

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

----- X
:
In re: : Chapter 11
:
STARRY GROUP HOLDINGS, INC., *et al.*,¹ : Case No. 23-10219 (KBO)
:
Debtors. : (Joint Administration Requested)
:
----- X

**MOTION OF DEBTORS FOR ENTRY OF INTERIM AND FINAL
ORDERS (I) AUTHORIZING DEBTORS TO (A) CONTINUE
OPERATING EXISTING CASH MANAGEMENT SYSTEM, (B) HONOR
CERTAIN PREPETITION OBLIGATIONS RELATED THERETO,
(C) MAINTAIN EXISTING BUSINESS FORMS, AND (D) CONTINUE
TO PERFORM INTERCOMPANY TRANSACTIONS, (II) WAIVING CERTAIN
REQUIREMENTS UNDER SECTION 345 OF THE BANKRUPTCY CODE AND
THE U.S. TRUSTEE GUIDELINES AND (III) GRANTING RELATED RELIEF**

Starry Group Holdings, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), respectfully represent as follows in support of this motion (this “**Motion**”):

RELIEF REQUESTED

1. By this Motion, the Debtors seek entry of interim and final orders, substantially in the form attached hereto as **Exhibit A** (the “**Proposed Interim Order**”) and **Exhibit B** (the “**Proposed Final Order**”) and, together with the Proposed Interim Order, the “**Proposed Orders**”): (a) authorizing the Debtors to (i) continue to operate their existing cash management system, (ii) honor certain prepetition obligations related thereto, (iii) maintain their

¹ The debtors in these cases, along with the last four digits of each debtor’s federal tax identification number, are: Starry Group Holdings, Inc. (9355); Starry, Inc. (9616); Connect Everyone LLC (5896); Starry Installation Corp. (7000); Starry (MA), Inc. (2010); Starry Spectrum LLC (N/A); Testco LLC (5226); Starry Spectrum Holdings LLC (9444); Widmo Holdings LLC (9208); Vibrant Composites Inc. (8431); Starry Foreign Holdings Inc. (3025); and Starry PR Inc. (1214). The debtors’ address is 38 Chauncy Street, Suite 200, Boston, Massachusetts 02111.



existing accounts and business forms, and (iv) continue to perform Intercompany Transactions (as defined below) in the ordinary course of business; (b) waiving certain requirements under section 345 of the Bankruptcy Code and the U.S. Trustee Guidelines (each as defined below); and (c) granting related relief.

JURISDICTION AND VENUE

2. The Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory and legal predicates for the relief requested herein are sections 105(a), 345, 363(b), 363(c), 364(a) and 503(b)(1) of title 11 of the United States Code (the “**Bankruptcy Code**”), Rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and Rule 2015-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”).

4. Pursuant to Local Rule 9013-1(f), the Debtors consent to the entry of a final order or judgment by the Court in connection with this Motion if it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

BACKGROUND

5. On the date hereof (the “**Petition Date**”), the Debtors commenced with the Court voluntary cases (the “**Chapter 11 Cases**”) under chapter 11 of the Bankruptcy Code. The Debtors are authorized to continue operating their business and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner, or statutory committee has been appointed in the Chapter 11 Cases.

6. Contemporaneously with the filing of this Motion, the Debtors have filed with the Court a motion requesting joint administration of the Chapter 11 Cases for procedural purposes only pursuant to Bankruptcy Rule 1015(b).

7. The factual background regarding the Debtors, including their business operations, their capital and debt structures, and the circumstances leading to the commencement of the Chapter 11 Cases, is set forth in detail in the *Declaration of Chaitanya Kanojia In Support of Chapter 11 Petitions and First Day Pleadings* (the “**First Day Declaration**”),² filed contemporaneously herewith, and is incorporated herein by reference.³

CASH MANAGEMENT SYSTEM

I. OVERVIEW OF CASH MANAGEMENT SYSTEM

8. The Debtors and their non-Debtor affiliates (the “**Non-Debtor Affiliates**”⁴ and, together with the Debtors, the “**Company**”) maintain an integrated, centralized cash management system (the “**Cash Management System**”) that is similar to those commonly employed by businesses comparable in size and scale to the Company to manage the cash flow of operating units in a cost-effective, efficient manner. The Company uses the Cash Management System in the ordinary course of business to collect, transfer, and distribute funds generated by operations, and to facilitate cash monitoring, forecasting, and reporting. A diagram depicting the Cash Management System is attached hereto as **Exhibit C**.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the First Day Declaration.

³ The First Day Declaration and other relevant case information is available on the following website maintained by the Debtors’ proposed claims and noticing agent, Kurtzman Carson Consultants LLC: <http://www.kccllc.net/Starry>.

⁴ As discussed below and in the First Day Declaration, the Non-Debtor Affiliates have no operations and are in the process of being wound down. By this Motion, the Debtors do not seek authority to transfer funds to the Non-Debtor Affiliates during the pendency of the Chapter 11 Cases and do not anticipate that the Non-Debtor Affiliates will require any funding during the pendency of the Chapter 11 Cases.

9. The Company's accounting department, located primarily in Boston, Massachusetts, maintains daily oversight over the Cash Management System and implements cash management controls for entering, processing, and releasing funds, including in connection with Intercompany Transactions. Additionally, the Company's treasury department tracks, on a daily basis, the Company's books and records to ensure that all transfers are accounted for properly.

10. The Cash Management System is tailored specifically to meet the Company's operating needs—enabling the Company to control and monitor corporate funds, ensure cash availability and liquidity, comply with the requirements of their financing agreements, reduce administrative expenses by facilitating the movement of funds, and enhance the development of accurate account balances. Because of the nature of the Company's business, any disruption of the Cash Management System would be materially detrimental to the Company's operations, as the Company requires prompt access to cash and accurate cash tracking.

II. DEBTOR ACCOUNTS AND FLOW OF FUNDS

11. As of the Petition Date, the Cash Management System includes 16 active bank accounts held by the Debtors (together with any other bank accounts the Debtors may open in the ordinary course of business following the Petition Date, the "**Debtor Accounts**") and maintained with Silicon Valley Bank ("**SVB**") and Boston Private Bank & Trust Company ("**BPB**" and together with SVB, the "**Debtor Banks**"). BPB has merged with SVB, and all accounts formerly set up and maintained with BPB are now maintained by SVB. As indicated in the summary of Debtor Accounts attached hereto as **Exhibit D**⁵ and in the chart below, certain of the Debtor Accounts are subject to deposit account control agreements (each, a "**DACA**") among the

⁵ The Debtors believe, and have undertaken reasonable efforts to ensure, that **Exhibit D** lists all of the Debtors' bank accounts. In the event that any bank account has been inadvertently omitted from **Exhibit D**, the Debtors request that the relief sought by this Motion be deemed to apply to such account.

applicable Debtor named on the account, the corresponding Debtor Bank, and Arrowmark Agency Services LLC, as Prepetition Agent. As of the Petition Date, the Debtor Accounts held approximately \$9 million in the aggregate.

12. The Cash Management System further includes two additional bank accounts (the “**Non-Debtor Affiliate Accounts**”) held by the Non-Debtor Affiliates and maintained with Santander Bank in Brazil. The Cash Management System is organized in a way that manages the separate funding and needs of the Debtors and Non-Debtor Affiliates. While cash has historically been transferred from Debtor entities to the Non-Debtor Affiliates on an as needed basis, the Cash Management System described herein refers only to the Debtors’ operations and the Debtor Accounts, unless otherwise stated.

13. SVB has executed a uniform depository agreement (“**Uniform Depository Agreement**”) with, and is designated as an authorized depository (“**Authorized Depository**”) by, the Office of the United States Trustee for the District of Delaware (the “**U.S. Trustee**”) pursuant to the *Operating Guidelines and Reporting Requirements for Debtors in Possession and Trustees* (the “**U.S. Trustee Guidelines**”). Additionally, all of the Debtor Banks are insured by the Federal Deposit Insurance Corporation (the “**FDIC**”).

14. A description of the flow of funds through the Debtor Accounts is provided below.

Debtor Account	Debtor Account Description ⁶
<u>SVB Operating Account</u> SVB (3645)	Starry, Inc. (“ <u>Starry</u> ”) maintains a master operating account with SVB (the “ <u>SVB Operating Account</u> ”). The SVB Operating Account receives funds from (a) customer payments and other cash receipts, (b) the AEP Account via automated clearing house (“ <u>ACH</u> ”) and in accordance with the AEP Agreements, (c) the BPB Legacy Accounts (d) the Foreign Holdings SVB Account, (e) the Money Market Accounts, (f) the

⁶ Capitalized terms used but not otherwise defined in this chart have the meanings ascribed to such terms elsewhere in this chart or the First Day Declaration, as applicable.

Debtor Account	Debtor Account Description⁶
	<p>Starry MA Operating Account, and (g) the Collateral Accounts, in each case of (c)-(g), through manual transfers in the Debtor’s discretion, and, in the case of the Collateral Accounts, subject to applicable restrictions.</p> <p>Funds from the SVB Operating Account are disbursed (a) to satisfy vendor and tax obligations in the ordinary course via ACH, wire, and check, (b) to satisfy employee payroll and benefit obligations via ACH, wire, and check, including via the Debtors’ payroll processor, and (c) to AEP pursuant to the AEP Agreements.</p>
<p><u>AEP Account</u> SVB (2593)</p>	<p>Starry maintains an account with SVB (the “AEP Account”) in order to receive and hold money in accordance with the terms of (a) that certain Amended and Restated Strategic Alliance Agreement, by and between Starry and AEP Ventures, LLC (“AEP”), dated as of September 14, 2021 (the “Strategic Agreement”) and (b) that certain Services Agreement by and between Starry and AEP, dated as of June 19, 2020 (the “Services Agreement”) and together with the Strategic Agreement, the “AEP Agreements”). Historically, the AEP Account received funds from AEP in accordance with the terms of the AEP Agreements. The AEP Agreements have been terminated pursuant to that certain Mutual Termination Agreement by and between Starry and AEP, dated as of January 25, 2023, and the AEP Account is no longer used in connection with the AEP Agreements.</p> <p>Funds from the AEP Account were historically disbursed to the SVB Operating Account in the Debtors’ discretion via ACH.</p> <p>During the Chapter 11 Cases, the AEP Account will be used as the Adequate Assurance Account.⁷</p>
<p><u>Starry MA Operating Account</u> SVB (8589)</p>	<p>Starry (MA) Inc. (“Starry MA”) maintains an account with SVB (the “Starry MA Operating Account”) which is no longer active and does not receive any funds.</p> <p>Funds from the Starry MA Operating Account are disbursed to the SVB Operating Account via manual transfer in the Debtors’ discretion.</p> <p>The Starry MA Operating Account is subject to a DACA.</p>
<p><u>BPB Legacy Accounts</u> BPB (8123)</p>	<p>Starry maintains an operating account with BPB (8123) (the “BPB Legacy Operating Account”), which was previously used in the Debtors’ operations. All such operations are now handled through the SVB</p>

⁷ “Adequate Assurance Account” has the meaning ascribed to such term in the *Motion of Debtors for Entry of Interim and Final Orders (I) Prohibiting Utility Providers from Altering, Refusing, or Discontinuing Service, (II) Approving Proposed Adequate Assurance of Payment, (III) Establishing Procedures for Resolving Requests for Additional Assurance of Payment, and (IV) Granting Related Relief*, filed contemporaneously herewith.

Debtor Account	Debtor Account Description⁶
BPB (7303)	<p>Operating Account. The BPB Legacy Operating Account does not currently receive any funds.</p> <p>Funds from the BPB Legacy Operating Account are disbursed to the SVB Operating Account through manual transfers in the Debtors' discretion.</p> <p>* * *</p> <p>Starry maintains an account with BPB (7303) (the "BPB Legacy Collection Account" and, together with the BPB Legacy Operating Account, the "BPB Legacy Accounts") which was previously used to receive certain customer receipts. The BPB Legacy Collection Account does not currently receive any funds.</p> <p>Funds from the BPB Legacy Collection Account are disbursed to the SVB Operating Account through manual transfers in the Debtors' discretion.</p> <p>The BPB Legacy Accounts are subject to a DACA.</p>
<u>Foreign Holdings SVB Account</u> SVB (1355)	<p>Starry Foreign Holdings, Inc. ("Foreign Holdings") maintains an operating account with SVB (the "Foreign Holdings SVB Account") to facilitate funding of the Non-Debtor Affiliates. The Foreign Holdings SVB Account receives funds from the SVB Operating Account through manual transfers in the Debtors' discretion.</p> <p>Funds from the Foreign Holdings SVB Account are disbursed to the Non-Debtor Affiliate Accounts and the SVB Operating Account through manual transfers in the Debtors' discretion.</p>
<u>Money Market Accounts</u> SVB (4682) BPB (4397) BPB (7575)	<p>Starry (SVB (4682) and BPB (4397)) and Starry MA (BPB (7575)) maintain money market accounts with SVB and BPB (collectively, the "Money Market Accounts") in order to earn interest on certain of the Debtors' cash. The Money Market Accounts receive funds from and disburse funds to the SVB Operating Account through manual transfers in the Debtors' discretion.</p> <p>Two of the Money Market Accounts (BPB (4397) and (7575)) are subject to a DACA.</p>
<u>Collateral Accounts</u>	<p>Starry maintains a collateral account with SVB (5734) (the "Credit Card Collateral Account") that hold funds supporting the Debtors' corporate credit card program (the "Corporate Credit Cards").⁸ The</p>

⁸ Contemporaneously with the filing of this Motion, the Debtors have filed the *Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Payment of Workforce Obligations, (II) Authorizing Continuance of Workforce Programs, (III) Authorizing Payment of Withholding and Payroll-Related Taxes, (IV) Authorizing Payment of Prepetition Claims Owing to Administrators, and (V) Granting Related Relief*, which, among other things, seeks authority to continue using the Corporate Credit Cards in the ordinary course of business.

Debtor Account	Debtor Account Description⁶
SVB (5734)	Debtors use the Corporate Credit Cards, among other reasons, to pay for travel, office supplies and a small number of vendors who require timely payment and prefer credit card payment over other methods.
SVB (0916)	
SVB (6774)	
SVB (7194)	* * *
SVB (6447)	Starry maintains a collateral account with SVB (0916) (the “ Customs Bond Collateral Account ”) that holds funds supporting the Debtors’ obligations related to certain import and export activities conducted by the Debtors.
SVB (8574)	
BPB (1021)	
	* * *
	Starry maintains four collateral accounts with SVB and one collateral account with BPB (the “ Rental Deposit Collateral Accounts ”) and, together with the Credit Card Collateral Account and the Customs Bond Collateral Account, the “ Collateral Accounts ”) that hold funds supporting the Debtors’ obligations under certain of the Debtors’ leases.
	Funds in the Collateral Accounts are received from and disbursed to the SVB Operating Account through manual transfers, subject to applicable restrictions and the Debtors’ discretion.

15. As described in further detail below, the Cash Management System generally facilitates five principle cash management functions: (a) cash collection; (b) cash concentration; (c) disbursements to fund the Company’s operations; (d) cash transfers among the Debtors and certain Non-Debtor Affiliates; and (e) securing certain obligations of the Debtors.

A. Cash Collection

16. The Debtors’ revenues and expected future revenues are primarily generated through their broadband service business. The Debtors’ customers pay for the Debtors’ services via check and Non-Cash Payments,⁹ which are deposited into the SVB Operating Account. The SVB Operating Account receives ACH transfers, wire transfers, and checks.

⁹ “Non-Cash Payments” has the meaning assigned to such term in the *Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Maintain and Administer Prepetition Customer Programs, Promotions, and Practices, and (B) Pay and Honor Related Prepetition Obligations, and (II) Granting Related Relief* (the “**Customer Programs Motion**”). As discussed in the Customer Programs Motion, Stripe, Inc. enables the Debtors to process the Non-Cash Payments.

B. Cash Concentration

17. As described in detail above, funds in each of the various collections accounts are generally concentrated, through direct or indirect transfers, in the SVB Operating Account. From those accounts, the Debtors (a) use funds to make cash disbursements necessary to run their business, including payments to third parties, and (b) use funds to make Intercompany Transactions.

C. Cash Disbursements

18. Funds in the SVB Operating Account are used by the Debtors to directly or indirectly satisfy various financial obligations arising in the ordinary course of business. In particular, funds in this account, are disbursed via wire transfer, check, direct debit, or ACH, as applicable, to satisfy vendor, employee or third-party obligations, including pursuant to the AEP Agreements. Funds in the SVB Operating Account are also transferred manually to other Debtor Accounts as needed in the ordinary course of business.

D. Cash Transfers between the Debtors and the Non-Debtor Affiliates

19. The Debtors incorporated the Non-Debtor Affiliates in Brazil with the intention of commencing operations in Brazil but no such operations have commenced and the Debtors are in the process of winding up the Non-Debtor Affiliates. In order to fund the costs of incorporating and maintaining the Non-Debtor Affiliates, funds have historically been transferred from the SVB Operating Account to the Foreign Holdings SVB Account, which in turn has transferred funds to the Non-Debtor Affiliate Accounts in Brazil. The Debtors do not anticipate that the Non-Debtor Affiliates will require any additional funding during the pendency of the Chapter 11 Cases.

E. Securing Certain Obligations

20. The Debtors have posted cash collateral in favor of and as required by (a) a customs broker of the Debtors in connection with certain import and export activities conducted by the

Debtors, (b) certain lessors of the Debtors to secure obligations under various leases, and (c) SVB to secure the Corporate Credit Cards, ((a)-(c) collectively, the “**Collateral Obligations**”). As of the Petition Date, the Debtors have posted approximately \$981,000 in the aggregate, which is held in the Collateral Accounts, to secure the Collateral Obligations. The Debtors request authority to continue to comply with the Collateral Obligations posted prepetition and renew, replace, modify, extend, or add to the posted collateral as needed postpetition in the ordinary course of business.

III. INTERCOMPANY TRANSACTIONS

21. As described in greater detail in the First Day Declaration, the Debtors are comprised of 12 affiliated entities. The Debtors’ day-to-day operations and financial transactions are conducted by Debtor Starry, Inc. In the ordinary course of business, Debtor Starry Inc. periodically makes payments on behalf of other Debtors (the “**Intercompany Transactions**”) in order to satisfy the minimal obligations of such Debtors (including franchise taxes), which entities were established primarily to support the Debtors’ future growth plans rather than current operations. Accordingly, the Debtors request authority to continue the Intercompany Transactions in the ordinary course consistent with past practice.¹⁰ The Debtors record all payments, including Intercompany Transactions, in their accounting system. As noted above, the Debtors do not anticipate engaging in intercompany transactions with their Non-Debtor Affiliates on a postpetition basis.

IV. DEBTORS’ EXISTING BUSINESS FORMS

22. The Debtors may use a variety of preprinted business forms, including checks, letterhead, correspondence forms, invoices, purchase orders, and other business forms in the

¹⁰ By this Motion, the Debtors do not seek authority to transfer funds to, or make payments on behalf of, the Non-Debtor Affiliates during the pendency of these Chapter 11 Cases, but the Debtors reserve the right to seek such relief by separate motion.

ordinary course of business (collectively, the “**Business Forms**”). The Debtors also maintain books and records to document their financial results and a wide array of necessary operating information, including their profits and expenses. To avoid distraction and unnecessary expense to their estates, the Debtors request authorization to continue using all of the Business Forms and the books and records in use immediately before the Petition Date (and as may be amended or modified in the ordinary course from time to time), including with respect to the Debtors’ ability to update authorized signatories and services, as needed—without reference to the Debtors’ status as chapter 11 debtors in possession—rather than requiring the Debtors to incur the expense and delay of ordering new Business Forms and creating new books and records.

23. The Debtors submit that, when the Debtors generate checks during the pendency of the Chapter 11 Cases, such checks will include a legend referring to the Debtors as “Debtor in Possession.” The Debtors also seek authority to use all other Business Forms (including, without limitation, letterhead, purchase orders, and invoices) without reference to the Debtors’ status as debtors in possession.

V. CASH MANAGEMENT FEES

24. The Debtors incur periodic service charges and other fees in connection with the maintenance of the Cash Management System (the “**Cash Management Fees**”),¹¹ which average approximately \$1,400 per month, and are payable in arrears. The Debtors estimate that they owe outstanding Cash Management Fees totaling approximately \$1,400 as of the Petition Date, the entirety of which will become due and payable within the first 30 days following the Petition Date. To minimize disruption to the Cash Management System, the Debtors seek authority to pay any

¹¹ For the avoidance of doubt, the Cash Management Fees do not include any amounts payable to Stripe, Inc., which are addressed in the Customer Programs Motion.

such due and owing Cash Management Fees, including prepetition Cash Management Fees, in the ordinary course on a postpetition basis, consistent with past practices.

BASIS FOR RELIEF REQUESTED

I. AUTHORIZING CONTINUED USE OF THE CASH MANAGEMENT SYSTEM IS ESSENTIAL TO MAXIMIZING THE VALUE OF THE DEBTORS' ESTATES

25. The U.S. Trustee Guidelines require debtors in possession to, among other things: (a) close all existing bank accounts and open new debtor-in-possession bank accounts; (b) establish one debtor-in-possession account for all estate monies required for payment of taxes, including payroll taxes; (c) physically set aside all monies required by law to be withheld from employees or collected from others for taxes; (d) open a new set of books and records as of the commencement date of the case; (e) use new business forms indicating the debtor-in-possession status of a chapter 11 debtor; and (f) make all disbursements of estate funds by check with a notation representing the reason for the disbursement. These requirements are intended to provide a clear line of demarcation between prepetition and postpetition transactions and operations, and to prevent inadvertent payment of prepetition claims .

26. The continuation of the Cash Management System is nevertheless permitted pursuant to section 363(c)(1) of the Bankruptcy Code, which authorizes a debtor in possession to “use property of the estate in the ordinary course of business without notice or a hearing.” 11 U.S.C. § 363(c)(1). Bankruptcy courts routinely treat requests for authority to continue utilizing existing cash management systems as a relatively “simple matter.” *In re Baldwin-United Corp.*, 79 B.R. 321, 327 (Bankr. S.D. Ohio 1987). Additionally, in granting such relief, courts have recognized that an integrated cash management system “allows efficient utilization of cash resources and recognizes the impracticalities of maintaining separate cash accounts for the many different purposes that require cash.” *In re Columbia Gas Sys., Inc.*, 136 B.R. 930, 934 (Bankr.

D. Del. 1992), *aff'd in relevant part*, 997 F.2d 1039, 1061 (3d Cir. 1993). The United States Court of Appeals for the Third Circuit has agreed, emphasizing that requiring a debtor to maintain separate accounts “would be a huge administrative burden and economically inefficient.” *Columbia Gas*, 997 F.2d at 1061; *see also In re Southmark Corp.*, 49 F.3d 1111, 1114 (5th Cir. 1995) (stating that a cash management system allows a debtor “to administer more efficiently and effectively its financial operations and assets”). Moreover, section 364(a) of the Bankruptcy Code authorizes a debtor in possession to obtain unsecured credit and incur unsecured debt in the ordinary course of business without notice and a hearing. *See* 11 U.S.C. § 364(a).

27. Here, requiring the Debtors to adopt a new, segmented cash management system during the Chapter 11 Cases would be expensive, burdensome, and unnecessarily disruptive to the Debtors’ operations at a critical juncture in the Chapter 11 Cases. Importantly, the Cash Management System provides the Debtors with the ability to quickly create status reports on the location and amount of funds, which, in turn, allows management to track and control such funds, ensure cash availability, and reduce administrative costs through a centralized method of coordinating the collection and movement of funds. Any disruption of the Cash Management System could have a negative effect on the Chapter 11 Cases. Opening new accounts would be time-consuming and complicated, could increase operating costs, and the delays that could result from opening new accounts and revising cash management procedures would negatively impact the Debtors’ ability to operate their business while pursuing these arrangements. Further, the Debtors would be subject to significant administrative burden and expense given that they would need to execute new signatory cards and depository agreements, and create an entirely new manual system for issuing checks and paying postpetition obligations, all as would be required by the U.S. Trustee Guidelines.

28. In addition, any disruption of the Debtors' compliance with the Collateral Obligations could be detrimental to the Debtors' operations and business. Compliance with the Collateral Obligations is required in order to remain in good standing with the certain of the Debtors' contractual counterparties. A breach of the Collateral Obligations could result in a default under certain contractual agreements of the Debtors, which could disrupt the Debtors' business operations. By contrast, maintaining the current Cash Management System will facilitate the Debtors' transition into chapter 11 by, among other things, minimizing delays in paying postpetition debts, enabling continued compliance with the Debtors' contractual obligations and eliminating administrative inefficiencies.

29. Accordingly, the Debtors respectfully request that the Court authorize the continued use of the existing Cash Management System and Debtor Accounts to facilitate the Debtors' orderly transition into chapter 11.

II. DEBTOR BANKS SHOULD BE AUTHORIZED TO MAINTAIN, SERVICE, AND ADMINISTER THE DEBTOR ACCOUNTS IN THE ORDINARY COURSE OF BUSINESS

30. The Debtors respectfully request that the Court authorize the Debtor Banks to continue to maintain, service, and administer the Debtor Accounts without interruption and in the ordinary course of business. The Debtors further request that Debtor Banks be authorized and directed to receive, process, honor, and pay any and all checks and other instructions, and drafts payable through, or drawn or directed on the Debtor Accounts after the Petition Date by holders, makers, or other parties entitled to issue instructions with respect thereto.

31. The Debtors further respectfully request that the Court authorize each of the Debtor Banks, when requested by the Debtors, to receive, process, honor, and pay any and all checks, wire transfer, credit card, and other instructions, and drafts payable through, or drawn or directed on, such Debtor Accounts after the Petition Date by holders, makers, or other parties entitled to issue

instructions with respect thereto, irrespective of whether such checks, drafts, wires, or credit card payments are dated before or after the Petition Date, provided that sufficient funds are on deposit and standing in the Debtors' credit in the applicable Debtor Accounts to cover such payments. The Debtors also respectfully request that, to the extent a Debtor Bank honors a prepetition check or other item drawn on any Debtor Account at the direction of the Debtors, in a good faith belief that the Court has authorized such prepetition check or item to be honored, or as the result of a mistake made despite implementation of reasonable item handling procedures, such Debtor Bank will not be deemed to be liable to the Debtors, their estates, or any other party on account of such prepetition check or other item honored postpetition. Such relief is reasonable and appropriate because the Debtor Banks are not in a position to independently verify or audit whether the Debtors may pay a particular item in accordance with a Court order or otherwise.

32. Finally, the Debtors respectfully request that the Court authorize the Debtors to continue to pay any obligations incurred in connection with the Debtor Accounts and further authorize the Debtor Banks to chargeback returned items to the Debtor Accounts, whether such items are dated before, on, or after the Petition Date, in the ordinary course of business. The Debtors further request that the Court order that any liens on any of the Debtor Accounts granted to creditors will not have priority over any obligations incurred in connection with the Debtor Accounts that become due and owing to the respective Debtor Banks at which the Debtor Account is located, if any.

33. The Debtors respectfully submit that parties in interest will not be harmed by the Debtors' maintenance of the Cash Management System, including maintenance of the Debtor Accounts, because the Debtors have implemented appropriate mechanisms to ensure that unauthorized payments will not be made on account of prepetition obligations. Specifically, with

the assistance of their advisors, the Debtors have implemented internal control procedures that prohibit payments on account of prepetition debts without the prior approval of the Debtors' accounting department. The Debtors will continue to work closely with the Debtor Banks to ensure that appropriate procedures are in place to prevent checks that were issued prepetition from being honored without the Court's approval. In light of such protective measures, the Debtors submit that maintaining the Cash Management System is in the best interests of their estates and creditors.

III. MAINTENANCE OF EXISTING BUSINESS FORMS IS WARRANTED

34. The U.S. Trustee Guidelines, among other things, require debtors in possession to obtain checks that bear the designation "Debtor in Possession" and reference the bankruptcy case number and type of account on such checks. To avoid disruption of the Cash Management System and unnecessary expense, the Debtors request that they be authorized to continue using their existing Business Forms, substantially in the form existing immediately before the Petition Date, without reference to their status as debtors in possession. In accordance with Local Rule 2015-2(a), once the Debtors have exhausted their existing supply of checks, the Debtors will reorder or generate checks with the designation "Debtor in Possession" and the corresponding bankruptcy case number printed on all such checks. Additionally, where the Debtors have the ability to print their own check stock, within fifteen (15) days of entry of the Proposed Interim Order, the Debtors will cause any electronically produced checks to reflect the designation "Debtors in Possession" or "DIP" and the case number. The Debtors submit that parties in interest will not be prejudiced if the Debtors are authorized to continue to use their Business Forms in substantially the forms existing immediately before the Petition Date. Such parties will undoubtedly be aware of the Debtors' status as debtors in possession and, thus, changing Business Forms is unnecessary and would be unduly burdensome.

IV. CAUSE EXISTS TO WAIVE CERTAIN DEPOSIT REQUIREMENTS UNDER THE U.S. TRUSTEE GUIDELINES AND SECTION 345(b) OF THE BANKRUPTCY CODE

35. To the extent the Cash Management System does not strictly comply with the U.S. Trustee Guidelines and section 345 of the Bankruptcy Code, the Debtors seek a waiver of the deposit requirements set forth therein. Section 345 of the Bankruptcy Code governs a debtor's deposit and investment of cash during a chapter 11 case and authorizes deposits or investments of money as "will yield the maximum reasonable net return on such money, taking into account the safety of such deposit or investment." 11 U.S.C. § 345(a). For deposits or investments that are not "insured or guaranteed by the United States or by a department, agency, or instrumentality of the United States or backed by the full faith and credit of the United States," section 345(b) requires the estate to obtain from the entity with which the money is deposited or invested a bond in favor of the United States and secured by the undertaking of an adequate corporate surety, unless the court orders for "cause" otherwise. 11 U.S.C. § 345(b). In addition, the U.S. Trustee Guidelines require, among other things, chapter 11 debtors to deposit all estate funds in an account with an Authorized Depository that agrees to comply with the U.S. Trustee's requirements.

36. Courts may waive compliance with section 345(b) of the Bankruptcy Code and the U.S. Trustee Guidelines for "cause." In evaluating whether "cause" exists, courts have considered a number of factors, such as: (a) the sophistication of the debtor's business; (b) the size of the debtor's business operations; (c) the amount of the investments involved; (d) the bank rating (Moody's and Standard & Poor) of the financial institution where the debtor in possession funds are held; (e) the complexity of the case; (f) the safeguards in place within the debtor's own business for ensuring the safety of the funds; (g) the debtor's ability to reorganize in the face of a failure of one or more of the financial institutions; (h) the benefit to the debtor; (i) the harm, if any, to the estate; and (j) the reasonableness of the debtor's request for relief from section 345(b) requirements

in light of the overall circumstances of the case. *See In re Serv. Merch. Co., Inc.*, 240 B.R. 894, 896 (Bankr. M.D. Tenn. 1999).

37. The Debtors submit that cause exists to waive the requirements of section 345(b) of the Bankruptcy Code because the Debtors are sophisticated entities with a complex Cash Management System that relies on the Debtor Accounts on a daily basis. The Debtors Accounts are held at stable financial institutions that are insured by the FDIC and, thus, the Debtors' funds in those accounts are safe (up to applicable FDIC limits). Furthermore, in light of the regular deposits to, and disbursements from, the various Debtor Accounts, it would be especially disruptive, unnecessary, and wasteful to require the posting of a bond to the extent that the balance of the Debtor Accounts exceed the applicable FDIC insurance limits at a given time. In addition, all of the Debtor Bank Accounts are with institutions that are Authorized Depositories under the U.S. Trustee Guidelines.

38. Accordingly, the Debtors submit that cause exists to waive the requirements of section 345(b) of the Bankruptcy Code and the U.S. Trustee Guidelines to the extent such requirements are inconsistent with the Debtors' current deposit practices.

V. PAYMENT OF THE CASH MANAGEMENT FEES WILL FACILITATE AN ORDERLY TRANSITION INTO CHAPTER 11 AND BENEFIT THE DEBTORS' ESTATES

39. The Debtors pay approximately \$1,400 per month in Cash Management Fees. Payment of the Cash Management Fees is in the best interests of the Debtors and parties in interest in the Chapter 11 Cases because it will prevent disruption to the Cash Management System. Further, because the Debtor Banks likely have setoff rights for certain of the Cash Management Fees, payment of prepetition Cash Management Fees is appropriate and should not alter the rights of unsecured creditors in the Chapter 11 Cases. Accordingly, by this Motion, the Debtors seek authority to pay any outstanding prepetition Cash Management Fees to maintain the Cash

Management System, and to continue making payments on account of Cash Management Fees postpetition.

VI. DEBTORS SHOULD BE AUTHORIZED TO CONTINUE INTERCOMPANY TRANSACTIONS AND CERTAIN INTERCOMPANY TRANSFERS SHOULD BE GRANTED ADMINISTRATIVE PRIORITY STATUS

40. As stated above, the Debtors routinely engaged in Intercompany Transactions before the Petition Date. Intercompany Transactions are entered into in the ordinary course and as part of the Cash Management System.¹² The Debtors record all payments, including Intercompany Transactions, in their accounting system and will continue to maintain records of such Intercompany Transactions postpetition. If the Intercompany Transactions were to be discontinued, certain of the Debtors would be unable to satisfy their obligations, including the payment of franchise taxes. The Debtors respectfully request the authority to continue conducting the Intercompany Transactions in the ordinary course of business without the need for further Court order.

41. To ensure each individual Debtor will not permanently fund the operations of any affiliate, the Debtors respectfully request that all postpetition payments between or among a Debtor and another Debtor, or by a Debtor on behalf of another Debtor, be accorded administrative expense status, and that the Debtors be authorized to set off such transfers through the Cash Management System in the ordinary course and in compliance with past practices. This relief will ensure that each entity receiving payments from a Debtor will continue to bear ultimate repayment

¹² Because the Debtors engage in Intercompany Transactions on a regular basis and such transactions are common among enterprises similar to the Company, the Debtors believe the Intercompany Transactions are ordinary course transactions within the meaning of section 363(c)(1) of the Bankruptcy Code and, thus, do not require the Court's approval. Nonetheless, out of an abundance of caution, the Debtors are seeking express authority to engage in such transactions on a postpetition basis. The continued performance of the ordinary course Intercompany Transactions are integral to ensuring the Debtors' ability to operate their business.

responsibility for its ordinary course Intercompany Transactions, reducing the risk that these transactions would jeopardize the recoveries available to each Debtor's respective creditors.

**BANKRUPTCY RULE 6003 HAS BEEN SATISFIED
AND BANKRUPTCY RULE 6004 SHOULD BE WAIVED**

42. Certain aspects of the relief requested herein may, if granted, be subject to Bankruptcy Rule 6003, which governs the availability of certain types of relief within 21 days after the Petition Date. Pursuant to Bankruptcy Rule 6003, a court may grant such relief if it is necessary to avoid immediate and irreparable harm. The Debtors submit that the facts set forth herein and in the First Day Declaration demonstrate that the relief requested is necessary to avoid immediate and irreparable harm to the Debtors and, thus, Bankruptcy Rule 6003 has been satisfied.

43. Additionally, to the extent that any aspect of the relief sought herein constitutes a use of property under section 363(b) of the Bankruptcy Code, the Debtors seek a waiver of the notice requirements under Bankruptcy Rule 6004(a), to the extent not satisfied, and of the 14-day stay under Bankruptcy Rule 6004(h). As described above, the relief that the Debtors seek in this Motion is immediately necessary in order for the Debtors to be able to continue to operate their business and preserve the value of their estates. Accordingly, the Debtors submit that the requested waiver of the notice requirements of Bankruptcy Rule 6004(a) and of the 14-day stay imposed by Bankruptcy Rule 6004(h) is appropriate.

RESERVATION OF RIGHTS

44. Nothing contained herein is or should be construed as: (a) an admission as to the validity of any claim against the Debtors or the existence of any lien against the Debtors' property; (b) a waiver of the Debtors' rights to dispute any claim or lien on any grounds; (c) a promise to pay any claim; (d) an implication or admission that any particular claim would constitute an allowed claim; (e) an assumption or rejection of any executory contract or unexpired lease

pursuant to section 365 of the Bankruptcy Code; or (f) a limitation on the Debtors' rights under section 365 of the Bankruptcy Code to assume or reject any executory contract with any party subject to the Proposed Orders once entered. Nothing contained in the Proposed Orders will be deemed to increase, reclassify, elevate to an administrative expense status, or otherwise affect any claim to the extent it is not paid.

NOTICE

45. Notice of this Motion will be provided to (a) the Office of the United States Trustee for the District of Delaware (Attn: Benjamin Hackman); (b) the holders of the 30 largest unsecured claims against the Debtors; (c) counsel to ArrowMark Agency Services LLC as DIP Agent and Prepetition Agent, (i) Sheppard, Mullin, Richter & Hampton LLP (Attn: Justin Bernbrock, Kyle J. Mathews, Bryan V. Uelk, and Catherine Jun), and (ii) Potter Anderson & Corroon LLP (Attn: L. Katherine Good); (d) the Banks; (e) the United States Attorney's Office for the District of Delaware; (f) the Internal Revenue Service; (g) the United States Securities and Exchange Commission; and (h) any party that has requested notice pursuant to Bankruptcy Rule 2002. As this Motion is seeking "first day" relief, the Debtors will serve copies of this Motion and any order entered in respect of this Motion as required by Local Rule 9013-1(m). The Debtors believe that no further notice is required.

[Remainder of page left intentionally blank]

WHEREFORE the Debtors respectfully request entry of the Proposed Orders granting the relief requested herein and such other and further relief as the Court may deem just and appropriate.

Dated: February 20, 2023
Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ Joseph M. Mulvihill

Michael R. Nestor (No. 3526)
Kara Hammond Coyle (No. 4410)
Joseph M. Mulvihill (No. 6061)
Timothy R. Powell (No. 6894)
Rodney Square, 1000 North King Street
Wilmington, Delaware 19801
Telephone: (302) 571-6600
Facsimile: (302) 571-1253
Email: mnestor@ycst.com
kcoyle@ycst.com
jmulvihill@ycst.com
tpowell@ycst.com

-and-

LATHAM & WATKINS LLP

Jeffrey E. Bjork (*pro hac vice* admission pending)
Ted A. Dillman (*pro hac vice* admission pending)
Jeffrey T. Mispagel (*pro hac vice* admission pending)
Nicholas J. Messana (*pro hac vice* admission pending)
355 South Grand Avenue, Suite 100
Los Angeles, California 90071
Telephone: (213) 485-1234
Facsimile: (213) 891-8763
Email: jeff.bjork@lw.com
ted.dillman@lw.com
jeffrey.mispagel@lw.com
nicholas.messana@lw.com

Jason B. Gott (*pro hac vice* admission pending)
330 North Wabash Avenue, Suite 2800
Chicago, Illinois 60611
Telephone: (312) 876-7700
Facsimile: (312) 993-9767
Email: jason.gott@lw.com

Proposed Counsel for Debtors and Debtors in Possession

EXHIBIT A

Proposed Interim Order

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

	x	
	:	
In re:	:	Chapter 11
	:	
STARRY GROUP HOLDINGS, INC., <i>et al.</i> , ¹	:	Case No. 23-10219 (KBO)
	:	
Debtors.	:	(Jointly Administered)
	:	
	x	Re: Docket No.

INTERIM ORDER (I) AUTHORIZING DEBTORS TO (A) CONTINUE OPERATING EXISTING CASH MANAGEMENT SYSTEM, (B) HONOR CERTAIN PREPETITION OBLIGATIONS RELATED THERETO, (C) MAINTAIN EXISTING BUSINESS FORMS, AND (D) CONTINUE TO PERFORM INTERCOMPANY TRANSACTIONS, (II) WAIVING CERTAIN REQUIREMENTS UNDER SECTION 345 OF THE BANKRUPTCY CODE AND THE U.S. TRUSTEE GUIDELINES AND (III) GRANTING RELATED RELIEF

Upon the motion (the “**Motion**”)² of the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”) for entry of orders (a) authorizing the Debtors to (i) continue to operate their existing cash management system, (ii) honor certain prepetition obligations related thereto, (iii) maintain their existing accounts and business forms, and (iv) continue to perform Intercompany Transactions in the ordinary course of business; (b) waiving certain requirements under section 345 of the Bankruptcy Code and the U.S. Trustee Guidelines; and (c) granting related relief, all as more fully set forth in the Motion; and this Court having reviewed the Motion and the First Day Declaration; and this Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order*

¹ The debtors in these cases, along with the last four digits of each debtor’s federal tax identification number, are: Starry Group Holdings, Inc. (9355); Starry, Inc. (9616); Connect Everyone LLC (5896); Starry Installation Corp. (7000); Starry (MA), Inc. (2010); Starry Spectrum LLC (N/A); Testco LLC (5226); Starry Spectrum Holdings LLC (9444); Widmo Holdings LLC (9208); Vibrant Composites Inc. (8431); Starry Foreign Holdings Inc. (3025); and Starry PR Inc. (1214). The debtors’ address is 38 Chauncy Street, Suite 200, Boston, Massachusetts 02111.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the Motion.

of Reference from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary, except as set forth in the Motion with respect to entry of this Interim Order and notice of the Final Hearing (as defined below); and upon the record herein; and after due deliberation thereon; and this Court having determined that there is good and sufficient cause for the relief granted in this Interim Order, therefore, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is granted on an interim basis, as set forth herein.
2. All objections to the entry of this Interim Order, to the extent not withdrawn or settled, are overruled.
3. The Debtors are authorized, but not directed, pursuant to sections 363(c) and 105(a) of the Bankruptcy Code, to (a) continue to manage their cash pursuant to the Cash Management System maintained by the Debtors before the Petition Date, (b) collect, concentrate, and disburse cash in accordance with the Cash Management System, including through Intercompany Transactions, and (c) to make ordinary course changes to the Cash Management System.
4. The Debtors are authorized, but not directed, to continue to comply with the Collateral Obligations posted prepetition and renew, replace, modify, extend, or add to the posted collateral as needed in the ordinary course postpetition.

5. The Debtors are authorized, but not directed, to continue using, in their present form (or as subsequently amended in accordance with this Interim Order), the Business Forms, as well as checks and other documents related to the Debtor Accounts existing immediately before the Petition Date.

6. Each of the Debtor Banks at which the Debtors maintain their accounts relating to the payment of the obligations described in the Motion are authorized to, when requested by the Debtors, (a) receive, process, honor, and pay all checks presented for payment and to honor all fund transfer requests made by the Debtors related thereto, to the extent that sufficient funds are on deposit in those accounts, and (b) accept and rely on all representations made by the Debtors with respect to which checks, drafts, wires, or ACH transfers should be honored or dishonored in accordance with this or any other order of this Court, whether such checks, drafts, wires, or transfers are dated before, on, or after the Petition Date, without any duty to inquire otherwise.

7. The Debtors shall maintain accurate records of all transfers within the Cash Management System so that all postpetition transfers and transactions shall be adequately and promptly documented in, and readily ascertainable from, their books and records, to the same extent maintained by the Debtors before the Petition Date.

8. The Debtors are further authorized to: (a) designate, maintain, and continue to use any or all of the existing Debtor Accounts in the names and with the account numbers existing immediately before the Petition Date, and to the extent such Debtor Accounts do not comply with the applicable requirements under the U.S. Trustee Guidelines or otherwise, such requirements under the U.S. Trustee Guidelines or otherwise are waived; (b) deposit funds in and withdraw funds from such accounts by all usual means, including, without limitation, checks, wire transfers, ACH transfers, and other debits; (c) pay any Cash Management Fees or other charges associated

with the Debtor Accounts, whether arising before or after the Petition Date, consistent with the Debtors' historical practice; (d) perform their obligations under the documents and agreements governing the Debtor Accounts; and (e) treat their prepetition Debtor Accounts for all purposes as debtor in possession accounts.

9. The Debtors, upon prior written notice to ArrowMark Agency Services LLC, in its capacity as DIP Agent, are authorized to open new accounts; *provided*, that all accounts opened by any of the Debtors on or after the Petition Date at any financial services provider shall, for purposes of this Interim Order, be deemed a Debtor Account as if it had been listed on **Exhibit D** to the Motion; *provided, further*, that such opening of an account shall be timely indicated on the Debtors' monthly operating report and notice of such opening shall be provided within five business days to the U.S. Trustee and counsel to any statutory committee appointed in the Chapter 11 Cases; *provided, further*, that the Debtors shall open any new Debtor Account at a bank that has executed a Uniform Depository Agreement with the U.S. Trustee, or at such bank that is willing to immediately execute such agreement.

10. Each Debtor Bank is authorized to accept and rely upon, without further inquiry, all representations from the Debtors as to which checks, drafts, wires, or ACH transfers are dated before, on, or after the Petition Date and which checks are to be honored or dishonored, regardless of whether or not such payment or honoring is or is not authorized by an order of this Court. No Debtor Bank shall incur, and each Debtor Bank is hereby released from, any liability for relying upon any Debtor's instruction as to which checks, drafts, wires, or ACH transfers should be honored or dishonored or for such Debtor Bank's inadvertence in honoring any check, draft, wire, or ACH transfer at variance from the Debtors' instructions unless such inadvertence constituted gross negligence or willful misconduct on the part of such Debtor Bank. Each Debtor shall

promptly provide a list of checks to each Debtor Bank for each Debtor Account maintained at such Debtor Bank specifying, by check sequencing number, dollar amount, date of issue, and payee information, those checks that are to be dishonored by such Debtor Bank, which checks may include those issued after the Petition Date as well as those issued before the Petition Date that are not to be honored or paid according to any order of this Court, and each Debtor Bank may honor all other checks. Except for those checks, drafts, wires, or ACH transfers that are authorized or required to be honored under an order of this Court, the Debtors shall not instruct nor request any Debtor Bank to pay or honor any check, draft, or other payment item issued on a Debtor Account before the Petition Date but presented to such Debtor Bank for payment after the Petition Date.

11. Nothing contained herein shall prevent the Debtors from closing any Debtor Account, upon prior written notice to ArrowMark Agency Services LLC, in its capacity as DIP Agent, as they may deem necessary and appropriate, to the extent consistent with the terms of any prepetition financing agreement and postpetition financing agreement and any order of this Court relating thereto, any relevant Debtor Bank is authorized to honor the Debtors' requests to close such Debtor Accounts, and the Debtors shall give notice of the closure of any account within 15 days to the U.S. Trustee and counsel to any statutory committee appointed in the Chapter 11 Cases.

12. The Debtors are authorized, but not directed, to enter into, engage in, and perform under the Intercompany Transactions in the ordinary course of business and to make payments to, or set off amounts owed from, the applicable Debtor on account of postpetition Intercompany Transactions, in a manner consistent with their practices in effect as of the Petition Date in the ordinary course of business or as necessary to execute the Cash Management System. The Debtors shall (a) continue to track all Intercompany Transactions electronically through their accounting system in accordance with their prepetition practices and (b) maintain accurate and detailed records

of all Intercompany Transactions so that they may be readily ascertained, traced, recorded properly, and distinguished between prepetition and postpetition transactions.

13. Notwithstanding anything to the contrary in this Interim Order, the Debtors shall not (i) undertake any Intercompany Transaction that is (a) not on the same terms as, or materially consistent with, the Debtors' operation of their business in the ordinary course during the prepetition period, or (b) prohibited or restricted by the terms of an applicable DIP Order; or (ii) transfer funds to any Non-Debtor affiliates during the Chapter 11 Cases without further order of this Court, pursuant to a motion on notice to the U.S. Trustee, counsel to any statutory committee appointed in the Chapter 11 Cases, counsel to ArrowMark Agency Services LLC, in its capacity as DIP Agent, and any party requesting notice under Bankruptcy Rule 2002.

14. All transfers or payments from one Debtor to another Debtor, or made by a Debtor on behalf of another Debtor, after the Petition Date, shall be accorded administrative expense priority status in accordance with sections 503(b) and 507(a)(2) of the Bankruptcy Code.

15. For all Debtor Banks at which the Debtors maintain Debtor Accounts that are party to a Uniform Depository Agreement with the U.S. Trustee, within 15 days of the date of entry of this Interim Order, the Debtors shall (a) contact each such Debtor Bank, (b) provide each such Debtor Bank with each of the Debtor's employee identification numbers, and (c) identify each of the Debtor Accounts held at such Debtor Banks as being held by a debtor in possession in a chapter 11 case.

16. Pursuant to Local Rule 2015-2(a), the Debtors are authorized to continue to use their existing checks, correspondence, and other Business Forms without alteration or change and without the designation "Debtor in Possession" or a bankruptcy case number imprinted upon them. Notwithstanding the foregoing, once the Debtors' existing checks have been used, the Debtors

shall, when reordering checks, require the designation “Debtor in Possession” and the corresponding bankruptcy case number on all checks; *provided* that, with respect to checks that the Debtors print themselves, the Debtors shall begin printing the “Debtor in Possession” legend and provide the case number on such items within 10 days of the date of entry of this Interim Order.

17. Any material change to the Cash Management System shall require written consent of ArrowMark Agency Services LLC, in its capacity as DIP Agent.

18. The Debtors are hereby granted an extension of time to comply with the requirements of section 345(b) of the Bankruptcy Code for a period of 30 days, without prejudice to the Debtors’ rights to seek a further waiver.

19. Any requirement under the U.S. Trustee Guidelines to establish separate accounts for cash collateral and tax payments is hereby waived except as otherwise required by any applicable agreements between the Debtors and the Debtor Banks.

20. Nothing in the Motion or this Interim Order, nor any actions or payments made by the Debtors pursuant to this Interim Order, shall be construed as: (a) an admission as to the validity of any claim against the Debtors or the existence of any lien against the Debtors’ properties; (b) a waiver of the Debtors’ rights to dispute any claim or lien on any grounds; (c) a promise to pay any claim; (d) an implication or admission that any particular claim would constitute an allowed claim; (e) an assumption or rejection of any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code; or (f) a limitation on the Debtors’ rights under section 365 of the Bankruptcy Code to assume or reject any executory contract with any party subject to this Interim Order. Nothing contained in this Interim Order shall be deemed to increase, reclassify, elevate to an administrative expense status, or otherwise affect any claim to the extent it is not paid.

21. Notwithstanding Bankruptcy Rule 6004(h), to the extent applicable, this Interim Order shall be effective and enforceable immediately upon entry hereof.

22. The requirements set forth in Bankruptcy Rule 6004(a) are hereby waived.

23. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied because the relief set forth in this Interim Order is necessary to avoid immediate and irreparable harm.

24. The Debtors are hereby authorized to take such actions and to execute such documents as may be necessary to implement the relief granted by this Interim Order.

25. The final hearing (the “**Final Hearing**”) on the Motion shall be held on _____, 2023, at _____, prevailing Eastern Time. On or before _____, prevailing Eastern Time, on _____, 2023, any objections or responses to entry of a final order on the Motion (a “**Final Order**”) shall be filed with this Court, and served on: (a) proposed counsel to the Debtors, (i) Latham & Watkins LLP, (1) 355 South Grand Avenue, Suite 100, Los Angeles, California 90071 (Attn: Ted A. Dillman (ted.dillman@lw.com), Jeffrey T. Mispagel (jeffrey.mispagel@lw.com), and Nicholas J. Messana (nicholas.messana@lw.com)) and (2) 330 North Wabash Avenue, Suite 2800, Chicago, Illinois 60611 (Attn: Jason B. Gott (jason.gott@lw.com)) and (ii) Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, Delaware 19801 (Attn: Kara Hammond Coyle (kcoyle@ycst.com), Joseph M. Mulvihill (jmulvihill@ycst.com), and Timothy R. Powell (tpowell@ycst.com)); (b) counsel to ArrowMark Agency Services LLC as DIP Agent and Prepetition Agent, (i) Sheppard, Mullin, Richter & Hampton LLP, (1) 333 South Hope Street, 43rd Floor, Los Angeles, California 90071 (Attn: Kyle J. Matthews (KMatthews@sheppardmullin.com)) and (2) 321 North Clark Street, 32nd Floor, Chicago, Illinois 60654 (Attn: Justin Bernbrock (JBernbrock@sheppardmullin.com), Bryan V. Uelk

(BUelk@sheppardmullin.com), and Catherine Jun (CJun@sheppardmullin.com)), and (ii) Potter Anderson & Corroon LLP, Hercules Plaza, 1313 North Market Street, 6th Floor, P.O. Box 951, Wilmington, Delaware, 19801 (Attn: L. Katherine Good (kgood@potteranderson.com)); (c) counsel to any statutory committee appointed in the Chapter 11 Cases; and (d) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801 (Attn: Benjamin Hackman (Benjamin.A.Hackman@usdoj.gov)). In the event that no objections to entry of the Final Order on the Motion are timely received, this Court may enter such Final Order without need for the Final Hearing.

26. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Interim Order.

EXHIBIT B

Proposed Final Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

----- X
:
In re: : Chapter 11
:
STARRY GROUP HOLDINGS, INC., *et al.*,¹ : Case No. 23-10219 (KBO)
:
Debtors. : (Jointly Administered)
:
----- X Re: Docket Nos.

FINAL ORDER (I) AUTHORIZING DEBTORS TO (A) CONTINUE OPERATING EXISTING CASH MANAGEMENT SYSTEM, (B) HONOR CERTAIN PREPETITION OBLIGATIONS RELATED THERETO, (C) MAINTAIN EXISTING BUSINESS FORMS, AND (D) CONTINUE TO PERFORM INTERCOMPANY TRANSACTIONS, (II) WAIVING CERTAIN REQUIREMENTS UNDER SECTION 345 OF THE BANKRUPTCY CODE AND THE U.S. TRUSTEE GUIDELINES AND (III) GRANTING RELATED RELIEF

Upon the motion (the “**Motion**”)² of the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”) for entry of orders (a) authorizing the Debtors to (i) continue to operate their existing cash management system, (ii) honor certain prepetition obligations related thereto, (iii) maintain their existing accounts and business forms, and (iv) continue to perform Intercompany Transactions in the ordinary course of business; (b) waiving certain requirements under section 345 of the Bankruptcy Code and the U.S. Trustee Guidelines; and (c) granting related relief, all as more fully set forth in the Motion; and this Court having reviewed the Motion, the First Day Declaration, and the Interim Order, as approved by this Court; and this Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C.

¹ The debtors in these cases, along with the last four digits of each debtor’s federal tax identification number, are: Starry Group Holdings, Inc. (9355); Starry, Inc. (9616); Connect Everyone LLC (5896); Starry Installation Corp. (7000); Starry (MA), Inc. (2010); Starry Spectrum LLC (N/A); Testco LLC (5226); Starry Spectrum Holdings LLC (9444); Widmo Holdings LLC (9208); Vibrant Composites Inc. (8431); Starry Foreign Holdings Inc. (3025); and Starry PR Inc. (1214). The debtors’ address is 38 Chauncy Street, Suite 200, Boston, Massachusetts 02111.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the Motion.

§§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and this Court having determined that there is good and sufficient cause for the relief granted in this Final Order, therefore, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is granted on a final basis, as set forth herein.
2. All objections to the entry of this Final Order, to the extent not withdrawn or settled, are overruled.
3. The Debtors are authorized, but not directed, pursuant to sections 363(c) and 105(a) of the Bankruptcy Code, to (a) continue to manage their cash pursuant to the Cash Management System maintained by the Debtors before the Petition Date, (b) collect, concentrate, and disburse cash in accordance with the Cash Management System, including through Intercompany Transactions, and (c) to make ordinary course changes to the Cash Management System.
4. The Debtors are authorized, but not directed, to continue to comply with the Collateral Obligations posted prepetition and renew, replace, modify, extend, or add to the posted collateral as needed in the ordinary course postpetition.
5. The Debtors are authorized, but not directed, to continue using, in their present form (or as subsequently amended in accordance with this Final Order), the Business Forms, as well as

checks and other documents related to the Debtor Accounts existing immediately before the Petition Date.

6. Each of the Debtor Banks at which the Debtors maintain their accounts relating to the payment of the obligations described in the Motion are authorized to, when requested by the Debtors, (a) receive, process, honor, and pay all checks presented for payment and to honor all fund transfer requests made by the Debtors related thereto, to the extent that sufficient funds are on deposit in those accounts, and (b) accept and rely on all representations made by the Debtors with respect to which checks, drafts, wires, or ACH transfers should be honored or dishonored in accordance with this or any other order of this Court, whether such checks, drafts, wires, or transfers are dated before, on, or after the Petition Date, without any duty to inquire otherwise.

7. The Debtors shall maintain accurate records of all transfers within the Cash Management System so that all postpetition transfers and transactions shall be adequately and promptly documented in, and readily ascertainable from, their books and records, to the same extent maintained by the Debtors before the Petition Date.

8. The Debtors are further authorized to: (a) designate, maintain, and continue to use any or all of the existing Debtor Accounts in the names and with the account numbers existing immediately before the Petition Date, and to the extent such Debtor Accounts do not comply with the applicable requirements under the U.S. Trustee Guidelines or otherwise, such requirements under the U.S. Trustee Guidelines or otherwise are waived; (b) deposit funds in and withdraw funds from such accounts by all usual means, including, without limitation, checks, wire transfers, ACH transfers, and other debits; (c) pay any Cash Management Fees or other charges associated with the Debtor Accounts, whether arising before or after the Petition Date, consistent with the Debtors' historical practice; (d) perform their obligations under the documents and agreements

governing the Debtor Accounts; and (e) treat their prepetition Debtor Accounts for all purposes as debtor in possession accounts.

9. The Debtors, upon prior written notice to ArrowMark Agency Services LLC, in its capacity as DIP Agent, are authorized to open new accounts; *provided*, that all accounts opened by any of the Debtors on or after the Petition Date at any financial services provider shall, for purposes of this Final Order, be deemed a Debtor Account as if it had been listed on **Exhibit D** to the Motion; *provided, further*, that such opening of an account shall be timely indicated on the Debtors' monthly operating report and notice of such opening shall be provided within five business days to the U.S. Trustee and counsel to any statutory committee appointed in the Chapter 11 Cases; *provided, further*, that the Debtors shall open any new Debtor Account at a bank that has executed a Uniform Depository Agreement with the U.S. Trustee, or at such bank that is willing to immediately execute such agreement.

10. Each Debtor Bank is authorized to accept and rely upon, without further inquiry, all representations from the Debtors as to which checks, drafts, wires, or ACH transfers are dated before, on, or after the Petition Date and which checks are to be honored or dishonored, regardless of whether or not such payment or honoring is or is not authorized by an order of this Court. No Debtor Bank shall incur, and each Debtor Bank is hereby released from, any liability for relying upon any Debtor's instruction as to which checks, drafts, wires, or ACH transfers should be honored or dishonored or for such Debtor Bank's inadvertence in honoring any check, draft, wire, or ACH transfer at variance from the Debtors' instructions unless such inadvertence constituted gross negligence or willful misconduct on the part of such Debtor Bank. Each Debtor shall promptly provide a list of checks to each Debtor Bank for each Debtor Account maintained at such Debtor Bank specifying, by check sequencing number, dollar amount, date of issue, and payee

information, those checks that are to be dishonored by such Debtor Bank, which checks may include those issued after the Petition Date as well as those issued before the Petition Date that are not to be honored or paid according to any order of this Court, and each Debtor Bank may honor all other checks. Except for those checks, drafts, wires, or ACH transfers that are authorized or required to be honored under an order of this Court, the Debtors shall not instruct nor request any Debtor Bank to pay or honor any check, draft, or other payment item issued on a Debtor Account before the Petition Date but presented to such Debtor Bank for payment after the Petition Date.

11. Nothing contained herein shall prevent the Debtors from closing any Debtor Account, upon prior written notice to ArrowMark Agency Services LLC, in its capacity as DIP Agent, as they may deem necessary and appropriate, to the extent consistent with the terms of any prepetition financing agreement and postpetition financing agreement and any order of this Court relating thereto, any relevant Debtor Bank is authorized to honor the Debtors' requests to close such Debtor Accounts, and the Debtors shall give notice of the closure of any account within 15 days to the U.S. Trustee and counsel to any statutory committee appointed in the Chapter 11 Cases.

12. The Debtors are authorized, but not directed, to enter into, engage in, and perform under the Intercompany Transactions in the ordinary course of business and to make payments to, or set off amounts owed from, the applicable Debtor on account of postpetition Intercompany Transactions, in a manner consistent with their practices in effect as of the Petition Date in the ordinary course of business or as necessary to execute the Cash Management System. The Debtors shall (a) continue to track all Intercompany Transactions electronically through their accounting system in accordance with their prepetition practices and (b) maintain accurate and detailed records of all Intercompany Transactions so that they may be readily ascertained, traced, recorded properly, and distinguished between prepetition and postpetition transactions.

13. Notwithstanding anything to the contrary in this Final Order, the Debtors shall not (i) undertake any Intercompany Transaction that is (a) not on the same terms as, or materially consistent with, the Debtors' operation of their business in the ordinary course during the prepetition period, or (b) prohibited or restricted by the terms of an applicable DIP Order; or (ii) transfer funds to any Non-Debtor affiliates during the Chapter 11 Cases without further order of this Court, pursuant to a motion on notice to the U.S. Trustee, counsel to any statutory committee appointed in the Chapter 11 Cases, counsel to ArrowMark Agency Services LLC, in its capacity as DIP Agent, and any party requesting notice under Bankruptcy Rule 2002.

14. All transfers or payments from one Debtor to another Debtor, or made by a Debtor on behalf of another Debtor, after the Petition Date, shall be accorded administrative expense priority status in accordance with sections 503(b) and 507(a)(2) of the Bankruptcy Code.

15. For all Debtor Banks at which the Debtors maintain Debtor Accounts that are party to a Uniform Depository Agreement with the U.S. Trustee, within 15 days of the date of entry of this Final Order, the Debtors shall (a) contact each such Debtor Bank, (b) provide each such Debtor Bank with each of the Debtor's employee identification numbers, and (c) identify each of the Debtor Accounts held at such Debtor Banks as being held by a debtor in possession in a chapter 11 case.

16. Pursuant to Local Rule 2015-2(a), the Debtors are authorized to continue to use their existing checks, correspondence, and other Business Forms without alteration or change and without the designation "Debtor in Possession" or a bankruptcy case number imprinted upon them. Notwithstanding the foregoing, once the Debtors' existing checks have been used, the Debtors shall, when reordering checks, require the designation "Debtor in Possession" and the corresponding bankruptcy case number on all checks; *provided* that, with respect to checks that

the Debtors print themselves, the Debtors shall begin printing the “Debtor in Possession” legend and provide the case number on such items within 10 days of the date of entry of this Final Order.

17. Any material change to the Cash Management System shall require written consent of ArrowMark Agency Services LLC, in its capacity as DIP Agent.

18. The Debtors are hereby granted an extension of time to comply with the requirements of section 345(b) of the Bankruptcy Code for a period of 30 days, without prejudice to the Debtors’ rights to seek a further waiver.

19. Any requirement under the U.S. Trustee Guidelines to establish separate accounts for cash collateral and tax payments is hereby waived except as otherwise required by any applicable agreements between the Debtors and the Debtor Banks.

20. Nothing in the Motion or this Final Order, nor any actions or payments made by the Debtors pursuant to this Final Order, shall be construed as: (a) an admission as to the validity of any claim against the Debtors or the existence of any lien against the Debtors’ properties; (b) a waiver of the Debtors’ rights to dispute any claim or lien on any grounds; (c) a promise to pay any claim; (d) an implication or admission that any particular claim would constitute an allowed claim; (e) an assumption or rejection of any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code; or (f) a limitation on the Debtors’ rights under section 365 of the Bankruptcy Code to assume or reject any executory contract with any party subject to this Final Order. Nothing contained in this Final Order shall be deemed to increase, reclassify, elevate to an administrative expense status, or otherwise affect any claim to the extent it is not paid.

21. Notwithstanding Bankruptcy Rule 6004(h), to the extent applicable, this Final Order shall be effective and enforceable immediately upon entry hereof.

22. The Debtors are hereby authorized to take such actions and to execute such documents as may be necessary to implement the relief granted by this Final Order.

23. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Final Order.

EXHIBIT C

Schematic

- Starry, Inc.
- Starry MA Inc.
- Starry Foreign Holdings, Inc.
- Non-Debtor Entities
- Restricted Cash
- Third Party Obligations

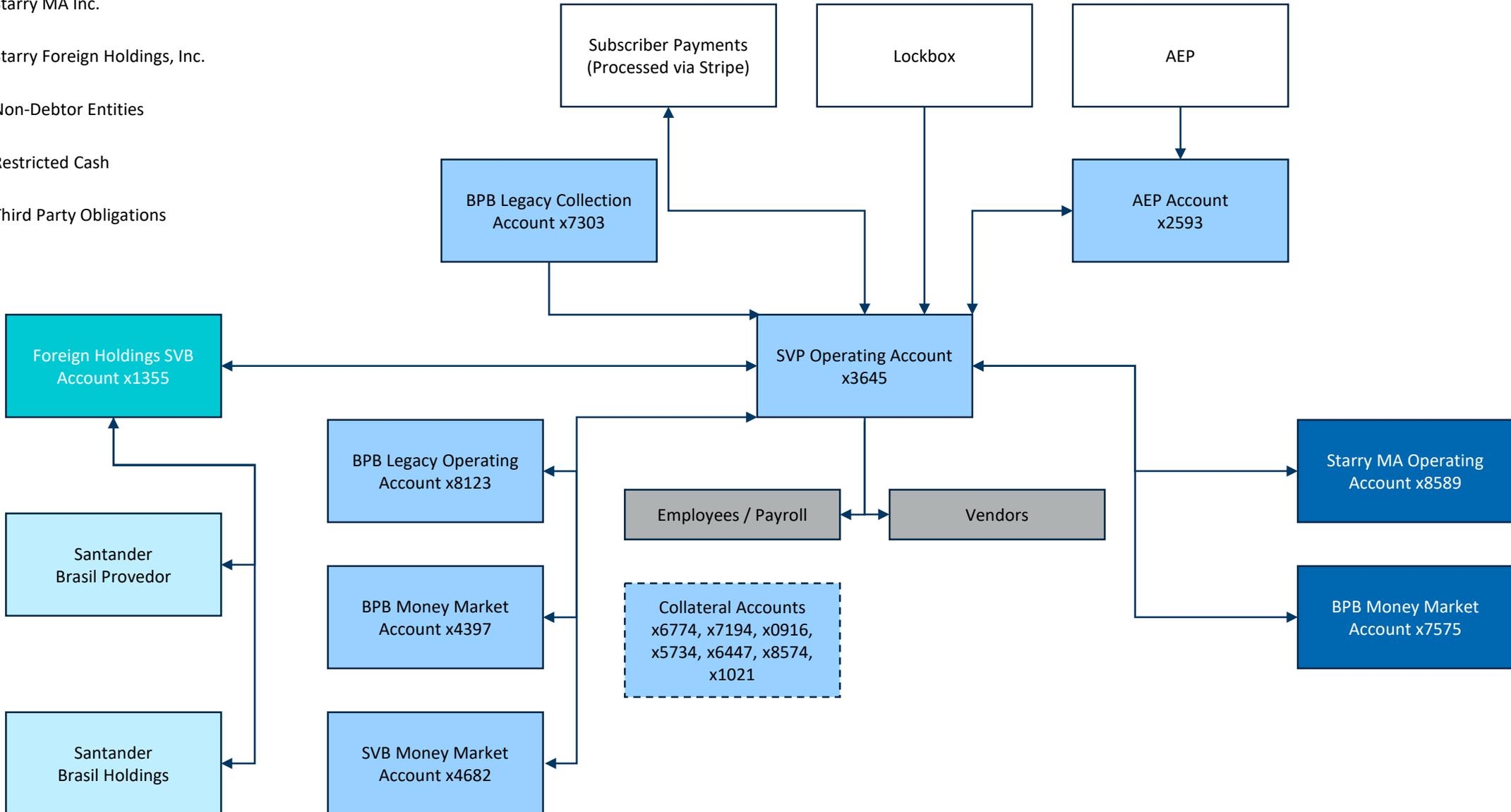


EXHIBIT D

Debtor Accounts

Entity	Debtor Bank Name	Debtor Bank Account Number (XXXX)	Account Type
Starry, Inc.	Silicon Valley Bank, N.A.	3645	Operating Account
Starry, Inc.	Silicon Valley Bank, N.A.	2593	AEP/Utilities Account
Starry, Inc.	Silicon Valley Bank, N.A.	4682	Money Market Account
Starry, Inc.	Silicon Valley Bank, N.A.	5734	Collateral Account
Starry, Inc.	Silicon Valley Bank, N.A.	0916	Collateral Account
Starry, Inc.	Silicon Valley Bank, N.A.	6774	Collateral Account
Starry, Inc.	Silicon Valley Bank, N.A.	7194	Collateral Account
Starry, Inc.	Silicon Valley Bank, N.A.	6447	Collateral Account
Starry, Inc.	Silicon Valley Bank, N.A.	8574	Collateral Account
Starry, Inc.	Silicon Valley Bank, N.A.	2970	<i>Inactive Account</i>
Starry (MA) Inc.	Silicon Valley Bank, N.A.	8589	Operating Account
Starry Foreign Holdings, Inc.	Silicon Valley Bank, N.A.	1355	Operating Account
Starry, Inc.	Boston Private Bank & Trust Company	8123	Operating Account
Starry, Inc.	Boston Private Bank & Trust Company	7303	Operating Account
Starry, Inc.	Boston Private Bank & Trust Company	4397	Money Market Account

Entity	Debtor Bank Name	Debtor Bank Account Number (XXXX)	Account Type
Starry, Inc.	Boston Private Bank & Trust Company	1021	Collateral Account
Starry, Inc.	Boston Private Bank & Trust Company	1028	<i>Inactive Account</i>
Starry (MA) Inc.	Boston Private Bank & Trust Company	7575	Money Market Account