

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

)	
In re:)	Chapter 11
)	
ALEX AND ANI, LLC, <i>et al.</i> , ¹)	Case No. 21-10918 (___)
)	
Debtors.)	(Joint Administration Requested)
)	

**DEBTORS’ MOTION FOR ENTRY OF AN INTERIM AND FINAL ORDERS
(I) AUTHORIZING THE DEBTORS TO (A) CONTINUE TO OPERATE
THEIR CASH MANAGEMENT SYSTEM, (B) HONOR CERTAIN PREPETITION
OBLIGATIONS RELATED THERETO, (C) MAINTAIN EXISTING BUSINESS
FORMS, AND (D) CONTINUE TO PERFORM INTERCOMPANY TRANSACTIONS,
(II) GRANTING ADMINISTRATIVE EXPENSE STATUS TO POSTPETITION
INTERCOMPANY BALANCES, AND (III) GRANTING RELATED RELIEF**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) respectfully state as follows in support of this motion (the “Motion”):²

Relief Requested

1. The Debtors seek entry of interim and final orders, substantially in the forms attached hereto as **Exhibit A** and **Exhibit B** (respectively, the “Interim Order” and “Final Order”): (a) authorizing the Debtors to: (i) continue to operate their cash management system

¹ The Debtors in these chapter 11 cases, along with the last four digits of each of the Debtors’ respective federal tax identification numbers, are as follows: Alex and Ani, LLC (8360); A and A Shareholding, Co., LLC (7939); Alex and Ani International, LLC (2247); Alex and Ani Retail, LLC (1227); Alex and Ani Assembly, LLC (3215); Alex and Ani California, LLC (6368); Alex and Ani Canada, LLC (3317); Alex and Ani Puerto Rico, LLC (1477); and Alex and Ani South Seas, LLC (8592). The Debtors’ headquarters and mailing address is: 10 Briggs Drive, East Greenwich, RI 02818.

² A detailed description of the Debtors and their businesses, and the facts and circumstances supporting this motion and the Debtors’ chapter 11 cases, are set forth in greater detail in the *Declaration of Robert Trabucco, Chief Restructuring Officer of Alex and Ani, LLC, in Support of Debtors’ Chapter 11 Petitions and First Day Motions* (the “First Day Declaration”), filed contemporaneously with the Debtors’ voluntary petitions for relief filed under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”), on June 9, 2021 (the “Petition Date”).



substantially as indicated on **Exhibit 1** annexed to **Exhibit A** attached hereto (the “**Cash Management System**”), (ii) honor certain prepetition obligations related thereto, and (iii) maintain existing business forms; (iv) continue to perform Intercompany Transactions (as defined below) consistent with historical practice; (b) granting administrative expense status to postpetition Intercompany Balances (as defined below); and (b) granting related relief.

Jurisdiction and Venue

2. The United States Bankruptcy Court for the District of Delaware (the “**Court**”) has jurisdiction over this matter 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. The Debtors confirm their consent, pursuant to Rule 7008 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and Rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”), to the entry of a final order by the Court in connection with this motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

3. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The bases for the relief requested herein are sections 105, 345, and 363 of the Bankruptcy Code, Bankruptcy Rules 6003 and 6004, and Local Rules 2015-2 and 9013-1(m).

5. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to section 1107(a) and 1108 of the Bankruptcy Code. Concurrently with the filing of this Motion, the Debtors requested procedural consolidation and joint administration of these chapter 11 cases pursuant to Bankruptcy Rule 1015(b). No request

for the appointment of a trustee or examiner has been made in these chapter 11 cases, and no committees have been appointed or designated.

Background

6. Information about the Debtors' business and the events leading to the commencement of these chapter 11 cases can be found in the First Day Declaration, which is incorporated herein by reference.

The Cash Management System

I. Overview.

7. The Debtors' Cash Management System is similar to the centralized cash management systems used by other comparably sized companies to manage cash flow. The Debtors use their Cash Management System in the ordinary course to transfer and distribute funds and to facilitate cash monitoring, forecasting, and reporting. The Debtors maintain daily oversight over the Cash Management System and implement cash management controls for entering, processing, and releasing funds. Additionally, the Debtors' corporate accounting, and cash forecasting personnel regularly reconcile the Debtors' books and records to ensure that all transfers are accounted for properly.

8. The Debtors' Cash Management System facilitates the timely and efficient collection, management, and disbursement of funds. The Debtors estimate that total disbursements will average approximately \$2.5 million per week during these chapter 11 cases. Because of the disruption that would result if the Debtors were forced to close their existing bank accounts, it is critical that the existing Cash Management System remain in place.

II. The Cash Management System.

9. The Cash Management System is comprised of 92 bank accounts located in the United States and one located in Canada (collectively, the "Bank Accounts"), each of which is

identified on **Exhibit 2** annexed to **Exhibit A** attached hereto.³ The Bank Accounts are held at Bank of America, N.A. (“**BofA**”) and American Savings Bank (Hawaii retail locations) (the “**Cash Management Banks**”). As further illustrated on **Exhibit 1** annexed to **Exhibit A** attached hereto, the Cash Management System is based around a master operating account maintained by Debtor Alex and Ani, LLC at BofA (the “**Master Operating Account**”).

B. Collection Process.

10. The Debtors collect funds from retail store sales into five accounts, the California Operating Account, the Puerto Rico Operating Account, the Canada Operating Account, Master Operating Account, and American Savings Bank for Hawaii retail locations (collectively, the “**Store Operating Accounts**”). The cash in the Store Operating Accounts fund weekly disbursements, including payroll. The Store Operating Accounts typically receive enough funds from collections to cover all disbursements.

11. The Debtors also collect funds from online sales and wholesale sales into the Master Operating Account

12. **Credit Card Collections.** The Debtors’ credit card receivables are deposited into the California Operating Account, Puerto Rico Operating Account, Canada Operating Account, and the Master Operating Account. Any chargebacks are paid through the Disbursement Account. Chargebacks related to eCommerce transactions are deducted from the funds turned over by the credit card processor. Chargebacks related to store sales are automatically deducted from the disbursement account by the credit card processor when incurred.

³ While, as of the Petition Date, the Cash Management System includes the 93 Bank Accounts, in the ordinary course, the Debtors may close existing accounts or open new accounts.

C. Disbursement Process.

13. The Debtors disbursement process utilizes different accounts for different disbursement purposes. The Puerto Rico Operating accounts funds payroll for Puerto Rico employees. The California Operating Accounts funds payroll for California employees. The Canada Operating Account funds payroll for the Canadian employees. All other employees are paid via the Disbursements Account which is funded by the Master Account.

14. The disbursements for the Debtors' online sales and manufacturing operations are handled by a separate set of accounts. The Debtors maintain the Disbursements Account, which is funded by the Master Operating Account, for payments that are made via ACH or wire transfer. Payments made via check are made from the AP Disbursements Account, which is funded from the Master Operating Account. Finally, the Debtors maintain the Assembly Account and the Shareholding Account which are currently inactive.

15. The Debtors propose to continue using the Bank Accounts described above and in **Exhibit 1 and Exhibit 2** annexed to **Exhibit A** attached hereto after the Petition Date, subject to their right to close certain accounts in their discretion.

III. Compliance with U.S. Trustee Guidelines.

16. The Debtors respectfully request that this Court extend the requirements of section 345(b) of the Bankruptcy Code for a period of thirty-five (35) days, commencing on the date on which the Proposed Interim Order is granted, without prejudice to the Debtors' right to request further extensions of such requirements.

17. Section 345(b) 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(b). Under section 345(b) of the Bankruptcy Code, the Court may waive or otherwise alter the requirements of section 345(b) for “cause”. Moreover, Local Rule 2015-2(b) provides that if a motion for a waiver under section 345 of the Bankruptcy Code is filed on the first day of the case and there are more than 200 creditors — as is the case here — the court may grant an interim waiver.

18. As of the Petition Date, all but one of the Bank Accounts are held at BofA (the “UDA Bank”) that is designated as 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”) and is a party to a uniform depository agreement (a “UDA”) with the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”). The Debtors believe the Bank Accounts at the UDA Bank will be collateralized in a manner consistent with the requirements of section 345 of the Bankruptcy Code. Each of the Cash Management Banks, including the single bank that is not UDA Bank (the “Non-UDA Bank”), are insured with the Federal Deposit Insurance Corporation and thus the Debtors believe the funds are secure. The Non-UDA Bank involves only receipts and disbursements from the Hawaii retail locations as there is no convenient BofA branch to handle such transactions. These funds in the Non-UDA Bank accumulate and are manually swept when they reach approximately \$25,000. This sweep typically occurs three to four times per year.

19. “Cause” exists in these Chapter 11 Cases to extend the Debtors’ time to comply with the section 345(b) requirements with respect to Bank Accounts held at the Non-UDA Bank, without prejudice to the Debtors’ ability to seek a further extension or a final waiver of those requirements. Forcing the Debtors to switch their cash management at this time would inject

substantial risk and jeopardize the Debtors' restructuring efforts. During the extension period, the Debtors will engage in discussions with the U.S. Trustee and any statutory committee appointed in these Chapter 11 Cases regarding the Non-UDA Bank and the potential of encouraging them to execute a UDA.

20. Accordingly, the Debtors request that the Court waive the requirements of section 345(b) of the Bankruptcy Code with respect to the Bank Accounts held at the Non-UDA Bank for a period of thirty-five (35) days. Courts in this district have granted temporary waivers of section 345(b) requirements in cases of similar size and complexity, and the Debtors submit that such a temporary waiver is appropriate here. *See, e.g., In re The Hertz Corporation*, No. 20-11218 (MFW) (Bankr. D. Del. June 25, 2020) (authorizing the debtors' continued use of existing bank accounts and permitting for waiver of section 345(b) requirements for certain bank accounts); *In re Boy Scouts of America*, No. 20-10343 (LSS) (Bankr. D. Del. Feb. 20, 2020); *In re Pernix Sleep, Inc.*, No. 19-10323 (CSS) (Bankr. D. Del. Mar. 22, 2019) (same); *In re Argos Therapeutics, Inc.*, No. 18-12714 (KJC) (Bankr. D. Del. Jan. 23, 2019) (same); *In re Bertucci's Holdings, Inc.*, Case No. 18-10894 (MFW) (Bankr. D. Del. May 3, 2018); *In re SBSH Winddown, Inc.*, Case No. 18-10039 (CSS) (Bankr. D. Del. Jan. 29, 2018) (same).

IV. Intercompany Transactions

21. In the ordinary course of business, the Debtors engage in routing business relationships with each other (the "Intercompany Transactions") resulting in intercompany receivables and payables (the "Intercompany Balances").⁴ Accordingly, at any given time there

⁴ This motion provides an illustrative overview of the Debtors' typical Intercompany Transactions. The relief requested herein is applicable with respect to all Intercompany Transactions and is not limited to those Intercompany Transactions specifically described in this motion. To the extent that there are any outstanding prepetition transactions related to Intercompany Transactions not described in this motion, the Debtors, out of an abundance of caution, seek authority to continue such transactions. For the avoidance of doubt, the relief requested in this motion with respect to the postpetition Intercompany Transactions and the Intercompany Balances resulting therefrom does not constitute an admission of the Debtors or any other party as to the

may be Intercompany Balances owing by one Debtor to another Debtor. The Intercompany Balances are typically maintained as book entries in the Debtors' accounting system and do not result in the flow of cash unless such cash is needed for operations.

22. In the normal course of business, merchandise from one Debtor will be sent to a different vendor to satisfy customer orders. Additionally, one Debtor may satisfy obligations of another Debtor by making a single payment to a vendor that provides services to multiple Debtors. Additionally, if necessary, one Debtor may transfer funds to another Debtor so that that Debtor may have sufficient cash on hand for operations. The Debtors have historically reflected Intercompany Balances as journal entry receivables and payables, as applicable, in the respective Debtor's accounting system. The Debtors closely track all fund transfers in their respective accounting system and, therefore, can ascertain, trace, and account for all Intercompany Transactions. The Debtors will continue to track postpetition Intercompany Transactions in the ordinary course of business.

23. Any interruption of the Intercompany Transactions would severely disrupt the Debtors' operations and result in great harm to the Debtors' estates and their stakeholders. Accordingly, the Debtors seek the authority to continue the Intercompany Transactions in the ordinary course of business, in a manner consistent with prepetition practice. The Debtors do not make transfers to any non-debtors as Intercompany Transactions and are not seeking the authority to do so by this Motion.

V. Bank Fees.

24. In the ordinary course, the Cash Management Banks charge, and the Debtors pay, honor, or allow the deduction from the appropriate account, certain service charges and other

validity, priority, or status of any prepetition Intercompany Balance or any Intercompany Transaction from which such Intercompany Balance may have arisen.

fees, costs, and expenses (collectively, the “Bank Fees”). Historically, the Debtors estimate that they pay approximately \$26,000 in Bank Fees each month, depending on transaction volume. These fees are paid in arrears. To maintain the integrity of their Cash Management System, the Debtors request authority to pay any prepetition Bank Fees for prepetition transactions that are charged postpetition and to continue to pay the Bank Fees in the ordinary course postpetition. The Debtors also request that the Cash Management Banks be authorized to charge-back returned items to the Bank Accounts, irrespective of whether the applicable sale transaction occurred before, on, or subsequent to the Petition Date, in the ordinary course.

VI. Business Forms.

25. As part of their Cash Management System, the Debtors utilize various preprinted business forms (the “Business Forms”) in the ordinary course. To minimize expenses to their estates and avoid confusion during the pendency of these chapter 11 cases, the Debtors request that the Court authorize the Debtors’ continued use of all existing preprinted correspondence and business forms (including, without limitation, letterhead and preprinted checks) as such forms were in existence immediately before the Petition Date, without reference to the Debtors’ status as debtors in possession, rather than requiring the Debtors to incur the expense and delay of ordering entirely new business forms. If the Debtors need to order additional business forms postpetition, the Debtors will include the required debtor-in-possession designations.

Basis for Relief

VII. Maintaining the Existing Cash Management System Is Essential to Maximizing the Value of the Debtors’ Estates.

26. The U.S. Trustee Guidelines require debtors in possession to, among other things: (a) establish one debtor-in-possession bank account for all estate monies required for the payment of taxes, including payroll taxes; (b) close all existing bank accounts and open new

debtor-in-possession accounts; (c) maintain a separate debtor-in-possession account for cash collateral; and (d) obtain checks that bear the designation “debtor in possession” and reference the bankruptcy case number and type of account on such checks. These requirements are designed to provide a clear line of demarcation between prepetition and postpetition claims and payments and help protect against the inadvertent payment of prepetition claims by preventing banks from honoring checks drawn before the Petition Date.

27. Considering, however, the complex cash management system that the Debtors have in place for the transfer and distribution of funds, which ties into the Debtors’ existing corporate accounting and cash forecasting reporting, enforcement of this provision of the U.S. Trustee Guidelines during these chapter 11 cases would disrupt the Debtors’ ability to efficiently administer these chapter 11 cases. Accordingly, the Debtors respectfully request that the Court allow them to operate each of the Bank Accounts listed on **Exhibit 2** annexed to **Exhibit A** attached hereto as they were maintained in the ordinary course before the Petition Date.

28. Continuation of the Cash Management System is permitted pursuant to section 363(c)(1) of the Bankruptcy Code, which authorizes the debtor in possession to “use property of the estate in the ordinary course without notice or a hearing.” 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, courts in this district have noted 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 part and rev’d in part*, 997 F.2d 1039 (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) (noting that maintaining an existing cash management system allows debtors “to administer more efficiently and effectively its financial operations and assets”).

VIII. Maintaining the Existing Cash Management System Will Not Harm Parties in Interest.

29. The Debtors’ continued use of their Cash Management System will facilitate the Debtors’ transition into chapter 11 by, among other things, avoiding administrative inefficiencies, expenses, and distractions associated with disrupting this system and minimizing delays in the payment of postpetition obligations. The Debtors respectfully submit that parties in interest will not be harmed by the Debtors’ maintenance of their existing Cash Management System, including maintenance of the Bank Accounts, because the Debtors have implemented appropriate mechanisms to ensure that unauthorized payments will not be made on account of obligations incurred before the Petition Date.

30. 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’ treasury department. 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.

IX. Authorizing the Debtors to Continue Using Debit, Wire, and ACH Transfers Is Warranted.

31. The Debtors request that the Court grant further relief from the U.S. Trustee Guidelines to the extent they require the Debtors to make all disbursements by check. In particular, the U.S. Trustee Guidelines require that all receipts and all disbursements

of estate funds must be made by check with a notation representing the reason for the disbursement. The Debtors conduct numerous transactions on a daily basis through ACH transfers and other similar methods. If the Debtors' ability to conduct transactions by debit, wire, ACH transfer, or other similar methods is impaired, the Debtors' day-to-day activities may be unnecessarily disrupted, and their estates will incur additional costs.

X. Authorizing the Banks to Continue to Maintain, Service, and Administer the Bank Accounts in the Ordinary Course Is Warranted.

32. The Debtors respectfully request that the Court authorize the banks to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtors as debtors in possession, without interruption and in the ordinary course. In this regard, the banks should be authorized to receive, process, honor, and pay any and all checks, ACH transfers, and other instructions and drafts payable through, drawn, or directed on such Bank Accounts after the Petition Date by holders, makers, or other parties entitled to issue instructions with respect thereto; *provided that* any check, draft, or other notification that the Debtors advise the banks to have been drawn, issued, or otherwise presented before the Petition Date may be honored by the banks only to the extent authorized by order of the Court.

33. The Debtors further request that the Court authorize the banks to accept and honor all representations from the Debtors as to which checks, drafts, wires, or ACH transfers should be honored or dishonored consistent with any order of the Court and governing law, whether such checks, drafts, wires, or ACH transfers are dated before or subsequent to the Petition Date. The Debtors also request that, to the extent a bank honors a prepetition check or other item drawn on any account: (a) at the direction of the Debtors; (b) in a good-faith belief that the Court has authorized such prepetition check or item to be honored; or (c) as a result of an innocent mistake made despite implementation of customary item handling procedures, such

bank will not be deemed to be liable to the Debtors or to their estates on account of such prepetition check or other item honored postpetition. The Debtors respectfully submit that such relief is reasonable and appropriate because the banks are not in a position to independently verify or audit whether a particular item may be paid in accordance with a Court order or otherwise.

34. Moreover, the Debtors request that the Court authorize the Debtors to pay any prepetition Bank Fees for prepetition transactions that are charged postpetition, and authorize the banks to: (a) continue to charge the Debtors the Bank Fees; and (b) charge-back returned items to the Bank Accounts, whether such items are dated before, on, or subsequent to the Petition Date, in the ordinary course.

35. Courts in this district have regularly waived the U.S. Trustee Guidelines on the grounds that they may be potentially disruptive to a debtor's postpetition business operations and restructuring efforts. *See, e.g., In re Highpoint Resources Corp.*, No. 21-10565 (CSS) (Bankr. D. Del. March 16, 2021) (authorizing debtors' continued use of existing cash management system and bank accounts); *In re Town Sports Int'l, LLC*, No. 20-12168 (CSS) (Bankr. D. Del. Sept. 14, 2020); *In re Extraction Oil and Gas, Inc.*, No. 20-10548 (Bankr. D. Del. July 16, 2020) (same); *In re APC Automotive Technologies Intermediate Holdings, LLC*, No. 20-11466 (CSS) (Bankr. D. Del. June 3, 2020) (same); *In re Akorn, Inc.*, No. 20-11177 (KBO) (Bankr. D. Del. May 20, 2020) (same); *In re Longview Power, LLC, et al.*, No. 20-10951 (Bankr. D. Del. Apr. 15, 2020) (same).⁵

⁵ Because of the voluminous nature of the orders cited herein, such orders have not been attached to this Motion. Copies of these orders are available upon request of the Debtors' proposed counsel.

XI. The Court Should Authorize the Debtors to Continue Using Their Existing Business Forms.

36. To avoid disruption of the Cash Management System and unnecessary expense, pursuant to Local Rule 2015-2(a), the Debtors request that they be authorized to continue to use their existing business forms (including, without limitation, preprinted checks) substantially in the form existing immediately before the Petition Date, without reference to their status as debtors in possession. The Debtors submit that parties in interest will not be prejudiced if the Debtors are authorized to continue to use their business forms substantially in 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. In accordance with Local Rule 2015-2(a), once the Debtors have exhausted their existing supply of business forms, the Debtors will reorder business forms with the designation "Debtor in Possession" and the corresponding bankruptcy number on all such forms (including checks).

37. In other chapter 11 cases, courts in this district have allowed debtors to use their prepetition business forms without the "debtor in possession" label.

38. The debtors' continued use of preprinted check stock without a "Debtor in Possession" marking); *In re Extraction Oil and Gas, Inc.*, No. 20-10548 (Bankr. D. Del. July 16, 2020) (same); *In re APC Automotive Technologies Intermediate Holdings, LLC*, No. 20-11466 (CSS) (Bankr. D. Del. June 3, 2020) (same); *In re Akorn, Inc.*, No. 20-11177 (KBO) (Bankr. D. Del. May 20, 2020) (same); *In re Longview Power, LLC, et al.*, No. 20-10951 (Bankr. D. Del. Apr. 15, 2020) (same).

XII. The Court Should Authorize the Debtors to Continue Conducting Intercompany Transactions in the Ordinary Course and Grant Administrative Priority Status to Postpetition Intercompany Claims Among the Debtors.

39. The Debtors' funds move through the Cash Management System as described above. At any given time, there may be Intercompany Balances owing by one Debtor to another Debtor. Intercompany Transactions are made between and among Debtor affiliates in the ordinary course as part of the Cash Management System.⁶

40. The Debtors track all fund transfers in their accounting system and can ascertain, trace, and account for all Intercompany Transactions previously described. The Debtors, moreover, will continue to maintain records of such Intercompany Transactions. If the Intercompany Transactions were to be discontinued, the Cash Management System and related administrative controls could be disrupted to the Debtors' and their estates' detriment.

The Requirements of Bankruptcy Rule 6003(b) Are Satisfied

41. Bankruptcy Rule 6003 empowers a court to grant relief within the first 21 days after the Petition Date "to the extent that relief is necessary to avoid immediate and irreparable harm." For the reasons discussed above, authorizing the Debtors to maintain their Cash Management System and granting the other relief requested herein is integral to the Debtors' ability to transition their operations into these chapter 11 cases. Failure to receive such authorization and other relief during the first 21 days of these chapter 11 cases would severely disrupt the Debtors' ability to administer their estates at this critical juncture. For the reasons discussed herein, the relief requested is necessary in order for the Debtors to preserve and

⁶ Because the Debtors engage in Intercompany Transactions on a regular basis and such transactions are common among enterprises like that of the Debtors, the Debtors submit that the Intercompany Transactions are ordinary course transactions within the meaning of section 363(c)(1) of the Bankruptcy Code and, thus, do not require this 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. Moreover, the continued performance of the ordinary course Intercompany Transactions is integral to ensure the Debtors' ability to operate their businesses as debtors in possession.

maximize the value of the Debtors' estates for the benefit of all stakeholders. Accordingly, the Debtors submit that they have satisfied the "immediate and irreparable harm" standard of Bankruptcy Rule 6003 to support granting the relief requested herein.

Reservation of Rights

42. Nothing contained in this motion or any actions taken by the Debtors pursuant to relief granted in the Interim Order and Final Order is intended or should be construed as: (a) an admission as to the validity of any particular claim against a Debtor entity; (b) a waiver of the Debtors' rights to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in this motion; (e) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) a waiver or limitation of the Debtors' rights under the Bankruptcy Code or any other applicable law; or (g) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) satisfied pursuant to this motion are valid, and the Debtors expressly reserve their rights to contest the extent, validity, or perfection or seek avoidance of all such liens. If the Court grants the relief sought herein, any payment made pursuant to the Court's order is not intended and should not be construed as an admission as to the validity of any particular claim or a waiver of the Debtors' rights to subsequently dispute such claim.

Waiver of Bankruptcy Rule 6004(a) and 6004(h)

43. To implement the foregoing successfully, the Debtors request that the Court enter an order providing that notice of the relief requested herein satisfies Bankruptcy Rule 6004(a) and that the Debtors have established cause to exclude such relief from the 14-day stay period under Bankruptcy Rule 6004(h).

Notice

44. The Debtors will provide notice of this Motion to: (a) the Office of the U.S. Trustee for the District of Delaware; (b) the holders of the 30 largest unsecured claims against the Debtors on a consolidated basis; (c) counsel to the Consenting Sponsor; (d) counsel to the agent under the Debtors' secured credit facilities; (e) all parties asserting liens against the Debtors' assets; (f) the United States Attorney's Office for the District of Delaware; (g) the Internal Revenue Service; (h) the United States Securities and Exchange Commission; (i) the state attorneys general for all states in which the Debtors conduct business or have conducted business; (j) the Cash Management Banks; and (k) any party that requests service pursuant to Bankruptcy Rule 2002. As the Motion is seeking "first day" relief, within two business days after the hearing on the Motion, the Debtors will serve copies of the Motion and any order entered respecting the Motion as required by Local Rule 9013-1(m)(iv). The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

No Prior Request

45. No prior request for the relief sought in this motion has been made to this or any other court.

WHEREFORE, the Debtors respectfully request that the Court enter the Interim Order and Final Order granting the relief requested herein and such other relief as the Court deems appropriate under the circumstances.

Dated: June 9, 2021
Wilmington, Delaware

/s/ Domenic E. Pacitti

KLEHR HARRISON HARVEY BRANZBURG LLP

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EXHIBIT A

Proposed Interim Order

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; and the Debtors consenting to entry of 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 this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis as set forth herein.
2. The final hearing (the "Final Hearing") on the Motion shall be held on [____], 2021, at [____], prevailing Eastern Time. Any objections or responses to entry of a final order on the Motion shall be filed on or before 4:00 p.m., prevailing Eastern Time, on [____], 2021, and shall be served on: (a) the Debtors, Alex and Ani, LLC, 10 Briggs Drive, East Greenwich, RI 02818; (b) proposed co-counsel to the Debtors, Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022, Attn: Joshua A. Sussberg, P.C. (Joshua.sussberg@kirkland.com) and Allyson B. Smith (Allyson.smith@kirkland.com) and Kirkland & Ellis LLP, 300 North LaSalle Street, Chicago, Illinois 60654, Attn: Alexandra Schwarzman (Alexandra.schwarzman@kirkland.com) and Klehr Harrison Harvey Branzburg LLP, 919 North Market Street, Suite 1000, Wilmington, Delaware 19801, Attn: Domenic E.

Pacitti (dpacitti@klehr.com) and Michael W. Yurkewicz (myurkewicz@klehr.com); (c) co-counsel to the Consenting Sponsor, Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 6th Avenue New York, New York 10019, Attn: Paul M. Basta (pbasta@paulweiss.com), Elizabeth R. McColm (emccolm@paulweiss.com), Grace Hotz (ghotz@paulweiss.com) and Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 King Street, Wilmington, Delaware 19801, Attn: Pauline K. Morgan (pmorgan@ycst.com) and Sean Greecher (sgreecher@ycst.com); (d) counsel to the agent under the Debtors' secured credit facilities, Alston & Bird LLP, 1201 West Peachtree Street, Atlanta, GA 30309-3424, Attn: David Wender (David.wender@ralston.com); (e) counsel to any statutory committee appointed in these cases; (f) Office of The United States Trustee, 844 King Street, Suite 2207, LockBox 35, Wilmington, Delaware 19801, Attn: David L. Buchbinder (David.L.Buchbinder@usdoj.gov). In the event no objections to entry of a final order on the Motion are timely received, this Court may enter such final order without need for the Final Hearing.

3. Except as otherwise provided herein, the Debtors are authorized, on an interim basis and in their sole discretion, to: (a) continue operating the Cash Management System, substantially as identified on **Exhibit 1** attached hereto; (b) honor their prepetition obligations related thereto; and (c) utilize existing business forms.

4. The Debtors are further authorized, on an interim basis and in their sole discretion, to: (a) continue to use, with the same account numbers, the Bank Accounts in existence as of the Petition Date, including those accounts identified on **Exhibit 2** attached hereto; (b) use, in their present form, all existing correspondence and business forms (including letterhead and preprinted checks), as well as other documents related to the Bank Accounts existing immediately before the Petition Date, without reference to the Debtors' status as debtors

in possession; *provided that* to the extent applicable, once the Debtors have exhausted their existing supply of checks and forms, the Debtors will reorder checks and forms with the designation “Debtor in Possession” and the corresponding bankruptcy number on all such checks and forms; *provided further that* within 14 days of the entry of this Interim Order, the Debtors will update any electronically produced checks to reflect their status as debtors-in-possession; (c) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; (d) deposit funds in and withdraw funds from the Bank Accounts by all usual means, including checks, wire transfers, and other debits; and (e) pay any ordinary course Bank Fees incurred in connection with the Bank Accounts, irrespective of whether such fees arose prior to the Petition Date, and to otherwise perform their obligations under the documents governing the Bank Accounts.

5. All banks at which the Bank Accounts are maintained are authorized to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtors as debtors in possession, without interruption and in the ordinary course, and to receive, process, honor, and pay, to the extent of available funds, any and all checks, drafts, wires, and ACH transfers issued and drawn on the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be; *provided that* the Debtors and the Cash Management Banks may, without further order of this Court, agree to and implement changes to the Cash Management System and procedures related thereto in the ordinary course of business pursuant to the terms of those certain existing deposit agreements, including the closing of Bank Accounts or the opening of new bank accounts.

6. The relief granted in this Interim Order is extended to any new bank account opened by the Debtors after the date hereof, which account shall be deemed a Bank Account, and

to the bank at which such account is opened, which bank shall be deemed a Cash Management Bank.

7. Within 15 days of the entry of this Interim Order, the Debtors shall contact the banks at which the Debtors hold bank accounts that are party to a Uniform Depository Agreement (the “UDA”) with the Office of the U.S. Trustee for the District of Delaware and: (a) provide such bank with the Debtors’ employer identification number; and (b) identify each of their bank accounts as being held by a debtor in possession.

8. For banks at which the Debtors hold Bank Accounts that are not party to a UDA with the Office of the U.S. Trustee for the District of Delaware, the Debtors shall use their good-faith efforts to cause the banks to execute a UDA with the Office of the U.S. Trustee of the District of Delaware. The Debtors’ time to comply with section 345(b) of the Bankruptcy Code with respect to any uncovered financial institutions is hereby extended for a period of thirty (30) days from the date of this Interim Order (the “Extension Period”), provided that such extension is without prejudice to the Debtors’ right to request a further extension of the Extension Period, including at the Final Hearing.

9. All banks provided with notice of this Interim Order maintaining any of the Bank Accounts shall not honor or pay any bank payments drawn on the listed Bank Accounts, or otherwise issued before the Petition Date, absent further direction from the Debtors.

10. The Debtors shall maintain accurate and detailed records in the ordinary course reflecting all transfers, including intercompany transactions, so that all transactions may be readily ascertained, traced, and recorded properly, and distinguished between prepetition and postpetition transactions.

11. Nothing in this order shall be interpreted to authorize the Debtors to loan or otherwise transfer any money to any non-debtor affiliate absent further order of the Court.

12. In the course of providing cash management services to the Debtors, each of the banks at which the Bank Accounts are maintained is authorized, without further order of this Court, to deduct the applicable fees and expenses associated with the nature of the deposit and cash management services rendered to the Debtors, whether arising prepetition or postpetition, from the appropriate accounts of the Debtors, and further, to charge back to the appropriate accounts of the Debtors any amounts resulting from returned checks or other returned items, including returned items that result from ACH transactions, wire transfers, or other electronic transfers of any kind, regardless of whether such items were deposited or transferred prepetition or postpetition and regardless of whether the returned items relate to prepetition or postpetition items or transfers.

13. Subject to the terms set forth herein each of the banks at which the Bank Accounts are maintained is authorized to debit the Debtors' accounts in the ordinary course and without further order of this Court on account of all checks drawn on the Debtors' accounts which have been cashed at such banks' counters or exchanged for cashier's or official checks by the payees thereof prior to the Petition Date.

14. Subject to the terms set forth herein, any bank may rely upon the representations of the Debtors with respect to whether any check, draft, wire, or other transfer drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to any order of this Court, and no bank that honors a prepetition check or other item drawn on any account that is the subject of this Interim Order (a) at the direction of the Debtors, (b) in a good-faith belief that this Court has authorized such prepetition check or item to be honored, or (c) as a result of an

innocent mistake made despite implementation of customary item handling procedures, shall be deemed to be nor shall be liable to the Debtors or their estates on account of such prepetition check or other item being honored postpetition, or otherwise deemed to be in violation of this Interim Order.

15. Any and all banks are further authorized to (a) honor the Debtors' directions with respect to the opening and closing of any Bank Account and (b) accept and hold the Debtors' funds in accordance with the Debtors' instructions; *provided that* the Debtors' banks shall not have any liability to any party for relying on such representations.

16. The Debtors are authorized to open any new Bank Accounts or close any existing Bank Accounts as they may deem necessary and appropriate in their sole discretion; *provided that* the Debtors shall give notice within 15 days to the U.S. Trustee, the Pre-Petition Lenders, and any statutory committees appointed in these chapter 11 cases of the opening or closing of any Bank Accounts; *provided, further, that* the Debtors shall open any such new Bank Account at banks that have executed a UDA with the Office of the U.S. Trustee for the District of Delaware, or at such banks that are willing to immediately execute such an agreement.

17. Nothing contained herein shall permit any bank at which the Bank Accounts are maintained to terminate any cash management services without thirty days prior written notice to the Debtors.

18. The requirement to establish separate accounts for cash collateral and/or tax payments is hereby waived.

19. Notwithstanding the Debtors' use of a consolidated cash management system, the Debtors shall calculate quarterly fees under 28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor, regardless of which entity pays those disbursements.

20. The Debtors are authorized to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with any Bank Fees.

21. Notwithstanding anything to the contrary set forth herein, the Debtors are authorized, but not directed, to continue Intercompany Transactions arising from or related to the operation of their business in the ordinary course; provided that nothing in this Order shall be interpreted so as to authorize the transfer of funds to any non-Debtor affiliates.

22. All postpetition payments from a Debtor to another Debtor under any postpetition Intercompany Transactions authorized hereunder are hereby accorded administrative expense status under section 503(b) of the Bankruptcy Code. In connection with the Intercompany Transactions, the Debtors shall continue to maintain current records with respect to all transfers of cash so that all Intercompany Transactions may be readily ascertained, traced, and properly recorded on intercompany accounts. For the avoidance of doubt, the relief granted in this Interim Order with respect to the postpetition Intercompany Transactions and the Intercompany Balances resulting therefrom shall not constitute a finding as to the validity, priority, or status of any prepetition Intercompany Balance or any Intercompany Transaction(s) from which such Intercompany Balance may have arisen, the Debtors stipulate that they do not take a position with regard to the validity, priority, or status of any prepetition Intercompany Balance or any Intercompany Transaction(s) from which such Intercompany Balance may have arisen, and the right of any party to contest the validity, priority, or status of any prepetition Intercompany Balance or any Intercompany Transaction(s) from which such Intercompany Balance may have arisen is expressly reserved.

23. Notwithstanding the relief granted in this Interim Order and any actions taken pursuant to such relief, nothing in this Interim Order shall be deemed: (a) an admission as to the validity of any prepetition claim against a Debtor entity; (b) a waiver of the Debtors' right to dispute any prepetition claim on any grounds; (c) a promise or requirement to pay any prepetition claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Interim Order or the Motion; (e) a request or authorization to assume any prepetition agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) a waiver or limitation of the Debtors' rights or the rights of any other Person under the Bankruptcy Code or any other applicable law; or (g) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) satisfied pursuant to the Motion are valid, and the Debtors expressly reserve their rights to contest the extent, validity, or perfection or seek avoidance of all such liens.

24. Notwithstanding anything to the contrary contained herein, any payment to be made and any authorization contained hereunder shall be subject to (x) any order approving the Debtors' use of cash collateral (the "Cash Collateral Order"), the documentation in respect of any such use of cash collateral, the budget governing any such use of cash collateral; and (y) any and all claims, liens, security interests and priorities granted in connection with such use of cash collateral. To the extent there is any inconsistency between the terms of the Cash Collateral Order and any action taken or proposed to be taken hereunder, the terms of the Cash Collateral Order shall control.

25. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).

26. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

27. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Interim Order are immediately effective and enforceable upon its entry.

28. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Interim Order in accordance with the Motion.

29. 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 1
Cash Flow Schematic

Alex & Ani Bank Account Schematic

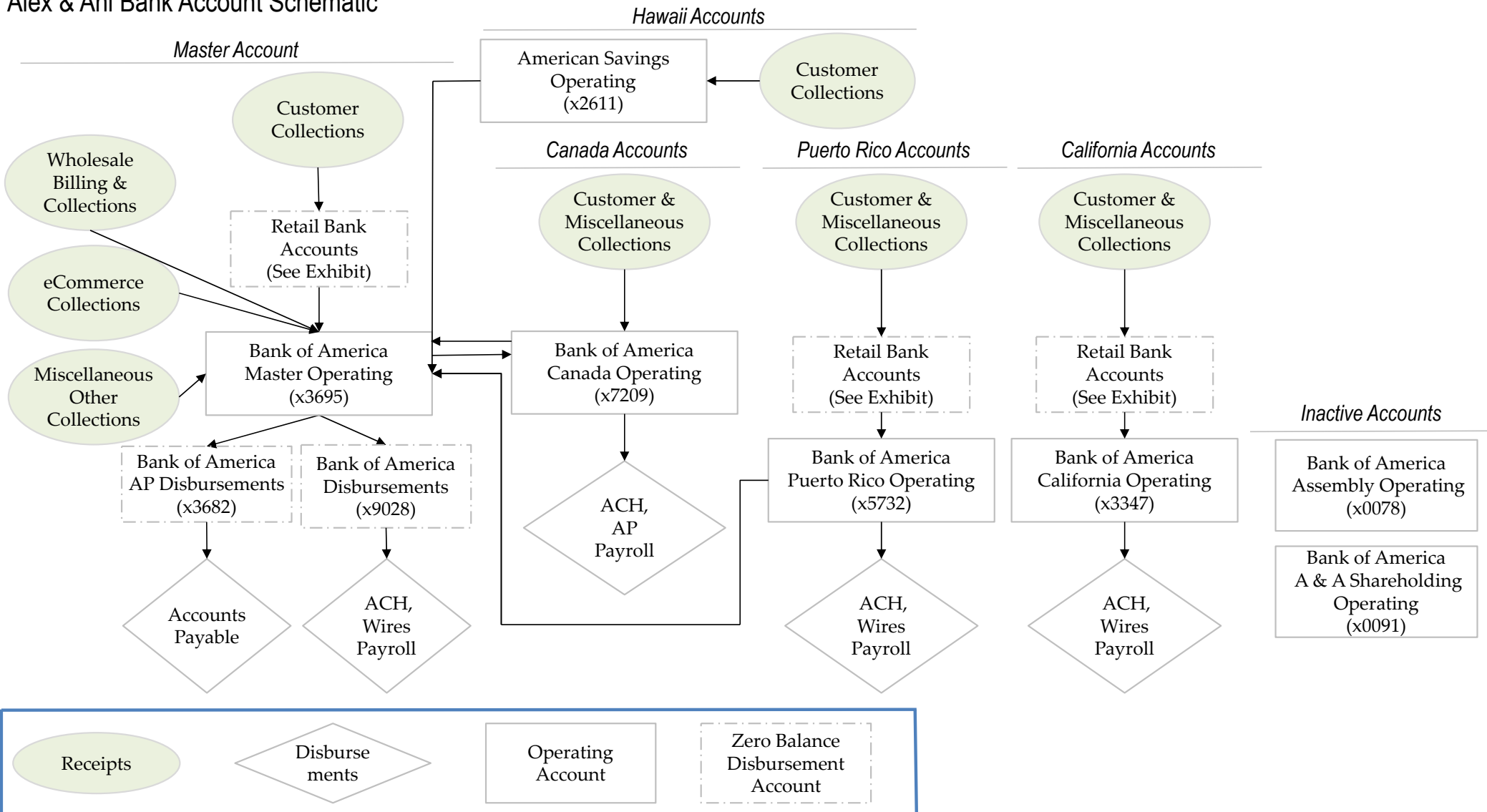


Exhibit 2

Bank Accounts

Bank of America, N.A. Accounts	Location	Bank A/C #	Description	Notes
Alex and Ani LLC Operating Account		X3695	Master Operating Account	
Alex and Ani LLC Disbursement Account		X9028	Disbursements ACH/Wires	Disbursements, ACH/Wires- ZBA Cleared Funds Sweep from Master operating 3695
Alex and Ani LLC AP Disbursement Account		X3682	AP Disbursements	Check processing - ZBA Cleared Funds Sweep from Master operating 3695
A and A Shareholding CO LLC		X0091	Shareholding Activity	Alex and Ani Shareholding Entity
Alex and Ani LLC Assembly AP Disbursements		X0078	Assembly AP Disbursement	
Alex and Ani California, LLC		X3347	California Operating Account	
Alex and Ani Puerto Rico, LLC		X5732	Puerto Rico Operating Account	
Canada Main Operating Account		X7209	Canada Operating Account	Canada retail (3) locations deposit directly into this acct
Bank of America - Retail Locations				
Alex and Ani LLC PR Plaza Del Caribe Location #703	10703	X5745	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Puerto Rico Operating 5732
Alex and Ani LLC PR Plaza Las America Location #704	10704	X5758	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Puerto Rico Operating 5732
Alex and Ani LLC PR Plaza Carolina Location #705	10705	X70229	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Puerto Rico Operating 5732
Alex and Ani LLC Location #1 Newport	10001	X0905	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #2 Newbury St. Boston	10002	X4144	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #5 New York	10005	X4131	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #9 Cranston	10009	X0934	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #11 National Harbor-Oxon	10011	X4157	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #52 Roosevelt Field	10023	X0950	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #27 Victor	10027	X4319	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #28 Rochester	10028	X4322	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #31 Boca City	10031	X4092	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #32 Fairfax	10032	X4102	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #33 Partridge Creek-Clinton	10033	X4115	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #55 Winterpark	10036	X4128	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #40 Foxboro	10040	X4348	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #43 Westfield	10043	X4241	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #52 Roosevelt Field	10052	X3517	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #53 The Falls	10053	X3520	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #54 Montgomery Mall	10054	X3504	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #61 Boca Raton	10055	X3494	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #56 Lenox Square	10056	X4286	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #57 Ponce City Market	10057	X4273	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #58 Twelve Oaks-Novi	10058	X3546	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #59 Disney Springs	10059	X0450	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #60 Fashion Island	10060	X1077	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to California Operating 3347
Alex and Ani LLC Location #61 Boca Raton	10061	X0447	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #62 South Park Mall	10062	X0434	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #63 Irvine Spectrum	10063	X1080	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to California Operating 3347
Alex and Ani LLC Location #64 Beachwood Place	10064	X1747	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #65 Stanford Place	10065	X1750	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to California Operating 3347
Alex and Ani LLC Location #67 Tysons Corner	10067	X1006	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #68 Cherry Hill	10068	X0997	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #69 Christiana Mall	10069	X1019	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #71 Orland Square	10071	X1035	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #75 Miami International	10072	X1022	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 73 Mayfair Mall	10073	X3101	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 74 Townson Town Center	10074	X3114	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 75 Miami International	10075	X4511	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 76 Ross Park Mall	10076	X4524	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 77 Somerset Collection	10077	X5060	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 78 Mall at Green Hills	10078	X5073	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 79 Woodfield Mall	10079	X5183	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 80 Dadeland Mall	10080	X5170	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 81 Del Amo Fashion Center	10081	X5578	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to California Operating 3347
Alex and Ani LLC Location# 82 Kenwood Towne Center	10082	X5552	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 83 Crabtree Valley Mall	10083	X5565	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 84 The Gardens	10084	X6519	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 85 The Shops at North Bridge	10085	X6522	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 86 Mall of America	10086	X6917	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 87 Saint Louis Galleria	10087	X6920	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 88 International Plaza	10088	X6933	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 89 Kierland Commons	10089	X8054	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 90 Westfield Topanga	10090	X6962	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to California Operating 3347
Alex and Ani LLC Location# 91 King Of Prussia Mall	10091	X6946	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 92 Freehold Raceway Mall	10092	X6959	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 94 Westfield Santa Anita	10094	X7259	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to California Operating 3347
Alex and Ani LLC Location# 96 Bridgewater Commons	10096	X7262	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 97 The Oaks	10097	X6975	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to California Operating 3347
Alex and Ani LLC Location# 98 Fashion Mall at Keystone	10098	X8915	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 99 Brea Mall	10099	X9176	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to California Operating 3347
Alex and Ani LLC Location# 100 Cherry Creek	10100	X0343	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 101 Natick Mall	10101	X2626	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 102 Walden Galleria	10102	X1452	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 103 Destiny USA	10103	X1465	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 104 Glendale Galleria	10104	X2121	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to California Operating 3347
Alex and Ani LLC Location# 106 Perimeter Mall	10106	X2639	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 107 Arden Fair Mall	10107	X2134	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to California Operating 3347
Alex and Ani LLC Location# 109 Water Tower Place	10109	X2642	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 110 Scottsdale Fashion Square	10110	X2655	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 111 Los Cerritos Center	10111	X2147	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to California Operating 3347
Alex and Ani LLC Location# 112 Santa Monica	10112	X2244	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to California Operating 3347
Alex and Ani LLC Location# 113 Miracle Mile	10113	X3845	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695

Bank of America, N.A. Accounts	Location	Bank A/C #	Description	Notes
Alex and Ani LLC Location# 114 Venetian	10114	X3858	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 115 Grand Bazaar	10115	X3861	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 116 Fashion Show	10116	X3874	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 119 McCarran D Gate	10119	X4200	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 120 McCarran C Gate	10120	X4213	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #701 Rehoboth	10701	X2000	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #702 Sevierville	10702	X3533	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 750 Jersey Gardens	10750	X3127	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 751 Sawgrass Mills	10751	X2668	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location# 752 North Premium Outlet	10752	X3900	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
Alex and Ani LLC Location #901 Current State	10901	X0877	Full Analysis Business Checking	Store Deposits-ZBA Sweeps to Master Operating 3695
American Savings Bank				
American Savings Banks		X2611	Hawaii Retail locations	Hawaii retail (2) Locations deposit directly into this acct

EXHIBIT B

Proposed Final Order

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

In re:)	
)	Chapter 11
ALEX AND ANI, LLC, <i>et al.</i> , ¹)	Case No. 21-10918 (___)
)	
Debtors.)	(Joint Administration Requested)
)	
)	Re: Doc. No. ___

**FINAL ORDER (I) AUTHORIZING THE DEBTORS TO
(A) CONTINUE TO OPERATE THE CASH MANAGEMENT
SYSTEM, (B) HONOR CERTAIN PREPETITION OBLIGATIONS
RELATED THERETO, (C) MAINTAIN EXISTING BUSINESS FORMS, AND
(D) CONTINUE TO PERFORM INTERCOMPANY TRANSACTIONS,
(II) GRANTING ADMINISTRATIVE EXPENSE STATUS TO POSTPETITION
INTERCOMPAN BALANCES, 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 a final order (this "Final Order"): (a) authorizing the Debtors to: (i) continue to operate the Cash Management System (ii) honor certain prepetition obligations related thereto, (iii) maintain existing business forms, and (iv) continue to perform Intercompany Transactions consistent with historical practice, (b) granting administrative expense status to postpetition Intercompany Balances, and (c) granting related relief; all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the

¹ The Debtors in these chapter 11 cases, along with the last four digits of each of the Debtors' respective federal tax identification numbers, are as follows: Alex and Ani, LLC (8360); A and A Shareholding, Co., LLC (7939); Alex and Ani International, LLC (2247); Alex and Ani Retail, LLC (1227); Alex and Ani Assembly, LLC (3215); Alex and Ani California, LLC (6368); Alex and Ani Canada, LLC (3317); Alex and Ani Puerto Rico, LLC (1477); and Alex and Ani South Seas, LLC (8592). The Debtors' headquarters and mailing address is: 10 Briggs Drive, East Greenwich, RI 02818.

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

Amended Standing Order of Reference from the United States District Court for the District of Delaware, dated February 29, 2012; and the Debtors consenting 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. §§ 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 venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted on a final basis as set forth herein.
2. The Debtors are authorized, in their sole discretion, to: (a) continue operating the Cash Management System; (b) honor their prepetition obligations related thereto; and (c) utilize existing business forms.
3. The Debtors are further authorized, in their sole discretion, to: (a) continue to use, with the same account numbers, the Bank Accounts in existence as of the Petition Date; (b) use, in their present form, all existing correspondence and business forms (including letterhead and preprinted checks), as well as other documents related to the Bank Accounts

existing immediately before the Petition Date, without reference to the Debtors' status as debtors in possession; *provided that* to the extent applicable, once the Debtors have exhausted their existing supply of checks and forms, the Debtors will reorder checks and forms with the designation "Debtor in Possession" and the corresponding bankruptcy number on all such checks and forms within five business days of the entry of this Final Order; (c) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; (d) deposit funds in and withdraw funds from the Bank Accounts by all usual means, including checks, wire transfers, and other debits; and (e) pay any ordinary course Bank Fees incurred in connection with the Bank Accounts, irrespective of whether such fees arose prior to the Petition Date, and to otherwise perform their obligations under the documents governing the Bank Accounts.

4. All banks at which the Bank Accounts are maintained are authorized to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtors as debtors in possession, without interruption and in the ordinary course, and to receive, process, honor, and pay, to the extent of available funds, any and all checks, drafts, wires, and ACH transfers issued and drawn on the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be; *provided that* the Debtors and the Cash Management Banks may, without further order of this Court, agree to and implement changes to the Cash Management System and procedures related thereto in the ordinary course of business pursuant to the terms of those certain existing deposit agreements, including the closing of Bank Accounts or the opening of new bank accounts.

5. The relief granted in this Interim Order is extended to any new bank account opened by the Debtors after the date hereof, which account shall be deemed a Bank Account, and

to the bank at which such account is opened, which bank shall be deemed a Cash Management Bank.

6. For banks at which the Debtors hold Bank Accounts that are not party to a UDA with the U.S. Trustee, the Debtors shall use their good-faith efforts to cause the banks to execute a Uniform Depository Agreement in a form prescribed by the U.S. Trustee within 30 days of the Petition Date. The U.S. Trustee's rights to seek further relief from this Court on notice in the event that the aforementioned banks are unwilling to execute a Uniform Depository Agreement in a form prescribed by the U.S. Trustee are fully reserved.

7. All banks provided with notice of this Final Order maintaining any of the Bank Accounts shall not honor or pay any bank payments drawn on the listed Bank Accounts, or otherwise issued before the Petition Date, absent further direction from the Debtors.

8. The Debtors will maintain accurate and detailed records in the ordinary course reflecting all transfers, including intercompany transactions, so that all such transactions may be readily ascertained, traced, and recorded properly, and distinguished between prepetition and postpetition transactions.

9. Nothing in this order shall be interpreted to authorize the Debtors to loan or otherwise transfer any money to any non-debtor affiliate absent further order of the Court.

10. In the course of providing cash management services to the Debtors, each of the banks at which the Bank Accounts are maintained is authorized, without further order of this Court, to deduct the applicable fees and expenses associated with the nature of the deposit and cash management services rendered to the Debtors, whether arising prepetition or postpetition, from the appropriate accounts of the Debtors, and further, to charge back to the appropriate accounts of the Debtors any amounts resulting from returned checks or other returned items,

including returned items that result from ACH transactions, wire transfers, or other electronic transfers of any kind, regardless of whether such items were deposited or transferred prepetition or postpetition and regardless of whether the returned items relate to prepetition or postpetition items or transfers.

11. Subject to the terms set forth herein, each of the banks at which the Bank Accounts are maintained is authorized to debit the Debtors' accounts in the ordinary course and without further order of this Court on account of all checks drawn on the Debtors' accounts which have been cashed at such banks' counters or exchanged for cashier's or official checks by the payees thereof prior to the Petition Date.

12. Subject to the terms set forth herein, any bank may rely upon the representations of the Debtors with respect to whether any check, draft, wire, or other transfer drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to any order of this Court, and no bank that honors a prepetition check or other item drawn on any account that is the subject of this Final Order (a) at the direction of the Debtors, (b) in a good-faith belief that this Court has authorized such prepetition check or item to be honored, or (c) as a result of an innocent mistake made despite implementation of customary item handling procedures, shall be deemed to be nor shall be liable to the Debtors or their estates on account of such prepetition check or other item being honored postpetition, or otherwise deemed to be in violation of this Final Order.

13. Any and all banks are further authorized to (a) honor the Debtors' directions with respect to the opening and closing of any Bank Account and (b) accept and hold the Debtors' funds in accordance with the Debtors' instructions; *provided that* the Debtors' banks shall not have any liability to any party for relying on such representations.

14. The Debtors are authorized to open any new Bank Accounts or close any existing Bank Accounts as they may deem necessary and appropriate in their sole discretion; *provided that* the Debtors shall give notice within 15 days to the U.S. Trustee, the Pre-Petition Lenders, and any statutory committees appointed in these chapter 11 cases of the opening or closing of any Bank Accounts; *provided, further, that* the Debtors shall open any such new Bank Account at banks that have executed a Uniform Depository Agreement with the U.S. Trustee, or at such banks that are willing to immediately execute such an agreement.

15. Nothing contained herein shall permit any bank at which the Bank Accounts are maintained to terminate any cash management services without thirty days prior written notice to the Debtors.

16. The requirement to establish separate accounts for cash collateral and/or tax payments is hereby waived.

17. Notwithstanding the Debtors' use of a consolidated cash management system, the Debtors shall calculate quarterly fees under 28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor, regardless of which entity pays those disbursements.

18. The Debtors are authorized to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with any Bank Fees.

19. Notwithstanding anything to the contrary set forth herein, the Debtors are authorized, but not directed, to continue Intercompany Transactions arising from or related to the operation of their business in the ordinary course; provided that nothing in this Order shall be interpreted so as to authorize the transfer of funds to any non-Debtor affiliates.

20. All postpetition payments from a Debtor to another Debtor under any postpetition Intercompany Transactions authorized hereunder are hereby accorded administrative expense status under section 503(b) of the Bankruptcy Code. In connection with the Intercompany Transactions, the Debtors shall continue to maintain current records with respect to all transfers of cash so that all Intercompany Transactions may be readily ascertained, traced, and properly recorded on intercompany accounts. For the avoidance of doubt, the relief granted in this Interim Order with respect to the postpetition Intercompany Transactions and the Intercompany Balances resulting therefrom shall not constitute a finding as to the validity, priority, or status of any prepetition Intercompany Balance or any Intercompany Transaction(s) from which such Intercompany Balance may have arisen, the Debtors stipulate that they do not take a position with regard to the validity, priority, or status of any prepetition Intercompany Balance or any Intercompany Transaction(s) from which such Intercompany Balance may have arisen, and the right of any party to contest the validity, priority, or status of any prepetition Intercompany Balance or any Intercompany Transaction(s) from which such Intercompany Balance may have arisen is expressly reserved.

21. Notwithstanding the relief granted in this Final Order and any actions taken pursuant to such relief, nothing in this Final Order shall be deemed: (a) an admission as to the validity of any prepetition claim against a Debtor entity; (b) a waiver of the Debtors' right to dispute any prepetition claim on any grounds; (c) a promise or requirement to pay any prepetition claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Final Order or the Motion; (e) a request or authorization to assume any prepetition agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) a waiver or limitation of the Debtors' rights or the rights of any other Person under the Bankruptcy

Code or any other applicable law; or (g) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) satisfied pursuant to the Motion are valid, and the Debtors expressly reserve their rights to contest the extent, validity, or perfection or seek avoidance of all such liens.

22. Notwithstanding anything to the contrary contained herein, any payment to be made and any authorization contained hereunder shall be subject to (x) any order approving the Debtors' use of cash collateral (the "Cash Collateral Order"), the documentation in respect of any such use of cash collateral, the budget governing any such use of cash collateral; and (y) any and all claims, liens, security interests and priorities granted in connection with such use of cash collateral. To the extent there is any inconsistency between the terms of the Cash Collateral Order and any action taken or proposed to be taken hereunder, the terms of the Cash Collateral Order shall control.

23. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

24. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Final Order are immediately effective and enforceable upon its entry.

25. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Final Order in accordance with the Motion.

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