

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
TEXARKANA DIVISION**

In re: LOCAL FIRST MEDIA GROUP INC. Debtor in a foreign proceeding.	Case No. 25-41368 Chapter 15
In re: LOCAL FIRST PROPERTIES INC., Debtor in a foreign proceeding.	Case No. 25-41369 Chapter 15
In re: BTC USA HOLDINGS MANAGEMENT INC., Debtor in a foreign proceeding.	Case No. 25-50050 Chapter 15
In re: LOCAL FIRST PROPERTIES USA INC., Debtor in a foreign proceeding.	Case No. 25-50051 Chapter 15
In re: ALASKA BROADCAST COMMUNICATIONS, INC., Debtor in a foreign proceeding.	Case No. 25-50052 Chapter 15
In re: BROADCAST 2 PODCAST, INC., Debtor in a foreign proceeding.	Case No. 25-50053 Chapter 15

In re:

FRONTIER MEDIA LLC,

Debtor in a foreign proceeding.

Case No. 25-50054

Chapter 15

**ORDER GRANTING RECEIVER'S VERIFIED PETITION FOR RECOGNITION AS
FOREIGN MAIN PROCEEDINGS AND RELATED RELIEF AND
AUTHORIZING RECEIVER'S USE OF CASH COLLATERAL**

On May 13, 2025, the *Receiver's Verified Petition For Recognition As Foreign Main Proceedings, Or Alternatively As Foreign Nonmain Proceedings, Pursuant To Sections 1515 And 1517 Of The United States Bankruptcy Code And Related Relief And Authorizing Receiver's Use Of Cash Collateral* (“**Petition**”)¹ was filed by FTI Consulting Canada Inc. (“**FTI**”) solely in its capacity as court-appointed receiver (the “**Receiver**”) of (1) Local First Media Group Inc. (“**Local First Media**”), an Alberta Canada corporation; (2) Local First Properties Inc. (“**Local First Properties**”), an Alberta Canada corporation; (3) BTC USA Holdings Management Inc (“**BTC USA**”), a Delaware corporation; (4); Local First Properties USA Inc. (“**Local First USA**”), a Delaware corporation; (5) Alaska Broadcast Communications, Inc. (“**Alaska Broadcast**”), an Alaska corporation; (6) Broadcast 2 Podcast, Inc. (“**B2P**”), a California corporation; and (7) Frontier Media LLC (“**Frontier**”), an Alaska Limited Liability Company (collectively, the “**Debtors**”).

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Petition.

In connection therewith and after due deliberations and consideration of (i) the Petition, (ii) the exhibits to the Petition, (iii) the Receivership Order (as defined below) entered in the Canadian Proceeding (as defined below), (iv) all other documents filed in support thereof, and (v) the exhibits introduced at the hearings conducted in these cases, testimony of witnesses, if any, and the arguments and statements of counsel, and (vi), without limitation, the authority under 28 U.S.C. § 1334(a) and (b), 28 U.S.C. § 157, 11 U.S.C. §§ 105(a), 361, 363, 1501, 1504, 1507, 1509, 1510, 1515, 1516, 1517, 1520, 1521, and 1525 and principles of comity and cooperation, and good and sufficient cause appearing, **IT IS HEREBY FOUND AND DETERMINED THAT:**²

- A. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334(a) and (b) and Sections 109 and 1501 of the Bankruptcy Code. This matter has been referred to the Bankruptcy Court pursuant to *Order Of Reference Of Bankruptcy Cases And Proceedings Nunc Pro Tunc* entered by the United States District Court For The Eastern District Of Texas on August 6, 1984. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P). To the extent applicable, each of the Debtors has either a domicile, principal place of business, and/or property in the United States, and each Debtor is eligible to be a debtor in a chapter 15 case pursuant to, as applicable, 11 U.S.C. §§ 109 and 1501.
- B. Venue is proper in this district pursuant to 28 U.S.C. § 1410.
- C. This Court has constitutional authority to enter final orders in these cases under Article III of the United States Constitution and *Stern v. Marshall*, 564 U.S. 462 (2011), or, in the alternative, by consent of the parties. *See Executive Benefits Ins. Agency v. Arkinson*, 134 S. Ct. 2165 (2014).
- D. Good, sufficient, appropriate and timely notice of the filing of the Petition and the hearing on the Petition has been given by the Receiver, pursuant to Bankruptcy Rule 2002(q), via email and/or first class mail to: (a) the Office of the United States Trustee; (b) the United States Attorney for the Eastern District of Texas; (c) all persons or bodies authorized to administer the Canadian Proceeding; (d) all parties to litigation pending in the United States in which any Debtors is a party as of the date hereof, if any; (e) all vendors of the Debtors known by the Receiver; (f) all equity holders of the Debtors known by the Receiver; (g) all parties against whom the Receiver is seeking relief pursuant to Bankruptcy Code section 1519; and (h)

² The findings and conclusions set forth herein and in the record of the hearing on the Petition constitute this Court's findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, as made applicable herein by Bankruptcy Rules 7052 and 9014. To the extent any of the findings of fact herein constitute conclusions of law, they are adopted as such.

such other parties in interest that have requested notice pursuant to Bankruptcy Rule 2002. The Court finds that the Petition was properly served pursuant to the Federal and Local Rules of Bankruptcy Procedure and that consideration of the Petition was warranted and that appropriate notice under 11 U.S.C. § 102(1) of this proceeding was provided.

- E. No objections or other responses were filed with respect to this proceeding that have not been overruled, withdrawn, or otherwise resolved.
- F. The Debtors are the following entities: (1) Local First Media, (2) Local First Properties, (3) BTC USA, (4) Local First USA, (5) Alaska Broadcast, (6) B2P, and (7) Frontier.
- G. On February 10, 2025, ATB Financial (“**ATB**”) filed an Application for Receivership and a Bench Brief Of The Applicant In Support Of The Receivership Application with the Court Of King’s Bench Of Alberta, Calgary Judicial Centre, (the “**Canadian Court**”) seeking the appointment of FTI as receiver for the Debtors under section 243 of the Bankruptcy and Insolvency Act (the “**BIA**”), RSC 1985 c B-3 and section 13(2) of the Judicature Act, RSA 2000 c J-2 where it was assigned Court File no. 2501-01744 (“**Canadian Proceeding**”).
- H. The Debtors and their counsel were provided with notice of the February 10, 2025 Receivership Application, Consent to Act, Affidavit of Greg Steidl, Brief in Support of the Application, and Book of Authorities, and of the hearing on the Receivership Application set for February 21, 2025.
- I. A hearing was held on the Application for Receivership in the Canadian Court on February 21, 2025. The Canadian Court noted in the Receivership Order that the Canadian Court read the Application, the Affidavit of Greg Steidl, the consent of FTI Canada Consulting Inc. to act as Receiver, and noted the consent endorsed hereon of counsel to the Respondents; and heard counsel for ATB, counsel for the proposed Receiver, and any other counsel or other interested parties present.
- J. On February 21, 2025, the Receivership Order was pronounced in the Canadian Proceeding by the Honourable Justice M.J. Lema, and was filed with the Canadian Court on February 26, 2025. The Receivership Order appointed FTI as Receiver of the Debtors.
- K. On May 13, 2025 (the “**Petition Date**”), the Receiver filed Official Form No. 401 Chapter 15 petitions and the Petition for each of the Debtors pursuant to Sections 1504(a), 1509(a) and 1515 of Title 11, United States Code (“**Bankruptcy Code**”), commencing these Chapter 15 Cases.
- L. These cases were properly commenced pursuant to Sections 1504(a), 1509(a), and 1515 of the Bankruptcy Code.
- M. The Receiver is a “person” within the meaning of Section 101(41) of the Bankruptcy Code and is the duly appointed foreign representative of the Debtors

within the meaning of Section 101(24) of the Bankruptcy Code. The Receiver has satisfied the requirements of Bankruptcy Code section 1515 and Bankruptcy Rule 1007(a)(4).

- N. The Canadian Proceeding is a “foreign proceeding” within the meaning of Section 101(23) of the Bankruptcy Code.
- O. The Canadian Proceeding is entitled to recognition by this Court pursuant to Section 1517 of the Bankruptcy Code.
- P. The Canadian Proceeding is pending in Canada, where each Debtor has the “center of its main interests” as referred to in Bankruptcy Code section 1517(b)(1). Accordingly, the Canadian Proceeding is a “foreign main proceeding” pursuant to Bankruptcy Code section 1502(4) and is entitled to recognition as a foreign main proceeding pursuant to Bankruptcy Code section 1517(b)(1).
- Q. Because the Canadian Proceeding is a foreign main proceeding, the Receiver is entitled to the relief afforded under Section 1520 of the Bankruptcy Code.
- R. There is a substantial likelihood that, with the relief granted herein, the Receiver will be able to successfully liquidate the assets of the Debtors’ under the provisions of the Bankruptcy Code in these Chapter 15 Cases and the BIA in the Canadian Proceeding, which will benefit all stakeholders.
- S. Relief is needed to protect the assets of the Debtors or the interests of the creditors pursuant to 11 U.S.C. § 1521. Therefore, the Receiver is entitled to the additional relief afforded under Section 1521 of the Bankruptcy Code as set forth herein (the **“1521 Relief”**).
- T. The Receiver, in its role as foreign representative of the Debtors, and the Debtors, are entitled to the 1521 Relief set forth herein pursuant to Section 1521 of the Bankruptcy Code. The Receiver has been successful on the merits in that this Court has recognized that the Canadian Proceeding is a foreign main proceeding.
- U. There is a substantial threat of irreparable injury if the Section 1521 Relief is not granted. The Receiver needs to stabilize operations and operate in the normal course, including paying employees and ongoing expenses, for a time period while preparing to market the assets. If the Receiver’s authority is not honored in the US, or if creditors or parties in interest take collection actions or exercise self-help, the ordinary course operations of the Debtors and the ability of the Receiver to effectuate a sale of assets could be jeopardized. The Receivership Order provides for a stay against seizure of assets and litigation similar to the automatic stay of Section 362(a). Accordingly, the failure to grant the 1521 Relief subjects the Debtors to a substantial threat of irreparable injury, all to the detriment of the Debtors, their estates, and their creditors.
- V. Any threatened injury to the Debtors outweighs any damage the injunction might cause to the opponents. The 1521 Relief, if granted, would actually benefit the

Debtors' creditors by ensuring an orderly distribution of assets and facilitate the Canadian Proceeding, including the contemplated sale.

- W. The 1521 Relief will not disserve the public interest. To the contrary, the 1521 Relief is in the public interest because it sets to facilitate a cross-border reorganization that will provide a benefit to the estates of the Debtors. The 1521 Relief is also supported by notions of comity and will allow the Debtors to craft a productive solution for their estates. The relief granted is necessary and appropriate to effectuate the purpose of Chapter 15 of the Bankruptcy Code and to protect the assets of the Debtors and interests of the creditors, is in the interest of the public and international comity, is consistent with the 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.

BASED ON THE FOREGOING FINDINGS OF FACT AND AFTER DUE DELIBERATION AND SUFFICIENT CAUSE APPEARING THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Petition is **GRANTED**.
2. The Canadian Proceeding is hereby recognized as a foreign main proceeding pursuant to Sections 1502(4) and 1517(b)(1) of the Bankruptcy Code with respect to each of the Debtors.
3. The Receivership Order is consistent with the public policy of the United States and is therefore granted comity. The terms of the Receivership Order granted in the Canadian Proceeding under the BIA is given full force and effect in the United States, including with respect to the Debtors and the Debtors' property that now or in the future is located within the territorial jurisdiction of the United States.
4. The Receiver is a foreign representative of the Debtors within the meaning of Section 101(24) of the Bankruptcy Code. FTI, in its capacity as Receiver, is authorized to act on behalf of the Debtors and is established as the exclusive representative of the Debtors in the United States.
5. The Receiver is granted all of the relief afforded under Section 1520 of the Bankruptcy Code including, without limitation, the following:

- (a.) Sections 361 and 362 of the Bankruptcy Code apply with respect to the Debtors and the property of the Debtors that is within the territorial jurisdiction of the United States;
- (b.) Sections 363, 549 and 552 of the Bankruptcy Code apply to a transfer of an interest of the Debtors 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.) the Receiver may, but is not obligated to, operate the Debtors' business and may exercise the rights and powers of a trustee under and to the extent provided by 11 U.S.C. §§ 363 and 552; and
- (d.) Section 552 of the Bankruptcy Code applies to property of the Debtors that is within the territorial jurisdiction of the United States.

6. Pursuant to Section 1524 of the Bankruptcy Code, the Receiver may intervene in any proceeding in a state or federal court in the United States in which the Debtor is a party and shall have the exclusive right to prosecute, continue, defend, settle, compromise, or dismiss any such proceeding in the name of any Debtor.

7. The following additional relief is granted pursuant to Sections 105(a), 1507, and 1521 of the Bankruptcy Code:

- (a.) The administration or realization of all or part of the assets of the Debtors within the territorial jurisdiction of the United States is hereby entrusted to the Receiver, and the terms of the Receivership Order shall apply to the Debtors, their creditors, the Receiver, and any other parties-in-interest, and the Receiver is authorized to implement the Receivership Order;
- (b.) The commencement or continuation of any action or proceeding concerning the

assets, rights, obligations or liabilities of the Debtors, including any action or proceeding against FTI in its capacity as Receiver of the Debtors, is stayed to the extent not stayed under Section 1520(a) of the Bankruptcy Code; and execution against the assets of the Debtors is stayed to the extent not stayed under Section 1520(a) of the Bankruptcy Code; execution against the assets of the Debtors is stayed to the extent not stayed under Section 1520(a) of the Bankruptcy Code; and the right to transfer or otherwise dispose of any assets of the Debtors to the extent not suspended under Section 1520(a) of the Bankruptcy Code is suspended by any person or entity other than the Receiver unless authorized in writing by the Receiver or by Order of the Court. In this regard, all persons and entities are enjoined from taking any actions inconsistent with the Canadian Proceeding, and from seizing, attaching, and enforcing or executing liens or judgments against the Debtors' property in the United States or from transferring, encumbering or otherwise disposing of or interfering with the Debtors' assets or agreements in the United States without the express consent of the Receiver;

- (c.) The Receiver may undertake the examination of witnesses, the taking of evidence, the production of documents, or the delivery of information concerning the assets, affairs, rights, obligations or liabilities of the Debtors, in that such information is required in the Canadian Proceeding under the law of the United States;
- (d.) Section 365(e) of the Bankruptcy Code shall apply with respect to the Debtors' executory contracts and unexpired leases such that, notwithstanding any provision in any such contract or lease or under applicable law, no executory contract or unexpired lease with any of the Debtors may be terminated, cancelled, or modified

(and any rights or obligations in such leases or contracts cannot be terminated or modified) solely because of a provision in any contract or lease of the kind described in sections 365(e)(1)(A), (B), or (C) of the Bankruptcy Code, and all contract and lease counterparties located within the United States shall be prohibited from taking any steps to terminate, modify, or cancel any contracts or leases with the Debtors arising from or relating in any way to any so-called “ipso facto” or similar clauses;

- (e.) The banks and financial institutions with which the Debtors maintain bank accounts or on which checks are drawn or electronic payment requests made in payment of prepetition or postpetition obligations are authorized and directed to continue to service and administer the Debtors’ bank accounts without interruption and in the ordinary course and to receive, process, honor and pay any and all such checks, drafts, wires and automatic clearing house transfers issued, whether before or after the Petition Date and drawn on the Debtors’ bank accounts by respective holders and makers thereof and at the direction of the Receiver;
- (f.) The Receiver and its agents are authorized to serve or provide any notices required under the Bankruptcy Rules or Local Rules of this Court; and
- (g.) No action taken by the Receiver or its successors, agents, representatives, advisors, or counsel in preparing, disseminating, applying for, implementing, or otherwise acting in furtherance of or in connection with the Canadian Proceeding, the Recognition Order, these Chapter 15 Cases, or any adversary proceeding herein, or contested matters in connection therewith, will be deemed to constitute a waiver of any immunity afforded the Receiver, including without limitation pursuant to

Sections 306 or 1510 of the Bankruptcy Code.

8. Because section 361 and 363 of the Bankruptcy Code apply upon recognition of a foreign main proceeding under Section 1520(a) as to property within the territorial jurisdiction of the United States, that the Receiver be granted use of cash collateral, as defined by Section 363, situated in the territorial jurisdiction of the United States (“**Cash Collateral**”) or as may be agreed to by creditors entitled to adequate protection of their cash collateral as described as follows. Secured creditors with liens on Cash Collateral are entitled to adequate protection for their interest in their Cash Collateral from any diminution in value resulting from the use, sale or lease of Cash Collateral from and after the date of this Order (such decrease in value, the “**Adequate Protection Obligations**”). Accordingly, such secured creditors holding Cash Collateral are hereby granted as adequate protection for and to the extent of the Adequate Protection Obligations, nunc pro tunc to the date of the filing of the Petitions, valid, binding, enforceable and perfected replacement liens and security interests (the “**Adequate Protection Liens**”) in all assets of the Debtors within the territorial jurisdiction of the United States, that shall secure payment of the Adequate Protection Obligations. Nothing herein shall prejudice, impair or otherwise affect the rights of any party to seek any other or supplemental relief in respect of their Cash Collateral or adequate protection rights.

9. Notwithstanding the foregoing, this Court finds and concludes that there has been no Canadian control within the meaning of 47 U.S.C. § 310 over the Debtors’ Federal Communications Commission (“**FCC**”) licenses or any broadcasting or radio operational decisions with respect to such radio stations. First, the Receiver is wholly owned by FTI Consulting, Inc., which is a U.S. publicly traded company incorporated under the laws of the State of Maryland. Second, such decisions have been made by pre-receivership management who are

still working for the Debtors. The Court also finds that, for purposes of filing FCC Forms 316, 603, and 312, the Receiver is found to be a court appointed federal trustee (in bankruptcy proceedings) with authorization to file such forms.

10. This Court shall retain jurisdiction with respect to the enforcement, amendment or modification of this 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 Order, for cause shown, that is properly commenced and within the jurisdiction of this Court.

11. The Receiver shall not be required to post a bond.

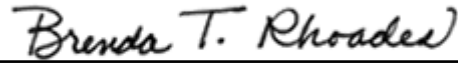
12. Notwithstanding Rule 7062 of the Bankruptcy Rules, made applicable to this case by Rule 1018 of the Bankruptcy Rules, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry and, upon its entry, shall become final and appealable.

13. This 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 or who receive notice of this Order.

SO ORDERED.

Date: _____

Signed on 07/08/2025

 SD

HONORABLE BRENDA T. RHOADES,
CHIEF UNITED STATES BANKRUPTCY JUDGE