

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
SOUTHEASTERN DIVISION

In re:	§	Chapter 11
	§	
	§	Case No. 20-43597-399
BRIGGS & STRATTON, CORPORATION, <i>et al.</i> ,	§	(Jointly Administered)
	§	
Debtors.	§	Related Docket No. 9

**FINAL ORDER (I) AUTHORIZING DEBTORS TO
(A) CONTINUE INSURANCE POLICIES AND PROGRAMS, (B) CONTINUE SURETY
BOND PROGRAM, (C) PAY ALL INSURANCE AND SURETY OBLIGATIONS, (II)
LIFTING THE AUTOMATIC STAY FOR WORKERS' COMPENSATION CLAIMS,
OBLIGATIONS, AND (III) GRANTING RELATED RELIEF**

Upon the motion (the “**Motion**”)¹ of Briggs & Stratton Corporation and its affiliated debtors in the above-captioned chapter 11 cases, as debtors and debtors in possession (collectively, the “**Debtors**”), for entry of an order pursuant to sections 362(d), 363(b), 503(b), and 105(a) of the Bankruptcy Code (i) authorizing the Debtors to (A) continue insurance policies and programs, (B) continue surety bond program, and (C) pay all insurance and surety obligations, and (ii) lifting the automatic stay for workers’ compensation claims, and (iii) granting related relief, all as more fully set forth in the Motion; and upon consideration of the Ficks Declaration [Docket No. 51]; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and the Debtors having represented that adequate and proper notice of the Motion has been given and that no other or further notice need be given; and this Court having reviewed the Motion; and this Court having held a hearing to

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.



consider the relief requested in the Motion; and this Court having granted interim relief on the Motion [Docket No. 143]; and all objections, if any, to the Motion have been withdrawn, resolved, or overruled; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the Debtors and their respective estates and creditors; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor, it is hereby **ORDERED** that the Motion is **GRANTED** in that:

1. The Debtors are authorized, but not directed, pursuant to sections, 362(d), 363(b), 503(b), and 105(a) of the Bankruptcy Code and Bankruptcy Rule 6004, to maintain and continue all Insurance and Surety Programs, including all Insurance Policies and Programs listed on **Exhibit A** and Surety Bonds listed on **Exhibit B** to this Final Order, and to perform all of their obligations with respect thereto.

2. The Debtors are authorized, but not directed, to revise, extend, supplement or otherwise modify their insurance coverage as needed, including, without limitation, through the purchase or renewal of new or existing Insurance Policies and Programs.

3. The automatic stay under section 362(a) of the Bankruptcy Code is modified solely to permit the Debtors' employees to proceed with any Workers' Compensation Claims in the appropriate judicial or administrative forum to the extent such claims are covered by the Workers' Compensation Program.

4. The Debtors' directors, officers, and employees shall not be subject to liability to any party for the Debtors' non-payment of Workers' Compensation Claims that arose prior to the Petition Date.

5. The Banks are authorized to receive, process, honor, and pay any and all checks issued, or to be issued, and electronic funds transfers requested, or to be requested, by the

Debtors relating to such obligations, to the extent that sufficient funds are on deposit in available funds in the applicable bank accounts to cover such payments. The Banks are authorized to accept and rely on all representations made by the Debtors with respect to which checks, drafts, wires, or automated clearing house 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 prior to, on, or subsequent to the Petition Date, without any duty to inquire otherwise.

6. The Debtors are authorized, but not directed, to issue new postpetition checks, or effect new electronic funds transfers, and to replace any prepetition checks or electronic fund transfer requests that may be lost or dishonored or rejected as a result of the commencement of the Debtors' chapter 11 cases with respect to any prepetition amounts that are authorized to be paid pursuant to this Final Order.

7. Nothing contained in the Motion or this Final Order or any payment made pursuant to the authority granted by this Final Order is intended to be or shall be deemed as (i) an admission as to the validity of any claim against the Debtors, (ii) a waiver of the Debtors' or any party in interest's rights to dispute the amount of, basis for, or validity of any claim, (iii) a waiver of the Debtors' rights under the Bankruptcy Code or any other applicable nonbankruptcy law, (iv) an agreement or obligation to pay any claims, (v) a waiver of any claims or causes of action which may exist against any creditor or interest holder, or (vi) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy under section 365 of the Bankruptcy Code.

8. The failure to specifically describe or include any particular feature of the Insurance Policies and Programs, Corporate Finance Agreement, Finance Agreement with PFA, and/or the Surety Bond Program in this Final Order shall not diminish or impair the effectiveness

of such feature, it being the intent of this Court that each of the foregoing be approved in their entirety.

9. Notice of the Motion is adequate under Bankruptcy Rule 6004(a).

10. Notwithstanding the provisions of Bankruptcy Rule 6004(h), this Final Order shall be immediately effective and enforceable upon its entry.


11. The Debtors are authorized to take all actions necessary or appropriate to carry out the relief granted in this Final Order.

12. Notwithstanding anything contained in the Motion or this Final Order, any payment made, and any authorization of the Debtors contained herein shall be subject to the terms and conditions contained in any orders entered by this Court authorizing the Debtors to obtain debtor-in-possession financing and/or authorizing the use of cash collateral (each such order, a “**DIP Order**”), the documentation in respect of any such debtor-in-possession financing or use of cash collateral, and any budget in connection with any such debtor-in-possession financing and/or use of cash collateral. To the extent there is any inconsistency between the terms of any DIP Order and any action taken or proposed to be taken by the Debtors hereunder, the terms of the DIP Order shall control.

13. Not later than two (2) business days after the date of this Final Order, the Debtors shall serve a copy of the Final Order and shall file a certificate of service no later than twenty-four (24) hours after service.

DATED: August 20, 2020
St. Louis, Missouri

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Barry S. Schermer
United States Bankruptcy Judge

Order Prepared By:

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*Proposed Counsel to the Debtors and
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Exhibit A

Insurance Policies and Programs

Type of Coverage	Policy Number(s)	Policy Term	Insurer(s)	Annual Premium	Deductible
D&O Liability	287072639	Oct 27, 2019 - Oct 27, 2020	CNA/ Continental Casualty Company	\$163,500	\$2,000,000
D&O Liability	DFX3912024	Oct 27, 2019 - Oct 27, 2020	Great American Insurance Company	\$98,100	\$10m xs \$10m
D&O Liability	105511036	Oct 27, 2019 - Oct 27, 2020	Travelers Casualty and Surety Company of America	\$75,000	\$10m xs \$20m
D&O Liability	DOX30001313400	Oct 27, 2019 - Oct 27, 2020	Sompo International/ Endurance American Insurance Company	\$73,125	\$10m xs \$30m
D&O Liability	8173-9098	Oct 27, 2019 - Oct 27, 2020	Chubb/ Federal Insurance Company	\$60,050	\$10m xs \$40m
D&O Liability	DOX G25603370 004	Oct 27, 2019 - Oct 27, 2020	Chubb/ ACE American Insurance Company	\$22,500	\$5m xs \$50m
D&O Liability	02-245-65-09	Oct 27, 2019 - Oct 27, 2020	AIG/ National Union Fire Insurance Company of Pittsburgh, PA	\$37,296	\$10m xs \$55m
D&O Liability	MCN755559/01/2019	Oct 27, 2019 - Oct 27, 2020	Axis Insurance Company	\$32,000	\$10m xs \$65m
Umbrella Excess Liability	B080116832U20	Apr 01, 2020 - Apr 01, 2021	Willis Limited / WNA London	\$750,000	\$75m xs \$25m
AL, GA, KY, MO, NE, NY, WI Excess Workers' Compensation and Employers' Liability	SP 4061733	Dec 31, 2019 - Dec 31, 2020	Safety National Casualty Corporation	\$248,532	\$500,000

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Type of Coverage	Policy Number(s)	Policy Term	Insurer(s)	Annual Premium	Deductible
Punitive Damages Excess Liability	MCPD206251	Apr 01, 2020 - Apr 01, 2021	Magna Carta Insurance, Ltd.	\$17,500	\$17.5m xs \$75m
Punitive Damages Liability	C052145/002	Apr 01, 2020 - Apr 01, 2021	Allied World Assurance Company, Ltd.	\$10,743	\$15m xs \$10m
Punitive Excess Liability (Occurrence Basis) \$15M xs \$10M	B080119223U20	Apr 01, 2020 - Apr 01, 2021	Allianz Global Corporate & Specialty SE	\$354,500	\$15m xs \$10m
Punitive Damages Excess Liability	MCPD206250	Apr 01, 2020 - Apr 01, 2021	Magna Carta Insurance, Ltd.	\$86,750	\$10m xs \$10m
Excess Fiduciary Liability \$10 xs \$20	FDX3120589	Oct 27, 2019 - Oct 27, 2020	Great American Insurance Group	\$17,750	\$10m xs \$20m
Punitive Damages Excess \$25M xs \$100M	MCLI206264	Apr 01, 2020 - Apr 01, 2021	Magna Carta Insurance, Ltd.	\$8,600	\$25m xs \$100m
Cyber Risk	MTP903715901	Oct 27, 2019 - Oct 27, 2020	Indian Harbor Insurance Company	\$95,000	\$100,000
Fiduciary Excess \$10M xs \$10M	425462686	Oct 27, 2019 - Oct 27, 2020	Continental Casualty Company	\$27,300	\$250,000
Commercial Umbrella Liability (Occurrence)	B080118136U20	Apr 01, 2020 - Apr 01, 2021	Willis Limited / WNA London	\$780,750	\$10,000
Excess Liability (Occurrence Basis) \$75M xs \$25M	B080120281U20	Apr 01, 2020 - Apr 01, 2021	Willis Limited / WNA London	\$675,000	\$250,000

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Type of Coverage	Policy Number(s)	Policy Term	Insurer(s)	Annual Premium	Deductible
Excess Liability (Occurrence Basis) \$15M xs \$10m	B080118607U20	Apr 01, 2020 - Apr 01, 2021	Willis Limited / WNA London	\$322,273	\$15m xs \$10m
Excess Liability \$25M xs \$100M	1000402162-01	Apr 01, 2020 - Apr 01, 2021	Ironshore	\$86,000	\$25m xs \$100m
Employment Practices Liability	P-001-000191293-01	Oct 27, 2019 - Oct 27, 2020	Axis Employment Practices Liability	\$70,681	\$250,000
Workers Compensation and Employers' Liability	WC 6 45858871	Dec 31, 2019 - Dec 31, 2020	Transportation Insurance Company, a Stock Insurance Company	\$23,349	Variable
International Advantage Commercial Insurance	CXC D37224765 007	Apr 01, 2020 - Apr 01, 2021	Ace American Insurance Company	\$87,030	\$0
Marine Open Cargo Policy	ZOC-81M82025-19-ND	Jul 01, 2020 - Jul 01, 2021	Travelers Property Casualty Company of America	\$129,178	\$5,000
Commercial Crime	BCCR-45002698-22	Oct 27, 2019 - Oct 27, 2020	Berkley Insurance Company	\$32,424	\$150,000
Fiduciary Liability	P-001-000193306-01	Oct 27, 2019 - Oct 27, 2020	Axis Insurance Company	\$55,143	\$250,000
Commercial Property	US00028738PR20A	Jun 01, 2020 - Jun 01, 2021	XL Insurance America, Inc.	\$1,740,556	\$1,000,000
Auto	BUA 6045858885	Dec 31, 2019 - Dec 31, 2020	CNA/ Continental Casualty Company	\$147,301	\$500

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Type of Coverage	Policy Number(s)	Policy Term	Insurer(s)	Annual Premium	Deductible
Commercial Excess Liability	MKLV3EUL100598	Dec 11, 2017 - Dec 11, 2020	Evanston Insurance Company	\$12,000	\$1,000,000
Product Liability	VCGP081957	Dec 11, 2017 - Dec 11, 2022	Gemini Insurance Company	\$46,000	\$2,500
Aviation Liability	QML0000372	Apr 01, 2020 - Apr 01, 2021	QBE Insurance Corporation	\$6,250	\$0
Commercial Flood	0152563301	Dec 08, 2019 - Dec 08, 2020	The Hartford Insurance Company	\$6,413	\$5,000
Commercial Flood	241151922082-00	Feb 10, 2020 - Feb 10, 2021	Wright National Flood Insurance Company	\$1,119	\$5,000
Commercial Flood	241151940799-00	May 09, 2020 - May 09, 2021	Wright National Flood Insurance Company	\$1,843	\$5,000
Special Contingency	MA70340CR	Apr 23, 2019 - Apr 23, 2022	Great American Insurance Company	\$13,033	\$0

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Exhibit B
Surety Bonds

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Obligee	Surety(s)	Type of Bond	Bond Amount	Surety Bond Number	Total Premium
STATE OF MISSOURI	ZURICH AMERICAN INSURANCE COMPANY FIDELITY AND DEPOSIT COMPANY OF MARYLAND	WORKERS COMPENSATION	\$200,000	9246420	\$1,500
STATE OF FLORIDA	ZURICH AMERICAN INSURANCE COMPANY FIDELITY AND DEPOSIT COMPANY OF MARYLAND	FUEL TAX BOND	\$3,000	9246419	\$100
SENTRY INSURANCE A MUTUAL COMPANY	ZURICH AMERICAN INSURANCE COMPANY FIDELITY AND DEPOSIT COMPANY OF MARYLAND	WORKERS COMPENSATION	\$300,000	LPM924640101	\$3,000
STATE OF NEW YORK	ZURICH AMERICAN INSURANCE COMPANY FIDELITY AND DEPOSIT COMPANY OF MARYLAND	WORKERS COMPENSATION	\$1,494,706	9246423	\$8,561
STATE OF KENTUCKY	ZURICH AMERICAN INSURANCE COMPANY FIDELITY AND DEPOSIT COMPANY OF MARYLAND	WORKERS COMPENSATION	\$2,471,000	09078748	\$16,062
DEPARTMENT OF HOMELAND SECURITY / US CUSTOMS AND BORDER PROTECTION	AMERICAN ALTERNATIVE INSURANCE CORPORATION	CUSTOMS BOND	\$3,000,000	19C00113KK	\$8,813
DEPARTMENT OF HOMELAND SECURITY / US CUSTOMS AND BORDER PROTECTION	AMERICAN ALTERNATIVE INSURANCE CORPORATION	CUSTOMS BOND	\$90,000	19C000007M	\$700
DEPARTMENT OF HOMELAND SECURITY / US CUSTOMS AND BORDER PROTECTION	AMERICAN ALTERNATIVE INSURANCE CORPORATION	CUSTOMS BOND	\$200,000	17C004007	\$875
DEPARTMENT OF HOMELAND SECURITY / US CUSTOMS AND BORDER PROTECTION	AMERICAN ALTERNATIVE INSURANCE CORPORATION	CUSTOMS BOND	\$50,000	17C00400D	\$313
CANADA BORDER SERVICES AGENCY	AON REED STENHOUSE, INC	CUSTOMS BOND	\$250,000	TM5168080	\$2,000 (CAD)
CANADA BORDER SERVICES AGENCY	AON REED STENHOUSE, INC	CUSTOMS BOND	\$1,000,000	TM5089293	\$10,000 (CAD)

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Obligee	Surety(s)	Type of Bond	Bond Amount	Surety Bond Number	Total Premium
STATE OF NEBRASKA	ZURICH AMERICAN INSURANCE COMPANY FIDELITY AND DEPOSIT COMPANY OF MARYLAND	WORKERS COMPENSATION	\$754,239	9246418	\$4,903
EXMARK MANUFACTURING CO., INC	ZURICH AMERICAN INSURANCE COMPANY FIDELITY AND DEPOSIT COMPANY OF MARYLAND	APPEAL BOND	\$34,724,235.48	9246421	\$277,794
GEORGIA SELF-INSURERS GUARANTY TRUST FUND	ZURICH AMERICAN INSURANCE COMPANY FIDELITY AND DEPOSIT COMPANY OF MARYLAND	WORKERS COMPENSATION	\$700,000	09078746	\$4,550
STATE OF MISSOURI	ZURICH AMERICAN INSURANCE COMPANY FIDELITY AND DEPOSIT COMPANY OF MARYLAND	WORKERS COMPENSATION	\$1,665,000	9246427	\$10,758
STATE OF WISCONSIN	ZURICH AMERICAN INSURANCE COMPANY FIDELITY AND DEPOSIT COMPANY OF MARYLAND	WORKERS COMPENSATION	\$5,000,000	9246426	\$13,000

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