

Elisha D. Graff
Kathrine A. McLendon
David R. Zylberberg
Jamie J. Fell
SIMPSON THACHER & BARTLETT LLP
425 Lexington Avenue
New York, NY 10017
(212) 455-2000 Telephone
(212) 455-2502 Facsimile

Tyler B. Robinson
Lauren W. Brazier (*pro hac vice* pending)
SIMPSON THACHER & BARTLETT LLP
CityPoint
One Ropemaker Street
London EC2Y 9HU, England
+44-(0)20-7275-6500 Telephone
+44-(0)20-7275-6592 Facsimile

Proposed Counsel to the Debtors and Debtors-in-Possession

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

| | | | |
|--|--|---|-------------------------|
| <hr/> | |) | |
| In re: | |) | Chapter 11 |
| | |) | |
| MatlinPatterson Global Opportunities Partners II L.P. | |) | Case No. 21-11255 (___) |
| | |) | |
| Debtor. | |) | |
| | |) | |
| Fed. Tax Id. No. 20-0028284 | |) | |
| <hr/> | |) | |
| In re: | |) | Chapter 11 |
| | |) | |
| MatlinPatterson Global Opportunities Partners | |) | Case No. 21-11256 (___) |
| (Cayman) II L.P. | |) | |
| | |) | |
| Debtor. | |) | |
| | |) | |
| Fed. Tax Id. No. 20-0028246 | |) | |
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| In re: | |) | Chapter 11 |
| | |) | |
| MatlinPatterson Global Opportunities Partners (SUB) II | |) | Case No. 21-11257 (___) |
| L.P. | |) | |
| | |) | |
| Debtor. | |) | |
| | |) | |
| Fed. Tax Id. No. 86-3749209 | |) | |
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In re:) Chapter 11
)
MatlinPatterson Global Advisers LLC) Case No. 21-11258 (____)
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Debtor.)
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Fed. Tax Id. No. 13-4202931)
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In re:) Chapter 11
)
MatlinPatterson Global Partners II LLC) Case No. 21-11259 (____)
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Debtor.)
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Fed. Tax Id. No. 43-2016962)
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In re:) Chapter 11
)
MatlinPatterson PE Holdings LLC) Case No. 21-11260 (____)
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Debtor.)
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Fed. Tax Id. No. 42-1546900)
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_____)
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In re:) Chapter 11
)
Volo Logistics LLC) Case No. 21-11261 (____)
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Debtor.)
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Fed. Tax Id. No. 20-3348287)
)
_____)

**DEBTORS’ MOTION FOR ENTRY OF AN ORDER (I) DIRECTING JOINT
ADMINISTRATION OF THE DEBTORS’ CHAPTER 11 CASES
AND (II) GRANTING RELATED RELIEF**

The above-captioned debtors and debtors in possession (collectively, the “*Debtors*”) in these chapter 11 cases (the “*Chapter 11 Cases*”) hereby submit this motion (the “*Motion*”) for the entry of an order, substantially in the form attached hereto as **Exhibit A** (the “*Order*”), (i) directing

the joint administration of the Debtors' Chapter 11 Cases and (ii) granting related relief. In support of this Motion, the Debtors rely on the *Declaration of Matthew Doheny, Chief Restructuring Officer, in Support of Chapter 11 Petitions and First Day Motions in Compliance with Local Rule 1007-2* filed concurrently herewith (the "**First Day Declaration**").¹ In further support of this Motion, the Debtors respectfully state as follows:

Jurisdiction and Venue

1. The United States Bankruptcy Court for the Southern District of New York (this "**Court**") 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 Southern District of New York*, dated January 31, 2012. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

2. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory bases for the relief requested herein are sections 105(a), 1107(a) and 1108 of title 11 of the United States Code (the "**Bankruptcy Code**"), Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") 1007, 1015(b) and 9006 and Rule 9013-1 of the Local Bankruptcy Rules for the Southern District of New York (the "**Local Bankruptcy Rules**").

Background

4. The Debtors are investment funds and affiliated entities that have been ready to wind up and pay out their remaining assets to their limited partners for many years. The Debtors' efforts have been hamstrung by several litigations filed abroad that seek to recover assets in the United States, held almost exclusively by entities formed in the United States, under legal theories that run counter either to prior *res judicata* determinations by U.S. courts or settled U.S. law. The

¹ Capitalized terms used but not defined herein shall have the meaning ascribed to them in the First Day Declaration.

sum total of these speculative claims exceed the Debtors' assets and have thus far prevented the Debtors from distributing assets to their stakeholders.

5. The Debtors have filed the Chapter 11 Cases to prevent these meritless foreign litigations from undermining U.S. law in respect of the Debtors' U.S. assets, and to effect an orderly, consolidated dissolution and distribution of those U.S. assets to their legitimate stakeholders. Because the Debtors face litigation in multiple fora seeking recourse to the same assets, a centralized forum is necessary to fairly and expeditiously resolve any potential liabilities and to ensure that the Debtors' assets are liquidated and distributed in an efficient and equitable manner. This Court can manage the litigation in a singular, centralized forum to unshackle the Debtors and their stakeholders from foreign proceedings, the outcomes of which are not enforceable against the Debtors' U.S. assets as a matter of U.S. law, regardless of what the foreign courts may decide, so that the Debtors can finally wind up and rightfully distribute their U.S. assets to U.S. creditors and investors after so many years of delay.

6. On July 6, 2021 (the "*Petition Date*"), each of the Debtors filed a voluntary petition under chapter 11 of the Bankruptcy Code with the Court. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner, or statutory committee of creditors has been appointed in the Chapter 11 Cases. Concurrently with this Motion, the Debtors filed their proposed joint chapter 11 plan of liquidation (the "*Plan*") and the related Disclosure Statement (as defined in the Plan).

7. A detailed description of the background of the Debtors and the reasons for filing the Chapter 11 Cases are set forth in the First Day Declaration, which is incorporated by reference.

Relief Requested

8. By this Motion, the Debtors request entry of an order, in the form attached hereto as **Exhibit A**, (i) directing the joint administration of the Debtors’ Chapter 11 Cases and (ii) granting related relief.

Basis for Relief

I. The Joint Administration of the Chapter 11 Cases Should be Authorized

9. The Debtors seek procedural consolidation and joint administration of the Chapter 11 Cases and related relief. Specifically, the Debtors request that the Court maintain one file and one docket for all of the jointly-administered cases under the case of MatlinPatterson Global Opportunities Partners II L.P. (“*MP Delaware*”), and that the cases be administered under a consolidated caption, as follows:

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

| | | |
|--|---|-------------------------|
| In re: |) | Chapter 11 |
| |) | |
| MatlinPatterson Global Opportunities Partners II L.P., <i>et al.</i> , |) | Case No. 21-11255 (___) |
| |) | |
| Debtors. ¹ |) | (Jointly Administered) |
| |) | |

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, if any, are: MatlinPatterson Global Opportunities Partners II L.P. (8284); MatlinPatterson Global Opportunities Partners (Cayman) II L.P. (8246); MatlinPatterson Global Partners II LLC (6962); MatlinPatterson Global Advisers LLC (2931); MatlinPatterson PE Holdings LLC (6900); Volo Logistics LLC (8287); MatlinPatterson Global Opportunities Partners (SUB) II L.P. (9209). The location of the Debtors’ address is: 600 Fifth Avenue, 22nd Floor, New York, New York 10022.

10. The Debtors further request that the Court order that the foregoing caption satisfies the requirements set forth in section 342(c)(1) of the Bankruptcy Code.

11. The Debtors also request that a docket entry, substantially similar to the following, be entered on the docket of each of the Debtor’s cases other than the case of MP Delaware:

An order has been entered in accordance with Rule 1015(b) of the Federal Rules of Bankruptcy Procedure directing joint administration of the chapter 11 cases of: MatlinPatterson Global Opportunities Partners II L.P., MatlinPatterson Global Opportunities Partners (Cayman) II L.P., MatlinPatterson Global Partners II LLC, MatlinPatterson Global Advisers LLC, MatlinPatterson PE Holdings LLC, Volo Logistics LLC, and MatlinPatterson Global Opportunities Partners (SUB) II L.P. All further pleadings and other papers shall be filed in, and all further docket entries shall be made in, Case No. 21-11255 (___).

12. Bankruptcy Rule 1015(b) provides, in pertinent part, that “[i]f . . . two or more petitions are pending in the same court by or against . . . (4) a debtor and an affiliate, the court may order a joint administration of the estates.” Fed. R. Bankr. P. 1015. Moreover, section 105(a) of the Bankruptcy Code provides the Court with the power to grant the relief requested herein by permitting the Court to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of the [Bankruptcy Code].” 11 U.S.C. § 105(a).

13. As set forth in the First Day Declaration, the Debtors are “affiliates” as that term is defined in section 101(2) of the Bankruptcy Code. The Debtors therefore come within Bankruptcy Rule 1015(b)(4). Accordingly, the Bankruptcy Code and the Bankruptcy Rules authorize the Court to grant the relief requested herein.

14. Further, and as more fully described in the First Day Declaration, the limited partnership Debtors are comprised of both onshore (Delaware) and offshore (Cayman Islands) limited partnerships. Specifically, MP Delaware and MatlinPatterson Global Opportunities Partners (Cayman) II L.P. (“*MP Cayman*” and together with MP Delaware, the “*MP Funds*”) are parallel limited partnerships, which co-invest on a side-by-side basis, and thus have the same investments and liabilities which are generally shared ratably based on their respective sizes. Furthermore, the other Debtor limited partnership, MatlinPatterson Global Opportunities Partners (SUB) II L.P. (“*SUB II*”), holds all of the remaining assets and liabilities of MP Cayman, which

were transferred from MP Cayman to SUB II in October 2020 in exchange for the partnership interests in SUB II. This means that the same claims, assets and interests will be relevant to the Chapter 11 Case of each limited partnership Debtor. For example, as further described in the First Day Declaration, (x) the MP Funds are borrowers under, and are directly liable to, the Note Lender pursuant to, their respective Promissory Note Agreements and (y) if either VRG or HJDK Aeroespacial S/A is determined to have an Allowed Claim pursuant to the proposed disallowance determinations by the Court, such Claims have been asserted against both MP Funds, which, in the case of VRG, is consistent with the underlying arbitral award.

15. The MP Funds structured their investments through special purpose entities (“*SPEs*”), such as Debtor Volo Logistics LLC, which is an indirectly held, but wholly-owned SPE, with its interests held ratably by the MP Funds (with SUB II replacing MP Cayman in October 2020). Moreover, management of each of the MP Funds has historically been carried out by Debtor MatlinPatterson Global Partners II LLC, the general partner of the MP Funds (the “*General Partner*”) and the General Partner’s management team was historically employed by Debtor MatlinPatterson Global Advisers LLC (“*MP Advisers*”) over the life of the MP Funds. The Debtors, therefore, have operated with the General Partner and MP Advisers as an integrated private investment fund enterprise with common management and shared interests. Debtor MatlinPatterson PE Holdings LLC is the managing member of the General Partner and wholly owns both the General Partner and MP Advisers. If VarigLog is determined to have an Allowed Claim pursuant to the proposed disallowance determinations by the Court, such Claims have been asserted against the MP Funds, the General Partner, MP Advisers, MatlinPatterson PE Holdings LLC and Volo Logistics LLC.

16. As a result, many of the motions, hearings, and orders that will arise in the Chapter 11 Cases will affect each and every Debtor.

17. Additionally, joint administration of the Chapter 11 Cases will reduce fees and costs by avoiding duplicative filings, objections and hearings, relieve the Court of the burden of maintaining numerous dockets, entering duplicative files, and will also allow the U.S. Trustee and all parties in interest to monitor the Chapter 11 Cases with greater ease and efficiency.

18. Further, to the extent Debtors have respective constituencies which differ (*e.g.*, different limited partners), joint administration will not adversely affect these respective constituencies, because the Motion requests only administrative, not substantive, consolidation of the Debtors' estates. If applicable, any creditor may still file a claim against a particular Debtor or its estate (or against multiple Debtors and their respective estates), intercompany claims among the Debtors, if any, will be preserved pending confirmation of the Plan, and the Debtors will maintain separate records of assets and liabilities.

19. Parties in interest will therefore not be harmed by the relief requested, but, instead, will benefit from the cost savings associated with the joint administration of the Chapter 11 Cases. Accordingly, the Debtors submit that the joint administration of the Chapter 11 Cases is in the best interests of their estates, their creditors, and all other parties in interest.

20. Joint administration of interrelated chapter 11 cases is routinely approved by courts in this jurisdiction and is generally non-controversial. *See, e.g., In re Garrett Motion Inc., et al.*, Case No. 20-12212 (MEW) (Bankr. S.D.N.Y. Sept. 21, 2020), D.I. 27, *In re LSC Communications, Inc.*, 20-10950 (SHL) (Apr. 15, 2020), D.I. 33; *In re Fairway Grp. Holdings Corp.*, 20-10161 (JLG) (Jan. 27, 2020), D.I. 68; *In re Deluxe Entertainment Services Group Inc., et al.*, Case No. 19-23774 (RDD) (Bankr. S.D.N.Y. Oct. 9, 2019); *In re Barneys New York, Inc., et al.*, Case No.

19-36300 (CGM) (Bankr. S.D.N.Y. Aug. 7, 2019); *In re Stearns Holdings, LLC, et al.*, Case No. 19-12226 (SCC) (Bankr. S.D.N.Y. July 10, 2019); *In re Fusion Connect, Inc., et al.*, Case No. 19-11811 (SMB) (Bankr. S.D.N.Y. June 03, 2019); *In re Hollander Sleep Products, LLC, et al.*, Case No. 19-11608) (MEW) (Bankr. S.D.N.Y. May 22, 2019); *In re Windstream Holdings, Inc., et al.*, Case No. 19-22312 (RDD) (Bankr. S.D.N.Y. Feb. 28, 2019); *In re FullBeauty Brands Holdings Corp.*, Case No. 19-22185 (RDD) (Bankr. S.D.N.Y. Feb. 7, 2019).

Notice

21. Notice of this Motion has been provided to (a) the Office of the United States Trustee for the Southern District of New York; (b) the Securities and Exchange Commission; (c) the Internal Revenue Service; (d) the United States Attorney's Office for the Southern District of New York; (e) the New York State Attorney General; (f) the United States Attorney's Office for the District of Delaware; (g) the Delaware Attorney General; (h) the Cayman Islands General Registry Department; (i) VRG, VarigLog, and HJDK, and their respective counsel; (j) to the extent not listed herein, those parties requesting notice pursuant to Bankruptcy Rule 2002; and (k) all entities believed to have or be claiming an interest in the subject matter of the Order or who, it is believed, otherwise would be affected by the Order.

22. In light of the nature of the relief requested herein, the Debtors submit that no other or further notice is necessary.

No Prior Request

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

WHEREFORE, the Debtors respectfully request entry of the Order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested and such other and further relief as is just and proper.

Dated: July 6, 2021
New York, NY

SIMPSON THACHER & BARTLETT LLP

/s/ Elisha D. Graff
Elisha D. Graff
Kathrine A. McLendon
David R. Zylberberg
Jamie J. Fell
425 Lexington Avenue
New York, NY 10017
Tel: (212) 455-2000
Fax: (212) 455-2502

-and-

Tyler B. Robinson
Lauren W. Brazier (*pro hac vice* pending)
CityPoint
One Ropemaker Street
London EC2Y 9HU, England
Tel: +44-(0)20-7275-6500
Fax: +44-(0)20-7275-6592

Proposed Counsel to the Debtors and Debtors-in-Possession

EXHIBIT A

ORDER

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

| | | |
|--|---|-------------------------|
| In re: |) | Chapter 11 |
| |) | |
| MatlinPatterson Global Opportunities Partners II L.P. |) | Case No. 21-11255 (___) |
| |) | |
| Debtor. |) | |
| |) | |
| Fed. Tax Id. No. 20-0028284 |) | |
| |) | |
| |) | |
| |) | |
| In re: |) | Chapter 11 |
| |) | |
| MatlinPatterson Global Opportunities Partners |) | Case No. 21-11256 (___) |
| (Cayman) II L.P. |) | |
| |) | |
| Debtor. |) | |
| |) | |
| Fed. Tax Id. No. 20-0028246 |) | |
| |) | |
| |) | |
| |) | |
| In re: |) | Chapter 11 |
| |) | |
| MatlinPatterson Global Opportunities Partners (SUB) II |) | Case No. 21-11257 (___) |
| L.P. |) | |
| |) | |
| Debtor. |) | |
| |) | |
| Fed. Tax Id. No. 86-3749209 |) | |
| |) | |
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| |) | |
| In re: |) | Chapter 11 |
| |) | |
| MatlinPatterson Global Advisers LLC |) | Case No. 21-11258 (___) |
| |) | |
| Debtor. |) | |
| |) | |
| Fed. Tax Id. No. 13-4202931 |) | |
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| In re: | |) Chapter 11 |
| | |) |
| MatlinPatterson Global Partners II LLC | |) Case No. 21-11259 (___) |
| | |) |
| | Debtor. |) |
| | |) |
| Fed. Tax Id. No. 43-2016962 | |) |
| <hr/> | |) |
| In re: | |) Chapter 11 |
| | |) |
| MatlinPatterson PE Holdings LLC | |) Case No. 21-11260 (___) |
| | |) |
| | Debtor. |) |
| | |) |
| Fed. Tax Id. No. 42-1546900 | |) |
| <hr/> | |) |
| In re: | |) Chapter 11 |
| | |) |
| Volo Logistics LLC | |) Case No. 21-11261 (___) |
| | |) |
| | Debtor. |) |
| | |) |
| Fed. Tax Id. No. 20-3348287 | |) |
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ORDER (I) DIRECTING JOINT ADMINISTRATION OF THE DEBTORS’ CHAPTER 11 CASES AND (II) GRANTING RELATED RELIEF

Upon consideration of the motion (the “*Motion*”)¹ of the above-captioned debtors and debtors in possession (collectively, the “*Debtors*”) in the chapter 11 cases (the “*Chapter 11 Cases*”) for entry of an order (this “*Order*”), (i) directing the joint administration of the Debtors’ Chapter 11 Cases and (ii) granting related relief pursuant to sections 105(a), 1107(a) and 1108 of the Bankruptcy Code, Bankruptcy Rules 1007, 1015(b) and 9006 and Local Bankruptcy Rule 9013-1, all as more fully set forth in the Motion; and upon the First Day Declaration submitted in support of the Motion; and the Motion having complied with Local Bankruptcy Rule 9013-1; and

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

due and proper notice of the Motion having been given; and it appearing that no other or further notice of the Motion is required; and it appearing that the Court has jurisdiction to consider the Motion in accordance with 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the Southern District of New York*, dated January 31, 2012; and it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court may enter a final order consistent with Article III of the United States Constitution; and it appearing that venue of this proceeding and the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before the Court (the “*Hearing*”); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and the Court having found that the relief requested in the Motion is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and after due deliberation and sufficient cause appearing therefor; it is HEREBY ORDERED THAT:

1. The Motion is granted on a final basis to the extent set forth herein.
2. The above-captioned chapter 11 cases are consolidated for procedural purposes only and shall be jointly administered by this Court under Case No. 21-11255 (___).
3. The caption of the jointly administered cases should read as follows:

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

| | | |
|--|---|-------------------------|
| In re: |) | Chapter 11 |
| |) | |
| MatlinPatterson Global Opportunities Partners II L.P., <i>et al.</i> , |) | Case No. 21-11255 (___) |
| |) | |
| Debtors. ¹ |) | (Jointly Administered) |
| |) | |

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, if any, are: MatlinPatterson Global Opportunities Partners II L.P. (8284); MatlinPatterson Global Opportunities Partners (Cayman) II L.P. (8246); MatlinPatterson Global Partners II LLC (6962); MatlinPatterson Global Advisers LLC (2931); MatlinPatterson PE Holdings LLC (6900); Volo Logistics LLC (8287); MatlinPatterson Global Opportunities Partners (SUB) II L.P. (9209). The location of the Debtors' address is: 600 Fifth Avenue, 22nd Floor, New York, New York 10022.

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

5. A docket entry, substantially similar to the following, shall be entered on the docket of each of the Debtors other than MatlinPatterson Global Opportunities Partners II L.P., to reflect the joint administration of the Chapter 11 Cases:

An order has been entered in accordance with Rule 1015(b) of the Federal Rules of Bankruptcy Procedure directing joint administration of the chapter 11 cases of: MatlinPatterson Global Opportunities Partners II L.P., MatlinPatterson Global Opportunities Partners (Cayman) II L.P., MatlinPatterson Global Partners II LLC, MatlinPatterson Global Advisers LLC, MatlinPatterson PE Holdings LLC, Volo Logistics LLC, and MatlinPatterson Global Opportunities Partners (SUB) II L.P. All further pleadings and other papers shall be filed in, and all further docket entries shall be made in, Case No. 21-11255 (___).

6. One consolidated docket, one file, and one consolidated service list shall be maintained by the Debtors and kept by the Court with the assistance of the claims and noticing agent employed by the Debtors in the Chapter 11 Cases.

7. The Debtors shall file their monthly operating reports required by the *Operating Guidelines and Reporting Requirements for Debtors in Possession and Trustees*, issued by the

U.S. Trustee, in accordance with the applicable Instructions for UST Form 11-MOR: Monthly Operating Report and Supporting Documentation.

8. Nothing contained in the Motion or this Order shall be deemed or construed as directing or otherwise effecting a substantive consolidation of the Chapter 11 Cases and this Order shall be without prejudice to the rights of the Debtors to seek entry of an order substantively consolidating their respective cases.

9. Notwithstanding any provision in the Bankruptcy Rules to the contrary, this Order shall be immediately effective and enforceable upon its entry.

10. Notice of the Motion as provided therein shall be deemed good and sufficient notice of the Motion, and the requirements of the Bankruptcy Rules and the Local Bankruptcy Rules are satisfied by such notice.

11. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

12. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

13. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

New York, New York
Dated: _____, 2021

UNITED STATES BANKRUPTCY JUDGE