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In His Capacity as Foreign Representative*

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

_____)	
In re:)	Chapter 15
)	
LI-CYCLE HOLDINGS CORP. <i>et al.</i> ,)	Case No. 25-XXXXX (____)
)	
Debtors in Foreign Proceedings.)	(Joint Administration Requested)
)	
_____)	

**VERIFIED PETITION FOR
RECOGNITION OF FOREIGN MAIN PROCEEDINGS
UNDER 11 U.S.C §§ 1515 AND 1517 AND FOR RELATED
RELIEF PURSUANT TO 11 U.S.C. §§ 105(a), 1507(a), 1519, 1520 AND 1521**

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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”),¹ by his undersigned counsel, for his verified petition (the “Verified Petition”) for (i) recognition of the Chapter 15 Debtors’ proceedings (the “Canadian Proceedings”) under Canada’s *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “CCAA”), pending before the Ontario Superior Court of Justice (Commercial List) in Toronto (the “Canadian Court”) as foreign main proceedings pursuant to Sections 1515 and 1517 of title 11 of the United States Code (the “Bankruptcy Code”); and (ii) granting related relief pursuant to Sections 105(a), 1504, 1507, 1510, 1515, 1516, 1517, 1519, 1520, and 1521 of the Bankruptcy Code, giving full force and effect to the Canadian Proceedings, the Initial Order and any amended and restated initial order entered by the Canadian Court in the United States, respectfully represents as follows:

In support of the Verified Petition, the Foreign Representative has concurrently filed herewith the Declaration of William E. Aziz in Support of the (i) Verified Petition for Recognition of Foreign Main Proceedings Under 11 U.S.C §§ 1515 and 1517 and Related

¹ The Chapter 15 Debtors, together with Li-Cycle Corp., an Ontario corporation (“Global HQ”) and Li-Cycle Americas Corp., also an Ontario corporation, are the CCAA applicants (the “CCAA Applicants”). The CCAA Applicants, together with their affiliates in Europe and Asia that have not filed for CCAA protection, comprise all of the entities in the Li-Cycle corporate group (“Li-Cycle”). A corporate structure chart is attached hereto as **Exhibit 1**.

Relief Pursuant to 11 U.S.C. §§ 105(a), 1507(a), 1519, 1520 and 1521 (the “Aziz Declaration”), the contents of which are expressly incorporated herein as if fully set forth herein.

PRELIMINARY STATEMENT

1. As explained more fully below and in the Aziz Declaration, 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 description of the “Spokes” and the “Hub” are set forth below.

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

3. The Spokes and Hub are managed from Toronto, Canada.² All management, corporate governance, financial reporting and administrative services for Li-Cycle, including each of the Chapter 15 Debtors, are performed out of Toronto.

4. Until March 2024, Li-Cycle had no secured debt. It funded its development through the issuance of common shares and unsecured convertible notes. To support its growth and ongoing development of its “Spoke & Hub” network, Holdings succeeded in obtaining a conditional commitment from the United States Department of Energy (the “DOE”) in February 2023 for a \$375 million secured loan facility through the DOE’s Advanced Technology Vehicles Manufacturing Program. In November 2024, Li-Cycle entered into the definitive agreements for the DOE loan facility, with an increase in the facility size from \$375 million to \$475 million (the “DOE Loan Facility”). To date, no advances have been made under the DOE Loan Facility because the making of advances is conditioned on Li-Cycle obtaining third party financing of approximately \$263 million, which has not occurred.

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 severely 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:

² Until May 2025, Li-Cycle was managed from its global head office located at 207 Queens Quay West, Suite 590, Toronto, ON M5J 1A7. Li-Cycle has now vacated those offices. Li-Cycle continues to be managed from the Toronto area, including from the offices of the Foreign Representative located at 32 Shorewood Place, Oakville, ON L6K 3Y4 and from the offices of McCarthy Tétrault LLP, Li-Cycle’s Canadian counsel, located at 66 Wellington St. W., Suite 5300, Toronto, ON M5K 1E6.

- (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 its 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 the DOE Loan Facility.
6. The circumstances described in the preceding paragraph have adversely affected Li-Cycle's 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 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, which is not a part of the Canadian Proceedings or the Chapter 15 Cases (as defined below)) 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. Earlier today, May 14, 2025, the CCAA Applicants (including the Chapter 15 Debtors) sought and obtained CCAA protection and further obtained from the Canadian Court an initial order (the "Initial Order"), a certified copy of which is attached hereto as **Exhibit 2**, which, among other things (i) opened the Canadian Proceedings, (ii) imposed a stay for the Stay Period (as

defined in the Initial Order), (iii) appointed Alvarez & Marsal Canada Inc. to serve as Monitor in the Canadian Proceeding, (iv) approved the appointment of the Foreign Representative as the Chief Restructuring Officer for the CCAA Applicants (the “CRO”); and (v) authorized the Foreign Representative to file and prosecute this Verified Petition and these Chapter 15 cases (the “Chapter 15 Cases”). *See* Initial Order at ¶ 60.

8. The CCAA Applicants intend to conduct a sale and realization process with the assistance of Alvarez & Marsal Canada Securities ULC and the corporate services group of Alvarez & Marsal (in such capacities, “Alvarez & Marsal”) to seek a sale of, or investment in, their businesses. The goal of such process is to identify a transaction or investment opportunity that will allow Li-Cycle to continue as a going concern, re-start operations at some or all of its paused Spokes and to 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 CRO to help guide it through this process.

9. In view of the foregoing, the CCAA Applicants (including the Chapter 15 Debtors) determined that it was necessary and appropriate to seek relief from the Canadian Court (and this Court, in the case of the Chapter 15 Debtors to allow Li-Cycle breathing space to seek to maximize value for all of its stakeholders. If it can overcome its immediate challenges, Li-Cycle is poised to play a key role in a clean energy future by recycling and re-inserting critical materials back into the EV battery supply chain.

10. The Chapter 15 Debtors conduct business in and have numerous assets located within the territorial jurisdiction of the United States, in addition to being parties to certain litigation matters pending in courts throughout the United States. Accordingly,

on May 13, 2025, the Special Committee (as defined below) (i) appointed the Foreign Representative to act as the foreign representative for each of the Chapter 15 Debtors in these Chapter 15 Cases; and (ii) authorized the Foreign Representative to seek Chapter 15 recognition of the Canadian Proceedings and the entry of an order giving effect to the Canadian Proceedings in the United States, among other relief.³

11. As discussed in further detail below, the Chapter 15 Debtors have assets in various jurisdictions throughout the United States. The Chapter 15 Debtors' assets in this district include an interest in an undrawn retainer in the approximate amount of \$1 million with Freshfields US LLP ("Freshfields"), their United States counsel, in New York, New York. Holdings was, until very recently, listed on the NYSE and is a defendant in litigation pending in this district. U.S. HubCo (as defined below), is a party to arbitration proceedings venued in New York City. The Chapter 15 Debtors are parties to numerous agreements governed by New York law.

12. The Foreign Representative seeks recognition of the Canadian Proceedings pending before the Canadian Court, corresponding relief as of right under Section 1520 of the Bankruptcy Code and further relief available under Section 1521 of the Bankruptcy Code in order to give full force and effect to the Canadian Proceedings in the United States. As set forth herein, the requested relief is appropriate because, among other reasons: (i) the Canadian Proceedings are foreign proceedings (as courts have consistently found in respect of CCAAs); (ii) the Chapter 15 Debtors' center of main interests is located in Canada and, therefore, the Canadian Proceedings are foreign main proceedings; and (iii) the Foreign

³ Except for the Canadian Proceedings and these Chapter 15 Cases, none of the Chapter 15 Debtors' direct or indirect subsidiaries have commenced insolvency proceedings before any other court in any other jurisdiction.

Representative is a proper foreign representative and his appointment has been confirmed by the Canadian Court. Finally, the Canadian Proceedings provide substantial due process rights to the Chapter 15 Debtors' affected creditors and such due process sufficiently protects their interests and is consistent with, and not manifestly contrary to, United States public policy.

JURISDICTION AND VENUE

13. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1334 and 157. William E. Aziz, in his capacity as the Foreign Representative, confirms his consent, on behalf of the Chapter 15 Debtors, under Federal Rule of Bankruptcy Procedure 7008, to the entry of a final order by this Court in connection with the Verified Petition to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

14. This case has been properly commenced pursuant to Section 1504 of the Bankruptcy Code by the filing of the Verified Petition for recognition of the Canadian Proceedings and related relief.

15. Venue in the Southern District of New York is proper pursuant to 28 U.S.C. § 1410(1).

16. The statutory bases for relief are Sections 105(a), 1504, 1507, 1515, 1517, 1519, 1520 and 1521 of the Bankruptcy Code.

BACKGROUND OF THE DEBTORS AND THE CANADIAN PROCEEDINGS

I. Corporate Structure

17. Attached hereto as **Exhibit 1** is the organizational chart of Li-Cycle. The key members of Li-Cycle for purposes of these Chapter 15 Cases are:

- a. Holdings, which is the ultimate parent company of all of the other CCAA Applicants and the direct parent of Global HQ. Global HQ operates the head and principal executive offices of Li-Cycle in Toronto, Ontario, from which management directs Li-Cycle's multi-national operations, including those of the Chapter 15 Debtors. Global HQ also owns the intellectual property that is used in Li-Cycle's business (including the Chapter 15 Debtors' businesses) and licensed to the operating entities. Global HQ is the direct parent of Li-Cycle Americas Corp., an Ontario corporation, which, in turn, is the direct parent of North America Opco.
- b. North America Opco, which is incorporated under the laws of the State of Delaware. It is the entity that is generally responsible for sourcing inputs for, and selling the outputs from, the Spokes located in Canada and the United States as well as the future Rochester Hub.
- c. U.S. SpokeCo, which is incorporated under the laws of the State of Delaware. Prior to the recent suspension of operations, U.S. SpokeCo operated the company's three Spokes located in the United States, including its Spokes in Rochester, New York, Gilbert, Arizona and Tuscaloosa, Alabama.
- d. U.S. HubCo, which is incorporated under the laws of the State of Delaware. It was in the process of developing the Rochester Hub prior to the pause in construction.

II. The Chapter 15 Debtors' Properties

18. The Chapter 15 Debtors do not own any real property, except for improvements affixed to a ground lease. They are parties to various real property leases in the United States.

19. New York Spoke. SpokeCo commenced operating a Spoke in Rochester, New York in late 2020. The New York Spoke premises are leased by U.S. SpokeCo pursuant to a lease that currently runs to June 30, 2029. The New York Spoke is a "Generation 2" facility, meaning it is based on a modular build with increased recovery rates. Improvements at the New York Spoke were completed in 2022, which included upgrading the main line and adding ancillary processing capacity. The New York Spoke has a total processing capacity of 8,000 tonnes per year, comprised of main line recycling

capacity of 5,000 tonnes per year and ancillary processing capacity of up to 3,000 tonnes per year.

20. Arizona Spoke. In May 2022, SpokeCo commenced operations at its Spoke in Gilbert, Arizona. The Arizona Spoke premises are leased by U.S. SpokeCo pursuant to a lease that currently runs to February 29, 2032. The Arizona Spoke is a “Generation 3” facility, meaning it is based on a modular build and has multi-stage shredding with capabilities to shred full-pack EV batteries, with increases to recovery rates. The Arizona Spoke has a total processing capacity of 23,000 tonnes per year, comprised of main line recycling capacity of 10,000 tonnes per year and ancillary processing capacity of up to 13,000 tonnes per year. U.S. SpokeCo also leases two warehouses in Mesa, Arizona. One lease runs to December 31, 2026; and the other is leased to May 21, 2034.

21. Alabama Spoke. SpokeCo has a Spoke near Tuscaloosa, Alabama, which commenced operations in October 2022. SpokeCo leases the Alabama Spoke premises pursuant to a lease that currently runs to June 30, 2042. The Alabama Spoke is also a “Generation 3” facility and has a total main line processing capacity of 10,000 tonnes per year and ancillary processing capacity of up to 5,000 tonnes per year. SpokeCo also leases a storage facility near Tuscaloosa that supports the operations of the Alabama Spoke pursuant to a lease that currently runs to December 31, 2030, and an office near Birmingham, Alabama which is used as an engineering office primarily to support Li-Cycle’s Rochester Hub project. The premises for the engineering office are leased pursuant to a lease agreement that currently runs to November 30, 2027.

22. Rochester Hub. The Rochester Hub, which is Li-Cycle’s first commercial Hub, is partially constructed in Rochester, New York. Li-Cycle’s North American Spoke

facilities were expected to be the primary suppliers of black mass and equivalents feedstock for the Rochester Hub. The location of the Rochester Hub was specifically selected due to the nature of the infrastructure available at the site, including utilities and road/rail networks.

23. Li-Cycle expected that, when completed, the Rochester Hub would be the first commercial hydrometallurgical resource recovery facility in North America. Li-Cycle expected that the Rochester Hub would have the nameplate input capacity to process 35,000 tonnes of black mass and equivalents feedstock annually (equivalent to approximately 70,000-90,000 tonnes or 18 GWh of lithium-ion battery feed annually). The Rochester Hub was expected to employ a permanent workforce of approximately 270 employees once operational.

24. Li-Cycle engaged (i) Hatch Associates Consultants, Inc. as its engineering and procurement contractor for the Rochester Hub, and (ii) Mastec Industrial, Corp. ("Mastec") as its general contractor for the Rochester Hub. As detailed below, Li-Cycle terminated its contract with Mastec due to sudden and significant cost overruns that were experienced in 2023.

25. Construction on the Rochester Hub commenced in Q1 2022 and Li-Cycle initially expected that commissioning could be initiated in late 2023. However, as detailed further below, due to substantial cost overruns in the construction work, Li-Cycle paused construction in October 2023 and initiated a comprehensive project review to determine the go-forward strategy for the project.

26. U.S. HubCo leases the land for the Rochester Hub pursuant to a ground lease that currently runs to March 31, 2042.

27. On January 12, 2023, U.S. HubCo entered into a sublease agreement with Pike Conductor Dev 1, LLC (“Pike”), pursuant to which (among other things) the landlord agreed to construct a build-to-suit warehouse and administrative building (the “Warehouse Building”), at a total cost not to exceed \$58,610,000 (the “Original Sublease”). U.S. HubCo paid \$53,541,711.77 towards the cost of construction of the Warehouse Building and the balance of the construction costs owing by U.S. HubCo to Pike is \$5,068,288.

28. On May 31, 2024, U.S. HubCo entered into an amended and restated ground sublease agreement with Pike, providing for the sublease of the land on which the Warehouse Building (owned by U.S. HubCo) is situated and for the payment of the Unpaid Construction Costs by early 2026 (“**A&R Sublease**”). The A&R Sublease currently runs to March 31, 2049. The obligations of U.S. HubCo under the A&R Sublease are guaranteed by Holdings.

III. Summary of the Capital Structure of Li-Cycle

29. Until March 2024, Li-Cycle had no secured debt and funded its development through the issuance of common shares and unsecured convertible notes. To support its growth and the ongoing development of its Spoke & Hub network, Holdings succeeded in obtaining a conditional commitment from the DOE (defined above) in February 2023 for a \$375 million loan facility through the DOE’s Advanced Technology Vehicles Manufacturing Program. As set forth above, in November 2024, Li-Cycle entered into definitive agreements for the DOE Loan Facility, with an increase in the facility size from \$375 million to \$475 million. To date, no advances have been made under the DOE Loan Facility because the making of advances is conditioned on Li-Cycle obtaining third party financing of approximately \$263 million, which has not occurred.

A. Glencore Debt

30. Aside from the DOE, which has not yet advanced funds under the DOE Loan Facility for the reasons described above, Glencore Ltd. (together with certain affiliates, including Glencore Canada Corporation, “Glencore”) is Li-Cycle’s only secured lender (except for certain mechanics’ liens that have been filed against the Rochester Hub). Glencore holds secured and unsecured notes in the aggregate amount of \$327.5 million as of December 31, 2024.

31. On May 31, 2022, Holdings issued to Glencore an unsecured convertible note in the aggregate principal amount of \$200 million, having a maturity date of May 31, 2027 (the “Original Glencore Convertible Note”). Interest on the Original Glencore Convertible Note was payable in kind (PIK) based on SOFR plus 5.0% per annum.

32. On March 25, 2024, Holdings issued to Glencore a senior secured convertible note (the “Glencore Secured Convertible Note”) in an aggregate principal amount of \$75 million having a maturity date of March 25, 2029 (the “March 2024 Financing”). Interest on the Glencore Secured Convertible Note has been payable in PIK based on SOFR plus 6.0% per annum.

33. In connection with the March 2024 Financing, Li-Cycle and Glencore amended and restated the terms of the Original Glencore Convertible Note in two tranches (collectively, the “Glencore A&R Notes”), each of which provided for new terms to come into effect upon the occurrence of certain future events, including adjustments to the maturity date, interest rate, and conversion price of such Glencore A&R Note to mirror the terms of the Glencore Secured Convertible Note, and the provision of guarantees and security on the applicable Glencore A&R Note consistent with the Glencore Secured

Convertible Note. The modification of the first Glencore A&R Note in the original principal amount of approximately \$116.6 million (the “First A&R Note”) occurred in accordance with its terms on December 9, 2024, following Li-Cycle’s entry into the DOE Loan Facility.

34. The modification of the second Glencore A&R Note in the original principal amount of approximately \$114.6 million (the “Second A&R Note”) is scheduled to occur in accordance with its terms on the earliest to occur of (a) the first commercial production from the Rochester Hub, (b) construction costs exceeding the construction budget set forth in the DOE Loan Facility, and (c) June 1, 2026.

35. The following is a summary of the convertible notes issued to Glencore as of December 31, 2024:

Note	Date Issued	Amount Issued
Secured		
Secured Convertible Note	March 25, 2024	\$75.0
First A&R Note	March 25, 2024	\$116.6
PIK	December 31, 2024	\$14.0
<u>Total Secured</u>		<u>\$205.6</u>
Unsecured		
Second A&R Note	March 25, 2024	\$114.6
PIK	December 31, 2024	\$7.2
<u>Total Unsecured</u>		<u>\$121.8</u>
Total		\$327.4

36. All obligations of Holdings with respect to the Glencore Secured Convertible Note and, following the occurrence of the Modification Date applicable to it, the Glencore A&R Notes, are guaranteed by all of the CCAA Applicants. In addition, all of the CCAA Applicants (including the Chapter 15 Debtors) have granted first priority security interests in and liens on certain of their property to secure the Glencore Secured Convertible Note and the First A&R Note.

B. Koch Notes

37. On September 29, 2021, Spring Creek Capital, LLC (“Spring Creek Capital”) (an affiliate of Koch) advanced \$100 million to Holdings pursuant to the purchase of an unsecured convertible note of Holdings in the principal amount of \$100 million (the “Initial Koch Convertible Note”). Holdings has issued additional unsecured convertible notes in satisfaction of the interest due and payable on the Initial Koch Convertible Note (collectively, the “Koch PIK Notes”). The Initial Koch Convertible Note and Koch PIK Notes were assigned by Spring Creek Capital to an affiliate, Wood River Capital, LLC (“Wood River”) on May 1, 2022. The PIK Notes issued since that time have been issued to Wood River. The aggregate principal amount outstanding on the Initial Koch Convertible Note and the PIK Notes as at December 31, 2024 was approximately \$133.7 million.

C. Common Shares

38. Until February 27, 2025, the common shares of Holdings traded on the NYSE under the symbol “LICY”. Since then, the shares have traded on the OTCQX® Best Market, the highest level of OTC Markets on which 12,000 U.S. and international securities trade, under the ticker symbol “LICYF”. Holdings has been a reporting company in the United States since August 10, 2021. It had approximately 44,541,690 common shares outstanding as at April 30, 2025. Holdings has not, since its inception, declared or paid any dividends on its common shares.

IV. Li-Cycle's Challenges and Opportunities; Events Leading to the Canadian Proceedings

A. Financial Challenges and Strained Liquidity

39. As set forth at length above, Li-Cycle has encountered numerous challenges since the Fall of 2023. These challenges have strained Li-Cycle's liquidity and have adversely impacted its ability to operate its Spokes and continue the development of the Rochester Hub.

40. The completion of the Rochester Hub is a key element to bring Li-Cycle to profitability. With construction of the Rochester Hub on hold, and with costs to complete construction requiring significant investment, estimated at approximately \$483.3 million, Li-Cycle has actively sought and pursued a variety of strategic investments and alternatives.

41. As described more fully below, for over two years, Li-Cycle actively sought to identify additional funding or other strategic alternatives, including after October 2023 under the guidance of a special committee of independent directors of Holdings (the "Special Committee") and with the assistance of the investment banking firm Moelis & Company ("Moelis").

42. Despite the lengthy process conducted by Moelis and the additional investment support furnished by Glencore (as described at paragraphs 29-35 above), to date, Li-Cycle has been unable to execute a viable transaction or obtain sufficient additional investment. Among other things, potential investors raised concerns during the process about the ongoing availability of the DOE Loan Facility in light of uncertainty regarding the financing of "green initiatives" in the current political climate in the United States.

B. Li-Cycle Works to Obtain a DOE Loan Commitment

43. Li-Cycle's Rochester Hub was expected to be the first source of recycled battery-grade lithium in North America. To support the construction of the Rochester Hub, Holdings obtained a conditional commitment from the DOE. The conditional commitment was initially set to expire on August 27, 2023. Li-Cycle obtained extensions of the conditional commitment to February 27, 2025.

44. On November 7, 2024, Li-Cycle announced that it entered into an agreement for an up-sized DOE Loan Facility of \$475 million (including up to \$445 million of principal and up to \$30 million in capitalized interest), the first DOE Loan Facility to be finalized for a lithium-ion battery materials recycling company. The DOE Loan Facility has a final maturity date of March 15, 2040 and advances will bear interest at a fixed rate of the applicable long-dated U.S. Treasury rate on the date of the advance, with a 0% spread. There is a grace period on scheduled principal repayments until June 15, 2027. Interest during the construction period can be capitalized (up to \$30 million), instead of being paid in cash.

45. The first advance under the DOE Loan Facility must occur on or prior to November 7, 2025 and is subject to the satisfaction or waiver of certain conditions and requirements, most notably Li-Cycle completing a base equity contribution to the Rochester Hub, which includes:

- a. settling certain existing commitments relating to the project for costs incurred but not yet paid (which were approximately \$89.7 million as of December 31, 2024); and
- b. funding approximately \$173 million in reserves for project construction, project ramp-up and Spoke capital expenditures, of which up to approximately \$97 million can be satisfied through letters of credit.

46. As detailed further below, Li-Cycle has continued to actively explore financing and strategic alternatives for a complete funding package needed to meet the base equity contribution so that advances under the DOE Loan Facility can be drawn and construction of the Rochester Hub can be restarted. However, Li-Cycle has not been able to obtain a funding package to date.

C. Costs of Rochester Hub Increase Significantly

47. On October 23, 2023, Holdings announced that it was pausing construction work on the Rochester Hub, due to escalating construction costs beyond its previously disclosed budget of \$560 million. The company announced that it would commence a comprehensive review and examine the capital cost, timing of completion, and go-forward construction strategy.

48. On November 13, 2023, Holdings announced that its initial analysis of the Rochester Hub project indicated that the revised project costs could be in the range of \$850 million to \$1.0 billion. The escalating costs were specifically related to the installation and labor costs for mechanical equipment, piping, structural steel, electrical and instrumentation for the measurement and process control devices.

49. Li-Cycle had initially planned that the Rochester Hub would produce lithium carbonate, nickel sulphate and cobalt sulphate. As part of its comprehensive review of the Rochester Hub project, Li-Cycle undertook an internal technical and economic review to determine the viability of focusing on constructing, commissioning and operating only those areas needed to produce lithium carbonate and mixed hydroxide precipitate (“MHP”), containing nickel, cobalt and manganese (the “MHP Scope”). Li-Cycle determined that proceeding with the MHP Scope instead of the broader scope that included

production of nickel sulphate and cobalt sulphate would allow construction of the Rochester Hub to be completed sooner and at a lower cost.

50. On March 18, 2024, Li-Cycle announced that it had confirmed the technical viability of the MHP Scope and estimated the cost to complete the Rochester Hub project under the MHP Scope at approximately \$508 million, bringing the total estimated project cost of the Rochester Hub to approximately \$960 million.

51. On October 31, 2024, Li-Cycle announced that it had completed the technical review of the MHP Scope and expected the Rochester Hub to produce up to approximately 8,250 tonnes of battery-grade lithium carbonate and up to approximately 72,000 tonnes of MHP annually.

52. Construction of the Rochester Hub has yet to resume as Li-Cycle has not been able to obtain a complete funding package for the estimated cost to complete the Rochester Hub under the narrower MHP Scope.

D. Commencement of Securities Litigation Against Li-Cycle

53. On October 23, 2023, Holdings announced that it was pausing construction of the Rochester Hub. That same day, the share price of Holdings' common shares declined by over 45%. Overall, since the announcement, the share price has declined more than 99%. The sharp drop in Holdings' share price resulted in the commencement of several putative class and derivative actions against Holdings and its directors and officers in Canada and the United States. The actions in the United States are described below. Holdings contests the allegations in the various class actions that have been commenced against it.

54. On November 8, 2023, a putative federal securities class action lawsuit was commenced in the U.S. District Court for the Southern District of New York against Holdings and certain of its officers and directors on behalf of a proposed class of purchasers of Holdings' common shares during the period from January 27, 2022 through November 13, 2023 (*Hubiack v. Li-Cycle Holdings Corp., et al.*, 1:23-cv-09894 (S.D.N.Y.)). The amended complaint asserts claims under Sections 10(b) and 20(a) of the U.S. Securities Exchange Act of 1934, and alleges that the defendants issued false and misleading statements regarding the Rochester Hub's construction budget, costs and timeline, which were allegedly revealed beginning on October 23, 2023 when Li-Cycle announced that it would pause construction on the Rochester Hub project. On June 10, 2024, the District Court granted defendants' motion to dismiss in full with prejudice. *Hubiack v. Li-Cycle Holdings Corp., et al.*, No. 23-cv-09894 (S.D.N.Y.) (Dkt. No. 58). The lead plaintiff has appealed to the Second Circuit, *see id.* at Dkt. No. 60, and defendants' appellate brief must be filed on June 2, 2025.⁴

55. On December 4, 2023, a putative shareholder derivative action was filed in the Supreme Court of the State of New York, Monroe County, purportedly on behalf of Holdings (as nominal defendant) against certain of Holdings' current and/or former officers and directors (*Nieves v. Johnston, et. al.*, Index No. E2023014542 (N.Y. Sup. Ct.)). The action concerns the same alleged misstatements or omissions at issue in the New York Securities Action, and asserts common law claims for breach of fiduciary duty, waste,

⁴ On November 27, 2023, a putative Ontario securities class action claim was commenced in the Ontario Superior Court of Justice against Holdings and its CEO on behalf of a proposed class of purchasers of Holdings' common shares who acquired their shares during the period from February 27, 2023 through November 10, 2023 (*Wyshynski v. Li-Cycle Holdings Corp. et al.*, Court File No. CV-23-00710373-00CP).

unjust enrichment, and gross mismanagement. The action seeks to recover unspecified compensatory damages on behalf of Holdings, an award of costs and expenses and other relief. On February 29, 2024, the parties agreed to stay the action pending resolution of the New York securities action.

E. Construction Claims Against U.S. HubCo

56. As a result of the sudden and significant cost overruns at the Rochester Hub and the suspension of construction activity at the Rochester Hub, U.S. HubCo has been subjected to various litigations. Indeed, because of these cost overruns, Li-Cycle terminated its contract with its general contractor for the Rochester Hub project, Mastec. On April 9, 2024, MasTec commenced: (i) arbitration proceedings against U.S. HubCo under the terms of the parties' Construction Agreement, and (ii) a lien foreclosure action in the Supreme Court, County of Monroe, New York. MasTec's arbitration claim is for at least \$48,674,848 plus interest, fees, costs and expenses thereon.

57. Separately, on July 22, 2024, MasTec North America Inc. ("Mastec NA"), an affiliate of MasTec, filed a lien foreclosure action as assignee of several MasTec subcontractors. On January 7, 2025, Li-Cycle filed a motion to: (a) stay the MasTec foreclosure action, pending determination of the arbitration, and (b) consolidate the MasTec NA foreclosure action into the MasTec action. The motion to stay and consolidate was granted on March 17, 2025. It is currently under appeal. Several lienors, including the MasTec entities with assignments, have filed a notice of appeal.

58. On April 29, 2024, U.S. HubCo delivered its arbitration answering statement, which includes counter-claims against MasTec for costs and expenses (including improperly inflated values for work and staffing) in the amount of \$27,310,034 plus interest, fees and expenses. The arbitration hearings are scheduled to commence on

July 21, 2026 in New York City. U.S. HubCo served MasTec with document demands and interrogatories on February 21, 2025 and submitted its response to MasTec's document demands and interrogatories on March 28, 2025.

59. U.S. HubCo has also received various notices and demands from subcontractors and other counterparties involved in the construction of the Rochester Hub threatening legal action due to unpaid invoices.

60. U.S. HubCo is subject to mechanics' liens filed against the Rochester Hub in the aggregate amount of approximately \$60.6 million and against the Rochester Warehouse in the aggregate amount of approximately \$5.1 million.

F. Appointment of Special Committee, Engagement of Moelis and Retention of Alvarez & Marsal

61. In connection with the comprehensive review of the Rochester Hub, the board of directors of Holdings established the Special Committee. The Special Committee's mandate is to (i) oversee and supervise a strategic review of all or any of Li-Cycle's operations and capital projects, including its sales, general and administration functions, and (ii) consider financing and other strategic alternatives.

62. Beginning in the Fall of 2023, the Special Committee retained:

- a) Moelis, a leading global independent investment bank, as a financial advisor to assist in evaluating financing and strategic alternatives for Li-Cycle; and
- b) AlixPartners LLC, an internationally recognized restructuring and turnaround advisory and consulting firm, to advise the Special Committee as it sought to manage its liquidity and evaluate the strategic alternatives available.

G. Moelis Conducts Robust Process

63. Beginning in late November 2023, Moelis conducted a broad market canvass that included contacting 144 potential strategic and financial investors, 57 of whom executed non-disclosure agreements and were granted access to a data room that had been

established and was continuously updated by Moelis with the assistance of Li-Cycle and its advisors.

64. Li-Cycle and Moelis conducted over 50 management presentations, participated in numerous follow-up calls and site visits and answered various questions and requests for further information from the participants in the process.

65. Moelis established an initial target date of January 15, 2024 for the receipt of proposals from the participants in the process. Numerous proposals were received both before and after the target date. Li-Cycle and Moelis engaged with the participants that had submitted proposals to clarify and advance their proposals and provided further information requested by the participants over the period of several months.

66. By late February 2024, Li-Cycle and Moelis transitioned to focusing on two independent term sheets each for \$75 million, each in the form of senior secured convertible notes. One of the senior secured convertible note term sheets was from Glencore and the other was from a separate strategic party. Li-Cycle and Moelis continued to negotiate with both Glencore and the other separate strategic party through to early March 2024.

67. In March 2024, in order for Li-Cycle to have adequate liquidity to continue to operate its then-operational Spokes, pursue the DOE Loan Facility and complete the Special Committee's review of strategic alternatives, Li-Cycle obtained an additional \$75 million in funding from Glencore.

68. As a condition of obtaining that additional financing, Li-Cycle agreed that the previously unsecured debt of Glencore under the Original Glencore Convertible Note

would potentially become secured in two tranches on modification dates that reflected key milestones in Li-Cycle's push to complete development of the Rochester Hub:

- a. First modification date: the earlier of (a) the date that is one month after the effectiveness and initial funding, if any, of a project loan financing for the Rochester Hub, and (b) December 31, 2024; and
- b. Second modification date: the earliest to occur of (a) the first commercial production from the Rochester Hub, (b) construction costs exceeding the construction budget set forth in the project loan financing, and (c) June 1, 2026.

69. As set out above, the first modification date in relation to the First A&R Note occurred following Li-Cycle entering into of the DOE Loan Facility. The second modification date has yet to occur.

70. As part of the DOE Loan Facility closing efforts, Li-Cycle worked with the DOE to successfully upsize the DOE Loan Facility from \$375 million to \$475 million. The DOE Loan Facility was signed successfully on November 7, 2024. Alongside the upsizing of the DOE Loan Facility, through the final negotiations with the DOE, the conditions precedent to the DOE First Advance were finalized. Among other items, the conditions precedent to the DOE First Advance include (i) settling existing commitments relating to the Rochester Hub project for costs incurred but not yet paid, which was approximately \$89.7 million as of December 31, 2024; and (ii) funding approximately \$173 million in reserve account requirements of which approximately \$97 million can be satisfied through letters of credit. In total, through the second phase efforts with Moelis, the target was to raise an incremental approximately \$263 million of financing (comprising of the requirement to settle prior Rochester Hub costs that were incurred but not paid; and the DOE reserve account requirements).

71. In tandem with the closing efforts associated with the DOE Loan Facility, Moelis initially commenced second phase outreach to prospective investors and strategic counterparties, between April and November 2024. Outreach efforts were increased further in November 2024, following the signing of the DOE Loan Facility, based on the finalized funding requirements as part of the conditions precedent to the DOE First Advance.

72. As part of Moelis' second phase outreach efforts, between November 2024 and February 2025, Moelis conducted a broad market canvass for a second time, which included contacting 149 potential strategic and financial investors, 52 of whom had prior executed and active non-disclosure agreements, or executed non-disclosure agreements anew, and were granted access to a data room that had been established and was continuously updated by Moelis with the assistance of Li-Cycle and its advisors.

73. As part of the discussions between Moelis and the counterparties, as well as through the course of approximately 22 management presentations between November 2024 and February 2025, there was a range of feedback provided. Specifically, counterparties provided feedback regarding (i) being concerned with respect to uncertainty related to the current U.S. federal administration and potential impacts on DOE-related funding; (ii) Li-Cycle's capital structure and the level of existing debt; (iii) hesitation regarding the EV and battery materials market outlook; (iv) the relatively large level of financing required to enable the first advance under the DOE Loan Facility (a total of approximately \$263 million).

74. As a result of this feedback, none of the strategic and financial counterparties contacted by Moelis progressed to the stage of a term sheet. Efforts with Moelis were paused in late February 2025, alongside considerations associated with Li-

Cycle's de-listing from NYSE (as detailed further herein). In sum, despite the efforts described above, Li-Cycle has been unable to find a strategic investor, and it has virtually exhausted its liquidity.

THE CANADIAN PROCEEDINGS

I. Purpose of the Canadian Proceedings

75. To allow the CCAA Applicants breathing space to seek to maximize value for all of their stakeholders under the circumstances, the CCAA Applicants (including each of the Chapter 15 Debtors) sought and obtained CCAA protection on May 14, 2025. As set forth in the accompanying Aziz Declaration, the CCAA Applicants intend to conduct, with the assistance of their investment banker and financial advisor, Alvarez & Marsal, a sale and realization process under the supervision of the Canadian Court and this Court with respect to the assets of the Chapter 15 Debtors located in the United States.

RELIEF REQUESTED

76. Pursuant to this Verified Petition, the Foreign Representative respectfully requests the entry of an order, substantially in the form of the proposed order attached hereto as **Exhibit 3**, (a) recognizing the Canadian Proceedings as "foreign main proceedings"; (b) recognizing the Foreign Representative as the "foreign representative" in respect of the Canadian Proceedings; (c) granting a stay of execution against any assets of the Debtors in the United States and application of Section 362 of the Bankruptcy Code in this Chapter 15 Case pursuant to Sections 1520(a)(1), 1521(a) and 105(a) of the Bankruptcy Code; and (d) granting certain additional relief pursuant to Sections 1507 and 1521 of the Bankruptcy Code, including recognition and enforcement of the Initial Order and any amended and restated Initial Order. The relief requested in this Verified Petition is without prejudice to any other request for further or additional relief.

BASIS FOR RELIEF

77. Chapter 15 of the Bankruptcy Code is designed to protect and maximize the value of a foreign debtor's assets, and to facilitate the liquidation or restructuring of its assets and liabilities. The relief afforded to a debtor under Chapter 15 is intended to avoid disruptions that could otherwise derail the debtor's insolvency proceeding pending in a jurisdiction outside the United States, in this case, Canada. One of the primary objectives of Chapter 15 is the "fair and efficient administration of cross-border insolvencies that protects the interests of all creditors, and other interested entities, including the Debtors." 11 U.S.C. § 1501(a)(3).

78. For the reasons set forth herein, the Canadian Proceedings are entitled to recognition under Section 1517 of the Bankruptcy Code. The Canadian Proceedings are (i) foreign proceedings within the meaning of Section 101(23) of the Bankruptcy Code and (ii) foreign main proceedings within the meaning of Section 1502(4) of the Bankruptcy Code. As described above, the Chapter 15 Debtors' registered head office is located in Canada, which is the Chapter 15 Debtors' center of main interests within the meaning of Section 1516(c) of the Bankruptcy Code. The Foreign Representative is a foreign representative within the meaning of Section 101(24) of the Bankruptcy Code. Moreover, the Verified Petition meets the requirements of Section 1515 of the Bankruptcy Code.

79. Granting the relief sought herein is consistent with the goals of Chapter 15 because it will aid the Canadian Proceedings and best assure an opportunity for the Chapter 15 Debtors to conduct an orderly liquidation and winddown of their affairs. Through the Canadian Proceedings, the Chapter 15 Debtors are seeking to maximize value for the benefit of their stakeholders and to ensure the just treatment of all holders of claims against

and interests in the Chapter 15 Debtors. These goals are aligned with the objectives of Chapter 15. *See* 11 U.S.C. § 1501(a)(3).

I. The Debtors Are Eligible for Chapter 15 Relief

80. Section 109(a) of the Bankruptcy Code provides that “only a person that resides or has a domicile, a place of business, or property in the United States . . . may be a Debtor under this title.” Courts in this District have applied Section 109(a) to Chapter 15 eligibility. *See, e.g., Drawbridge Special Opportunities Fund LP v. Barnet (In re Barnet)*, 737 F.3d 238, 247 (2d Cir. 2013).

81. The Chapter 15 Debtors are eligible to be debtors under Section 109(a) because each of the Chapter 15 Debtors has property in the United States and each of the Chapter 15 Debtors is a Delaware corporation.

82. More specifically, and in addition to the other property interests held by the Chapter 15 Debtors within the territorial jurisdiction of the United States, each of the Chapter 15 Debtors has an interest in an undrawn retainer with Freshfields, the Chapter 15 Debtors’ United States counsel. Pursuant to the terms of the Chapter 15 Debtors’ engagement letter with Freshfields dated March 7, 2025 (the “Retainer Letter”), the Chapter 15 Debtors agreed to transfer \$1,000,000 of the Chapter 15 Debtors’ funds to the United States to serve as a retainer for Freshfields’ fees.

II. The Court Should Recognize the Canadian Proceedings as Foreign Main Proceedings

A. The Canadian Proceedings are Foreign Proceedings

83. Section 101(23) of the Bankruptcy Code defines “foreign proceeding” as:

a collective judicial or administrative proceeding in a foreign country, including an interim proceeding, under a law relating to insolvency or adjustment of debt in which proceeding the assets

and affairs of the debtors are subject to control or supervision by a foreign court, for the purpose of reorganization or liquidation.

84. Courts have held that a foreign proceeding is one:

- a. in which “acts and formalities [are] set down in law so that courts, merchants and creditors can know them in advance, and apply them evenly in practice,” *In re Betcorp Ltd.*, 400 B.R. 266, 278 (Bankr. D. Nev. 2009);
- b. that has either a judicial or administrative character, *In re Ashapura Minechem Ltd.*, 480 B.R. 129, 136 (S.D.N.Y. 2012) (citing *Betcorp*, 400 B.R. at 277);
- c. that is collective in nature, in the sense that the proceeding considers the rights and obligations of all creditors, *id.*;
- d. that is located in a foreign country, *id.*;
- e. that is authorized or conducted under a law related to insolvency or the adjustment of debt, even if the debtor that has commenced such proceedings is not actually insolvent, *id.*;
- f. in which the debtor’s assets and affairs are subject to control or supervision of a foreign court or other authority competent to control or supervise a foreign proceeding, *id.*; and
- g. whose purpose is reorganization or liquidation, *id.*

85. The Canadian Proceedings satisfy these requirements and thus qualifies as “foreign proceedings” under Section 101(23), for the following reasons.

86. **First**, since Congress’ enactment of Chapter 15 of the Bankruptcy Code, courts in the United States have recognized similar Canadian proceedings as “foreign proceedings” numerous times. *See, e.g., In re Sino-Forest Corp.*, 501 B.R. 655, 666 (Bankr. S.D.N.Y. 2013); *In re Metcalfe & Mansfield Alt. Invs.*, 421 B.R. 685, 688 (Bankr. S.D.N.Y. 2010); Order Granting Recognition and Enforcement of Canadian Sanction Order and Related Relief at 2, *In re Quebecor World Inc.*, Case No. 08-13814 (JMP) (ECF Doc. # 12) (Bankr. S.D.N.Y. July 1, 2009); Order Granting Recognition and Relief in Aid of Foreign Main Proceedings at 1–3, *In re Canwest Global Commc’ns Corp.*, No. 09-15994 (MG) (ECF Doc. #34) (Bankr. S.D.N.Y. Nov. 3, 2009); Order Granting Recognition of

Foreign Main Proceeding at 3, *In re Baronet U.S.A. Inc.*, No. 07-13821 (JMP) (ECF Doc. #15) (Bankr. S.D.N.Y. Jan. 10, 2008).

87. **Second**, the Canadian Proceedings were commenced pursuant to the *Companies' Creditors Arrangement Act* which, as set forth more fully in the Aziz Declaration, is a Canadian law process that governs corporate reorganizations frequently (though not exclusively) used in a restructuring context.

88. **Third**, the Canadian Proceedings are collective in nature in that they affect the claims of all creditors. In *Betcorp*, for instance, the bankruptcy court discussed the contrasts between a true collective proceeding, where such proceeding “considers the rights and obligations of all creditors” and a non-collective proceeding, such as a “receivership remedy instigated at the request, and for the benefit, of a single secured creditor.” *See* 400 B.R. at 281; *see also In re Poymanov*, 571 B.R. 24, 33 (Bankr. S.D.N.Y. 2017) (“A proceeding is collective if it considers the rights and obligations of all of a Debtors’ creditors, rather than a single creditor.”). For example, the Canadian Court will consider sanctioning a CCAA plan only if it is approved by a majority in number representing two thirds in value of the creditors, or the class of creditors, present and voting. *See Companies’ Creditors Arrangement Act*, R.S.C., 1985, c. C-36. The Canadian Proceedings are intended to benefit creditors according to their interests collectively, rather than to benefit any single creditor alone. Accordingly, the Canadian Proceedings are collective in nature because they consider the rights and obligations of a class of the Chapter 15 Debtors’ creditors rather than a single creditor.

89. **Fourth**, the Canadian Proceedings are “judicial” as they have been commenced before the Canadian Court and thereafter are subject to the supervision of the

Canadian Court. A proceeding is judicial in character whenever a “court exercises its supervisory powers.” *In re ABC Learning Ctrs. Ltd.*, 445 B.R. 318, 328 (Bankr. D. Del. 2010). For example, the Canadian Court must enter the Initial Order for such orders to be effective. Further, any CCAA plan must be sanctioned by the Canadian Court for the plan to become effective and binding on stakeholders. The Canadian Court is a judicial body of Canada, which will have exclusive jurisdiction to hear and determine any suit, action, or proceeding and to settle any dispute arising out of the Canadian Proceedings. Thus, the Canadian Court has a supervisory role in the Canadian Proceedings.

90. ***Fifth***, the Canadian Proceedings are pending in Toronto, Ontario, which is in Canada, a foreign country.

91. ***Sixth***, as described above, a “foreign proceeding” is “a law relating to insolvency or adjustment of debt.” Notably, the definition of “foreign proceeding” in the Bankruptcy Code includes the words “or adjustment of debt.” *See In re Millard*, 501 B.R. 644, 649–50 (Bankr. S.D.N.Y. 2013) (“Likewise, *Collier* explains that ‘[t]he words ‘under a law relating to insolvency or adjustment of debt’ [in Section 101(23) of the Bankruptcy Code] emphasize that [C]hapter 15 is available not only to Debtors that are technically insolvent or facing liquidation, but also to Debtors who are in financial distress and may need to reorganize.’”) (*citing* 8 *Collier* ¶ 1501.03 (16th 2018))). Moreover, the phrase “relating to” is interpreted broadly. *See, e.g., Dan’s City Used Cars, Inc. v. Pelkey*, 569 U.S. 251, 260 (2013) (“ordinary meaning of . . . words [‘relating to’] is a broad one”) (citation omitted); *California Div. of Lab. Standards Enf’t v. Dillingham Constr., N.A., Inc.*, 519 U.S. 316, 335 (1997) (Scalia, J., concurring) (“[A]pplying the ‘relate to’ provision according to its terms was a project doomed to failure, since, as many a curbstone

philosopher has observed, everything is related to everything else.”). Here, there is little doubt that the Canadian Proceedings — conducted under the *Companies’ Creditors Arrangement Act*—relate to the adjustment of debt, and are proceedings for the benefit of a corporate group that is insolvent or in severe financial distress.

92. ***Finally***, the Chapter 15 Debtors’ assets and affairs are subject to the control or supervision of the Canadian Court through the Canadian Proceedings. As discussed above, the Canadian Proceedings have been commenced before the Canadian Court. Ultimately, the alteration of the Chapter 15 Debtors’ business and liabilities are subject to the approval of the Canadian Court. Thus, the Canadian Court has control over the Chapter 15 Debtors’ assets and affairs through the Canadian Proceedings.

93. Because all of the criteria required by Section 101(23) are satisfied, this Court should find that the Canadian Proceedings constitute foreign proceedings.

B. The Canadian Proceedings are “Foreign Main Proceedings”

94. A court will recognize a foreign proceeding as a “foreign main proceeding” if “it is pending in the country where the Debtor has the center of its main interests.” 11 U.S.C. § 1517(b). Section 1516 of the Bankruptcy Code establishes a rebuttable presumption that a debtor’s registered office is its COMI. *See In re Bear Stearns High-Grade Structured Credit Strategies Master Fund*, 374 B.R. 122, 127 (Bankr. S.D.N.Y. 2007), *aff’d*, 389 B.R. 325 (S.D.N.Y. 2008). When considering a debtor’s COMI, a court may consider the analogous concept of an entity’s “principal place of business” or “nerve center.” *Morning Mist Holdings Ltd. v. Krys (In re Fairfield Sentry Ltd.)*, 714 F.3d 127, 133, 137 (2d Cir. 2013). “In the absence of evidence to the contrary, the Debtors’ registered office ... is presumed to be the [center of main interests].” 11 U.S.C. § 1516(c). Pursuant

to Section 1516(c) of the Bankruptcy Code, however, the COMI presumption may be rebutted. The legislative history makes clear that “[t]he ultimate burden as to each element [of recognition] is on the foreign representative, although the court is entitled to shift the burden to the extent indicated in [S]ection 1516.” H.R. Rep. 109–31, pt. 1, 109th Cong. 1st Sess. at 112-113 (2005).

95. Courts have identified various factors that are relevant in identifying a debtor’s COMI, none of which on their own are determinative, including: (a) the location of the debtor’s headquarters; (b) the location of those persons or entities that actually manage the debtors (which, in certain instances, could be the headquarters of a holding company); (c) the location of the debtor’s primary assets; and (d) the location of the majority of the Debtors’ creditors or of a majority of the creditors who would be affected by the case. *See In re SPhinX, Ltd.*, 351 B.R. 103, 117 (Bankr. S.D.N.Y. 2006). When analyzing the factors for determining a debtor’s COMI, the Second Circuit has held that COMI should be determined based on the debtor’s activities “at or around the time the Chapter 15 petition is filed.” *In re Fairfield Sentry Ltd.*, 714 F.3d 127, 137 (2d Cir. 2013).

96. Notwithstanding that North America Opco, U.S. SpokeCo and U.S. HubCo are each registered in Delaware, their COMI, along with that of Holdings, is plainly in Toronto, Ontario, for the following reasons:

- a. The registered head office of Holdings is in Toronto, Ontario, Canada and the other Chapter 15 Debtors are run out of Toronto, Ontario;
- b. A majority of the key management personnel of each of the Chapter 15 Debtors are located in Toronto, Ontario, and all are employed by Global HQ which is incorporated and domiciled in Toronto, Ontario (“Key Management Personnel”);
- c. all material financial, strategic, management, marketing and personnel decisions of the Chapter 15 Debtors are made in

Toronto, Ontario by the Chapter 15 Debtors' senior management also located in Toronto, Ontario;

- d. each of the Chapter 15 Debtors' critical strategic decisions are mainly made in Toronto, Ontario by the Chapter 15 Debtors' senior management, a majority of whom are located in Toronto, Ontario;
- e. all material and/or long-term contracts and expenses are subject to approval by the Key Management Personnel;
- f. most material and/or long-term contracts to which any Chapter 15 Debtor entity is a party are negotiated by the Key Management Personnel;
- g. corporate governance and regulatory compliance for each of the Chapter 15 Debtors is overseen by the Key Management Personnel;
- h. key accounting decisions and all plans, budgets and financial projections are subject to the approval of the Key Management Personnel;
- i. meetings for directors and officers, other management and senior staff of the Chapter 15 Debtors are regularly held in Toronto;
- j. marketing and business development initiatives are overseen from Li-Cycle's marketing team located in Toronto, Ontario;
- k. key human resources decisions, including decisions pertaining to, *inter alia*, payroll budgets and augmentation or reduction of employee headcount as per the approved budget, and the retaining of me as CRO are and have been made in Toronto, Ontario;
- l. the Chapter 15 Debtors formed in the United States have employees dispersed throughout several regions in the United States, including Arizona, Alabama and New York, but the management decisions come from Toronto, Ontario;
- m. planning, budgeting, management of tax, treasury and cash management and preparation of financial projections for the Chapter 15 Debtors is done from Toronto, Ontario;
- n. certain of the Chapter 15 Debtors' key suppliers with whom the Chapter 15 Debtors have contracts are in Toronto, Ontario;
- o. the majority of the senior officers and management employees of the Chapter 15 Debtors reside in Canada;
- p. Holdings, as the publicly listed entity, receives all proceeds from share capital issuances and loan proceeds, and uses such proceeds to fund the other Chapter 15 Debtor entities;

- q. the operations of all of the Chapter 15 Debtor entities are generally funded from equity contributions or intercompany advances from Holdings;
- r. the CRO is located in Oakville, Canada;
- s. all intellectual property used in the Chapter 15 Debtor's business, which is a key asset in this highly-specialized, cutting-edge business, is owned by Global HQ;
- t. all research and development for the business is undertaken by Global HQ;
- u. the books and records of the Chapter 15 Debtors are kept in Ontario at Global HQ;
- v. Ontario is the readily ascertainable jurisdiction by the Chapter 15 Debtors' creditors, considering, among other things, that the Holdings is the sole borrowing entity pursuant to the Glencore Notes and the DOE Loan Facility, and a substantial amount of claims, both secured and unsecured, are owed to Canadian creditors (including loans for which the Chapter 15 Debtors are guarantors);
- w. the Chapter 15 Debtors operate on a consolidated basis with a unified cash management system;
- x. the Chapter 15 Debtors operate as one corporate group controlled by Holdings, which controls the operations and strategic direction of the Chapter 15 Debtors as the ultimate parent company of its subsidiaries; and
- y. financing and other support services for the Chapter 15 Debtors' activities, including with respect to any activities in the United States, are largely provided by Holdings.

97. Based on these and other factors, William E. Aziz, in his capacity as the Foreign Representative of the Chapter 15 Debtors, respectfully submits that this Court should find that the Chapter 15 Debtors' COMI is located in Canada, and that the Court should therefore recognize the Canadian Proceedings as "foreign main proceedings" under Section 1517(b) of the Bankruptcy Code.

III. The Chapter 15 Proceeding Have Been Commenced by the Duly Authorized Foreign Representative

98. Section 1517 of the Bankruptcy Code provides that a “foreign representative” shall apply for recognition of the foreign proceeding. Section 101(24) of the Bankruptcy Code defines “foreign representative” to mean:

a person or body, including a person or body appointed on an interim basis, authorized in a foreign proceeding to administer the reorganization or the liquidation of the debtor’s assets or affairs or to act as a representative of such foreign proceeding.

99. The Initial Order specifically authorized the Foreign Representative to file and prosecute the Verified Petition. *See* Initial Order at ¶ [60]. Thus, the Foreign Representative satisfies the requirements of Section 101(24) of the Bankruptcy Code and should be determined to be a “foreign representative” within the meaning of that section.

IV. The Verified Petition Meets the Requirements of Section 1515 of the Bankruptcy Code

100. Pursuant to Section 1515(b) of the Bankruptcy Code, a petition for recognition must be accompanied by one of the following:

- a. a certified copy of the decision commencing such foreign proceeding and appointing the foreign representative;
- b. a certificate from the foreign court affirming the existence of such foreign proceeding and of the appointment of the foreign representative; or
- c. in the absence of evidence referred to in paragraphs (1) and (2), any other evidence acceptable to the court of the existence of such foreign proceeding and of the appointment of the foreign representative.

101. In satisfaction of Section 1515(b) of the Bankruptcy Code, attached as **Exhibit 2** hereto, is a certified copy of the Initial Order. Therefore, this Verified Petition meets the requirements of Section 1515 of the Bankruptcy Code.

102. Moreover, granting recognition will promote the United States public policy of respecting foreign proceedings as articulated in, *inter alia*, Sections 1501(a) and 1508 of the Bankruptcy Code and further cooperation between courts to the maximum extent possible as mandated by Section 1525(a) of the Bankruptcy Code. Thus, these circumstances satisfy the conditions for mandatory recognition of the Canadian Proceedings under Section 1517 of the Bankruptcy Code.

103. For all of the reasons set forth above, the Foreign Representative respectfully submits that all of the requirements set forth in Section 1517(a) have been satisfied and, thus, the entry of the proposed order attached hereto as **Exhibit 3** by the Court recognizing the Canadian Proceedings as “foreign main proceedings,” or in the alternative, as “foreign nonmain proceedings,” is proper.

V. Recognition of the Canadian Proceedings Would not be Manifestly Contrary to United States Public Policy

104. A court may deny a request for any Chapter 15 relief that would be “manifestly contrary to the public policy of the United States.” 11 U.S.C. § 1506. Courts that have addressed the “public policy exception” in Section 1506 of the Bankruptcy Code have noted that the exception is narrow, its application restricted to the most fundamental policies of the U.S., and a foreign judgment should generally be accorded comity if the foreign jurisdiction’s proceedings meet fundamental standards of fairness. *See Collins v. Oilsands Quest Inc.*, 484 B.R. 593, 597 (Bankr. S.D.N.Y. 2012); *see also In re Metcalfe*, 421 B.R. at 697 (holding that a U.S. bankruptcy court is not required to make an independent determination about the propriety of the acts of a foreign court, but only whether their procedures meet U.S. standards of fundamental fairness). Further, the relief granted in a foreign proceeding and the relief available in a U.S. proceeding need not be

identical. Courts have even gone so far as to hold that even the absence of a jury trial right—a right embodied in the U.S. Constitution—in a foreign proceeding would not justify the U.S. court’s refusal to recognize the foreign proceeding pursuant to the public policy exception. *See In re Ephedra Products Liab. Litig.*, 349 B.R. 333, 335–36 (Bankr. S.D.N.Y. 2006).

105. Here, recognition of the Canadian Proceedings would not be “manifestly contrary to the public policy of the United States” so as to justify refusal to recognize the Canadian Proceedings and enforce the Canadian Court’s order.

**SATISFACTION OF LOCAL FEDERAL RULE OF BANKRUPTCY
PROCEDURE 9013-1(A)**

106. This Verified Petition includes citations to the applicable rules and statutory authorities upon which the relief requested herein is predicated, and a discussion of their application to this Verified Petition. Accordingly, the Foreign Representative respectfully submits that the Verified Petition satisfies Rule 9013-1(a) of the Local Bankruptcy Rules for the Southern District of New York.

NOTICE

107. Contemporaneously herewith, the Foreign Representative has filed the *Ex Parte* Application for an Order (1) Scheduling a Hearing on Shortened Notice to Consider this Verified Petition for Recognition and Related Relief, and (2) Specifying the Form and Manner of Service and Notice. The Foreign Representative shall provide service and notice of this Verified Petition in accordance with any order entered by this Court with respect to the *Ex Parte* Application, and such service and notice shall constitute sufficient service and notice of this Verified Petition.

NO PRIOR REQUEST

108. No prior request for the relief sought in this Verified Petition has been made to this or any other court.

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WHEREFORE, William E. Aziz, in his capacity as the Foreign Representative of the Chapter 15 Debtors respectfully requests that the Court enter the proposed order, substantially in the form attached hereto as **Exhibit 3**, recognizing the Canadian Proceedings as foreign main proceedings and granting the Foreign Representative related relief and such other and further relief as this Court deems just and proper.

New York, New York
Dated: May 14, 2025

/s/ Madlyn Gleich Primoff
Madlyn Gleich Primoff, Esq.
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*Attorneys for William E. Aziz
In His Capacity as Foreign Representative*

Exhibit 1

Organizational Chart of Li-Cycle

Li-Cycle Organizational Chart

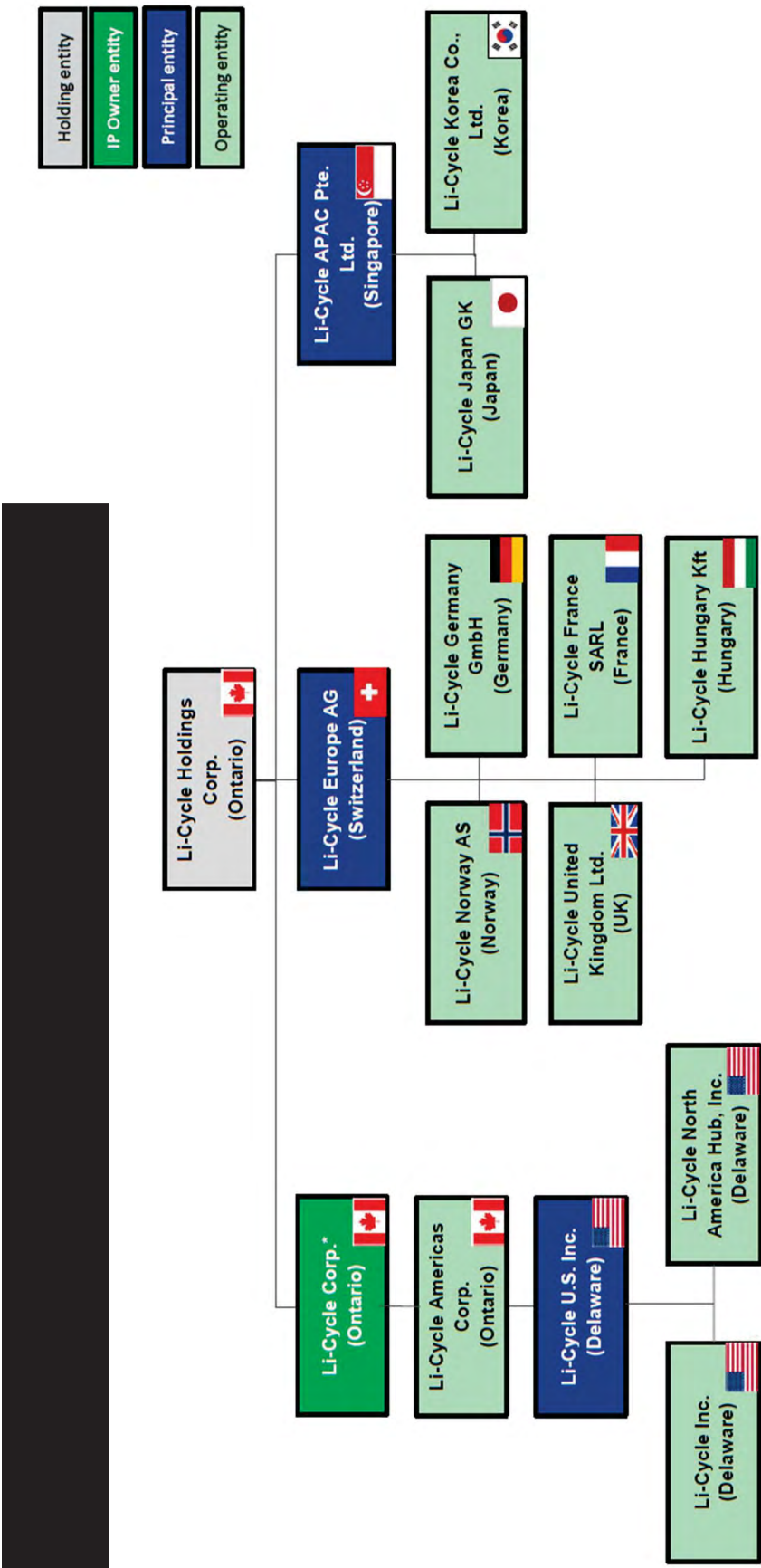


Exhibit 2

Initial Order



Court File No. CV-25-00743053-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE) WEDNESDAY, THE 14TH DAY
JUSTICE CONWAY) OF MAY, 2025

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PROPOSED PLAN
OF COMPROMISE OR ARRANGEMENT WITH RESPECT TO
LI-CYCLE HOLDINGS CORP., LI-CYCLE CORP., LI-CYCLE AMERICAS CORP.,
LI-CYCLE U.S. INC., LI-CYCLE INC. AND LI-CYCLE NORTH AMERICA HUB, INC.

Applicants

INITIAL ORDER

THIS APPLICATION, made by the Applicants for an initial order pursuant to the
Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended (the "CCAA") was
heard this day by judicial videoconference.

ON READING the affidavit of Ajay Kochhar sworn May 12, 2025 and the Exhibits
thereto (the "**Kochhar Affidavit**"), the consent of Alvarez & Marsal Canada Inc. ("**A&M**") to
act as the Monitor (in such capacity, the "**Monitor**"), and the Pre-Filing Report of A&M in its
capacity as the proposed Monitor, and on hearing the submissions of counsel for the Applicants,
A&M and such other parties as listed on the counsel slip.

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DATED AT TORONTO THIS 14 DAY OF May 2025
FAIT À TORONTO LE 14 JOUR DE May 2025

REGISTRAR  Maggie Sawka
GREFFIER

SERVICE

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. **THIS COURT ORDERS AND DECLARES** that the Applicants are companies to which the CCAA applies.

POSSESSION OF PROPERTY AND OPERATIONS

3. **THIS COURT ORDERS** that the Applicants shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicants shall continue to carry on business in a manner consistent with the preservation of their businesses (the "**Business**") and Property. The Applicants are authorized and empowered to continue to retain and employ the employees, contractors, consultants, agents, experts, accountants, advisors, counsel and such other persons (collectively "**Assistants**") currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business, to preserve the value of the Property or for the carrying out of the terms of this Order.

4. **THIS COURT ORDERS** that the Applicants shall be entitled to continue to utilize the central cash management system currently in place or, with the consent of the Monitor, replace it with another substantially similar central cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicants of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicants, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected

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creditor under any plan of compromise or arrangement (a "**Plan**") with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

5. **THIS COURT ORDERS** that the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to, on or after the date of this Order:

- (a) all outstanding and future wages, salaries, contract amounts, employee and pension benefits, vacation pay and expenses (including, without limitation, in respect of expenses charged by employees to corporate credit cards) payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges.

6. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services;
- (b) expenses required to ensure compliance with any governmental or regulatory rules, orders or directions; and
- (c) payment for goods or services actually supplied to the Applicants following the date of this Order.

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FAIT À TORONTO LE 14 JOUR DE May 20 25

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Maggie Sawka

7. **THIS COURT ORDERS** that the Applicants shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) income taxes, and (iv) statutory deductions in the United States, and all other amounts related to such deductions or employee wages payable for periods following the date of this Order pursuant to the *Income Tax Act*, the *Canada Pension Plan*, the *Employment Insurance Act* or similar provincial statutes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicants.

8. **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Applicants shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicants and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, ~~twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears), or, at the election of the applicable Applicant, at such intervals as such Rent is usually paid pursuant to the applicable~~

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FAIT A TORONTO LE 14 JOUR DE Mai 20 25

REGISTRAR Maggie Sawka

lease. On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

9. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicants are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

10. **THIS COURT ORDERS** that the Applicants shall, subject to such requirements as are imposed by the CCAA, have the right to:

- (a) terminate the employment of such of their employees or temporarily lay off such of their employees as it deems appropriate; and
- (b) pursue all avenues of refinancing or selling their Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing or sale,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the “Restructuring”).

11. **THIS COURT ORDERS** that the Applicants shall provide each of the relevant landlords with notice of the Applicants’ intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicants’ entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicants, or by further Order of this Court upon application by the Applicants on at least two (2) days notice to such landlord and any such secured creditors. If any of the Applicants disclaim the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease.

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pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Applicants' claims to the fixtures in dispute.

12. **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicants and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicants in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY

13. **THIS COURT ORDERS** that until and including May 22, 2025 or such later date as this Court may order (the "Stay Period"), no proceeding or enforcement process in any court or tribunal (each, a "Proceeding") shall be commenced or continued against or in respect of the Applicants or the Monitor or their respective employees, advisors or representatives acting in such capacities, or affecting the Business or the Property (including, for greater certainty, any process or steps or other rights and remedies under or relating to any class action proceeding against any of the Applicants or in respect of the Property), except with the written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or their respective employees, advisors or representatives acting in such capacities or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

14. **THIS COURT ORDERS** that, to the extent any prescription, time or limitation period relating to any Proceeding against or in respect of any of the Applicants that is stayed pursuant to this Order may expire, the term of such prescription, time or limitation period shall hereby be deemed to be extended for a period equal to the Stay Period.

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NO EXERCISE OF RIGHTS OR REMEDIES

15. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicants or the Monitor, or their respective employees, advisors or representatives acting in such capacities, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicants to carry on any business which the Applicants are not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

16. **THIS COURT ORDERS** that during the Stay Period, no Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, rescind, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence authorization or permit in favour of or held by the Applicants, except with the written consent of the Applicants and the Monitor, or leave of this Court.


CONTINUATION OF SERVICES

17. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicants or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicants, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicants, and that the Applicants shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicants in

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REGISTRAR  Maggie Sawka

accordance with normal payment practices of the Applicants or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court.

NO PRE-FILING VS POST-FILING SET OFF

18. **THIS COURT ORDERS** that no Person shall be entitled to set off any amounts that: (a) are or may become due to the Applicants in respect of obligations arising prior to the date of the Initial Order with any amounts that are or may become due from the Applicants in respect of obligations arising on or after the date of the Initial Order; or (b) are or may become due from the Applicants in respect of obligations arising prior to the date of the Initial Order with any amounts that are or may become due to the Applicants in respect of obligations arising on or after the date of the Initial Order, in each case without the consent of the Applicants and the Monitor, or with leave of this Court.

NON-DEROGATION OF RIGHTS

19. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

20. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a Plan in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

ON THIS 14th DAY OF MAY 2025, I, the Registrar of the Court, have reviewed the foregoing document, each page of which is stamped with the seal of the Superior Court of Justice at Toronto, and I am satisfied that it is a true copy of the document on file in this office.

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DATED AT TORONTO THIS 14 DAY OF May 20 25
FAIT À TORONTO LE 14 JOUR DE May 20 25

REGISTRAR *Maggie Sawka* *Maggie Sawka*

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

21. **THIS COURT ORDERS** that the Applicants shall indemnify their current and future directors and officers, the CRO (as defined below) and the CFO (as defined below) against obligations and liabilities that they may incur as directors or officers of the Applicants after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

22. **THIS COURT ORDERS** that the current and future directors and officers of the Applicants, the CRO and the CFO shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of USD \$450,000, as security for the indemnity provided in paragraph 21 of this Order. The Directors' Charge shall have the priority set out in paragraphs 47 and 49 herein.

23. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 21 of this Order.

APPOINTMENT OF MONITOR

24. **THIS COURT ORDERS** that A&M is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

25. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

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- (a) monitor the Applicants' receipts and disbursements;
- (b) review and approve Intercompany Advances (as defined below);
- (c) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (d) advise the Applicants in the preparation of the Applicants' cash flow statements, which information shall be reviewed with the Monitor;
- (e) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicants, wherever located, to the extent that is necessary to adequately assess the Applicants' business and financial affairs or to perform its duties arising under this Order;
- (f) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (g) perform such other duties as are required by this Order, such other orders of the Court, or as otherwise required by this Court from time to time.


26. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

27. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or

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relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

28. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicants with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

29. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

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APPROVAL OF CRO AND CFO ENGAGEMENTS

30. **THIS COURT ORDERS** that the agreement dated as of April 28, 2025 pursuant to which the Applicants have engaged BlueTree Advisors Inc. ("**BlueTree**") to provide the services of William E. Aziz to act as Chief Restructuring Officer of the Applicants ("**CRO**") and provide certain financial advisory and consulting services to the Applicants, a copy of which is attached as Exhibit "N" to the Kochhar Affidavit (the "**CRO Engagement Letter**"), the agreement dated as of April 28, 2025 pursuant to which the Applicants have engaged Michelle T. Faysal as interim Chief Financial Officer of the Applicants ("**CFO**"), a copy of which is attached as Exhibit "O" to the Kochhar Affidavit (the "**CFO Engagement Letter**"), the execution of the CRO Engagement Letter and the CFO Engagement Letter by the Applicants, *nunc pro tunc*, and the appointment of the CRO and the CFO pursuant to the terms thereof is hereby approved, including, without limitation, the payment of the fees and expenses contemplated thereby including, for the avoidance of doubt, the "Restructuring Fee" (as defined in the CRO Engagement Letter).

31. **THIS COURT ORDERS** that the CRO and the CFO shall not be or be deemed to be a director, *de facto* director or employee of the Applicants or any of their respective subsidiaries or affiliates.


32. **THIS COURT ORDERS** that neither BlueTree, the CRO nor the CFO shall, as a result of the performance of their respective obligations and duties in accordance with the terms of the CRO Engagement Letter or CFO Engagement Letter, as applicable, be deemed to be in Possession of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to the Environmental Legislation, however, if BlueTree, the CRO or the CFO are nevertheless later found to be in Possession of any Property, then BlueTree, the CRO or the CFO, as applicable, shall be entitled to the benefits and protections in relation to the Applicants and such Property as are provided to a monitor under Section 11.8(3) of the CCAA, provided however that nothing herein shall exempt the BlueTree, the CRO or the CFO from any duty to report or make disclosure imposed by applicable Environmental Legislation.

33. **THIS COURT ORDERS** that BlueTree, the CRO and the CFO shall not have any liability with respect to any losses, claims, damages or liabilities, of any nature or kind, to any

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DATED AT TORONTO THIS 14 DAY OF May 20 25
FAIT À TORONTO LE 14 JOUR DE Mai 20 25

REGISTRAR  Maggie Sawka

Person from and after the dated of this Order except to the extent such losses, claims, damages or liabilities result from the gross negligence or wilful misconduct on the part of the CRO or CFO.

34. **THIS COURT ORDERS** that no Proceeding shall be commenced directly, or by way of counterclaim, third party claim or otherwise, against or in respect of BlueTree, the CRO or the CFO, and all rights and remedies of any Person against or in respect of them are hereby stayed and suspended, except with the written consent of the CRO or the CFO, as applicable, or with leave of this Court on notice to the Applicant, the Monitor, the CRO and the CFO, as applicable. Notice of any such motion seeking leave of this Court shall be served upon the Applicants, the Monitor, the CRO and the CFO, as applicable, at least seven (7) days prior to the return date of any such motion for leave.

35. **THIS COURT ORDERS** that the obligations of the Applicants to BlueTree and the CRO and the CFO pursuant to the CRO Engagement Letter and the CFO Engagement Letter, as applicable, shall be treated as unaffected and may not be compromised in any Plan or in any other proceeding commenced under the CCAA, the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, as amended (the “**BIA**”) or the *United States Bankruptcy Code*, 11 U.S.C. §§101-1330, as amended (the “**US Bankruptcy Code**”) in respect of the Applicants.

APPROVAL OF FINANCIAL ADVISOR AND MAPLEBRIAR ENGAGEMENTS

36. **THIS COURT ORDERS** that the agreement dated as of May 8, 2025 pursuant to which the Applicants have engaged Alvarez & Marsal Canada Securities ULC (the “**Financial Advisor**”) to assist the Applicants in evaluating and pursuing one or more potential sale transactions, a copy of which is attached as Exhibit “Q” to the Kochhar Affidavit (the “**Financial Advisor Engagement Letter**”), the agreement dated as of May 1, 2025 pursuant to which the Applicants have engaged Maplebriar Holdings Inc. (“**Maplebriar**”) to provide the services of Ajay Kochhar to assist the Applicants in pursuing one or more potential sale transactions, a copy of which is attached as Exhibit “P” to the Kochhar Affidavit (the “**Maplebriar Engagement Letter**”), and the execution of the Financial Advisor Engagement Letter and the Maplebriar Engagement Letter by the Applicants, *nunc pro tunc*, is hereby approved, including, without limitation, the payment of the fees and expenses contemplated thereby including, for the avoidance of doubt, the “Restructuring Fees” (as defined in the **Maplebriar Engagement Letter**).

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37. **THIS COURT ORDERS** that the Financial Advisor and Maplebriar shall not be or be deemed to be a director, *de facto* director or employee of the Applicants or any of their respective subsidiaries or affiliates.

38. **THIS COURT ORDERS** that the Financial Advisor and Maplebriar shall not have any liability with respect to any losses, claims, damages or liabilities, of any nature or kind, to any Person from and after the date of this Order except to the extent such losses, claims, damages or liabilities result from the gross negligence or wilful misconduct on the part of the Financial Advisor or Maplebriar, as applicable.

39. **THIS COURT ORDERS** that no Proceeding shall be commenced directly, or by way of counterclaim, third party claim or otherwise, against or in respect of the Financial Advisor or Maplebriar, and all rights and remedies of any Person against or in respect of them are hereby stayed and suspended, except with the written consent of the Financial Advisor or Maplebriar, as applicable, or with leave of this Court on notice to the Applicants, the Monitor, the Financial Advisor and Maplebriar, as applicable. Notice of any such motion seeking leave of this Court shall be served upon the Applicants, the Monitor, the Financial Advisor and Maplebriar, as applicable, at least seven (7) days prior to the return date of any such motion for leave.

40. **THIS COURT ORDERS** that the obligations of the Applicants to the Financial Advisor and Maplebriar pursuant to the Financial Advisor Engagement Letter and Maplebriar Engagement Letter, as applicable, shall be treated as unaffected and may not be compromised in any Plan or in any other proceeding commenced under the CCAA, the BIA or the US Bankruptcy Code in respect of the Applicants.

ADMINISTRATION CHARGE

41. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor in Canada and the United States (collectively, the "**Monitor Counsel**"), the CRO, the CFO, the Financial Advisor, Maplebriar, and counsel to the Applicants in Canada and the United States (collectively, the "**Applicants Counsel**") shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and in the case of the CRO in accordance with the CRO Engagement Letter, and in the case of the CFO in accordance with the CFO Engagement Letter, and in the case of the Financial Advisor in accordance with the Financial Advisor Engagement Letter.

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FAT A TORONTO LE 14 JOUR DE May 2025

REGISTRAR  Maggie Sawka

Letter, and in the case of Maplebriar in accordance with the Maplebriar Engagement Letter, whether incurred prior to, on, or after the date of this Order, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, the Monitor Counsel, the Financial Advisor and the Applicants Counsel on a weekly basis or pursuant to such other arrangements agreed to between the Applicants and such parties and, in addition, the Applicants are hereby authorized to pay to the Monitor, the Monitor Counsel, and the Applicants Counsel, retainers, *nunc pro tunc*, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

42. **THIS COURT ORDERS** that the Monitor and its Canadian legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its Canadian legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

43. **THIS COURT ORDERS** that the Monitor, the Monitor Counsel, the CRO (solely for the "Work Fee" as defined and set out in the CRO Engagement Letter), the Financial Advisor, the CFO and the Applicants Counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of USD \$2 million, as security for their professional fees and disbursements incurred at their standard rates and charges, and in the case of the CRO in accordance with the CRO Engagement Letter, and in the case of the Financial Advisor in accordance with the Financial Advisor Engagement Letter, and in the case of the CFO in accordance with the CFO Engagement Letter, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 47 and 49 hereof.

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FAIT À TORONTO LE

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Maggie Sawka

INTERCOMPANY FINANCING

44. **THIS COURT ORDERS** that each of the Applicants (each, an “**Intercompany Lender**”) is authorized to loan to each of the other Applicants (each, an “**Intercompany Borrower**”), and each Intercompany Borrower is authorized to borrow, repay and re-borrow, such amounts from time to time as the Intercompany Borrower, with the approval of the Monitor, considers necessary or desirable on a revolving basis to fund its ongoing expenditures and to pay such other amounts as are permitted by the terms of this Order (the “**Intercompany Advances**”) up to an aggregate of USD \$1 million (subject to increase in accordance with further Order of this Court), on terms consistent with existing arrangements or past practice or otherwise approved by the Monitor.

45. **THIS COURT ORDERS** that each Intercompany Lender shall be entitled to the benefit of and is hereby granted a charge (the “**Intercompany Charge**”) on all of the Property of each Intercompany Borrower, as security for the Intercompany Advances made to such Intercompany Borrower, which Intercompany Charge shall not secure an obligation that exists before the date of this Order. The Intercompany Charge shall have the priority set out in paragraphs 47 and 49 hereof.

46. **THIS COURT ORDERS AND DECLARES** that each Intercompany Lender shall be treated as unaffected and may not be compromised in any Plan or in any other proceeding commenced under the CCAA, the BIA or the US Bankruptcy Code in respect of the Applicants, with respect to any Intercompany Advances made on or after the date of this Order.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

47. **THIS COURT ORDERS** that the priorities of the Administration Charge, the Directors’ Charge, and the Intercompany Charge (collectively, the “**Charges**”), as among them with respect to any Property to which they apply, shall be as follows:

First – Administration Charge (to the maximum amount of USD \$2 million);

Second – Directors’ Charge (to the maximum amount of USD \$450,000); and

Third – Intercompany Charge (to the maximum amount of USD \$1 million)

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REGISTRAR *Maggie Sawka*

48. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

49. **THIS COURT ORDERS** that each of the Charges (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges, encumbrances and claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person, provided that the Charges shall rank behind Encumbrances in favour of any Persons that have not been served with notice of this application.

50. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicants also obtain the prior written consent of the Monitor and the beneficiaries of the Charges, or further Order of this Court.

51. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Charges shall not create or be deemed to constitute a breach by the Applicants of any Agreement to which it is a party;

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Maggie Sawka

- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and
- (c) the payments made by the Applicants pursuant to this Order and the granting of the Charges do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

52. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicants' interest in such real property leases.

RELIEF FROM REPORTING OBLIGATIONS

53. **THIS COURT ORDERS** that the decision by the Applicants to incur no further expenses for the duration of the Stay Period in relation to any filings (including financial statements), disclosures, core or non-core documents and press releases (collectively, the "**Securities Filings**") that may be required by any federal, state, provincial or other law respecting securities or capital markets in Canada or the United States, or by the rules and regulations of an over the counter market, including, without limitation, the *Securities Act* (Ontario) and comparable statutes enacted by other provinces of Canada, the *Securities Act of 1933* (United States) and the *Securities Exchange Act of 1934* (United States) and comparable statutes enacted by individual states of the United States, and the rules of OTCQX and the Financial Industry Regulatory Authority and other rules, regulations and policies of OTCQX (collectively, the "**Securities Provisions**"), is hereby authorized, provided that nothing in this paragraph shall prohibit any securities regulator or over the counter market from taking any action or exercising any discretion that it may have of a nature described in section 11.1(2) of the CCAA as a consequence of the Applicants failing to make any Securities Filings required by the Securities Provisions.

54. **THIS COURT ORDERS** that none of the directors, officers, employees, and other representatives of the Applicants, nor the CRO (and its directors, officers, employees and representatives), the CFO or the Monitor (and its directors, officers, employees and representatives), shall have any personal liability for any failure by the Applicants to make any

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REGISTRAR Maggie Sawka

Securities Filings required by the Securities Provisions during the Stay Period, provided that nothing in this paragraph shall prohibit any securities regulator, stock exchange or over the counter market from taking any action or exercising any discretion that it may have against the directors, officers, employees and other representatives of the Applicants of a nature described in section 11.1(2) of the CCAA as a consequence of such failure by the Applicants. For greater certainty, nothing in this order is intended to or shall encroach on the jurisdiction of any securities regulatory authorities (the “**Regulators**”) in the matter of regulating the conduct of market participants and to issue cease trade orders if and when required pursuant to applicable securities law. Further, nothing in this Order shall constitute or be construed as an admission by the Regulators that the court has jurisdiction over matters that are within the exclusive jurisdiction of the Regulators under the Securities Provisions.

SERVICE AND NOTICE

55. **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in the Globe and Mail (National Edition) a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, or cause to be sent, in the prescribed manner or by electronic message to the e-mail address as last shown on the records of the Applicants, a notice to every known creditor who has a claim against the Applicants of more than \$1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not make the claim amounts, names and addresses of any individuals who are creditors publicly available.

56. **THIS COURT ORDERS** that the Monitor shall create, maintain and update as necessary a list of all Persons appearing in person or by counsel in this proceeding (the “**Service List**”). The Monitor shall post the Service List, as may be updated from time to time, on the Monitor’s website as part of the public materials to be recorded thereon in relation to this proceeding. Notwithstanding the foregoing, the Monitor shall have no liability in respect of the accuracy of or the timeliness of making any changes to the Service List.

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Maggie Sawka

57. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “Protocol”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: www.alvarezandmarsal.com/LiCycle.

58. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicants and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicants’ creditors or other interested parties at their respective addresses as last shown on the records of the Applicants and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

CHAPTER 15 PROCEEDINGS

59. **THIS COURT ORDERS** that the CRO is hereby authorized and empowered, but not required, to act as the foreign representative (in such capacity, the “**Foreign Representative**”) in respect of the within proceedings for the purpose of having these proceedings recognized and approved in any jurisdiction outside of Canada.

60. **THIS COURT ORDERS** that the Foreign Representative is hereby authorized to apply for recognition and approval of these proceedings, as necessary, in any jurisdiction outside of Canada including, without limitation, the United States Bankruptcy Court for the Southern District of New York (the “**Foreign Bankruptcy Court**”) pursuant to Chapter 15 of the US Bankruptcy Code. The Foreign Representative is authorized to apply for recognition and enforcement of this Order and any subsequent Orders of this Court in the United States.

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Maggie Sawka

including, without limitation, paragraphs 13, 15, 16, 17 and 20 with respect to any Proceeding taking place in the United States, any Business or Property of the Applicants located or being conducted within the United States, and any Person located or acting within the United States, as applicable. All courts and administrative bodies of all such jurisdictions are hereby respectively requested to make such orders and provide such assistance to the Foreign Representative, the Applicants and the Monitor as may be deemed necessary or appropriate for that purpose.

GENERAL

61. **THIS COURT ORDERS** that the comeback motion shall be heard on May 22, 2025.

62. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of their powers and duties hereunder or in the interpretation or application of this Order.

63. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicants, the Business or the Property.

64. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory body or administrative body having jurisdiction in Canada or in the United States, including the Foreign Bankruptcy Court, to give effect to this Order and to assist the Applicants, the Foreign Representative, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Foreign Representative, the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the CRO in any foreign proceeding, or to assist the Foreign Representative, the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

65. **THIS COURT ORDERS** that each of the Foreign Representative, the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

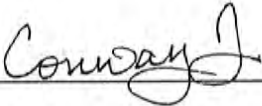
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FAIT À TORONTO LE 14 JOUR DE

REGISTRAR  Maggie Sawka

66. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order, and is enforceable without any need for entry and filing.



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14 DAY OF May 2025
JOUR DE

REGISTRAR



Maggie Sawka

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OR ARRANGEMENT WITH RESPECT TO LI-CYCLE HOLDINGS CORP. ET AL.

Court File No. CV-25-00743053-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding Commenced at Toronto

INITIAL ORDER

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E-mail: malnajar@mccarthy.ca

Lawyers for the Applicants

Exhibit 3

Proposed Order

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

In re:

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

Debtors in Foreign Proceedings.

)
) Chapter 15
)
)

) Case No. 25-[_____])
)
)

) (Joint Administration Requested)
)
)

**ORDER GRANTING RECOGNITION OF
FOREIGN MAIN PROCEEDINGS AND RELATED RELIEF**

This matter was brought before the Court by William E. Aziz, the duly appointed foreign representative (the “Foreign Representative”) of the above-captioned debtors (collectively, the “Chapter 15 Debtors”) by his undersigned counsel, for his verified petition (the “Verified Petition”) for (i) recognition of the Canadian Proceedings¹ as “foreign main proceedings”; (ii) recognition of the Foreign Representative as the “foreign representative” in respect of the Canadian Proceedings; (iii) to obtain a stay of execution against any assets of the Chapter 15 Debtors in the United States and application of section 362 of the Bankruptcy Code to the Chapter 15 Debtors in this Chapter 15 Case pursuant to sections 1520(a)(1), 1521(a) and 105(a) of the Bankruptcy Code; and (iv) for obtaining certain additional relief pursuant to sections 1507 and 1521 of the Bankruptcy Code, including recognition and enforcement of the Initial Order, respectfully represents as follows:

The Foreign Representative filed the Verified Petition for Recognition of Foreign Main Proceedings Under 11 U.S.C. §§ 1515 and 1517 and for Related Relief Pursuant to 11 U.S.C. §§ 105(a), 1507(a)(1519, 1520, and 1521 on May 14, 2025 commencing these cases under Chapter

¹ Any capitalized term used herein but not defined herein shall have the meaning ascribed to such term in the Verified Petition.

15 of title 11 of the United States Code (the “Bankruptcy Code”), for entry of an order granting, among other things, recognition of the Canadian Proceedings as “foreign main proceedings” pursuant to Chapter 15 of the Bankruptcy Code and related relief in order to give full force and effect to the Canadian Proceedings in the United States; and it appearing that this Court has jurisdiction to consider the Verified Petition pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that venue of this case and the Verified Petition in this District is proper pursuant to 28 U.S.C. § 1410; and it appearing that this matter is a core proceeding pursuant to 28 U.S.C. §157(b)(2)(P); and it appearing that adequate and proper notice of the Verified Petition has been given, and that no other or further notice need be given; and a hearing having been held to consider the relief requested in the Verified Petition; and no objections or other responses having been filed that have not been overruled, withdrawn, or otherwise resolved; and upon consideration of the Declaration of William E. Aziz in Support of Verified Petition for Recognition of Foreign Main Proceedings and Related Relief and Ex Parte Application for Temporary Restraining Order and Relief Pursuant to Sections 1519 and 105(a) of the Bankruptcy Code filed concurrently with the Verified Petition (the “Aziz Declaration”); and upon the record of the hearing and all of the proceedings had before the Court; and the Court having found and determined that the relief sought in the Verified Petition is in the best interests of the Chapter 15 Debtors, their creditors, and all other parties in interest; and that the legal and factual bases set forth in the Verified Petition establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, accordingly, the Court hereby **FINDS AND CONCLUDES THAT:**

(A) This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, Chapter 15 of the Bankruptcy Code and the Amended Standing Order of Reference Dated January 31, 2012, Reference M-431, In re Standing Order of Reference Re: Title 11, 12 Misc. 00032

(S.D.N.Y. Jan. 31, 2012) (Preska, C.J.)

(B) This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P) and the Court may enter a final order consistent with Article III of the United States Constitution.

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

(D) The Chapter 15 Debtors have tangible and intangible property rights within this district and, therefore, the Chapter 15 Debtors are each eligible to be debtors in these Chapter 15 Cases pursuant to 11 U.S.C. §§ 109 and 1501.

(E) This case was properly commenced pursuant to 11 U.S.C. §§ 1504, 1509 and 1515.

(F) The Verified Petition meets the requirements of 11 U.S.C. § 1515 and Bankruptcy Rule 1007(a)(4).

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

(H) The Canadian Proceedings are pending before the Canadian Court in Ontario, where the Chapter 15 Debtors’ center of main interests is located and, therefore, the Canadian Proceedings are entitled to recognition as “foreign main proceedings” pursuant to 11 U.S.C. §§ 1502(4) and 1517(b)(1).

(I) The Foreign Representative is the duly appointed foreign representative of the Chapter 15 Debtors within the meaning of 11 U.S.C. § 101(24).

(J) The Canadian Proceedings are governed in accordance with applicable Canadian law, as it may be amended from time to time, are court-supervised processes, and are entitled to recognition by this Court pursuant to 11 U.S.C. §§ 1515 and 1517(a).

(K) The Chapter 15 Debtors and the Foreign Representative are entitled to all of the relief set forth in 11 U.S.C. § 1520 without limitation.

(L) The Chapter 15 Debtors and the Foreign Representative are entitled to all of the relief set forth herein under 11 U.S.C. §§ 1507 and 1521, without limitation.

(M) The relief granted herein is necessary and appropriate, in the interest of the public and international comity and is not manifestly contrary to the public policy of the United States or the policies underlying the Bankruptcy Code.

(N) The relief granted hereby pursuant to 11 U.S.C. §§ 105(a), 1507(a), 1515, 1517, 1519, 1520 and 1521 is necessary to effectuate the purposes of Chapter 15, to protect the Chapter 15 Debtors and the interests of their creditors, and is not manifestly contrary to United States public policy or the policies of the Bankruptcy Code.

(O) Absent the relief granted hereby, the Chapter 15 Debtors may be subject to the prosecution of judicial, quasi-judicial, arbitration, mediation, enforcement, administrative or regulatory actions or proceedings by creditors against them or their property, thereby interfering with and causing harm to, the Chapter 15 Debtors, their creditors, and other parties in interest in the Canadian Proceedings and, as a result, the Chapter 15 Debtors, their creditors and such other parties in interest would suffer irreparable injury for which there is no adequate remedy at law.

(P) Absent the requested relief, the efforts of the Chapter 15 Debtors, the Canadian Court and the Foreign Representative in conducting the Canadian Proceedings may be frustrated by the actions of individual creditors, a result contrary to the purposes of Chapter 15.

(Q) Each of the injunctions contained in this Order is within the Court's jurisdiction and is important to the overall objectives of the Restructuring.

(S) Appropriate notice of the filing of, and the hearing on, the Verified Petition was given, which notice was deemed adequate for all purposes, and no further notice need be given.

For all of the foregoing reasons, and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Verified Petition and relief requested therein is granted, and any objections thereto are overruled with prejudice.
2. The Canadian Proceedings are granted recognition as foreign proceedings as defined in 11 U.S.C. § 101(23) and pursuant to 11 U.S.C. § 1517(a).
3. The Canadian Proceedings are court-supervised proceedings governed in accordance with applicable Canadian law, as it may be amended from time to time, and are granted recognition as a foreign main proceedings pursuant to 11 U.S.C. §§ 1502(4) and 1517(b)(1) and is entitled to the protections of 11 U.S.C. § 1520(a).
4. William E. Aziz is the duly appointed and authorized foreign representative of the Chapter 15 Debtors within the meaning of 11 U.S.C. § 101(24).
5. All relief afforded foreign main proceedings pursuant to 11 U.S.C. § 1520 is hereby granted, including, without limitation, the application of the protection afforded by the automatic stay under section 362 of the Bankruptcy Code to the Chapter 15 Debtors and to their property that is within the territorial jurisdiction of the United States.
6. The Canadian Proceedings, the Initial Order, including any and all existing and future extensions, amendments, restatements, or supplements authorized by the Canadian Court, are hereby recognized, granted comity, and given full force and effect in the United States, on a final basis, and are binding on and enforceable against all persons, entities and parties in the United States.
7. Upon entry of this Order, all persons, entities and parties are permanently enjoined and restrained from:
 - (a) taking or continuing any act to obtain possession of, or exercise control over, including but not limited to, attaching, repossessing, seizing, or

disposing of, as applicable, the Chapter 15 Debtors, or any of their property (including intangible property) that is located within the territorial jurisdiction of the United States or any proceeds thereof (collectively, the “Property”);

- (b) transferring, encumbering, relinquishing or disposing of any Property other than to the Foreign Representative;
- (c) suspending, repudiating, rescinding, terminating or altering contracts or leases to which the Chapter 15 Debtors are parties, or attempting to enforce remedies pursuant to such contracts or leases;
- (d) commencing, continuing, or enforcing any action or legal proceeding within the territorial jurisdiction of the United States (including, without limitation, arbitration, mediation, foreclosure or any judicial, quasi-judicial, administrative or regulatory action, proceedings or process whatsoever), including by way of counterclaim, (each individually, an “Action”) against the Chapter 15 Debtors or any of the Property in respect of any claims;
- (e) continuing any legal action against the Chapter 15 Debtors or any of the individual defendants in the action captioned *Hubiack v. Li-Cycle Holdings Corp., et al.*, No. 23-cv-09894 (S.D.N.Y.);
- (f) any judgment, wherever and whenever obtained, to the extent such judgment is a determination of a liability of the Chapter 15 Debtors with respect to any debt or liability cancelled, discharged, or restructured as a result of Canadian law, is unenforceable in the United States;
- (g) commencing or continuing any act or Action to create, perfect or enforce any lien, set-off or other claim against the Chapter 15 Debtors, or the Property, including, without limitation, rights under any contracts with the Chapter 15 Debtors; provided, however, that no Action described in sections 555, 556, 557, 559, 560, 561, 562 and 1519(d) and (f) of the Bankruptcy Code shall be enjoined by such injunction;
- (h) commencing any suit, action, or proceeding in the territorial jurisdiction of the United States against the Chapter 15 Debtors, the Foreign Representative, or any of their respective successors, directors, officers, agents, employees, representatives, advisors, or attorneys in respect of any claim or cause of action, in law or in equity, arising out of relating to any action taken or omitted to be taken in connection with this Chapter 15 case; and
- (g) declaring or considering the filing of the Canadian Proceedings or this Chapter 15 case a default or event of default under any agreement, contract or arrangement.

8. Upon entry of this Order, the Canadian Proceedings, all prior orders of the Canadian Court, including the Initial Order and any amended and restated Initial Order, and all discharges of debt (and injunctions against enforcement of claims and interests against the Chapter 15 Debtors

and the Property) granted or that shall be granted in the Canadian Proceedings shall be and hereby are granted comity and given full force and effect in the United States, and all holders of such discharged or cancelled debt are permanently enjoined from taking any and all acts to enforce or collect against or from the Chapter 15 Debtors or the Property.

9. Upon entry of this Order, any judgment, wherever and whenever obtained, to the extent such judgment is a determination of the liability of the Chapter 15 Debtors or any other person released as a result of Canadian law relating to the Canadian Proceedings, is unenforceable in the United States, in each case, to the extent inconsistent with the Canadian Proceedings.

10. Notwithstanding anything to the contrary contained herein, nothing in this Order shall in any respect enjoin any police or regulatory act of a governmental unit, including a criminal action or proceeding.

11. The administration or realization of all or part of the assets of the Chapter 15 Debtors within the territorial jurisdiction of the United States is entrusted to the Foreign Representative, and the Foreign Representative is established as the exclusive representative of the Chapter 15 Debtors in the United States.

12. The Foreign Representative, the Chapter 15 Debtors and their respective agents are authorized to serve or provide any notices required under the Bankruptcy Rules or local rules or orders of this Court.

13. No action taken by the Foreign Representative, the Chapter 15 Debtors, or their respective successors, agents, representatives, advisors, or counsel in preparing, disseminating, applying for, implementing, or otherwise acting in furtherance of or in connection with the Canadian Proceedings, this Order, this Chapter 15 case, or any adversary proceeding herein, or

any further proceeding commenced hereunder, shall be deemed to constitute a waiver of the rights or benefits afforded such persons under 11 U.S.C. §§ 306 and 1510.

14. This Order shall be served by electronic mail on all of the required notice parties except that this Order shall be served by U.S. mail, first-class postage prepaid or overnight, upon the office of the United States Trustee. Such service and notice is good and sufficient service and adequate notice for all purposes.

15. The Canadian Court shall have exclusive jurisdiction to hear and determine any suit, action, claim, or proceeding, and to settle any dispute that may arise out of the construction or interpretation of any CCAA plan filed in the Canadian Proceedings; *provided, however*, that nothing in this Order affects the validity of provisions determining governing law and jurisdiction, whether contained in any contract between the Chapter 15 Debtors and any of the Chapter 15 Debtors' creditors or otherwise.

16. The Court shall retain jurisdiction to hear and determine all matters arising from or related to implementation of this Order, including, but not limited to: (a) the enforcement, amendment or modification of this Order; (b) any requests for additional relief or any adversary proceeding brought in or through the Chapter 15 Cases; and (c) any request by an entity for relief from the provisions of this Order, for cause shown, as to any of the foregoing, and provided the same is properly commenced and within the jurisdiction of this Court.

17. This Order is without prejudice to the Foreign Representative requesting any additional relief in the Chapter 15 Cases, including seeking recognition and enforcement in the United States of any further orders issued by the Canadian Court.

18. The Foreign Representative is authorized to take all actions necessary to effectuate the relief granted by this Order.

19. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry and shall constitute a final order within the meaning of 28 U.S.C. § 158(a). The Clerk is hereby directed to enter this Order on the docket of Chapter 15 Cases.

New York, New York
Date: May __, 2025

United States Bankruptcy Judge