

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

In re
Eastern Outfitters, LLC, *et al.*,¹
Debtors.

Chapter 11
Case No.: 17-10243 (LSS)
(Joint Administration Requested)
Related to Docket No. 21

**INTERIM ORDER (I) AUTHORIZING (A) CONTINUATION OF,
AND PAYMENT OF PREPETITION OBLIGATIONS
INCURRED IN THE ORDINARY COURSE OF BUSINESS IN
CONNECTION WITH, VARIOUS INSURANCE POLICIES, AND
(B) CONTINUATION OF AN INSURANCE PREMIUM FINANCING PROGRAM;
AND (II) AUTHORIZING BANKS TO HONOR AND PROCESS
CHECKS AND ELECTRONIC TRANSFER REQUESTS RELATED THERETO**

Upon the motion (the "Motion")² 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 interim order (this "Interim Order"), pursuant to sections 105(a), 363(b) and 364 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 (a) continue and, to the extent necessary, renew all of their prepetition Insurance Policies and Surety Bonds in the ordinary course of business and pay all prepetition obligations in respect thereof, and (b) continue and, to the extent necessary, renew the Financing Program and enter into new premium financing programs, as necessary, under substantially similar terms; (ii) authorizing

¹ 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.

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



banks and other financial institutions (collectively, 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 entire 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 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 on an interim basis as set forth herein.
2. The Debtors are authorized, but not directed, to continue to maintain and perform under their Insurance Policies and Surety Bonds, including payment of any prepetition amounts outstanding, and to continue to maintain and perform under their Financing Program, including making a payment of \$190,620.52 to AFCO prior to the Final Hearing.
3. The Debtors are authorized, but not directed, to revise, extend, renew, supplement or change the Insurance Policies and Surety Bonds or enter into new policies, if necessary, in the ordinary course of their business.

4. The Debtors are authorized, but not directed, to revise, extend, renew, supplement, or change the Financing Agreement or to obtain new premium financing agreements and make all payments thereunder in the ordinary course of business.

5. The Debtors are further authorized, but not directed, in their sole discretion, to pay any prepetition amounts in respect of the WC Program and related legacy costs, and to continue to pay postpetition costs of the WC Program and legacy costs in the ordinary course of business during the pendency of these Cases.

6. 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 the 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 item-handling procedures.

7. Nothing in this Interim Order, nor as a result of any payment made pursuant to this Interim 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; (c) shall impair, prejudice, waive, or otherwise affect the rights of the Debtors and their estates with respect to any and all claims or causes of action against an Insurance Carrier; or (d) shall be construed as a promise to pay a claim.

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

9. Notwithstanding any provision in the Bankruptcy Rules to the contrary: (a) this Interim 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 Interim 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 Interim Order.

10. 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: (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 DIP Lender, 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. 18th Street, 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 (vi) 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 (the "Notice Parties"). If no objections to entry of a final order on the Motion are timely received, this Court may enter such final order without further notice or hearing.

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

Dated: February 8, 2017
Wilmington, Delaware



THE HONORABLE LAURIE SELBER SILVERSTEIN