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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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***EX PARTE* MOTION FOR AN ORDER REQUIRING THE DEBTOR TO PRODUCE  
CERTAIN DOCUMENTS**

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Pursuant to Rules 2004 and 4002 of the Federal Rules of Bankruptcy Procedure, and  
Local Rule 2004-1, 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 “**Studios**”), unsecured creditors of VidAngel, Inc. (“**VidAngel**” or the “**Debtor**”), the debtor-in-possession in the above-captioned chapter 11 bankruptcy case (the “**Bankruptcy Case**”), through counsel, respectfully move this Court, *ex parte*, for the entry of an order granting the Studios the following relief:

1. An Order directing the Debtor to produce for inspection and copying at the law offices of RAY QUINNEY & NEBEKER, at the address of 36 South State Street, Suite 1400, Salt Lake City, Utah (the “**Production Site**”), on or before Monday, October 22, 2018, at 5:00 p.m., or at such other time and place as the Debtor and the Studios shall mutually agree upon, all records and documents identified on Exhibit “B” attached hereto, in accordance with the definitions and instructions identified on Exhibit “A” attached hereto. If certain documents or electronic records are incapable of being produced for copying and inspection at the Production Site on the date and at the time indicated, the Debtor should be required to provide access to such documents or electronic records in the location where they generally are stored at an earlier date and time convenient to the parties.

In support hereof, the Studios represent that they are unsecured creditors of the Debtor and the Debtor’s estate holding substantial unliquidated prepetition claims.

1. The Debtor has designated “Customer Account Credits” as a nonpriority unsecured creditor, identified by the Debtor on Schedule F of its Statements and Schedules. [Doc. 47, page 13 of 48] This information relates directly to the “liabilities and financial condition of the debtor,” and it also bears upon matters of estate administration, within the meaning of Federal Rule of Bankruptcy Procedure 2004(b). The information requested may also

be relevant to the upcoming hearing on the Studios' Motion for Relief from the Automatic Stay scheduled for October 17, 2018 at 1:30 pm.

2. The information the Debtor has provided thus far regarding these "Customer Credit Accounts" is vague and does not provide any specific information concerning the actual creditors holding these accounts. More specific information is important. The Debtor claims to have over 250,000 unsecured creditors, each of which is allegedly owed an \$18 credit for a total of \$4,957,946.89. [Doc. 47, page 13 of 48] The Debtor has not provided any information that identifies these customers, or discloses how many of these customers have redeemed their allegedly outstanding credits for a subscription to VidAngel's streaming service since the filing of the Petition or how many have asked VidAngel for and received the discs that VidAngel allegedly "sold" them.

3. If this motion is granted, the Studios will be requesting documents from the Debtor sufficient to identify (a) the specific names of the Debtor's customers who allegedly hold these credits, (b) the specific amount of the credit that was allegedly owed to each of these customers as of the Petition Date, (c) the specific amount of any credits redeemed by such identified customers since the Petition Date; (d) the current amount of any credit that VidAngel claims is due and owing to each identified customer. The Studios reserve their right to, at a later date, request additional documents that may become necessary to evaluate these claims.

4. As the Debtor is a party-in-interest who filed this Bankruptcy Case and thereby voluntarily subjected itself to the jurisdiction of the Court, the Studios ask the Court to order the Debtor to produce documents without the necessity of issuing a subpoena to the Debtor. *See, e.g., In re Mirant Corp.*, 326 B.R. 354 (Bankr. N.D. Tex. 2005) (no subpoena necessary to

compel attendance at a Rule 2004 examination if the subject of the examination is a party-in-interest).

5. In the event the Debtor fails to voluntarily comply with the Court's order, then the Studios will seek to compel the Debtor's cooperation pursuant to Federal Rule of Civil Procedure 2005. *See 9 Collier on Bankruptcy*, ¶ 2004.01[5], at 2004-5 ("In addition to appearing at the meeting of creditors and being examined under oath, the debtor may also be required to submit to examination under Rule 2004 . . . Sanctions may be imposed if the debtor refuses to cooperate."). The Studios also reserve the right to issue a subpoena to compel production of this information in the event the Studios determine it appropriate to do so.

6. Pursuant to Local Rule 2004-1, the Studios represent that the Debtor will receive not less than 14 days written notice of the deadline for it to produce documents to the Studios.

WHEREFORE, based upon the foregoing, the Studios ask the Court to grant this *Ex Parte* Motion and to enter an order granting them the relief requested herein. A proposed Order is submitted herewith.

DATED this 5<sup>th</sup> day of October, 2018.

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/s/ Michael R. Johnson

Michael R. Johnson  
*Attorneys for the Movants*

**CERTIFICATE OF SERVICE**

I hereby certify that on October 5, 2018, I electronically filed the foregoing ***EX PARTE MOTION FOR AN ORDER REQUIRING THE DEBTOR TO PRODUCE CERTAIN DOCUMENTS*** with the Clerk of Court using the CM/ECF system, which sent notification of such filing to the electronic filing users in this case as follows:

- **J. Thomas Beckett** tbeckett@parsonsbehle.com, ecf@parsonsbehle.com;brothschild@parsonsbehle.com;kstankevitz@parsonsbehle.com
- **Laurie A. Cayton tr** laurie.cayton@usdoj.gov, James.Gee@usdoj.gov;Lindsey.Huston@usdoj.gov;Suzanne.Verhaal@usdoj.gov
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- **United States Trustee** USTPRegion19.SK.ECF@usdoj.gov

*/s/ Dianne Burton*

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## EXHIBIT A

### Definitions

The following definitions apply to all requests contained herein and in Exhibit “B”:

The terms “**Debtor**,” “**VidAngel**,” and/or “**You**” and/or “**Your**” mean Vid Angel, Inc.

The term “**Studios**” means any or all of 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., as the context may require.

The term “**Schedule F**” shall mean Schedule F included in Debtor’s Statements and Schedules at Docket No. 47.

The term “**Customer Account Credits**” shall mean the claims of non-priority unsecured creditors as identified collectively by the Debtor on its Schedule F at Doc. 47, Page 13 of 48.

The term “**Petition Date**” shall mean the date this bankruptcy case was filed on October 18, 2017.

The term “**document**” is used in its customary broad sense and shall include, but not be limited to, every writing and record of every type and description, whether or not in the possession, custody or control of you, your agents, attorney or representatives, including, but not limited to, correspondence, including email correspondence, memoranda, interoffice communications, written notes, telegrams, minutes of directors' or committee meetings, reports, contracts, deeds, options, amendments and addenda to contracts and options, licenses, invoices, ledgers, books of account, journals, vouchers, bank checks, charge slips, account reports, receipts, working papers, charts, graphs, indexes, statistical records, stenographers' notebooks, calendars, appointment books, diaries, timesheets, data sheets, statements, papers, bids, estimates, computer printouts, tapes and records of all types, resumes, microfilms, studies, books, pamphlets, schedules, and any preliminary drafts of any of the aforementioned categories of documents, photographic prints, transparencies, moving pictures, voice recordings and every other device or medium on which or through which information of any type is transmitted, recorded or preserved and things similar to any of the foregoing, regardless of their author or origin, of any kind, however denominated.

The term “**document**” also means a copy, where the original is not in Debtor’s possession, custody or control, and every copy of a document, if such copy is not an identical duplicate of the original.

The term “**communication**” means the conveyance of information between or among persons by any means.

The term “**including**” means “including but not limited to.”

The term “**meeting**” means any physical coincidence of persons or telephone conversations between or among persons, whether by chance, prearranged, formal or informal.

The terms “**or**” and “**and**” each mean “and/or.”

The term “**person**” means, in the plural as well as in the singular, any person, agency, firm, partnership, joint venture, association, corporation or any other business entity or other form of legal entity.

The term “**regarding**” means (in addition to its plain dictionary meaning), concerning, relating to, referring to, describing, evidencing, supporting, substantiating, disproving, invalidating, refuting, contradicting, negating, controverting, and/or consulting.

### **Instructions**

The documents requested are those currently in your possession, custody, or control, actual or constructive, up to and including the date of your production, including those in the possession, custody or control of any other person acting on your behalf, including without limitation your employees, agents, accountants, auditors, attorneys, consultants or other persons.

As to each request, you are requested to produce the documents as they are kept in the ordinary course of business, or to produce them organized and labeled to correspond with the categories of documents identified below.

If you are unable to produce any document requested, you must provide written verification, sworn under penalty of perjury, that a diligent search and reasonable inquiry has been made in an effort to comply with the request. You shall also specify in such written verification whether the inability to comply is because the particular item or category never existed, has been destroyed, has been lost, misplaced or stolen, or has never been, or is no longer, in your possession, custody or control. You must also state, for each document or category of documents, the name and address of any person known or believed by you to have possession, custody or control of such document or category of documents.

If you object to producing an item or category of items, or part of an item or category of items, you are requested to (i) identify with particularity any documents which you are withholding based upon such objection, and (ii) set forth clearly the extent of and the specific ground(s) for the objection.

If privilege or work product protection is claimed as a ground for withholding one or more documents, in whole or in part, you are requested to state separately for each document:

- a. The nature of the privilege or other ground on which the document is withheld;
- b. The nature of the document (e.g., letter, memorandum, notes, disk);
- c. The date(s) it bears;
- d. The identity of each person sending it;
- e. The identity of each person to whom it was sent or who received or reviewed a copy (regardless of whether such fact is indicated on the documents);
- f. The identity of each person who prepared, sent, received or reviewed the

document;

- g. A statement of the subject matter of the document;
- h. A precise description of the place where the document is kept; and
- i. The specific request to which the document withheld is responsive.

## **EXHIBIT B**

### **Documents to be Produced**

1. Any and all documents that identify the Debtor's customers, as of the Petition Date, who held credits with the Debtor as set forth in Schedule F as Customer Account Credits.
2. Any and all documents that identify the current amount of the credit due and owing to each customer identified in response to ¶ 1 of these document requests.
3. Any and all documents that identify the amount of any credits redeemed by such customers since the Petition Date.
4. Any and all documents that show the current amount of any credit due and owing to each customer identified in response to ¶ 1 of these document requests.
5. Any and all documents which refer to, relate to or evidence the legal or contractual basis supporting the claims of customers holding Customer Account Credits.
6. Any and all documents which relate in any way to the Customer Account Credits.