

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re  
Eastern Outfitters, LLC, *et al.*,<sup>1</sup>  
Debtors.

Chapter 11  
Case No.: 17-10243 (LSS)  
(Joint Administration Requested)  
Related to Docket No. 15

**INTERIM ORDER (I) AUTHORIZING THE PAYMENT OF PREPETITION SALES, USE, AND FRANCHISE TAXES AND SIMILAR TAXES AND FEES AND (II) AUTHORIZING BANKS AND OTHER FINANCIAL INSTITUTIONS TO RECEIVE, PROCESS, HONOR, AND PAY CHECKS ISSUED AND ELECTRONIC PAYMENT REQUESTS MADE RELATING TO THE FOREGOING**

Upon the motion (the "Motion")<sup>2</sup> of Eastern Outfitters, LLC and its chapter 11 affiliates, the debtors and debtors in possession (the "Debtors") in the above-captioned jointly administered chapter 11 cases (the "Cases"), for entry of an order, pursuant to sections 105(a), 507(a)(8) and 541(d) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "Bankruptcy Code"), and Rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), (i) authorizing, but not directing, the Debtors to pay certain prepetition taxes, including sales and use taxes, franchise taxes, and similar taxes and fees in the ordinary course of business, as the Debtors, in their sole discretion, deem necessary, (ii) authorizing banks and other financial institutions (the "Banks") to honor and process check and electronic transfer requests related to the foregoing, and (iii) granting related relief; and upon consideration of the First Day Declaration and the record of these Cases; and it appearing that the Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended*

<sup>1</sup> The Debtors and the last four digits of their respective federal taxpayer identification numbers, where applicable, are as follows: Eastern Outfitters, LLC (9164); Subortis Retail Financing, LLC (9065); Eastern Mountain Sports, LLC (9553); Subortis IP Holdings, LLC; Bob's Stores, LLC (4389); and Bob's/EMS Gift Card, LLC (9618). The Debtors' executive headquarters are located at 160 Corporate Court, Meriden, CT 06450.

<sup>2</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.



*Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012; and it appearing that the Motion is a core matter pursuant to 28 U.S.C. § 157(b)(2) and that the Court may enter a final order consistent with Article III of the United States Constitution; and it appearing that venue of these cases and of the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that due and adequate notice of the Motion has been given under the circumstances, and that no other or further notice need be given; and after a hearing on the Motion; and it appearing that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and after due deliberation, and good and sufficient cause appearing therefor, it is hereby

**ORDERED, ADJUDGED, AND DECREED THAT:**

1. The Motion is GRANTED, as set forth herein.
2. The Debtors are authorized, but not directed, to pay the Taxes and Fees due and owing, including, without limitation, through the issuance of postpetition checks or wire transfer requests, as the Debtors, in their sole discretion, deem necessary, in an amount not to exceed \$800,000.
3. Nothing in this Order shall be construed as authorizing the Debtors to pay any amounts on account of past-due Taxes.
4. Subject to the terms of this Court's Order approving Debtors' continued use of their cash management system, the Banks are authorized, when requested by the Debtors, in the Debtors' discretion, to honor and process checks or electronic fund transfers drawn on the Debtors' bank accounts to pay prepetition obligations authorized to be paid hereunder, whether such checks or other requests were submitted prior to, or after, the Petition Date, provided that sufficient funds are available in the applicable bank accounts to make such payments. The Banks

may rely on the representations of the Debtors with respect to whether any check or other transfer drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to this Interim Order, and Banks shall not be liable to any party on account of: (a) following the Debtors' instructions or representations as to any order of this Court; (b) the honoring of any prepetition check or other item drawn on any account that is the subject of this Interim Order in a good faith belief that the Court has authorized such prepetition check or item to be honored; and (c) an innocent mistake made despite implementation of reasonable itemhandling procedures.

5. Nothing in this Order, nor as a result of any payment made pursuant to this Order, (a) is intended or shall be deemed to constitute an assumption of any agreement pursuant to section 365 of the Bankruptcy Code or an admission as to the validity of any claim against the Debtors and their estates, (b) shall impair, prejudice, waive, or otherwise affect the rights of the Debtors and their estates with respect to the validity, priority, or amount of any claim against the Debtors and their estates, or (c) shall be construed as a promise to pay a claim.

6. The Debtors are authorized to issue postpetition checks, or to effectuate postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these Cases with respect to prepetition amounts owed in connection with the Taxes and Fees.

7. The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

8. Bankruptcy Rule 6003(b) has been satisfied.

9. The final hearing (the "Final Hearing") on the Motion shall be held on March 6, 2017, at 2:00 p.m. (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 February

27, 2017, and shall be served on the: (i) the Debtors, 160 Corporate Court, Meriden, CT 06450, Attn: Spencer Ware, Chief Restructuring Officer; (ii) proposed counsel to the Debtors, Bracewell LLP, 1251 Avenue of Americas, New York, NY 10020-1104, Fax: (212) 508-6101, Attn: Jennifer Feldsher, Robert G. Burns and David M. Riley and CityPlace I, 34th Floor, 185 Asylum Street, Hartford Connecticut, 06103, Fax: (800) 404-3970; Attn: Mark E. Dendinger and Cole Schotz P.C., 500 Delaware Avenue, Suite 1410, Wilmington, DE 19801, Fax: (302) 652-3117; Attn: Norman L. Pernick, Marion M. Quirk, Katharina Earle; (iii) counsel to the Stalking Horse Bidder, Greenberg Traurig, LLP, 200 Park Avenue, New York, NY 10166, Fax: (212) 801-6400; Attn: Nancy Mitchell (iv) counsel to the prepetition first lien lender, PNC Bank, National Association, Blank Rome LLP, 130 N. 18<sup>th</sup> St., Philadelphia, PA 19103, Fax: (215) 832-5507, Attn: Regina S. Kelbon and Gregory F. Vizza (v) counsel to any statutory committee appointed in these Cases; and (v) the Office of the United States Trustee for the District of Delaware, J. Caleb Boggs Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801.

10. Any objections or responses to entry of a final order on the Motion shall be filed on or before 4:00 p.m. (E.T.) on February 27, 2017.

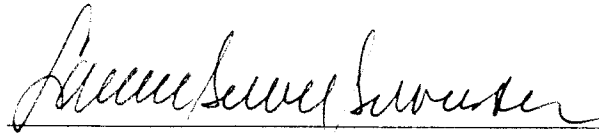
11. If objections are timely filed and served as set forth herein, the Court will consider such objection at the Final Hearing. Alternatively, if no objections are timely filed, the Debtors, after the Objection Deadline, are permitted to submit to the Court a final order on certification of counsel.

12. If objections are timely filed and served as set forth herein, the Court will consider such objection at the Final Hearing and the Debtors shall, on or after the Objection Deadline, submit to the Court a final order.

13. Notwithstanding any provision in the Bankruptcy Rules to the contrary: (a) this Order shall be effective immediately and enforceable upon its entry; (b) the Debtors are not subject to any stay in the implementation, enforcement, or realization of the relief granted in this order; and (c) the Debtors are authorized and empowered, and may in their discretion and without further delay, take any action necessary or appropriate to implement this Order.

14. The Court retains jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Order.

Dated: Wilmington, Delaware  
February 8, 2017



THE HONORABLE LAURIE SELBER SILVERSTEIN