relief as requested by the Petition is set for _____, _____, a.m., at _____ (the "Petition Hearing"). Counsel for the

Petitioners must serve this Provisional Order on parties in interest in these Chapter 15 Cases and provide notice of the Petition Hearing.

8. Any party seeking relief from, or modification of, this Provisional Order or objecting to the Petition must file any such objection not less than two (2) business days prior to the Petition Hearing and serve such objection on the Petitioners' US counsel, Kirkland & Ellis LLP, 300 N. LaSalle, Chicago IL 60654 (Attn. Adam Paul and Nora S. Tauke Schweighart).

9. If no objections to the Petitioners' request for recognition of their foreign proceeding are made as herein provided, the Court may enter a final order granting recognition and other related relief as requested in the Petition.

Dated: _____, 2016
Houston, Texas

United States Bankruptcy Judge

EXHIBIT B

Final Order

IN THE UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	Chapter 15
HARKAND GULF CONTRACTING LTD., *et al.*,[1]	§	Case No. 16-[_____] (___)
Debtors in a foreign proceeding.	§	(Jointly Administered)

ORDER GRANTING PETITION FOR
(I) RECOGNITION AS FOREIGN MAIN PROCEEDINGS,
(II) RECOGNITION OF FOREIGN REPRESENTATIVES, AND
(III) RELATED RELIEF UNDER CHAPTER 15 OF THE BANKRUPTCY CODE

Upon consideration of the *Verified Petition for (i) Recognition of Foreign Main Proceedings, (ii) Recognition of Foreign Representatives, (iii) Related Relief Under Chapter 15, and (iv) Provisional Relief Under Sections 105 and 1519 of the Bankruptcy Code* (together with the form petition filed concurrently therewith, the "Petition") filed by Phillip Stephen Bowers, Michael Magnay, and Ian Wormleighton (the "Petitioners"), in their capacity as joint administrators and authorized foreign representatives of the above-captioned debtors (collectively, the "Debtors"), and after due deliberation and consideration of this Court's[2] powers and discretion under 11 U.S.C. §§ 105(a), 362, 1507, 1515, 1517, 1520, and 1521 and sufficient cause appearing therefor, the Court finds and concludes as follows:

(A) This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334;

[1] The Debtors in these chapter 15 cases and the last four digits of each Debtor's United Kingdom Company Registration Number are as follows: Harkand Gulf Contracting Limited (4491); Harkand Global Holdings Limited (9919); and Integrated Subsea Services Limited (8386). The Debtors' principal offices are located at: c/o Deloitte LLP, Four Brindleyplace, Birmingham for Harkand Gulf Contracting Limited; and c/o Deloitte LLP, 110 Queen Street, Glasgow, G1 3BX for Harkand Global Holdings Limited and Integrated Subsea Services Limited.

[2] All capitalized terms used but not defined herein are ascribed the meanings given to them in the Petition.

(B) This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(p);

(C) Venue is proper in this district pursuant to 28 U.S.C. § 1410;

(D) On May 4, 2016, the Petitioners were appointed joint administrators of the Debtors pursuant to the 1986 Act and the Petitioners were authorized to commence the UK Proceedings and submit to the supervision of the English and Scottish Courts;

(E) On May 5, 2016, the Petitioners, acting in their capacity as joint administrators, finalized the sale of certain assets owned by Harkand entities as part of the UK Proceedings;

(F) These Chapter 15 Cases were properly commenced pursuant to 11 U.S.C. §§ 1504 and 1515;

(G) The UK Proceedings are foreign proceedings within the meaning of 11 U.S.C. § 101(23);

(H) The Petitioners are the duly appointed foreign representatives of the Debtors within the meaning of 11 U.S.C. § 101(24) and are persons within the meaning of 11 U.S.C. § 101(41);

(I) The UK Proceedings are entitled to recognition by this Court pursuant to 11 U.S.C. § 1517; and

(J) The Court finds that HGCL's center of main interests is in England, and that the center of main interests of ISS and HGHL is in Scotland. Accordingly, the English Proceedings and the Scottish Proceedings are entitled to recognition as foreign main proceedings.

NOW, THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:

1. The UK Proceedings are hereby recognized as foreign main proceedings pursuant to 11 U.S.C. § 1517.

2. The Petitioners are granted all of the relief afforded under 11 U.S.C. § 1520, including the following:

a. sections 361 and 362 apply with respect to the debtor and the property of the debtor that is within the territorial jurisdiction of the United States;

b. sections 363, 549, and 552 apply to a transfer of an interest of the debtor in property that is within the territorial jurisdiction of the United States to the same extent that the sections would apply to property of an estate;

c. unless the court orders otherwise, the foreign representative may operate the debtor's business and may exercise the rights and powers of a trustee under and to the extent provided by sections 363 and 552; and

d. section 552 applies to property of the debtor that is within the territorial jurisdiction of the United States;

3. Pursuant to section 1521(a)(6), all relief granted in the *Provisional Order Granting Provisional Relief Pursuant to Section 105(a) and 1519 of the Bankruptcy Code* [Docket No. __] (the "Provisional Order"), is hereby extended on a final basis.

4. Pursuant to 11 U.S.C. § 1524, the Petitioners, as foreign representatives, may intervene in any proceeding in a state or federal court in the United States in which a Debtors is a party.

5. This Court shall retain jurisdiction with respect to the enforcement, amendment, or modification of this order (the "Final Order"), any request for additional relief or any adversary proceeding brought in and through these Chapter 15 Cases and any request by an entity for relief from the provisions of this Final Order, for cause shown, that is properly commenced and within the jurisdiction of this Court. The relief provided herein shall survive the termination of the UK Proceedings subject to further order of this Court after notice and hearing.

6. This Final Order applies to all parties in interest in these Chapter 15 Cases and all of their agents, employees, and representatives, and all those who act in concert with them who receive notice of this Final Order.

Dated: _____, 2016
Houston, Texas

United States Bankruptcy Judge