

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

M & G USA CORPORATION,
a Delaware corporation,

Debtor.

Tax Identification Number 76-0643449

Chapter 11

Case No. 17-12307 (BLS)

In re:

M & G RESINS USA, LLC,
a Delaware limited liability company,

Debtor.

Tax Identification Number 26-1583236

Chapter 11

Case No. 17-12309 (BLS)

In re:

M & G POLYMERS USA, LLC,
a Delaware limited liability company,

Debtor.

Tax Identification Number 76-0607593

Chapter 11

Case No. 17-12268 (BLS)

In re:

M & G FINANCE CORPORATION,
a Delaware corporation,

Debtor.

Tax Identification Number 74-3034230

Chapter 11

Case No. 17-12310 (BLS)

In re:

M&G WATERS USA, LLC,
a Nevada limited liability company,

Debtor.

Tax Identification Number 81-2852195

Chapter 11

Case No. 17-12311 (BLS)

In re:

MOSSI & GHISOLFI INTERNATIONAL
S.À R.L.,
a Luxembourg limited liability company,

Debtor.

Tax Identification Number 98-1291270

Chapter 11

Case No. 17-12315 (BLS)

In re:

M&G CHEMICALS S.A.,
a Luxembourg corporation,

Debtor.

Tax Identification Number N/A

Chapter 11

Case No. 17-12316 (BLS)

In re:

M&G CAPITAL S.À R.L.,
a Luxembourg limited liability company,

Debtor.

Tax Identification Number 98-1287812

Chapter 11

Case No. 17-12317 (BLS)

In re:
M & G USA HOLDING, LLC,
a Delaware limited liability company,

Debtor.

Tax Identification Number 76-0643451

Chapter 11
Case No. 17-12308 (BLS)

In re:
CHEMTEX INTERNATIONAL INC.,
a Delaware corporation,

Debtor.

Tax Identification Number 13-3547695

Chapter 11
Case No. 17-12312 (BLS)

In re:
CHEMTEX FAR EAST, LTD.,
a Delaware corporation,

Debtor.

Tax Identification Number 13-3942062

Chapter 11
Case No. 17-12313 (BLS)

In re:
INDO AMERICAN INVESTMENTS, INC.,
a Delaware corporation,

Debtor.

Tax Identification Number 06-1389208

Chapter 11
Case No. 17-12314 (BLS)

**MOTION FOR ENTRY OF AN ORDER DIRECTING THE
JOINT ADMINISTRATION OF THE DEBTORS' CHAPTER 11 CASES**

The above-captioned debtors and debtors-in-possession (collectively, the "Debtors")¹
move the Court (this "Motion"), pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy

¹ The Debtors' noticing address in these chapter 11 cases is 450 Gears Road, Suite 240, Houston, Texas 77067.

Procedure (the "Bankruptcy Rules") and Rule 1015-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), for the entry of an order, in substantially the form attached as Exhibit A (the "Proposed Order"), (i) directing the joint administration of the Debtors' chapter 11 cases (collectively, the "Cases") and consolidation thereof for procedural purposes only and (ii) granting certain related relief. In support of this Motion, the Debtors respectfully represent as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue for this matter is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

2. On October 24, 2017 (the "Polymers Petition Date"), Debtor M&G Polymers USA, LLC ("M&G Polymers") filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") and, thereafter, on October 30, 2017 (the "Petition Date"), each of the other Debtors commenced chapter 11 cases before this Court (together with the chapter 11 case of M&G Polymers, the "Cases"). The Debtors are continuing in possession of their properties and are managing their businesses, as debtors in possession, pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. The Debtors, together with the non-Debtor direct and indirect subsidiaries of M&G Chemicals S.A. (collectively, the "Company"), are one of the largest producers of polyethylene terephthalate ("PET") resin for packaging applications in the world. PET is a plastic polymer produced principally from purified terephthalic acid ("PTA") and monoethylene glycol, and is used to manufacture plastic bottles and other packaging for the beverage, food and

personal care industries. The Company's customers are major plastic packaging companies, including Amcor Limited, Coca-Cola Cross Enterprise Procurement Group, Graham Packaging Company LP and the Pepsi-Cola Company. In addition, through Chemtex, its engineering division, the Company provides technological development, research and engineering services for the construction of plants for the polyester, renewables and liquefied natural gas industries.

4. Prior to the Polymers Petition Date, the Company employed over 950 people (including over 300 individuals employed by the Debtors) in 14 locations in six countries around the world. The Company's three manufacturing facilities are located in Brazil, Mexico and Apple Grove, West Virginia (the "Apple Grove Plant"). Its corporate headquarters is located in Luxembourg and the overall management of the Company is conducted by senior executives and corporate personnel located in Luxembourg, Italy and Houston, Texas.

5. In April 2013, the Company began construction of a vertically integrated PTA/PET plant in Corpus Christi, Texas (the "Corpus Christi Plant"). When completed, the Corpus Christi Plant is expected to be the largest vertically integrated single line PTA/PET producer in the world and the largest PTA plant in the Americas.

6. Construction of the Corpus Christi Plant was originally scheduled to be completed by the end of 2015, and the facility was expected to be fully operational in January 2016. As the project progressed, however, the Company was repeatedly required to adjust the planned schedule to account for (a) changes to the overall approach to construction of the plant due to design and technical problems, (b) delays due to the weather, (c) subcontractors failing to meet deadlines and cost projections, (d) engineering audits and (e) delays in equipment delivery. As a result, the Corpus Christi Plant remains less than 85% complete.

7. Although the Company's revenue was down to \$1.6 billion in 2016—from \$1.9 billion in 2015—the Company was able to maintain steady margins and cash flow generation. However, due to the delays and cost overruns at the Corpus Christi Plant, the Company has experienced a dramatic increase in its net indebtedness. Over the past three years, the Company has incurred nearly \$1 billion in funded debt obligations to finance continued construction of the Corpus Christi Plant and to account for shortfalls in revenue that was expected to be generated by the Corpus Christi Plant.

8. These debt obligations, along with certain market forces, placed severe liquidity constraints on the Company and, prior to the Petition Date, the Debtors were forced to halt production at the Apple Grove Plant and scale back further development of the Corpus Christi Plant. When it became apparent that the Company could no longer operate without further funding, which was unavailable outside of chapter 11, the Debtors commenced these Cases to access \$100 million in debtor in possession financing ("DIP Financing") and conduct a sale process for the Corpus Christi Plant and certain other U.S. assets. Additional information regarding the Debtors, the proposed DIP Financing and these Cases, including the Debtors' businesses, corporate structure and financial condition, is set forth in the Declaration of Dennis Stogsdill in Support of First Day Pleadings (the "First Day Declaration"), filed contemporaneously herewith and incorporated herein by reference.

RELIEF REQUESTED

9. The Debtors seek entry of an order, substantially in the form of the Proposed Order: (a) directing the joint administration of the Cases for procedural purposes only, including the chapter 11 case of Debtor M&G Polymers, pending under Case No. 17-12268 (BLS); (b) directing parties in interest to use a consolidated caption in substantially the form annexed as

Exhibit 1 to the Proposed Order (the "Proposed Caption") indicating that any pleading filed by such parties relates to the jointly administered bankruptcy cases of "M&G USA Corporation, *et al.*"; and (c) directing that a notation be made on the docket in all the Cases (other than the chapter 11 case of M & G USA Corporation), maintained by the Clerk of the Court, substantially as follows:

An order has been entered in this case directing the procedural consolidation and joint administration of the chapter 11 cases of: M & G USA Corporation, M & G Resins USA, LLC, M & G Polymers USA, LLC, M & G Finance Corporation, M&G Waters USA, LLC, Mossi & Ghisolfi International S.à r.l., M&G Capital S.à r.l. M&G Chemicals S.A., M & G USA Holding, LLC, Chemtex International Inc., Chemtex Far East, Ltd. and Indo American Investments, Inc. in Case No. 17-12307 (BLS), which should be consulted for all matters affecting this case.

BASIS FOR RELIEF

10. An order of joint administration relates to the routine administration of a case and may be entered by the Court in its discretion on an *ex parte* basis. *See* Del. Bankr. L.R. 1015-1. Bankruptcy Rule 1015(b) provides, in relevant part, that if "two or more petitions are pending in the same court by or against . . . a debtor and an affiliate, the court may order a joint administration of the estates." Fed. R. Bankr. P. 1015(b). Local Rule 1015-1 states, in relevant part, as follows:

An order of joint administration may be entered, without notice and an opportunity for hearing, upon the filing of a motion for joint administration . . . supported by an affidavit, declaration or verification, which establishes that the joint administration of two or more cases pending in this Court under title 11 is warranted and will ease the administrative burden for the Court and the parties.

Del. Bankr. L.R. 1015-1.

11. Other than M&G Capital S.à r.l. ("M&G Capital"), the Debtors are direct and indirect subsidiaries of M&G Chemicals S.A. ("M&G Chemicals") and are "affiliates" as that

term is defined in section 101(2) of the Bankruptcy Code and as used in Bankruptcy Rule 1015(b). *See* 11 U.S.C. § 101(2) (defining affiliate as an "entity that directly or indirectly owns, controls, or holds with power to vote, 20 percent or more of the outstanding voting securities of the debtor"); *see also* First Day Declaration, Ex. A (corporate organization chart). Accordingly, joint administration of the Cases is warranted under Bankruptcy Rule 1015(b) and Local Rule 1015-1.

12. Debtor M&G Capital is operated as part of the overall Mossi & Ghisolfi Group global enterprise, which includes each of the other Debtors. M&G Capital owns an 18.25% equity interest in M&G Chemicals and is a wholly-owned indirect subsidiary of M&G Finanziaria S.p.A., the Debtors' parent company. In addition to its equity interests in M&G Chemicals, M&G Capital holds an approximately \$39 million intercompany receivable from non-Debtor M&G Logistics and Engineering Co., a Delaware entity. The Debtors, therefore, submit that M&G Capital is an affiliate of the other Debtors and that joint administration of M&G Capital's chapter 11 case with those of the other Debtors is appropriate.

13. Moreover, the joint administration of the Cases will ease the administrative burden on the Court and all parties in interest in these Cases. As described more fully in the First Day Declaration, the Debtors are part of a highly integrated business enterprise with common ownership and control and shared financial and business systems. As a result, many of the motions, hearings and orders that will arise during the course of these Cases will generally implicate all Debtors. The joint administration of the Cases will have several benefits, including: (a) permitting the Clerk of the Court to utilize a single general docket for the Cases and combine notices to creditors of the Debtors' respective estates and other parties in interest; (b) avoiding the need for duplicative notices, motions and applications, thereby saving time and expense;

(c) significantly reducing the volume of pleadings that otherwise would be filed with the Clerk of the Court; (d) providing the United States Trustee and all other parties in interest with a single point of reference for all matters relevant to these Cases; and (e) circumventing a number of unnecessary delays typically associated with the separate administration of these Cases.

14. Additionally, joint administration of these Cases will not adversely affect or prejudice the rights of parties in interest in any way because this Motion requests (consistent with Local Rule 1015-1) administrative, and not substantive, consolidation of the Cases. Accordingly, each creditor and party in interest will maintain any rights it holds against a particular Debtor's estate.

15. Finally, the Proposed Caption satisfies the requirements of section 342(c) of the Bankruptcy Code. Pursuant to section 342(c)(1) of the Bankruptcy Code, "[i]f notice is required to be given by the debtor to a creditor . . . such notice shall contain the name, address, and last 4 digits of the taxpayer identification number of the debtor." 11 U.S.C. § 342(c)(1). The Proposed Caption contains all of the aforementioned information, to the extent applicable.²

16. Courts in this district have routinely approved the joint administration of related chapter 11 cases for procedural purposes only. *See, e.g., In re TK Holdings Inc.*, No. 17-11375 (BLS) (Docket No. 102) (Bankr. D. Del. Jun. 27, 2017); *In re Tidewater Inc.*, No. 17-11132 (BLS) (Docket No. 90) (Bankr. D. Del. May 19, 2017); *In re Phoenix Brands, LLC*, No. 16-11242 (BLS) (Docket No. 255) (Bankr. D. Del. Jul. 8, 2016); *In re Emerald Oil, Inc.*, No. 16-10704 (KG) (Docket No. 36) (Bankr. D. Del. Mar. 24, 2016); *In re Samson Res. Corp.*, No. 15-

² Debtor M&G Chemicals S.A. does not have a U.S. taxpayer identification number.

11934 (CSS) (Docket No. 70) (Bankr. D. Del. Sept. 18, 2015); *In re Allen Systems Group, Inc.*, No. 15-10332 (KJC) (Docket No. 47) (Bankr. D. Del. Feb. 19, 2015).³

17. For the reasons set forth above, the Debtors respectfully submit that the relief requested herein is in the best interests of the Debtors, their estates, creditors and other parties in interest and, therefore, should be granted.

NOTICE

18. Notice of this Motion shall be given to (a) the Office of the United States Trustee for the District of Delaware; (b) those creditors holding the 30 largest unsecured claims against the Debtors' estates; (c) the Internal Revenue Service, the Securities and Exchange Commission and any other federal, state or local governmental agency to the extent required by the Bankruptcy Code, the Bankruptcy Rules, the Local Rules or order of the Court; (d) Magnate S.à r.l. and its counsel, Kirkland & Ellis LLP; (e) DAK Americas LLC and its counsel, Weil, Gotshal & Manges LLP; and (f) Banco Inbursa S.A., Institución De Banca Multiple, Grupo Financiero Inbursa and its counsel, Cleary Gottlieb Steen & Hamilton LLP. As this Motion is seeking "first day" relief, within two business days of the hearing on this Motion, the Debtors will serve copies of this Motion and any order entered in respect to this Motion as required by Local Rule 9013-1(m). The Debtors submit that no other or further notice need be provided.

NO PRIOR REQUEST

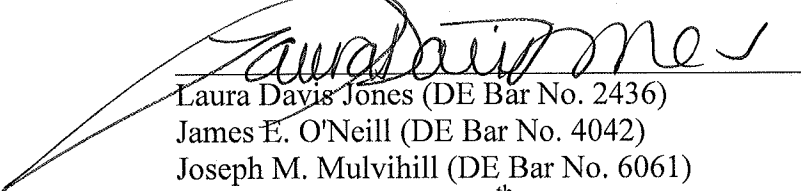
19. No prior request for the relief sought herein has been made to this Court or any other court.

³ Because of their voluminous nature, the orders cited herein are not attached to this Motion. Copies of these orders are, however, available upon request to proposed chapter 11 counsel to the Debtors.

WHEREFORE, the Debtors respectfully request that the Court enter the Proposed Order and grant such other and further relief as may be appropriate.

Dated: October 30, 2017

PACHULSKI-STANG ZIEHL & JONES LLP



Laura Davis Jones (DE Bar No. 2436)
James E. O'Neill (DE Bar No. 4042)
Joseph M. Mulvihill (DE Bar No. 6061)
919 N. Market Street, 17th Floor
P.O. Box 8705
Wilmington, DE 19899-8705 (Courier 19801)
Telephone: (302) 652-4100
Facsimile: (302) 652-4400
Email: ljones@pszjlaw.com
joneill@pszjlaw.com
jmulvihill@pszjlaw.com

and

JONES DAY

Scott J. Greenberg
Stacey L. Corr-Irvine
250 Vesey Street
New York, NY 10281
Telephone: (212) 326-3939
Facsimile: (212) 755-7306
Email: sgreenberg@jonesday.com
scorrirvine@jonesday.com

and

Carl E. Black
901 Lakeside Avenue
Cleveland, Ohio 44114
Telephone: (216) 586-7035
Facsimile: (216) 579-0212
Email: ceblack@jonesday.com

Proposed Co-Counsel for the Debtors and
Debtors in Possession

EXHIBIT A
PROPOSED ORDER

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

M & G USA CORPORATION,
a Delaware corporation,

Debtor.

Tax Identification Number 76-0643449

Chapter 11

Case No. 17-12307 (BLS)

In re:

M & G RESINS USA, LLC,
a Delaware limited liability company,

Debtor.

Tax Identification Number 26-1583236

Chapter 11

Case No. 17-12309 (BLS)

In re:

M & G POLYMERS USA, LLC,
a Delaware limited liability company,

Debtor.

Tax Identification Number 76-0607593

Chapter 11

Case No. 17-12268 (BLS)

In re:

M & G FINANCE CORPORATION,
a Delaware corporation,

Debtor.

Tax Identification Number 74-3034230

Chapter 11

Case No. 17-12310 (BLS)

In re:

M&G WATERS USA, LLC,
a Nevada limited liability company,

Debtor.

Tax Identification Number 81-2852195

Chapter 11

Case No. 17-12311 (BLS)

In re:

MOSSI & GHISOLFI INTERNATIONAL
S.À R.L.,
a Luxembourg limited liability company,

Debtor.

Tax Identification Number 98-1291270

Chapter 11

Case No. 17-12315 (BLS)

In re:

M&G CHEMICALS S.A.,
a Luxembourg corporation,

Debtor.

Tax Identification Number N/A

Chapter 11

Case No. 17-12316 (BLS)

In re:

M&G CAPITAL S.À R.L.,
a Luxembourg limited liability company,

Debtor.

Tax Identification Number 98-1287812

Chapter 11

Case No. 17-12317 (BLS)

In re:
M & G USA HOLDING, LLC,
a Delaware limited liability company,

Debtor.

Tax Identification Number 76-0643451

Chapter 11
Case No. 17-12308 (BLS)

In re:
CHEMTEX INTERNATIONAL INC.,
a Delaware corporation,

Debtor.

Tax Identification Number 13-3547695

Chapter 11
Case No. 17-12312 (BLS)

In re:
CHEMTEX FAR EAST, LTD.,
a Delaware corporation,

Debtor.

Tax Identification Number 13-3942062

Chapter 11
Case No. 17-12313 (BLS)

In re:
INDO AMERICAN INVESTMENTS, INC.,
a Delaware corporation,

Debtor.

Tax Identification Number 06-1389208

Chapter 11
Case No. 17-12314 (BLS)

**ORDER DIRECTING THE JOINT
ADMINISTRATION OF THE DEBTORS' CHAPTER 11 CASES**

This Court has considered the *Motion for Entry of an Order Directing the Joint Administration of the Debtors' Chapter 11 Cases* (the "Motion"),¹ the First Day Declaration and the statements of counsel and the evidence adduced with respect to the Motion at a hearing

¹ Capitalized terms not otherwise defined herein shall have the meanings given to them in the Motion.

before this Court (the "Hearing"). This Court has found that (i) this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (ii) venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409, (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b) and (iv) notice of the Motion and the Hearing was sufficient under the circumstances. After due deliberation, this Court has determined that the relief requested in the Motion is in the best interests of the Debtors, their estates and their creditors; and good and sufficient cause having been shown;

ACCORDINGLY, IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. The above-captioned Cases shall be, and hereby are, consolidated for procedural purposes only and shall be administered jointly. The Clerk of the Court shall maintain one file and one docket for all of the Cases, which file and docket shall be the file and docket for Debtor M&G USA Corporation (the "Main Case"), Case No. 17-12307 (BLS).
3. Parties in interest are directed to use the Proposed Caption annexed hereto as Exhibit 1 when filing pleadings with this Court in the Cases indicating that the pleading relates to the jointly administered chapter 11 cases of "M&G USA Corporation, *et al.*" The consolidated caption satisfies the requirements of section 342(c) of the Bankruptcy Code in all respects.
4. Except for the docket in the Main Case, an entry shall be made on the docket in each of the other Cases as follows:

An order has been entered in this case directing the procedural consolidation and joint administration of the chapter 11 cases of: M & G USA Corporation, M & G Resins USA, LLC, M & G Polymers USA, LLC, M & G Finance Corporation, M&G Waters USA, LLC, Mossi & Ghisolfi International S. à r.l., M&G Capital S. à r.l. M&G Chemicals S.A., M & G USA Holding, LLC, Chemtex International Inc., Chemtex Far East, Ltd. and Indo American Investments, Inc. in Case No. 17-12307(BLS), which should be consulted for all matters affecting this case.

5. Nothing contained in the Motion or this Order shall be deemed to or construed to direct or otherwise effectuate a substantive consolidation of the Cases, and any creditor filing a proof of claim against any of the Debtors and their respective estates will be instructed, by a bar date order, to assert its claim against the particular Debtor obligated on such claim, and not against the jointly administered Debtors; provided, however, that nothing contained in the Motion or this Order shall preclude the Debtors from seeking substantive consolidation of the Cases subsequent to the entry of this Order.

6. The Debtors are authorized to take all steps necessary or appropriate to carry out this Order.

7. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation and/or interpretation of this Order.

Dated: _____
Wilmington, Delaware

The Honorable Brendan L. Shannon
Chief United States Bankruptcy Court Judge

EXHIBIT 1
PROPOSED CAPTION

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	:	Chapter 11
M & G USA CORPORATION, <i>et al.</i> , ¹	:	Case No. 17-12307 (BLS)
Debtors.	:	(Jointly Administered)
	:	

[TITLE OF PLEADING OR OTHER DOCUMENT]

¹ The Debtors are the following twelve entities (the last four digits of their respective taxpayer identification numbers follow in parentheses): M & G USA Corporation (3449), M & G Resins USA, LLC (3236), M & G Polymers USA, LLC (7593), M&G Finance Corporation (4230), M&G Waters USA, LLC (2195), Mossi & Ghisolfi International S.à r.l. (1270), M&G Chemicals S.A. (N/A), M&G Capital S.à r.l. (7812), M & G USA Holding, LLC (3451), Chemtex International Inc. (7695), Chemtex Far East, Ltd. (2062) and Indo American Investments, Inc. (9208). The Debtors' noticing address in these chapter 11 cases is 450 Gears Road, Suite 240, Houston, Texas 77067.