

**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)  
  
Jointly Administered  
Related to Docket Nos. 27, 60, 61, 178 and 224

**NOTICE OF FILING OF FINAL DIP BUDGET**

**PLEASE TAKE NOTICE** that, on February 7, 2017, the Debtors filed a Debtors’ Motion for Entry of Interim and Final Orders Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364, 503 and 507 (I) Authorizing the Debtors to Obtain Secured Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying the Automatic Stay, (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief (the “Motion”) [Docket No. 27].

**PLEASE TAKE FURTHER NOTICE** that, on February 8, 2017, the Interim Order Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364, 503 and 507 (I) Authorizing the Debtors to Obtain Secured Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying the Automatic Stay, (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief [Docket No. 60] was entered by the Court.

**PLEASE TAKE FURTHER NOTICE** that, on February 9, 2017, the Debtors filed the Notice of Filing of Debtor in Possession Credit and Security Agreement [Docket No. 61].

**PLEASE TAKE FURTHER NOTICE** that, on March 6, 2017, the United States Bankruptcy Court for the District of Delaware entered the Order Amending Interim Order Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364, 503 and 507 (I) Authorizing the Debtors to Obtain Secured Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying the Automatic Stay, (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief [Docket No. 178].

<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.



**PLEASE TAKE FURTHER NOTICE** that, on March 21, 2017, the Notice of Filing of Proposed Final Order Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364, 503 and 507 (I) Authorizing the Debtors to Obtain Secured Postpetition Financing, (ii) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying the Automatic Stay, and (VI) Granting Related Relief [Docket No. 224] was filed with the Court.

**PLEASE TAKE FURTHER NOTICE** that, attached hereto as **Exhibit A** is the final DIP budget with respect to the Motion.

Dated: March 22, 2017  
Wilmington, Delaware

**COLE SCHOTZ P.C.**



Norman L. Pernick (I.D. No. 2290)  
Marion M. Quirk (I.D. No. 4136)  
Katharina Earle (I.D. No. 6348)  
500 Delaware Avenue, Suite 1410  
Wilmington, DE 19801  
Telephone: (302) 652-3131  
Facsimile: (302) 652-3117  
npernick@coleschotz.com  
mquirk@coleschotz.com  
kearle@coleschotz.com

- and -

**BRACEWELL LLP**

Robert G. Burns (admitted *pro hac vice*)  
Jennifer Feldsher (admitted *pro hac vice*)  
David M. Riley (admitted *pro hac vice*)  
1251 Avenue of Americas, 49th Floor  
New York, New York 10020-1104  
Telephone: (212) 508-6100  
Facsimile: (800) 404-3970  
Robert.Burns@bracewelllaw.com  
Jennifer.Feldsher@bracewelllaw.com  
David.Riley@bracewelllaw.com

- and -

Mark E. Dendinger (admitted *pro hac vice*)  
CityPlace I, 34th Floor  
185 Asylum Street  
Hartford, Connecticut 06103  
Telephone: (860) 947-9000  
Facsimile: (800) 404-3970  
Mark.Dendinger@bracewelllaw.com

•  
*Counsel for Debtors and  
Debtors in Possession*

**EXHIBIT A**

**Final DIP Budget**

	04/01/17	04/08/17	04/15/17	04/22/17	04/29/17	05/06/17	05/13/17	05/20/17	05/27/17	06/03/17	06/10/17	06/17/17	06/24/17	13-Week Total
	1	2	3	4	5	6	7	8	9	10	11	12	13	
	forecast	forecast	forecast	forecast	forecast	forecast	forecast	forecast	forecast	forecast	forecast	forecast	forecast	
<b>13-Week Cash Flow Forecast</b>														
<b>Collections</b>														
Retail Store (including Closing Stores)	\$ 5,164	\$ 4,527	\$ 4,805	\$ 5,086	\$ 5,812	\$ 6,097	\$ 5,250	\$ 6,094	\$ 6,170	\$ 8,514	\$ 5,991	\$ 6,532	\$ 7,916	\$ 77,959
e-Commerce	\$ 478	\$ 420	\$ 397	\$ 451	\$ 509	\$ 646	\$ 562	\$ 536	\$ 579	\$ 570	\$ 649	\$ 529	\$ 595	\$ 6,922
Sales Tax	\$ 173	\$ 152	\$ 162	\$ 172	\$ 198	\$ 213	\$ 186	\$ 211	\$ 214	\$ 285	\$ 209	\$ 221	\$ 265	\$ 2,660
Other & Cash In-Transit	(455)	(293)	(301)	(319)	(356)	(307)	(261)	(299)	(307)	(393)	(285)	(305)	(375)	(4,256)
<b>Total Collections</b>	<b>5,361</b>	<b>4,806</b>	<b>5,064</b>	<b>5,391</b>	<b>6,162</b>	<b>6,649</b>	<b>5,736</b>	<b>6,543</b>	<b>6,655</b>	<b>8,976</b>	<b>6,564</b>	<b>6,977</b>	<b>8,401</b>	<b>83,285</b>
<b>Operating Disbursements</b>														
Merchandise Payments	(3,944)	(3,874)	(3,628)	(3,941)	(3,110)	(2,897)	(2,692)	(3,650)	(2,816)	(3,471)	(3,110)	(3,995)	(2,883)	(44,011)
Payroll, Payroll Taxes, and Benefits	(160)	(2,237)	(57)	(2,237)	(155)	(2,180)	(51)	(2,342)	(138)	(2,037)	(59)	(2,032)	(59)	(13,741)
Rent and Occupancy	(3,782)	(2,593)	(3,159)	-	(3,175)	(120)	-	-	(3,269)	(120)	-	-	(3,557)	(19,776)
Operations & Supplies	(658)	(816)	(728)	(588)	(712)	(555)	(886)	(555)	(609)	(528)	(912)	(679)	(620)	(8,846)
Marketing	(132)	(217)	(217)	(217)	(217)	(193)	(180)	(130)	(130)	(137)	(137)	(137)	(137)	(2,178)
Sales Tax Payments	-	-	(1,011)	-	-	-	-	(684)	-	-	-	(823)	-	(2,519)
<b>Total Operating Disbursements</b>	<b>(8,676)</b>	<b>(9,737)</b>	<b>(8,800)</b>	<b>(6,983)</b>	<b>(7,369)</b>	<b>(5,944)</b>	<b>(3,808)</b>	<b>(7,360)</b>	<b>(6,962)</b>	<b>(6,292)</b>	<b>(4,218)</b>	<b>(7,665)</b>	<b>(7,256)</b>	<b>(91,071)</b>
<b>Net Operating Cash Flow</b>	<b>(3,316)</b>	<b>(4,931)</b>	<b>(3,736)</b>	<b>(1,592)</b>	<b>(1,207)</b>	<b>705</b>	<b>1,928</b>	<b>(817)</b>	<b>(306)</b>	<b>2,683</b>	<b>2,346</b>	<b>(688)</b>	<b>1,145</b>	<b>(7,785)</b>
<b>Non-Operating Disbursements</b>														
Interest and Financing Fees	(600)	(291)	-	-	-	(369)	-	-	-	(394)	-	-	-	(1,655)
Liquidator Fees and Expenses	-	-	-	-	(106)	(106)	(106)	(106)	(106)	(106)	(106)	(106)	-	(848)
Utility Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Fees	(1,318)	-	(44)	-	(676)	-	-	-	-	-	-	-	-	(2,038)
503(B)9 Claims & Cure	-	(2,000)	-	-	-	-	-	-	-	(1,000)	-	-	-	(3,000)
Collateralization of LC's	(775)	-	-	-	-	400	-	-	-	-	-	-	-	(375)
<b>Total Non-Operating Disbursements</b>	<b>(2,693)</b>	<b>(2,291)</b>	<b>(44)</b>	<b>-</b>	<b>(782)</b>	<b>(75)</b>	<b>(106)</b>	<b>(106)</b>	<b>(106)</b>	<b>(1,501)</b>	<b>(106)</b>	<b>(106)</b>	<b>-</b>	<b>(7,916)</b>
<b>Total Disbursements (Bf. Paydown)</b>	<b>(11,369)</b>	<b>(12,028)</b>	<b>(8,844)</b>	<b>(6,983)</b>	<b>(8,151)</b>	<b>(6,019)</b>	<b>(3,914)</b>	<b>(7,466)</b>	<b>(7,068)</b>	<b>(7,793)</b>	<b>(4,324)</b>	<b>(7,772)</b>	<b>(7,256)</b>	<b>(98,987)</b>
<b>Net Cash Flow</b>	<b>\$ (6,009)</b>	<b>\$ (7,222)</b>	<b>\$ (3,780)</b>	<b>\$ (1,592)</b>	<b>\$ (1,989)</b>	<b>\$ 630</b>	<b>\$ 1,822</b>	<b>\$ (923)</b>	<b>\$ (412)</b>	<b>\$ 1,183</b>	<b>\$ 2,240</b>	<b>\$ (794)</b>	<b>\$ 1,145</b>	<b>\$ (15,702)</b>

<b>Cash Balances</b>														
Opening Bank Cash Balance	\$ 5,373	\$ 12,299	\$ 11,222	\$ 11,242	\$ 8,480	\$ 11,010	\$ 7,815	\$ 9,549	\$ 9,409	\$ 11,746	\$ 10,081	\$ 12,205	\$ 12,239	\$ 5,373
Funding Need (Clearings)	927	(8,278)	(3,780)	(4,362)	530	(3,195)	1,734	(140)	2,337	(1,665)	2,124	34	3,531	(10,203)
DIP Financing Advances	6,000	7,200	3,800	1,600	2,000	-	-	-	-	-	-	-	-	20,600
<b>Ending Bank Cash Balance</b>	<b>\$ 12,299</b>	<b>\$ 11,222</b>	<b>\$ 11,242</b>	<b>\$ 8,480</b>	<b>\$ 11,010</b>	<b>\$ 7,815</b>	<b>\$ 9,549</b>	<b>\$ 9,409</b>	<b>\$ 11,746</b>	<b>\$ 10,081</b>	<b>\$ 12,205</b>	<b>\$ 12,239</b>	<b>\$ 15,770</b>	<b>\$ 15,770</b>
Ending Outstanding Checks	(8,226)	(7,171)	(7,171)	(4,401)	(6,920)	(3,095)	(3,006)	(3,789)	(6,538)	(3,691)	(3,575)	(4,403)	(6,789)	(6,789)
<b>Available Book Cash</b>	<b>\$ 4,073</b>	<b>\$ 4,051</b>	<b>\$ 4,071</b>	<b>\$ 4,079</b>	<b>\$ 4,090</b>	<b>\$ 4,720</b>	<b>\$ 6,543</b>	<b>\$ 5,619</b>	<b>\$ 5,207</b>	<b>\$ 6,390</b>	<b>\$ 8,630</b>	<b>\$ 7,836</b>	<b>\$ 8,980</b>	<b>\$ 8,980</b>

<b>Loan Balances</b>														
Beginning Revolver Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Change</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Ending Revolver Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Letter of Credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Ending Revolver Balance w/ LOC</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
DIP Facility - Ending	\$ 70,867	\$ 78,067	\$ 81,867	\$ 83,467	\$ 85,467	\$ 85,467	\$ 85,467	\$ 85,467	\$ 85,467	\$ 85,467	\$ 85,467	\$ 85,467	\$ 85,467	\$ 85,467

<b>Net Debt (Loan Balances Less Cash)</b>														
Beginning Book Balance	\$ (60,784)	\$ (66,793)	\$ (74,016)	\$ (77,796)	\$ (79,388)	\$ (81,376)	\$ (80,746)	\$ (78,924)	\$ (79,847)	\$ (80,260)	\$ (79,077)	\$ (76,837)	\$ (77,631)	\$ (60,784)
Net Cash Flow	(6,009)	(7,222)	(3,780)	(1,592)	(1,989)	630	1,822	(923)	(412)	1,183	2,240	(794)	1,145	(15,702)
Ending Book Balance	(66,793)	(74,016)	(77,796)	(79,388)	(81,376)	(80,746)	(78,924)	(79,847)	(80,260)	(79,077)	(76,837)	(77,631)	(76,486)	(76,486)
Outstanding Checks	8,226	7,171	7,171	4,401	6,920	3,095	3,006	3,789	6,538	3,691	3,575	4,403	6,789	6,789
Ending Bank Balance	\$ (58,567)	\$ (66,845)	\$ (70,625)	\$ (74,987)	\$ (74,457)	\$ (77,652)	\$ (75,918)	\$ (76,058)	\$ (73,721)	\$ (75,386)	\$ (73,262)	\$ (73,228)	\$ (69,697)	\$ (69,697)

NOTE: Revised estimates for fees were provided but have not been approved by the DIP Lender and are subject to further discussions between the parties. Additionally, this budget does not include any professional fees for the month of May.