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*Attorneys for the Movants*

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**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

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In re:

VIDANGEL, INC.,

Debtor.

**Case No. 17-29073**

Chapter 11

Judge Kevin R. Anderson

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**MOVANTS' RESERVATION OF RIGHTS TO THE DEBTOR'S MOTIONS TO  
EMPLOY (A) BAKER MARQUART LLP AS SPECIAL COUNSEL, (B) DURHAM  
JONES & PINEGAR AS SPECIAL COUNSEL, AND (C) ANALYSIS GROUP, INC. AS  
ECONOMIC CONSULTANT**

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Disney Enterprises, Inc., Lucasfilm Ltd. LLC, Twentieth Century Fox Film Corporation, Warner Bros. Entertainment Inc., MVL Film Finance LLC, New Line Productions, Inc. and Turner Entertainment Co. (collectively, the “Movants”), through counsel, respectfully submit this reservation of rights (this “Reservation of Rights”) to (a) the *Application of VidAngel, Inc., as Debtor-in-Possession* (“VidAngel” or the “Debtor”), for Entry of Order Authorizing Retention of Baker Marquart LLP (“Baker Marquart”) as Special Counsel [ECF No. 49] (the “Baker Application”), (b) the *Application of VidAngel for Entry of Order Authorizing Retention of Durham Jones & Pinegar as Special Counsel* [ECF No. 52] (the “Durham Application”) and (c) the *Application of VidAngel for Entry of Order Authorizing Retention of Analysis Group, Inc.* (“AG”) as Economic Consultant [ECF No. 58] (the “AG Application”) and, together with the Baker Application and the Durham Application, the “Applications”), and respectfully represents as follows:

### **Reservation of Rights**

As Movants explained fully in their Motion for Dismissal [ECF No. 69], the Debtor’s Petition was filed in bad faith and is nothing more than an improper tactic in a two-party litigation dispute. The lack of a good faith basis for VidAngel to require bankruptcy protection is underscored by the fact that there has been no creditor committee appointed and that, to date, the Movants’ Motion for Dismissal and this Reservation of Rights are the only responses VidAngel has received to any of the actions it has asked this Court to approve.

While Movants do not, at this time, oppose the retention of special counsel or expert litigation consultants to allow the copyright litigation to go forward, Movants seek to bring VidAngel’s ongoing abuse of the automatic stay to the Court’s attention. VidAngel should not be permitted to use this Court as a vehicle to further its litigation strategy by requesting approval

to employ special counsel and consultants to continue the litigation, while attempting to use the automatic stay both as a sword and a shield to improperly forum shop where that litigation goes forward.

In the event the bankruptcy case is dismissed, the Applications will be moot, but in the event the Applications are granted, the Movants, as creditors of the estate, reserve all of their rights to object to fee applications and/or to seek disgorgement of interim fees awarded.

[SIGNATURE PAGE TO FOLLOW]

DATED this 20<sup>th</sup> day of November, 2017.

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/s/ Michael R. Johnson  
Michael R. Johnson

*Attorneys for the Movants*

**CERTIFICATE OF SERVICE**

I hereby certify that on November 20, 2017, I electronically filed the foregoing with the Clerk of Court using the CM/ECF system, which sent notification of such filing to the Office of the United States Trustee and all other electronic filing users in this case as follows:

- **J. Thomas Beckett** tbeckett@parsonsbehle.com, ecf@parsonsbehle.com; brothschild@parsonsbehle.com; kstankevitz@parsonsbehle.com
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/s/ Dianne Burton