

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

In re:

LI-CYCLE HOLDINGS CORP., *et al.*,

## Debtors in a Foreign Proceeding.

## Chapter 15

Case No. 25-[ ] ( )

**EX PARTE APPLICATION FOR AN ORDER (A) GRANTING PROVISIONAL RELIEF  
AND (B) SCHEDULING HEARING ON SHORTENED NOTICE PURSAUNT TO  
SECTIONS 105(a), 1519 AND 1521(a)(7) OF THE BANKRUPTCY CODE**

William E. Aziz, in his capacity as the duly authorized foreign representative (the “Foreign Representative”) of Li-Cycle Holdings Corp., an Ontario corporation (“Holdings”), Li-Cycle U.S. Inc., a Delaware corporation (“North America OpCo”), Li-Cycle Inc., a Delaware corporation (“U.S. SpokeCo”), and Li-Cycle North America Hub, Inc., a Delaware corporation (“U.S. HubCo” and, together with North America Opco, U.S. SpokeCo and Holdings, the “Chapter 15 Debtors”),<sup>1</sup> by and through his undersigned counsel, respectfully makes this motion (the “Motion”), pursuant sections 105(a), 1507, 1519 and 1521(a)(7) of title 11 of the United States Code (the “Bankruptcy Code”) for entry of an order, attached hereto as **Exhibit A**, (i) applying sections 362 and 1520 of the Bankruptcy Code to the Chapter 15 Debtors and their property in the United States on a provisional basis until the Court makes a final ruling (the “Recognition Order”) on the Verified Petition for Recognition of Foreign Main Proceedings (the “Verified Petition”) filed

<sup>1</sup> The Chapter 15 Debtors, along with Li-Cycle Corp. and Li-Cycle Americas Corp. (collectively, the “CCAA Applicants”) have all sought relief in the Canadian Proceedings (as defined below). The term “Li-Cycle,” as referred to herein, shall mean the CCAA Applicants, along with their affiliates in Europe and Asia who have not sought protection in the Canadian Proceedings.

contemporaneously herewith; and (ii) scheduling a hearing with respect to the Verified Petition on shortened notice, to be held no more than seven days from the day this Motion is granted. In support of the Motion, the Foreign Representative respectfully states:

**PRELIMINARY STATEMENT**

1. Li-Cycle is a global lithium-ion battery resource recovery company, established in 2016. Li-Cycle is a public company that is headquartered in Toronto, Ontario. Until recently, Li-Cycle was listed on the New York Stock Exchange (“NYSE”) under the symbol LICY.

2. Li-Cycle’s goal is to recycle all different types of lithium-ion batteries, recovering critical battery-grade materials and reinserting them back into the supply chain for a clean energy future using patent-protected Spoke & Hub Technologies™.

(a) Li-Cycle’s “Spokes” are pre-processing facilities where Li-Cycle recycles battery manufacturing scrap and end-of-life batteries to produce black mass, a shredded metal foils product consisting largely of aluminum and copper, and shredded plastics. Black mass is a powder-like substance which contains several valuable metals, including lithium, nickel, and cobalt. Li-Cycle has a number of Spokes (the status of which described further herein) – in Ontario, New York, Alabama, Arizona and Germany.

(b) Li-Cycle’s planned “Hubs” are post-processing facilities where Li-Cycle would process black mass to produce critical battery-grade materials, including lithium carbonate, which could then be used in the manufacture of batteries. Li-Cycle’s first Hub is partially constructed in Rochester, New York (the “Rochester Hub”). Li-Cycle’s aim is for the Spokes and Hub to provide a complete solution to lithium-ion battery recycling. As described further herein, Li-Cycle’s technology would enable a “circular loop” for electric vehicle (“EV”) battery recycling that would enable a high recycling efficiency rate.

3. The Spokes and Rochester Hub are managed from Toronto, Canada. The majority of management services, and all corporate governance, financial reporting and administrative services for the group, including each of the Chapter 15 Debtors, are performed out of Toronto.

4. Li-Cycle has encountered numerous challenges since the fall of 2023. These challenges have strained Li-Cycle’s liquidity and impacted its ability to operate its Spokes and

continue the development of the Rochester Hub. Despite conducting a broad canvas of the market with the assistance of investment bankers for over two years, Li-Cycle has been unable to execute a viable transaction to obtain sufficient additional investment.

5. While Li-Cycle has considerable potential and is poised to become an industry leader ready to take advantage of the growth of the EV supply chain, Li-Cycle has encountered numerous challenges since the Fall of 2023. These challenges have strained Li-Cycle's liquidity and impacted its ability to operate its Spokes and to continue the development of its Spoke & Hub network. Among other things:

- (a) The cost to construct the Rochester Hub increased rapidly and significantly, resulting in a pause in construction in October 2023; the commencement of a comprehensive review of the go-forward strategy for the project; the filing of various mechanics' liens; and the onset of several litigations, including securities actions and an arbitration claim commenced by the general contractor for the Rochester Hub project;
- (b) Li-Cycle's existing Spokes have each remained unprofitable, due to a number of factors, including but not limited to pricing for feedstock – particularly in North America – and relatively depressed commodity prices pertinent to intermediate products (*e.g.*, nickel, cobalt); and
- (c) Li-Cycle has been unable to raise the additional financing necessary to meet the conditions precedent for advances to be made under a loan facility with the US Department of Energy.

6. The circumstances described in the preceding paragraph have adversely affected the ability to raise additional debt or equity financing and has led to further complications, including:

- (a) The share price of Holdings' common shares has declined by over 99% since the pause on construction of the Rochester Hub was announced; and the common shares were subsequently de-listed from NYSE on March 9, 2025;
- (b) Due to a lack of available liquidity, Li-Cycle has paused operations at each of its Spokes (other than the Germany Spoke) and reduced its active headcount from 536 as of September 30, 2023, to 119 as of today; and
- (c) Li-Cycle is in default under its secured and unsecured notes. While waivers had been negotiated with Glencore (defined below) and an unsecured

noteholder, Wood River Capital, LLC, an affiliate of Koch Strategic Platforms, LLC (hereinafter, “Koch”), such waivers expired as of Tuesday, May 13, 2025 at 11:59 p.m.

7. The CCAA Applicants are insolvent. Accordingly, the CCAA Applicants initiated proceedings (the “Canadian Proceeding”) under Canada’s *Companies’ Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended (“CCAA”), sanctioned by the Ontario Superior Court of Justice (Commercial List) in Toronto (the “Canadian Court”). Earlier today, May 14, 2025, the CCAA Applicants sought and obtained CCAA protection and obtained from the Canadian Court an initial order (the “Initial Order”), *see* Aziz 1519 Decl. Ex. R,<sup>2</sup> which, *inter alia*, (i) opened the Canadian Proceedings, (ii) imposed a stay for the Stay Period (as defined in the Initial Order), (iii) approved the appointment of the Foreign Representative; and (iv) authorized the Foreign Representative to file and prosecute the Verified Petition and the Chapter 15 cases (the “Chapter 15 Cases”).

8. The Chapter 15 Debtors intend to conduct a sale and realization process to seek a sale of, or investment in, their businesses. The goal is to identify a transaction or investment that will allow the business to continue as a going concern, re-start operations at some or all of its paused Spokes and resume construction of the Rochester Hub for the benefit of its employees, suppliers and the communities in which Li-Cycle operates. Li-Cycle has retained William E. Aziz, the Foreign Representative, as Chief Restructuring Officer (“CRO”) to help guide it through this process.

9. To that end, the Canadian Court’s Initial Order granted the CCAA Applicants (including the Chapter 15 Debtors) an initial 10-day stay period before a subsequent “comeback”

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<sup>2</sup> References to the “Aziz Decl.” and exhibits thereto are to the Declaration of William E. Aziz in Support of Verified Petition, filed contemporaneously with this Motion. References to the “Aziz 1519 Decl.” and exhibits thereto are to the Declaration of William E. Aziz in Support of this Motion, also being filed contemporaneously herewith.

hearing (the “Comeback Hearing”) scheduled for May 22, 2025 to consider granting the stay on a more permanent basis. The Foreign Representative expects the Canadian Court to grant a more permanent stay at this Hearing.

10. Because the Chapter 15 Debtors have substantial assets and business operations in the United States that are critical to the conduct of the Canadian Proceedings, the Initial Order authorizes the Foreign Representative to commence these Chapter 15 Cases to protect the assets and properties of the Chapter 15 Debtors that are located within the United States, and to stay all legal proceedings against the Chapter 15 Debtors within the United States.

11. To ensure that the Chapter 15 Debtors’ valuable US assets are not picked off individually as a result of self-help remedies, and to ensure the provisional stay ordered by the Canadian Court is honored in the United States, a provisional stay is urgently needed from this Court until such time as this Court can rule on the Verified Petition. The Chapter 15 Debtors need this relief urgently to prevent the Chapter 15 Debtors’ US landlords from terminating leases and repossessing mission-critical premises in light of the Chapter 15 Debtors’ inability to make monthly rent payment on May 1, 2025, to prevent US counterparties from precipitously terminating their agreements with the Chapter 15 Debtors, and to prevent mechanics lienors or other suppliers from entering the Debtors’ premises and repossession properties. The leases for at least seven of the Chapter 15 Debtors’ US spoke, office, lab and warehouses properties allow the landlord to terminate a lease, re-enter the premises, and, in some cases even discard the Chapter 15 Debtors’ valuable property therein, within five-to-ten days after failure to make a payment when due, and in some cases with no advance notice. At least one landlords has claimed that an event of default will occur on the US HubCo’s Rochester Hub warehouse by May 17, 2025.

12. The Chapter 15 Debtors also face a plethora of lawsuits, arbitrations and mediation

proceedings in the United States that have fast-approaching deadlines and demand an undue amount of attention from the Chapter 15 Debtors when it is critical to focus on the Canadian Proceedings. These include, *inter alia*, (i) a federal securities class-action lawsuit against Holdings and certain of its current and former directors and officers (whom Li-Cycle must indemnify), in which the defendants must file an appellate brief on June 2, 2025; (ii) a lien foreclosure and arbitration action brought by a contractor who performed construction work on the Rochester Hub, seeking to foreclose a purported \$48,674,848 mechanics' lien on the Chapter 15 Debtors' Rochester Hub property; (iii) a \$998,532.89 breach-of-contract claim brought by a supplier, alleging that U.S. HubCo breached payment obligations, and for which a summary judgment motion is proceeding apace; and (iv) a breach-of-contract claim against Holdings for an alleged failure to pay roughly \$1 million, for which mediation is scheduled to begin on May 16, 2025.

13. The Foreign Representative has commenced these Chapter 15 Cases, *inter alia*, to facilitate the sale of the Chapter 15 Debtors' US assets. To that end, the Foreign Representative seeks to stay any attempt to exercise rights and remedies against the US-based property or business of the Chapter 15 Debtors, and US legal proceedings against the Chapter 15 Debtors. Such stay will facilitate the success of the Canadian Proceedings. The claims advanced in the US lawsuits, and by persons seeking to terminate contracts with, or exercise rights over the US property of, the Chapter 15 Debtors can be addressed on a collective basis in the Canadian Proceedings.

14. However, in contrast to a Chapter 11 case, and in contrast to the provisional stay ordered by the Canadian Court in the Initial Order, the automatic stay of Section 362 of the Bankruptcy Code will not apply to the Chapter 15 Debtors or their US assets immediately upon the commencement of these Chapter 15 Cases, but only once the Verified Petition is granted. During this gap period, the Chapter 15 Debtors' US contract counterparties could seek to terminate

the Chapter 15 Debtors' contracts unilaterally, and the Chapter 15 Debtors' US landlords could seek to terminate leases and impose self-help remedies on properties that are critical to the success of the Canadian Proceedings. The plaintiffs in the US legal proceedings can also continue prosecuting claims against the Chapter 15 Debtors. The Chapter 15 Debtors' ability to engage in an asset sale or other transaction for the benefit of all stakeholders would be imperiled, if not extinguished, if creditors can engage in unilateral self-help remedies against the Chapter 15 Debtors, their US property or the business that they conduct in the United States.

15. Accordingly, the Foreign Representative now seeks provisional relief between the date hereof and entry of a Recognition Order with regard to the Verified Petition. The Foreign Representative requests that this Court immediately order the application of sections 362, 1520 and 1521 of the Bankruptcy Code and enter an order explicitly staying any act seeking to (i) assert control over, execute against, possess, or repossess any of the Chapter 15 Debtors' US assets; (ii) alter, terminate or interfere with the Chapter 15 Debtors' business or contract rights; or (iii) commence or continue any US litigation against the Chapter 15 Debtors pursuant to sections 362, 1519, 1521(a)(1) and 1521(a)(7) of the Bankruptcy Code, on an emergency basis.

16. The Debtors also request that the notice period for the Verified Petition be shortened such that a hearing regarding the Verified Petition is scheduled within seven days of the entry of an order on this Motion. This will allow the schedules in these Chapter 15 cases and the Canadian Proceedings to align with respect to important matters such as a permanent stay, orders with respect to sales of assets in the United States, and debtor-in-possession financing.

17. Without the relief requested herein, the Chapter 15 Debtors may experience immediate disruption to their business and their ability to access property that is critical to the success of the Canadian Proceedings. Chapter 15 of the Bankruptcy Code is intended to prevent

these negative effects. As a result, a provisional stay is merited.

### **JURISDICTION AND VENUE**

18. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding under 28 U.S.C. § 157(b)(2)(P).

19. This case has been properly commenced pursuant to Section 1504 of the Bankruptcy Code by filing the Verified Petition.

20. Venue is proper pursuant to 28 U.S.C. § 1410.

21. The statutory bases for relief are sections 105(a), 362, 1507, 1519, and 1521 of the Bankruptcy Code.

### **BACKGROUND**

#### **A. The Chapter 15 Debtors' Business**

22. Li-Cycle is a global lithium-ion battery resource recovery company. *See* Aziz Decl. ¶ 10. Li-Cycle's goal is to recycle lithium-ion batteries, recovering critical battery-grade materials and reinserting them back into the supply chain for a clean energy future using its patent-protected Spoke & Hub Technologies™. *Id.* at ¶ 11.

23. Li-Cycle's "Spokes" are pre-processing facilities where Li-Cycle recycles battery manufacturing scrap and end-of-life batteries to produce black mass. *Id.* at ¶ 11(a). Li-Cycle has Spokes in, *inter alia*, New York, Alabama and Arizona. *Id.*

24. Li-Cycle's planned Rochester Hub is a post-processing facility where Li-Cycle would process black mass to produce critical battery-grade materials to use in the manufacture of batteries. Once the Rochester Hub is completed, the US Spokes and the Rochester Hub would provide a complete solution to lithium-ion battery recycling in the United States. *Id.* at ¶ 11(b).

25. The Spokes and the development of the Rochester Hub are ultimately managed from Li-Cycle's global head office in Toronto. The majority of management services, and all

corporate governance, financial reporting and administrative services for the Li-Cycle group are performed out of the head office. *Id.* at ¶ 12. Li-Cycle’s financial, strategic, management, marketing and personnel decisions are also made from its corporate headquarters at the head office in Toronto, Ontario, Canada. *Id.* at ¶ 85(b).

#### **B. The Chapter 15 Debtors’ Performance**

26. Li-Cycle has encountered numerous challenges since the fall of 2023. These challenges have strained Li-Cycle’s liquidity and impacted its ability to operate its Spokes and continue the development of the Rochester Hub. *Id.* at ¶ 13.

27. Li-Cycle has been unable to raise additional financing necessary to meet the conditions necessary for advances to be made under a loan obtained from the U.S. Department of Energy. *Id.* at ¶ 13(c).

28. Li-Cycle has actively pursued a variety of strategic investments and alternatives. *Id.* at ¶ 43. For nearly two years, Li-Cycle canvassed the market with the assistance of the investment banking firm Moelis to identify funding or other strategic transactions. *Id.* at ¶ 44. Despite additional investment from Glencore, Ltd. (“Glencore”), and the lengthy process conducted by Moelis, Li-Cycle has been unable to execute a viable transaction or obtain sufficient additional investment. *Id.* at ¶ 45.

29. Consequently, the Chapter 15 Debtors have experienced an acute liquidity crisis. *See id.* at ¶ 80.

#### **C. The Chapter 15 Debtors Face Immanent Risk To Their US Assets and Businesses, as Well as Immanent Litigation Risk, Costs and Expenses.**

30. In addition the challenges described above, the Chapter 15 Debtors face the imminent risk that their contract counterparties will take self-help measures to enforce against the US property or assets of the Chapter 15 Debtors, take steps to possess the Chapter 15 Debtors’

property, or otherwise interfere with the Chapter 15 Debtors' business in the United States. They also face an onslaught of legal proceedings in the United States. This exacerbates the Chapter 15 Debtors' liquidity crisis and detracts from their focus on the Canadian Proceedings.

**a. Threats To Exercise Control Over or Obtain Possession of, the US Property of the Chapter 15 Debtors.**

31. The Chapter 15 Debtors do not own any real property except for certain improvements on the ground leases at the Rochester Hub. However, the Chapter 15 Debtors' ability to access and conduct business at their leased properties at the following locations is in imminent danger given that the Chapter 15 Debtors have been unable to make the rent payments due on May 1, 2025 for each of these properties. *See Aziz 1519 Decl. ¶¶ 8, 19.*<sup>3</sup>

32. *The Rochester Hub Plant Ground Lease.* U.S. HubCo leases the land for the Rochester Hub pursuant to a ground lease agreement with Ridgeway Properties I, LLC that runs to March 31, 2042. *See 1519 Aziz Decl. ¶ 9 & Ex. B.* The lease agreement provides that it is an event of default if lessee fails to make a payment within 15 days after receiving written notice of such failure. *Id.*, Ex. B § 16(A). On May 2, 2025, the lessor sent U.S. HubCo a written notice alleging that U.S. HubCo was in default for failing to timely make payments, and that failure to pay by May 17, 2025 would be an event of default allowing landlord to obtain a judgment for damages and, ultimately, repossess the leased land. *See Aziz 1519 Dec. ¶ 9 & Ex. C at 1-2.*

33. *The Rochester Hub Warehouse Ground Sublease.* U.S. HubCo entered into an amended and restated ground sublease agreement with Pike Conductor Dev. 1, LLC to rent the land on which the Rochester Hub's warehouse and administrative building is situated. The sublease runs through March 31, 2049. *See Aziz 1519 Decl. ¶ 10 & Ex. D.* U.S. HubCo paid

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<sup>3</sup> A full description of the Chapter 15 Debtors' leased US properties, and the business conducted therein, is in paragraphs 21-31 of the Verified Petition and is incorporated herein by reference.

\$53,541,711.77 towards the construction of this building. *Id.* At ¶ 10. The sublease agreement provides that it is an event of default if lessee fails to make a required payment within 15 days after receiving written notice of such failure. *See id.*, Ex. D a§ 16(A). On May 2, 2025, the landlord sent U.S. HubCo a written notice alleging that U.S. HubCo was in default for failure to make timely payments, and that failure to make such payments by May 17, 2025 would be an event of default allowing it to terminate the lease and accelerate all obligations pursuant to the sublease. *See id.* at ¶ 10 & Ex. E.

34. *Mechanics Liens.* Contractors performing work on the Rochester Hub and Rochester warehouse and administrative building have asserted approximately \$60.7 million-worth of mechanics' liens against the Chapter 15 Debtors' interests in those properties. Certain lienors have sought to force a sale of property to satisfy the mechanics' liens. *See Aziz* 1519 Decl. ¶ 11. Other lienors may do the same. *Id.*

35. *The Rochester Spoke.* The Rochester Spoke premises are leased by U.S. SpokeCo pursuant to a lease with the Eastman Kodak Company that currently runs to June 30, 2029. *See Aziz* 1519 Decl. ¶ 12 & Ex. F. The lease agreement provides that, if the tenant fails to pay rent for five days after receiving written notice of its failure to do so, then the landlord may terminate the lease and the tenant's right to possession. In the event of termination, the tenant's property remaining in the premises shall be deemed to have been abandoned. *See id.* at Ex. F § 15.

36. *The Rochester Office, Lab and Storage Space.* The Rochester Office, Lab and Storage space are leased by U.S. HubCo pursuant to a lease with the Eastman Kodak Company. *See Aziz* 1519 Decl. ¶ 13 & Ex. G. The lease has the same termination, repossession and abandonment provisions as the Rochester Spoke lease. *See Id.* at Ex. G § 15.

37. *The Arizona Spoke.* The Arizona Spoke premises in Gilbert, Arizona, is leased by

U.S. SpokeCo pursuant to a lease which runs to February 29, 2032. *See* Aziz 1519 Decl. ¶ 14 & Ex. H. Pursuant to this lease, if the tenant fails to pay rent after five days of the due date or within a potential five-day grace period, or if tenant fails to continuously operate within the Arizona Spoke during any such time, it is a default and landlord can terminate the lease, retake possession of the premises, and keep in place and use the Debtor's property therein. *Id.* at Ex. H §§ 19-20.

38. *The Arizona Spoke Warehouse.* U.S. SpokeCo leases the Arizona Spoke Warehouse in Mesa, Arizona as a storage facility to support the operations of the Arizona Spoke. Li-Cycle leases this storage facility pursuant to a lease with which Power Industrial Owner LLC that runs to May 21, 2034. *See* Aziz 1519 Decl. at ¶ 15 & Ex. I. If the tenant fails to pay rent when due date (or within a potential ten-day grace period thereafter), the landlord may terminate the lease, reenter the premises and sell or otherwise dispose of any property therein. *See id.* at Ex. I § 17.<sup>4</sup>

39. *The Alabama Spoke.* U.S. SpokeCo leases the Alabama Spoke premises in Northport, Alabama pursuant to a lease with BPG Boone, LLC (as assignee) that runs to June 30, 2042. *See* Aziz 1519 . ¶ 16 & Ex. J. Under this lease, if the tenant fails to pay rent within five days of its due date (or within a potential five-day grace period after receiving notice of such failure), the landlord may terminate the lease, with tenant waiving notice of the landlord's intent to re-enter. *See id.* at Ex. J § 18.

40. *The Alabama Spoke Warehouse.* U.S. SpokeCo leases the Alabama Spoke Warehouse pursuant to a lease with Automotive Corridor, LLC that runs to December 31, 2030. *See* Aziz Decl. ¶ 17 & Ex. K. This lease provides that, if the tenant fails to pay rent when due, and continues to do so for ten days after receiving notice, the landlord may terminate the lease and the

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<sup>4</sup> U.S. SpokeCo leases another warehouse in Mesa Arizona pursuant to a lease with C1418 Landing 202 LLC and Sherman Street Landing 202 LLC. That warehouse is unused.

tenant's right to occupancy upon written notice at any time. *See id.* at Ex. K §§ 21-22.

41. *The Alabama Office.* U.S. SpokeCo leases the Alabama Office in Vestavia Hills, Alabama pursuant to a lease agreement with PZ UZ Building Owner LLC that runs to November 30, 2027. *See* Aziz 1519 Decl. ¶ 18 & Ex. L. This lease provides that if the tenant fails to pay rent within ten days of the due date, or if such payment is the first missed payment in any calendar year, within ten days of a written demand to make such payment, the landlord may terminate the lease, require the tenant immediately to surrender possession and, if tenant fails to do so, retake possession without any further notice to tenant. *See id.* Ex. L at § 19.

**b. US Litigation Against the Chapter 15 Debtors and Their Directors and Officers.<sup>5</sup>**

42. *Federal Securities Litigation.* On November 8, 2023, a putative class action lawsuit was commenced in the United States District Court for the Southern District of New York against Holdings, as well as its former CEO, former Executive Chairman, and current CEO (together, the “Individual Defendants”) on behalf of a proposed class of purchasers of Li-Cycle’s common shares. *See Hubiack v. Li-Cycle Holdings Corp., et al.*, No. 23-cv-09894 (S.D.N.Y.); *see also* Aziz 1519 Decl. ¶ 20. The amended complaint in this lawsuit asserts claims under sections 10(b) and 20(a) of the U.S. Securities Exchange Act of 1934. *See* Aziz 1519 Dec. ¶ 20; *Hubiack v. Li-Cycle Holdings Corp., et al.*, No. 23-cv-09894 (S.D.N.Y.) (Dkt. No. 44). Debtor Holdings must indemnify the Individual Defendants for legal costs and any liability they incur in this action. *See* Aziz 1519 Decl. at ¶ 21 & Exs. N, O, P. These obligations could be substantial, given that the lead plaintiff seeks recovery for an approximately 71% decline in Li-Cycle’s market capitalization.

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<sup>5</sup> The Chapter 15 Debtors are named as defendants in US lawsuits beyond those that are described herein. This Motion describes the US legal proceedings for which a stay is most urgently needed while the Verified Petition is pending.

*Hubiack v. Li-Cycle Holdings Corp., et al.*, No. 23-cv-09894 (S.D.N.Y.) (Dkt. No. 44 at ¶¶ 9-11). On June 10, 2024, the district court granted defendants' motion to dismiss in full with prejudice. *See Aziz* 1519 Decl. at ¶ 20; *Hubiack v. Li-Cycle Holdings Corp., et al.*, No. 23-cv-09894 (S.D.N.Y.) (Dkt. No. 58). The plaintiff appealed, *see id.* at Dkt. No. 60, and defendants' appellate brief is due on June 2, 2025. *Aziz* 1519 Decl. at ¶ 20 & Ex. M.

43. Construction Claims. Li-Cycle is subject to various lawsuits following the suspension of construction activity at the Rochester Hub in 2023. On April 9, 2024, MasTec Industrial Corp. ("MasTec"), the general contractor for the Rochester Hub project, commenced: (i) arbitration proceedings against U.S. HubCo and (ii) a foreclosure action, in the Supreme Court, County of Monroe, New York, seeking to foreclose on mechanics' liens it claimed to have for unpaid accounts related to construction of the Rochester Hub. *See Mastec Industrial Corp., Inc. v. Li-Cycle North America, Hub, Inc.*, Index No. E2024006083 (Sup. Ct. Monroe Cty) (Dkt. No. 1); *see also Aziz* 1519 Decl. ¶ 24. Through these actions, Mastec seeks at least \$48,674,848 plus interest, fees, costs and expenses thereon. *Aziz* 1519 Decl. ¶ 24. Although the MasTec foreclosure action currently is stayed pending arbitration, *see Mastec Industrial Corp., Inc. v. Li-Cycle North America, Hub, Inc.*, Index No. E2024006083 (Sup. Ct. Montore Cty.) (Dkt. Nos. 114-115), the arbitration is proceeding. *Aziz* 1519 Decl. ¶ 24. On April 29, 2024, HubCo delivered its arbitration answering statement, which includes counter-claims in the amount of \$27,310,034, plus interest, fees and expenses. The arbitration is scheduled to commence on July 21, 2026. *See Aziz* 1519 Decl. at ¶ 25. In the meantime the parties are engaged in a substantial discovery process that threatens to drain the resources of the Chapter 15 Debtors. *See id.*

44. Other Supplier Claims. On February 26, 2025, UDN, Inc. ("UDN") filed a motion for summary judgement in lieu of complaint in the Supreme Court of New York, County of

Monroe, alleging U.S. HubCo breached its payment obligations set out in an unsigned agreement. *See UDN Inc. v. Li-Cycle North America Hub, Inc.*, Index No. E2025004271 (Sup. Ct. Monroe Cty) (Dkt. No. 2). UDN claims it is owed \$998,532.89, plus interest, attorneys' fees, costs and expenses. *See id.* at Dkt. No. 3. U.S. HubCo filed its opposition to UDN's motion on May 6, 2025, *see id.* at Dkt. No. 14 and UDN's reply submission is due on May 27, 2025. *See id.* at Dkt. No. 9; *see also* Aziz 1519 Decl. ¶ 27.

45. On December 23, 2024, Virginia Transformer Corp. ("VTC") filed a complaint in the United States District Court for Western District of New York, Rochester Division alleging U.S. HubCo breached its contract with VTC. *See Virginia Transformer Corp. v. Li-Cycle N. Am Hub., Inc.*, Case No. 2024-cv-06742 (W.D.N.Y) (Dkt. No. 1). VTC claims it is owed \$1,077,714.50, plus interest, fees, costs and expenses thereon. *Id.* Li-Cycle filed its Amended Answer and Affirmative Defenses to the complaint on March 4, 2025. *Id.* at Dkt. No. 19. The district court ordered the parties to mediate on or before June 1, 2025, *see id.* at Dkt. No. 23. As a result, the parties have scheduled mediation for May 21, 2025, and Li-Cycle's mediation statement is due on May 16, 2025. *See* Aziz 1519 Decl. ¶ 28.

#### **D. The Canadian Proceedings and these Chapter 15 Cases**

46. In light of the above, an immediate stay of proceedings is necessary to allow the Chapter 15 Debtors breathing room so that they can focus their efforts on conducting a court-supervised sale and realization process that will allow them to achieve the most beneficial outcome for all its stakeholders in a single, collective process. *See* Aziz 1519 Decl. ¶ 30.

47. As result, on May 14, 2025, the Chapter 15 Debtors initiated the Canadian Proceedings by applying to the Canadian Court to obtain protection pursuant to the CCAA. *See* Aziz 1519 Decl. at ¶ 31. The Canadian Proceedings are collective judicial proceedings through which the assets and affairs of the Chapter 15 Debtors are subject to the supervision of the

Canadian Court, which is tasked with overseeing an orderly and equitable process for the benefit of the Chapter 15 Debtors' creditor body as a whole. *Id.* at ¶ 31. The goal in the Canadian Proceedings is to identify a transaction or investment opportunity that will provide maximum value to all stakeholders, including a potential sale of the Chapter 15 Debtors' US assets. *See id.* at ¶ 31.

48. On May 14, 2025, the Canadian Court entered the Initial Order, in which it granted the CAA Applicants (including the Chapter 15 Debtors) an initial, ten-day stay before the Comeback Hearing scheduled for May 22, 2025 to grant the stay on a more permanent basis. *See Aziz 1519 Decl.* ¶ 32 & Ex. R. Until and including May 22, 2025, the Initial Order: (i) stays the suspension, discontinuance, termination, repudiation, or rescission of any "agreement, lease" or "sublease" with the Chapter 15 Debtors, *id.* at Ex. R ¶ 16; (ii) enjoins any persons from exercising any "rights" or "remedies" "against or in respect of" the Chapter 15 Debtors, *id.* at ¶ 15; (iii) stays the commencement or continuation of any "proceeding" or "enforcement process" in "any court or tribunal" that is "in respect of" the Chapter 15 Debtors, or that effects their business or property, *id.* at ¶ 13; and (iv) enjoins the commencement or continuation of any proceedings against the current or former directors and officers of the Chapter 15 Debtors in which such directors and officers are alleged to be liable for the obligations of the Chapter 15 Debtors. *Id.* at ¶ 20.<sup>6</sup>

49. The CCAA Applicants are scheduled to return to the Canadian Court for the Comeback Hearing on May 22, 2025, in which the Canadian Court is expected to issue orders extending these stay provisions, and authorizing sales procedures and debtor-in-possession financing. *Aziz 1519 Decl.* ¶ 34. The Foreign Representative expects that, at this comeback hearing, the Canadian Court's initial stay protections will be granted on a more permanent basis

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<sup>6</sup> The Initial Order also provides that the Debtors must continue to pay all post-petition rent until a lease "is disclaimed in accordance with the CCAA." *Aziz 1519 Decl. Ex. R* ¶ 8.

on May 22, 2025. *See Id.*

50. Because the Chapter 15 Debtors have assets and business operations in the United States that are critical to the conduct of the Canadian Proceedings, the Initial Order authorizes the Foreign Representative to seek in these Chapter 15 Cases the application of these provisional stays to any business or property of the Chapter 15 Debtors “located or being conducted within the” United States, and to all persons or legal proceedings taking place, located or acting within the United States. *See Aziz* 1519 Decl. ¶ 33 & Ex. R ¶ 60.

51. To ensure that, as in the Canadian Proceedings, the Chapter 15 Debtors obtain a provisional stay until such time as this Court can order more permanent relief—as independently provided for in Section 1519 of the Bankruptcy Code—and to ensure that the Chapter 15 Debtors’ valuable US assets are not picked off individually through self-help remedies, the Chapter 15 Debtors now seek a provisional stay from this Court until it can rule on the Verified Petition.

### **RELIEF REQUESTED**

52. By this Motion, the Foreign Representative seeks entry of for entry of an order, attached hereto as **Exhibit A**, (i) applying sections 362 and 1520 of the Bankruptcy Code in these Chapter 15 cases to the Chapter 15 Debtors’ assets and property in the United States until this Court makes a final ruling on the Verified Petition, including imposing a provisional stay on all US legal proceedings identified above and on any execution against, attempt to take control over, or interfere with, the Chapter 15 Debtors’ assets or property in the United States; and (ii) scheduling a hearing with respect to the Verified Petition on shortened notice, to be held no later than seven days from the date this Motion is granted.

### **ARGUMENT**

#### **I. THE RELIEF REQUESTED IS AUTHORIZED BY SECTION 1519 OF THE BANKRUPTCY CODE**

53. Section 1519(a) of the Bankruptcy Code conditions provisional application of a stay on such relief being “urgently needed to protect the debtor’s assets or the interests of creditors” before recognition of a foreign proceeding. 11 U.S.C. § 1519(a);<sup>7</sup> 8 Collier on Bankr. ¶ 1519.01 (“Section 1519 of the Bankruptcy Code provides a vehicle for . . . relief which may be necessary during the gap period” between filing a Chapter 15 petition and entry of a recognition order).

54. As shown below and in the Aziz 1519 Declaration, such relief is needed urgently here to protect the Chapter 15 Debtors’ US assets and business operations from disruptions that could undermine and endanger the success of the Canadian Proceedings, and to stop US litigation with imminent deadlines that threatens to drain and divert the resources of the Chapter 15 Debtors. Provisional relief pursuant to section 1519 is routinely granted in these circumstances. *E.g., In re Milana Tucano Ltda.*, No. 22-11198 (LGB) (Bankr. S.D.N.Y. Oct. 12, 2022), Dkt. No. 19 (provisionally imposing a section 362 to protect debtors’ US assets); *In re Ocean Rig UDW Inc.*, No. 17-10736 (MG) (Bankr. S.D.N.Y. Apr. 7, 2017) Dkt. Nos. 12 & 41 (entering temporary restraining order imposing section 362 with respect to Chapter 15 debtors and their US assets).<sup>8</sup>

## **II. THE STANDARDS FOR INJUNCTIVE RELIEF ARE SATISFIED**

55. Relief under section 1519 is available when a foreign representative satisfies the standard for injunctive relief. 11 U.S.C. § 1519(e). To obtain such relief, the movant must show (1) a likelihood of success on the merits; (2) irreparable harm without an injunction; (3) balance

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<sup>7</sup> Section 1519(a) authorizes provisional relief in the form of a stay of “execution against the debtor’s assets,” and in the form of “any relief referred to in paragraph . . . (7) of section 1521(a). See 11 U.S.C. § 1519(a)(1) &(3). Section 1521(a)(7), in turn, provides that the Court may grant appropriate relief, including, with exceptions that are not applicable here, “any additional relief that may be available to a trustee,” including relief pursuant to section 362 of the Bankruptcy Code.

<sup>8</sup> *Accord In re Imperial Tobacco Canada Ltd.*, No. 19-10771 (Bankr. S.D.N.Y. Mar. 14, 2019 & Mar. 25, 2019) (Dkt. Nos. 14 and 22) (applying section 1519 to grant protection under section 362); *In re Mood Media Corp.*, No. 17-11413 (Bankr. S.D.N.Y. May 24, 2017) (Dkt. No. 21) (same); *In re Tervita Corp.*, No. 16-12920 (Bankr. S.D.N.Y. Oct. 26, 2016) (Dkt. No. 18) (same).

of the hardships tipping in its favor; and (4) that injunctive is not contrary to the public interest. *Secured Worldwide LLC v. Kinney*, 2015 WL 1514738, at \*10 (S.D.N.Y. Apr. 1, 2015). These requirements are satisfied here.

**A. The Foreign Representative Is Likely To Succeed on the Merits**

56. To show likelihood of success on the merits, the Foreign Representative must show that he is likely to obtain recognition of the Canadian Proceedings. *E.g.*, *Andrade Guitierrez Engenharia S.A.*, 645 B.R. 171, 181-82 (Bankr. S.D.N.Y. 2022) (foreign representative was likely to succeed on the merits because it “likely will obtain recognition of its foreign proceedings”).

57. The Foreign Representative has an enormously high likelihood of success here. The Foreign Representative hereby incorporates by reference the Verified Petition, which shows that (i) the Canadian Proceedings are “foreign proceedings” pursuant to section 101(23); (ii) the Canadian Proceedings are “foreign main proceedings” under section 1517(b); (iii) the Chapter 15 Cases were commenced by a “foreign representative” in accordance with section 101(24); and (iv) the documents filed by the Foreign Representative meet the requirements of section 1515. *See* Verified Petition ¶¶ 83-103. Thus, the Foreign Representative has satisfied the requirements for recognition, *see* 11 U.S.C. § 1517 and has a very strong chance of success on the merits.

**B. The Chapter 15 Debtors Will Suffer Irreparable Harm**

58. Application of provisional relief pursuant to section 362 of the Bankruptcy Code is critical to prevent irreparable damage to the Canadian Proceedings, including to the Chapter 15 Debtors’ ability to execute a transaction for the benefit of creditors as a whole. Without provisional relief, the Debtor faces immediate and irreparable harm from (i) the imminent risk that Chapter 15 Debtors’ counterparties will take self-help measures to enforce against the US assets and property of the Chapter 15 Debtors, take steps to possess the Chapter 15 Debtors’ property, or otherwise interfere with the Chapter 15 Debtors’ businesses in the United States, and (ii) draining resources

defending the legal actions described above.

59. *The Chapter 15 Debtors' Counterparties May Take Immediate Self-Help Measures.*

As shown above, the Chapter 15 Debtors lease many premises in the United States at which they store valuable assets and maintain businesses. There is an imminent risk that the Chapter 15 Debtors' landlords may engage in self-help measures, including by terminating the Chapter 15 Debtors' US leases and repossessing the Debtor's US premises in as little as five-to-ten days. If creditors can enforce on the US property of the Debtor in a piecemeal fashion outside the Canadian Proceedings, or interfere with the Chapter 15 Debtors' assets or business operations in the United States, that would endanger, or perhaps extinguish, the Chapter 15 Debtors' ability to engage in an asset sale in the Canadian Proceedings. This constitutes irreparable harm. *See In re Ted Baker Canada Inc.*, No. 24-10699 (Bankr. S.D.N.Y. Apr. 24 & 25, 2024) Dkt. Nos. 7 & 17 (ordering a section 1519 stay that applied "to the [d]ebtors and their [US] property" when, as here, the Canadian court's order "implement[ed] a stay preventing parties from taking actions against the [d]ebtors' assets wherever located" but the debtors' US assets "may be subject to enforcement actions by certain creditors and litigants that may not believe they are bound by the [i]nitial CCAA [o]rder"); *In re Americas, S.A.*, No. 23-10092 (Bankr. S.D.N.Y. Jan. 25 & 27, 2023), Dkt. Nos. 5 & 17 (ordering a provisional stay "with respect to each of the Chapter 15 Debtors and their properties within the . . . United States" when the debtors' notes had been accelerated and noteholders "may attempt to argue that they can attach certain the [d]ebtors' property").<sup>9</sup>

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<sup>9</sup> *Accord In re Caledonian Bank Ltd.*, No. 15-10324 (MG) (Bankr. S.D.N.Y. Feb. 16, 2015) (staying execution against debtor's assets because, absent such relief, the debtors would "suffer irreparable harm to the value of its business, assets, and property"); *In re Tibanne Co. Ltd.*, No. 15-10355 (REG) (Bankr. S.D.N.Y. Feb. 13, 2015) (attack on the debtor's assets in the United States would cause harm to the debtor's efforts to liquidate); *In re Sifco S.A.*, No. 14-11179 (REG) (Bankr. S.D.N.Y. May 7, 2014) (finding a material risk that creditors would attempt to control or possess the debtor's assets absent an injunction).

60. *The Impact of Continued US Litigation.* The US legal proceedings described above require Chapter 15 Debtors to undertake substantial work during the gap period between the filing of the Verified Petition and the Recognition Order. As shown above, each of these legal proceedings has substantial deadlines (or work that must be done) during this gap period, and failure to meet these deadlines carries substantial risk of default, including the waiver of rights, arguments and defenses. Absent immediate application of a provisional stay, the Chapter 15 Debtors are left with an impossible choice between (i) gratuitously expending resources that should be better put towards the collective Canadian Proceedings; or else (ii) risking a default or the waiver of rights by failing to engage in the US lawsuits. The Chapter 15 Debtors therefore will face immediate and irreparable harm from the cost of litigation depleting the Chapter 15 Debtors' resources at this critical juncture, and diverting the Chapter 15 Debtors' attention from the orderly and expedient progress of the Canadian Proceedings. That is irreparable harm. *See In re Gercke*, 122 B.R. 621, 626 (Bankr. D.D.C. 1991) (noting that litigation would "[divert] funds needed for the purpose of maximizing value" for all creditors); *cf. In re MMG LLC*, 256 B.R. 544, 555 (Bankr. S.D.N.Y. 2000) ("forc[ing] a foreign representative to participate in expensive litigation that threatens to drain the assets of the estate" may result in irreparable harm).

61. The risk of piecemeal litigation in which individual creditors seek to progress and collect on their claims against the Chapter 15 Debtors is also an irreparable injury. *Andrade Gutierrez*, 645 B.R. at 182 (irreparable harm "exists whenever local creditors of the foreign debtor seek to collect their claims or obtain preferred positions to the detriment of the other creditors").<sup>10</sup>

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<sup>10</sup> *Accord In re MMG, LLC*, 256 B.R. 544, 555 (Bankr. S.D.N.Y. 2000) ("irreparable harm exists whenever local creditors of the foreign debtor seek to collect their claims or obtain preferred positions to the detriment of other creditors"); *In re Banco Nacional de Obras y Servicios Publicos, S.N.C.*, 91 B.R. 661, 664 (Bankr. S.D.N.Y. 1988) (injunctive relief needed "to prevent individual American creditors from arrogating to themselves property belonging to the creditors as a group").

62. In addition, the Chapter 15 Debtors must indemnify the Individual Defendants for legal fees and liability associated with federal securities class-action litigation, in which defendants' appellate brief is due on June 2, 2025. As a party to that case, Holdings may be bound by any decisions therein. Thus, it is appropriate to extend the provisional stay to the Individual Defendants in that action. *E.g., In re Durr Mech. Constr., Inc.*, 604 B.R. 131 (Bankr. S.D.N.Y. 2019) (extension of stay to non-debtor insurers was warranted where a claim against them would have an immediate, adverse economic impact on the estate).<sup>11</sup>

**C. Balance of Hardships Favors the Chapter 15 Debtors**

63. In contract to the hardships described above, preservation of the *status quo* through provisional relief will not significantly prejudice any landlord seeking to terminate any of the Chapter 15 Debtors' US leases, any person seeking to exercise control over, execute upon, or interfere with the Chapter 15 Debtors' US assets or business operations, or any plaintiffs in US litigation. Individual creditors' rights to initiate piecemeal collection and enforcement actions should be afforded minimal weight in light of (i) the Initial Order, which is already in place and operates as worldwide stay of all actions against the Chapter 15 Debtors and their property, and (ii) the Foreign Representative's request for entry of the Recognition Order, which would impose such a stay in the United States. The hearing on the Verified Petition will be held in as little as seven days if the Court chooses to grant the relief sought in this Application, such that provisional relief requested would be in place for only a limited time and will have a minimal impact on creditors if the Court, contrary to expectations, decides not to recognize the Canadian Proceedings.

64. Moreover, the claims of the US plaintiffs and any US person seeking to exercise

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<sup>11</sup> *Accord In re Am. Film Techs., Inc.*, 175 B.R. 847 (Bankr. D. Del. 1994) (granting stay of proceedings against the non-debtor because the indemnification implications of the claim could cause irreparable harm to the debtor).

remedies with respect to the US property or business of the Chapter 15 Debtors can be addressed fully in the Canadian Proceedings. *See Aziz Decl.* ¶¶ [ ].<sup>12</sup> Such persons will not be prejudiced because they can participate on equal footing with all creditors in those Proceedings. *See In re Innua Canada Ltd.*, 2009 WL 1025088, at \*4 ( a provisional section 1519 stay “will actually serve to benefit the estates’ creditors by allowing for an orderly administration of the [f]oreign [d]ebtors’ financial affairs under the Canadian [p]roceedings.”).<sup>13</sup>

**D. The Relief Requested is in the Public Interest**

65. Public policy heavily favors granting provisional relief. Indeed, 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.” *Cornfeld v. Inv. Overseas Servs., Ltd.*, 471 F. Supp. 1255, 1259 (S.D.N.Y. 1979). Thus, the public interest “lies in promoting a successful reorganization.” *In re Lazarus Burman Assocs.*, 161 B.R. 891, 901 (Bankr. E.D.N.Y. 1993). Here, a stay will further the public interest by avoiding piecemeal distribution and depletion of a debtor’s estate and the attendant impossibility of centralized, equitable distribution. *See Cunard S.S. Co. v. Salen Reefer Servs. AB*, 773 F.2d 452, 459 (2d Cir. 1985) (noting in a case under former section 304 the strong “public interest in the fair and efficient distribution of assets in a bankruptcy”); *In re Integrated Health Servs., Inc.*, 281 B.R. 231, 239 (Bankr. D. Del. 2002) (“In the context of a bankruptcy case, promoting a successful reorganization is one of the most important public interests.”).

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<sup>12</sup> Also, as described above, the Canadian Court has required Debtors to pay rent on a post-petition basis moving forward until such time as any lease with a Debtor is disclaimed.

<sup>13</sup> For the same reasons, all parties are “sufficiently protected” by the requested provisional relief as required by section 1522(a). *See* 11 USC § 1522(a) (allowing relief pursuant to sections 1519 or 1521 only if “only if the interests of the creditors and other interest entities, including the debtor, are sufficiently protected.”). Indeed, relief under section 1519 should be denied for a lack of sufficient protection only “if it is shown that the foreign proceeding is seriously and unjustifiably injuring United States creditors.” H. Rep. No. 109-31, pt. 1, 109th Cong., 1st Sess. 116 (2005).

66. In addition, comity is important to cross-border restructurings. *See* 11 U.S.C. § 1501(a). A provisional stay of claims against the Chapter 15 Debtors or their assets would help enforce the Initial Order, which stays such claims with worldwide effect. *See In re Daebos*, 543 B.R. at 544 (“under Korean law the stay order plainly was intended to have worldwide effect” and, therefore “it is consistent with the purpose of Chapter 15 to give effect to” the stay order).

**E. The Foreign Representative Has Satisfied the Rule 65(b) Standard**

67. Under Federal Rule 65(b) and Bankruptcy Rule 7065, to obtain an *ex parte* restraining order, an applicant must show that “immediate and irreparable injury, loss, or damage will result to the applicant before the adverse party or that party’s attorney can be heard in opposition.” *TKR Cable v. Cable City Corp.*, 267 F.3d 196, 198 (3d Cir. 2001).

68. To the extent that Fed. R. Civ. P. 65(b) standard applies, it is satisfied here. For the reasons above, the Chapter 15 Debtors will suffer irreparable harm absent immediate application of an interim stay pending a final ruling on the Verified Petition. Giving prior notice of the Motion would create the risk that creditors and counterparties rush to take actions that would undermine or defeat the relief that the Foreign Representative seeks. *See Aziz* 1519 Decl. ¶¶ 36-37.

**III. THE VERIFIED PETITION SHOULD BE HEARD ON SHORTENED NOTICE**

69. Bankruptcy Rule 9006(c)(1) authorizes this Court to reduce notice periods for “cause shown.” The Foreign Representative requests that the Court shorten the notice period for the hearing on the Verified Petition to seven days from the date this Motion is granted. The Chapter 15 Debtor’s assets are exposed to enforcement, interference and dissipation, which, along with the litigation proceedings described above, will interfere with the Chapter 15 Debtors’ efforts to succeed in the Canadian Proceedings. Shortening the notice period reduces the potential for derailment of the Canadian Proceedings.

70. The Foreign Representative also expects the Canadian Court to issue orders at the

May 22, 2025 hearing that extend the initial stay, authorize sales procedures for, *inter alia*, US-based assets, and authorize debtor-in-possession financing secured by, *inter alia*, US assets. *See* Aziz 1519 Decl. ¶ 34. An expedited hearing on the Verified Petition will allow this Court to approve debtor-in-possession financing and sales procedures that harmonize with those that will be approved by the Canadian Court on May 22, 2025, and on a timeframe that is feasible in light of Li-Cycle's liquidity crisis.

### **NOTICE**

71. The Foreign Representative proposes to serve copies of the Motion, Verified Petition and all related documents as soon as practicable via overnight mail and/or email (a) to the US Trustee; (b) to all parties against whom the Foreign Representative is seeking preliminary relief, and (c) upon request by any party in interest to undersigned counsel. Such notice and service is reasonable and proper under the circumstances and complies with Bankruptcy Rule 2002(q).

### **NO PRIOR REQUEST**

72. No prior request for the relief herein has been made to this or any other court.

### **WAIVER OF FEDERAL RULE 65(C)**

73. Bankruptcy Rule 7065 provides that "a temporary restraining order or preliminary injunction may be issued on the application of a debtor, trustee, or debtor in possession without compliance with Rule 65(c)." To the extent Federal Rule 65(c) applies, the Foreign Representative believes that the security requirements imposed by Rule 65(c) are unwarranted under the circumstances. The Chapter 15 Debtors' assets are under the jurisdiction of the Canadian Court, and the provisional relief will last only until this Court rules on the Verified Petition, as upon this Court's recognition of the as foreign main proceedings, the section 362 stay would automatically take effect. *See* 11 U.S.C. § 1520(a)(1). Accordingly, the Foreign Representative respectfully requests a waiver of such requirements pursuant to Bankruptcy Rule 7065.

**CONCLUSION**

74. WHEREFORE, the Foreign Representative respectfully requests entry of an order, attached hereto as **Exhibit A**, (i) applying section 362 and 1520 of the Bankruptcy Code in these Chapter 15 Cases to the Chapter 15 Debtors and their property in the United States on a provisional basis until the Court makes a final ruling on the Verified Petition, including imposing a provisional stay on any act seeking to assert control over, execute against, possess, or repossess any of the Chapter 15 Debtors' US property or assets, to alter, terminate or interfere with the Chapter 15 Debtors' business or contract rights, or to commence or continue any US litigation against the Chapter 15 Debtors; (ii) scheduling a hearing with respect to the Verified Petition on shortened notice, to be held no later than seven days from the date this Motion is granted; and (ii) providing for such other relief as this Court deems just and proper.

Dated: May 14, 2025  
New York, New York

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**Exhibit A**

**Proposed Order**

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

	)	
In re:	)	
	)	Chapter 15
LI-CYCLE HOLDINGS CORP., <i>et al.</i> ,	)	
	)	Case No. 25=_____ (____)
	)	
Debtors in a Foreign Proceeding.	)	
	)	
	)	

**ORDER GRANTING PROVISIONAL RELIEF AND SHORENTING NOTICE PERIOD  
PURSUANT TO SECTION 1519 OF THE BANKRUPTCY CODE AND FEDERAL  
RULE OF BANKRUPTCY PROCEDURE 9006(c)(1)**

William E. Aziz, in his capacity as the duly authorized foreign representative (the “Foreign Representative”) is the court-appointed foreign representative for Li-Cycle Holdings Corp., an Ontario corporation (“Holdings”), Li-Cycle U.S. Inc., a Delaware corporation (“North America Opco”), Li-Cycle Inc., a Delaware corporation (“U.S. SpokeCo”), and Li-Cycle North America Hub, Inc., a Delaware corporation (“U.S. HubCo” and, together with North America Opco, U.S. SpokeCo and Holdings, the “Chapter 15 Debtors”) in a proceeding under Canada’s *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “CCAA”), pending before the Commercial List of the Ontario Superior Court of Justice (the “Canadian Proceedings”).

On May 14, 2025, the Foreign Representative commenced these Chapter 15 cases (the “Chapter 15 Cases”) by filing, on behalf of the Chapter 15 Debtors and pursuant to sections 1504 and 1515 of title 11 of the United States Code (the “Bankruptcy Code”), the Verified Chapter 15 Petition for Recognition of Foreign Main Proceeding and Related Relief (the “Verified Petition”) along with the Official Form 401 (Chapter 15 Petition for Recognition of a Foreign Proceeding); and an Ex Parte Application for an Order (A) Granting Provisional Relief and (B) Scheduling

Hearing on Shortened Notice Pursuant to Sections 105(a), 1519 and 1521(a)(7) of the Bankruptcy Code (the “Application for Provisional Relief” and, collectively with the Verified Petition and Notice Application, the “First Day Motions”).

The Foreign Representative has also filed a Declaration of the Foreign Representative (the “Aziz 1519 Declaration”) in support of the Application for Provisional Relief.

By its Application for Provisional Relief, the Foreign Representative requested entry, on an *ex parte* basis, of a provisional order staying execution against the US assets and business operations of the Chapter 15 Debtors, staying legal proceedings against the Chapter 15 Debtors and certain of their current and former directors and officers, and applying section 362 of the Bankruptcy Code in the Chapter 15 Cases on a provisional basis pending the adjudication of the Verified Petition. In its Application for Provisional Relief, the Foreign Representative also sought to shorten the notice period applicable to the Verified Petition, and to hold a hearing with respect to the Verified Petition no later than seven days from the granting of the Application for Provisional Relief. The Court has considered and reviewed the Application for Provisional Relief, the Verified Petition, and the Aziz Declaration and all related documents filed therewith. Based on the foregoing, as well as on all hearings and proceedings held in connection with the same:

**THE COURT FINDS AND CONCLUDES AS FOLLOWS:**

1. The findings and conclusions set forth herein constitute this Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052 and made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such.
2. The statutory bases for the relief set forth herein are sections 1519, 1520, 1521(a)(7), 105, and 362 of the Bankruptcy Code.
3. The Foreign Representative has demonstrated a substantial likelihood of success on

the merits that (a) the Canadian Proceedings are “foreign main proceedings” as that term is defined in section 1502(4) of the Bankruptcy Code or, alternatively, with respect to certain Chapter 15 Debtors, the Canadian Proceedings are “foreign nonmain proceedings” as defined in section 1502(5) of the Bankruptcy Code, (b) the Foreign Representative is a “foreign representative” as that term is defined in section 101(24) of the Bankruptcy Code, (c) all statutory elements for recognition of the Canadian Proceedings will be satisfied in accordance with section 1517 of the Bankruptcy Code.

4. The provisional relief set forth herein is appropriate to protect the assets of the Chapter 15 Debtors and the interests of their creditors pending the Court’s consideration of the Verified Petition.

5. Irreparable harm could and likely would result in the absence of the application of the automatic stay. In the absence of such relief, creditors could take action in the United States that would interfere with the conduct of the Canadian Proceedings to the detriment of the Chapter 15 Debtors and of the creditor body as a whole.

6. Application of the automatic stay, on an interim and provisional basis will preserve the status quo and will not result in any significant harm or prejudice to other parties. Any harm that conceivably could result to other parties as a result of such relief is less than the irreparable harm to the Chapter 15 Debtors that would likely result if such relief were not granted.

7. Application of the automatic stay will serve the public interest in that, among other things, such relief is necessary to realize the intent and objectives of Chapter 15 in this case

8. The Foreign Representative has demonstrated good cause to shorten the notice period applicable to the Verified Petition, in that a notice period longer than seven days from the entry of this Order risks substantial harm to the Chapter 15 Debtors’ ability to efficiently and

successfully conduct the Canadian Proceedings.

9. Due to the nature of the relief requested, the Court finds that no security is required under Rule 65(c) of the Federal Rules of Civil Procedure to the extent applicable in these cases by Rule 7065 of the Federal Rules of Bankruptcy Procedure.

10. It would not be feasible, prior to entry of this Order, for the Foreign Representative to serve prior notice of the Application for Provisional Relief on all parties in interest, and giving such prior notice would create the risk that creditors and contract counterparties would rush to take actions that would undermine or defeat the purposes of the relief that the Foreign Representative seeks.

11. This Court has jurisdiction over this matter pursuant to 28 U.S.C §§ 157 and 1334 and Section 1501 of the Bankruptcy Code.

12. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P).

13. Venue is proper in this District pursuant to 28 U.S.C. § 1410.

**NOW, THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:**

1. The Foreign Representative's Application for Provisional Relief is **GRANTED** as set forth herein.

2. Beginning immediately upon the entry of this Order, and continuing through a ruling by the Court on the Verified Petition, section 362 of the Bankruptcy Code shall apply to the Chapter 15 Debtors and their property, and their business operations within the territorial jurisdiction of the United States, subject to such exceptions to the automatic stay as are set forth in the Bankruptcy Code. For the avoidance of doubt, and in the absence of an Order of this Court granting relief from the stay, the application of the automatic stay, *inter alia* (i) prohibits the suspension, repudiation, rescission, termination, or alteration of contracts or leases to which the Chapter 15 Debtors are parties, or the enforcement of remedies under such contracts or leases, and

(ii) enjoins all persons and entities subject to this Court's jurisdiction from taking or continuing to take any act to seize, attach, possess, execute upon, exercise control over and/or enforce liens against any assets of the Chapter 15 Debtors located in the United States.

3. For the avoidance of doubt, the provisional stay of legal proceedings imposed by this Order includes, without limitation, the continuation of legal processes or proceedings against any Debtor in the following legal actions and in all proceedings related thereto or appeals therefrom: (i) *Hubiack v. Li-Cycle Holdings Corp., et al.*, No. 23-cv-09894 (S.D.N.Y.); (ii) *Mastec Industrial Corp., Inc. v. Li-Cycle North America, Hub, Inc.*, Index No. E2024006083 (Sup. Ct. Monroe Cty) and any related arbitration proceedings; (iii) *UDN Inc. v. Li-Cycle North America Hub, Inc.*, Index No. E2025004271 (Sup. Ct. Monroe Cty); (iv) *Virginia Transformer Corp.*, Case No. 2024-cv-06742 (W.D.N.Y) and any related arbitration or mediation proceedings. Section 362 of the Bankruptcy Code shall also be extended provisionally to prevent the continuation of any legal proceedings against all non-debtor defendants in the action captioned *Hubiack v. Li-Cycle Holdings Corp., et al.*, No. 23-cv-09894 (S.D.N.Y.), including any appeals therefrom.

4. Notwithstanding anything to the contrary contained herein, this Order shall not be construed as (a) enjoining the police or regulatory act of a governmental unit, including a criminal action or proceeding, to the extent not stayed pursuant to section 362 of the Bankruptcy Code.

5. Beginning immediately upon the entry of this Order, and continuing through a ruling by the Court on the Verified Petition, section 365(e) of the Bankruptcy Code shall apply to all US contracts to which the Chapter 15 Debtors are parties.

6. Any party in interest may make a motion seeking relief from or modifying this Order by motion or application to this Court, which may be heard on shortened notice if the

circumstances so warrant.

7. In addition, the application of the automatic stay pursuant to this Order shall not bar or enjoin the performance of any act authorized or required by the Canadian Court in the Canadian Proceedings, or any act performed with the express written consent of the Chapter 15 Debtors, including without limitation the granting or perfecting of any liens or security interests in connection with any debtor-in-possession financing of the Chapter 15 Debtors authorized by the Canadian Court or this Court.

8. Notwithstanding any provision in the Bankruptcy Rules to the contrary, including, but not limited to, Bankruptcy Rules 7062 and 1018, (i) this Order shall be effective immediately and enforceable upon its entry; (ii) the Foreign Representative and the Chapter 15 Debtors are not subject to any stay in the implementation, enforcement or realization of the relief granted in this Order; and (iii) the Foreign Representative and the Chapter 15 Debtors are authorized and empowered, and may in their discretion and without further delay, take any action and perform any act necessary to implement and effectuate the terms of this Order.

9. Pursuant to Rule 7065 of the Federal Rules of Bankruptcy Procedure, the security provisions of Rule 65(c) of the Federal Rules of Civil Procedure are waived.

10. Notice of entry of this Order and of the Hearing shall be served within one business days of its entry by United States mail first-class postage prepaid, by electronic mail or by fax on all parties against whom relief is specifically sought in the Provisional Relief Application, or their counsel, if applicable, including such parties as set forth in the Service List Pursuant to Bankruptcy Rule 1007(a)(4) filed concurrently herewith. The Foreign Representative shall also serve a copy of this Order within one business day of entry on (a) the office of the United States Trustee (b) all parties to litigation currently pending the United States in which any Debtor is a party (c) all

landlords and lessors identified by name in the Application for Provisional Relief, and (d) all parties that file notices of appearance in this Chapter 15 case in accordance with Bankruptcy Rule 2002.

11. Service in accordance with this Order shall constitute adequate and sufficient service and notice.

12. The hearing to consider the relief requested in the Verified Petition shall be held on shortened notice. Any party in interest wishing to submit a response or objection to the relief requested in the Verified Petition must do so in writing and such response or objection shall conform to the Bankruptcy Rules and the Local Bankruptcy Rules for the Southern District of New York and shall be filed with the Bankruptcy Court electronically by registered users of the Bankruptcy Court's case filing system (the User's Manual for the Electronic Case Filing System can be found at [www.nysb.uscourts.gov](http://www.nysb.uscourts.gov), the official website for the Bankruptcy Court) and shall be served so as to be actually received by no later than \_\_\_\_\_ at \_\_:\_\_ a/p.m. (Eastern Time) by the Court and the following parties: (a) counsel to the Foreign Representative, Freshfields US LLP, 3 World Trade Center, 175 Greenwich Street, New York, New York 10007, Attn: Madlyn Gleich Primoff and Alexander Adams Rich; (b) the Office of the United States Trustee for the Southern District of New York, 201 Varick Street #1006, New York, New York 10014; and (c) all parties that file notices of appearance in the Chapter 15 Cases in accordance with Federal Rule of Bankruptcy Procedure 2002. A hearing regarding the Verified Petition shall be held within seven days of this Order, on \_\_\_\_\_ at \_\_:\_\_ a/p.m. (Eastern Time).

13. This Court shall retain jurisdiction with respect to all matters relating to the interpretation or implementation of this Order.

Dated: \_\_\_\_\_, 2025  
New York, New York

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UNITED STATES BANKRUPTCY JUDGE