

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re: : Chapter 11
: :
STARRY GROUP HOLDINGS, INC., *et al.*,¹ : Case No. 23-10219 (___)
: :
Debtors. : (Joint Administration Requested)
: :
----- X

**MOTION OF DEBTORS FOR ENTRY OF INTERIM AND FINAL
ORDERS (I) AUTHORIZING DEBTORS TO (A) CONTINUE TO MAINTAIN
INSURANCE POLICIES AND PROGRAMS AND SURETY BONDS AND
(B) HONOR ALL INSURANCE OBLIGATIONS AND BOND OBLIGATIONS,
(II) MODIFYING AUTOMATIC STAY, AND (III) GRANTING RELATED RELIEF**

Starry Group Holdings, Inc. (“**Starry Group**”) and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), respectfully represent as follows in support of this motion (this “**Motion**”):

RELIEF REQUESTED

1. By this Motion, the Debtors seek entry of interim and final orders, substantially in the form attached hereto as **Exhibit A** (the “**Proposed Interim Order**”) and **Exhibit B** (the “**Proposed Final Order**”) and, together with the Proposed Interim Order, the “**Proposed Orders**”): (a) authorizing, but not directing, the Debtors to (i) continue to maintain the Insurance Policies and Programs and Surety Bonds (each as defined below) and (ii) honor the Insurance Obligations and Bond Obligations (each as defined below), including amounts owed to the Insurance Service Providers (as defined below), in the ordinary course of business during the

¹ The debtors in these cases, along with the last four digits of each debtor’s federal tax identification number, are: Starry Group Holdings, Inc. (9355); Starry, Inc. (9616); Connect Everyone LLC (5896); Starry Installation Corp. (7000); Starry (MA), Inc. (2010); Starry Spectrum LLC (N/A); Testco LLC (5226); Starry Spectrum Holdings LLC (9444); Widmo Holdings LLC (9208); Vibrant Composites Inc. (8431); Starry Foreign Holdings Inc. (3025); and Starry PR Inc. (1214). The debtors’ address is 38 Chauncy Street, Suite 200, Boston, Massachusetts 02111.



Chapter 11 Cases (as defined below), including with respect to payment of any prepetition Insurance Obligations and Bond Obligations; (b) modifying the automatic stay to the extent necessary to permit the Debtors' employees to proceed with any claims they may have under the Workers' Compensation Program (as defined below); and (c) granting related relief.

2. The Debtors request, pursuant to this Motion, authority to pay prepetition obligations related to the Insurance Policies and Programs and Surety Bonds (a) upon entry of the Proposed Interim Order, in an amount not to exceed \$5,000, and (b) upon entry of the Proposed Final Order, in an amount not to exceed \$50,000, in each case, as they become due in the ordinary course of business. The prepetition amounts sought to be paid by this Motion are discussed in greater detail below.

JURISDICTION AND VENUE

3. The Court has jurisdiction to consider this Motion 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. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

4. 4. The statutory and legal predicates for the relief requested herein are sections 105(a), 362(d), 363(b), and 503(b) of title 11 of the United States Code (the "**Bankruptcy Code**"), and Rules 4001, 6003, and 6004 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**").

5. Pursuant to 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**"), the Debtors consent to the entry of a final order or judgment by the Court in connection with this Motion if it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

BACKGROUND

6. On the date hereof (the “**Petition Date**”), the Debtors commenced with the Court voluntary cases (the “**Chapter 11 Cases**”) under chapter 11 of the Bankruptcy Code. The Debtors are authorized to continue operating their business and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner, or statutory committee has been appointed in the Chapter 11 Cases.

7. Contemporaneously with the filing of this Motion, the Debtors have filed with the Court a motion requesting joint administration of the Chapter 11 Cases for procedural purposes only pursuant to Bankruptcy Rule 1015(b).

8. The factual background regarding the Debtors, including their business operations, their capital and debt structures, and the circumstances leading to the commencement of the Chapter 11 Cases, is set forth in detail in the *Declaration of Chaitanya Kanojia In Support of Chapter 11 Petitions and First Day Pleadings* (the “**First Day Declaration**”),² filed contemporaneously herewith, and is incorporated herein by reference.³

INSURANCE POLICIES AND PROGRAMS AND SURETY BONDS

9. The Debtors maintain and participate in various insurance policies and a workers’ compensation program in the ordinary course of business (collectively, the “**Insurance Policies and Programs**”) and incur premiums and other obligations related thereto, including broker or advisor fees, deductibles, assessments, or other fees (collectively, and as further described herein, the “**Insurance Obligations**”). The Insurance Policies and Programs

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the First Day Declaration.

³ The First Day Declaration and other relevant case information is available on the following website maintained by the Debtors’ proposed claims and noticing agent, Kurtzman Carson Consultants LLC: <http://www.kccllc.net/Starry>.

are maintained through several different insurance carriers (the “**Insurers**”). A detailed list of the Debtors’ current Insurance Policies and Programs is attached hereto as **Exhibit C** (the “**Insurance Schedule**”).⁴

10. The Debtors also maintain surety bonds in the ordinary course of business (collectively, the “**Surety Bonds**”) and incur premiums and other obligations related thereto (collectively, and as further described herein, the “**Bond Obligations**”). A detailed list of the Surety Bonds is attached hereto as **Exhibit D** (the “**Bond Schedule**”).

I. INSURANCE POLICIES

11. The Debtors maintain liability, property, and other insurance policies, which provide the Debtors with insurance coverage for, among other things, general liability, automobile liability, cargo, directors’ and officers’ liability (the “**D&O Policies**”), excess liability, and various other general liabilities (collectively, the “**Insurance Policies**”). Debtor Starry Group is the holder for the D&O Policies and Debtor Starry, Inc. is the holder for all other policies, in each case, for the benefit of themselves and their respective subsidiaries. As described further below, the Debtors generally obtain the Insurance Policies through arrangements with the Insurance Service Providers. The Insurance Policies help limit the various risks associated with operating the Debtors’ business and are essential to the preservation of the value of the Debtors’ estates. In addition, certain of the Insurance Policies are required by certain regulations, laws, and contracts that govern the Debtors’ commercial activities. The Debtors believe the Insurance Policies provide coverage that is typical in scope and amount for businesses within the Debtors’ industry.

⁴ The Debtors request authority to honor obligations and renew all insurance policies, as applicable, notwithstanding any failure of the Debtors to include a particular insurance policy on **Exhibit C**.

12. In respect of the D&O Policies, the Debtors have also purchased “tail” coverage providing for a six-year extended reporting period in accordance with the terms of the applicable policy.

13. Pursuant to the Insurance Policies, the Debtors generally pay premiums (either directly or indirectly through the Insurance Service Providers) based on a fixed rate established and billed by each Insurer (collectively, the “**Insurance Premiums**”). The Insurance Policies renew at various times throughout the year and Insurance Premiums are usually due and payable at the beginning of each policy period. The Debtors paid approximately \$6,503,105.89 (including Service Provider Fees) on account of Insurance Premiums in 2022.

14. By this Motion, the Debtors seek authority to pay the Insurance Obligations as they come due, in the ordinary course of business, whether arising prepetition or postpetition, during the pendency of the Chapter 11 Cases. For the sake of clarity, the Debtors believe no prepetition amounts are owed on account of Insurance Obligations.

II. SURETY BONDS

15. The Debtors presently maintain one surety bond with Avalon Risk Management in favor of a customs broker. Maintenance of the Surety Bonds is essential to the continued operation of the Debtors’ business.

16. The Debtors generally pay Bond Obligations based on a fixed rate. The Surety Bonds are typically effective for a period of one year. The Debtors paid approximately \$80,000 on account of Bond Obligations in 2022.

17. By this Motion, the Debtors seek authority to pay the Bond Obligations as they come due, in the ordinary course of business, whether arising prepetition or postpetition, during the pendency of the Chapter 11 Cases.

III. WORKERS' COMPENSATION PROGRAM

18. The Debtors maintain workers' compensation insurance as required by statute in each of the states in which they operate (the "**Workers' Compensation Program**"), specifically a fully-insured workers' compensation policy with Ace American Insurance Company (the "**Workers' Compensation Insurer**") that covers workers' compensation claims. The Debtors pay an annual premium in connection with the Workers' Compensation Program of approximately \$700,407.00 (including Service Provider Fees) based on a fixed rate established and billed by the Workers' Compensation Insurer (the "**Workers' Compensation Insurance Premium**").

19. By this Motion, the Debtors request authority to maintain the Workers' Compensation Program in the ordinary course of business, and to pay any obligations arising under or in connection with the Workers' Compensation Program, including the Workers' Compensation Insurance Premium, as they come due, regardless of whether such obligations arise prepetition or postpetition.

20. Under the Workers' Compensation Program, upon the filing of a verified claim ("**Workers' Compensation Claim**") by an eligible Employee, the Workers' Compensation Provider pays the Workers' Compensation Claim amount directly to the Employee. To facilitate the ordinary course handling of Workers' Compensation Claims, the Debtors further request authority to modify the automatic stay of section 362 of the Bankruptcy Code to allow Workers' Compensation Claims to proceed under the Workers' Compensation Program and to allow the Debtors, their affiliates, the Workers' Compensation Insurer, and/or their third party administrators to negotiate, settle and/or litigate Workers' Compensation Claims, and pay resulting amounts, whether such claims arose before or after the Petition Date.

IV. INSURANCE SERVICE PROVIDERS

21. In connection with maintaining the Insurance Policies and Programs, the Debtors employ certain insurance service providers to help them procure, negotiate, and evaluate the Insurance Policies and Programs and process claims related thereto.

22. The Debtors use Aon PLC, The Hilb Group, LLC, and CAC Specialty (collectively, the “**Insurance Service Providers**”) as their insurance brokers and risk management consultants. The Insurance Service Providers assist the Debtors with procuring and negotiating the Insurance Policies and Programs and, in certain circumstances, remit payment to the Insurers on behalf of the Debtors. The Insurance Service Providers receive commissions for their services based on a percentage of the premiums paid by the Debtors (the “**Service Provider Fees**”). The Insurance Service Providers have familiarity with the Debtors and the Insurance Policies and Programs, and therefore play a critical role in the procurement and renewal of the Insurance Policies and Programs.

23. By this Motion, the Debtors request authority to continue honoring their obligations to the Insurance Service Providers in the ordinary course of business. No prepetition amounts remain outstanding to the Insurance Service Providers as of the Petition Date. Nevertheless, the Debtors request authority to continue honoring postpetition obligations to Insurance Service Providers in the ordinary course.

BASIS FOR RELIEF REQUESTED

I. PAYING PREPETITION INSURANCE OBLIGATIONS, RENEWAL OF THE INSURANCE POLICIES, AND MAINTAINING A WORKERS' COMPENSATION PROGRAM ARE NECESSARY TO COMPLY WITH VARIOUS LEGAL REQUIREMENTS AND GUIDELINES

24. Maintaining insurance coverage under the various Insurance Policies and Programs and Surety Bonds on an uninterrupted basis is essential to the continued operation of the Debtors' business and, in some cases, is required under the United States Trustee's Operating Guidelines for Chapter 11 Cases (the "**Operating Guidelines**"), laws and regulations applicable to the Debtors' business, the laws of the various states in which the Debtors operate, and the Debtors' various contractual commitments. *See* Operating Guidelines Sec. 3 (requiring maintenance of appropriate insurance coverage). Similarly, under the laws of the various states in which the Debtors operate, the Debtors are required to maintain workers' compensation policies and programs, or participate in workers' compensation programs administered by state governments, to provide their employees with workers' compensation coverage for claims arising from or related to their employment with the Debtors.

25. The Debtors believe that the ordinary course maintenance of their insurance coverage, including paying all prepetition Insurance Obligations, satisfying all postpetition commitments to the Insurers, renewing the Insurance Policies and Programs, entering into new insurance or premium financing arrangements, paying any Insurance Service Provider's fees, and maintaining a workers' compensation program without further order of the Court, is necessary and essential to the Debtors' achievement of their chapter 11 objectives, especially where, as here, the Debtors' failure to take all actions necessary to honor their obligations to and preserve their relationships with the Insurers could have disastrous consequences for the Debtors' estates.

II. PAYING PREPETITION INSURANCE OBLIGATIONS AND BOND OBLIGATIONS IS A SOUND EXERCISE OF BUSINESS JUDGMENT

26. The Debtors should be authorized to pay prepetition Insurance Obligations and prepetition Bond Obligations under section 363(b) of the Bankruptcy Code. Section 363(b) provides, in relevant part, that a debtor “may use, sell, or lease, other than in the ordinary course of business, property of the estate” after notice and a hearing. 11 U.S.C. § 363(b)(1). Generally, the debtor is only required to “show that a sound business purpose” justifies the proposed use of property. *In re Montgomery Ward Holding Corp.*, 242 B.R. 147, 153 (D. Del. 1999); *see also In re Phx. Steel Corp.*, 82 B.R. 334, 335-36 (Bankr. D. Del. 1987) (requiring “good business reason” for use under section 363(b) of the Bankruptcy Code). This standard generally bars other parties from second-guessing the debtor’s business judgment if the debtor has shown that a use of property will benefit the debtor’s estate. *See In re Johns-Manville Corp.*, 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986) (“Where the debtor articulates a reasonable basis for its business decisions (as distinct from a decision made arbitrarily or capriciously), courts will generally not entertain objections to the debtor’s conduct.”); *see also In re Tower Air, Inc.*, 416 F.3d 229, 238 (3d Cir. 2005) (“Overcoming the presumptions of the business judgment rule on the merits is a near-Herculean task.”).

27. The Debtors’ sound business judgment supports paying the prepetition Insurance Obligations and the prepetition Bond Obligations because the failure to pay the obligations could result in: (a) the cancellation of the Insurance Policies or the surety bonds; (b) the Debtors’ inability to obtain renewal of the Insurance Policies or surety bonds on terms that are as competitive; and (c) the violation of the Operating Guidelines, applicable laws and regulations, various contractual commitments, or the fiduciary duties of the Debtors as debtors in possession. Each of these outcomes would be detrimental to the Debtors, their creditors, and their estates and

would create unnecessary risks that far outweigh the cost of paying the applicable prepetition amounts. Accordingly, the Debtors should be authorized to pay the prepetition Insurance Obligations and prepetition Bond Obligations under section 363(b) of the Bankruptcy Code.

III. PAYING PREPETITION INSURANCE OBLIGATIONS AND BOND OBLIGATIONS IS NECESSARY TO MAXIMIZE VALUE

28. The Debtors should also be authorized to pay the prepetition Insurance Obligations and the prepetition Bond Obligations because doing so is necessary to the success of their reorganization. Section 105(a) of the Bankruptcy Code provides that a bankruptcy court “may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions” of the Bankruptcy Code. 11 U.S.C. § 105(a). Courts have interpreted this provision to authorize payments on prepetition claims where the payments are essential to the success of the debtor’s reorganization under what is known as the “necessity of payment doctrine.” *See In re Lehigh & New Eng. Ry.*, 657 F.2d 570, 581 (3d Cir. 1981) (“Thus, the ‘necessity of payment’ doctrine...teaches no more than, if a payment of a claim which arose prior to reorganization is essential to the continued operation of the [debtor’s business] during reorganization, payment may be authorized...”); *see also In re Just for Feet, Inc.*, 242 B.R. 821, 824–25 (D. Del. 1999) (holding that section 105(a) “provides a statutory basis for payment of pre-petition claims” under necessity of payment doctrine); *In re Columbia Gas Sys., Inc.*, 171 B.R. 189, 191-92 (Bankr. D. Del. 1994) (“The appropriate standard...is commonly referred to as ‘the necessity of payment doctrine.’”).

29. Paying the prepetition Insurance Obligations and prepetition Bond Obligations is necessary to avoid cancellation, default, alteration, assignment, attachment, lapse, or any form of impairment to the coverage, benefits, or proceeds provided under the Insurance Policies and Programs and the Surety Bonds, and to maintain good relationships with the Insurers, the Insurance Service Providers, and local governments. If any of those risks were to materialize, they could

cause substantial disruptions and expose the Debtors to liabilities significantly greater than the amount of the obligations to be paid. These consequences could derail the Debtors' restructuring efforts and, therefore, paying the Prepetition Insurance Obligations and the Prepetition Bond Obligations should be approved under section 105(a) of the Bankruptcy Code and the necessity of payment doctrine.

IV. DEBTORS SHOULD BE AUTHORIZED TO MAINTAIN POSTPETITION INSURANCE POLICIES AND SURETY BONDS AND ENTER INTO NEW INSURANCE POLICIES AND SURETY BONDS

30. The Debtors submit that section 363(c) of the Bankruptcy Code provides statutory authority for the Debtors' request for authorization to satisfy all of the Debtors' postpetition commitments with respect to the Insurers and the Insurance Service Providers, renew the Insurance Policies and Programs and Surety Bonds, or enter into new insurance policies, premium financing arrangements, and surety bonds. Section 363(c) provides that a debtor in possession may "enter into transactions" in the ordinary course without notice or a hearing. *See* 11 U.S.C. § 363(c). In evaluating whether a transaction is in the ordinary course, a court must determine whether it is "of the sort commonly undertaken by companies in [the debtor's] industry" and whether it subjects a hypothetical creditor "to economic risk of a nature different from those he accepted when he decided to extend credit." *In re Roth Am., Inc.*, 975 F.2d 949, 952–53 (3d Cir. 1992).

31. Maintaining the Insurance Policies and Programs and Surety Bonds and honoring postpetition obligations arising thereunder and under the Insurance Service Provider agreements, including undertaking renewals of the Insurance Policies and Programs and Surety Bonds as they expire or entering into new insurance arrangements, premium financing arrangements, or surety contracts, are each the type of ordinary course transactions contemplated by section 363(c) of the Bankruptcy Code. In the event, however, that the Court believes that any actions are not properly characterized as transactions in the ordinary course of the Debtors' business, the Debtors

respectfully request that the Court authorize the Debtors to take actions pursuant to section 363(b) of the Bankruptcy Code as a sound exercise of their business judgment.

V. AUTOMATIC STAY SHOULD BE MODIFIED FOR WORKERS' COMPENSATION CLAIMS

32. Section 362(a)(1) of the Bankruptcy Code operates to stay:

the commencement or continuation, including the issuance or employment of process, of a judicial, administrative, or other action or proceeding against the debtor that was or could have been commenced before the commencement of the case under this title, or to recover a claim against the debtor that arose before the commencement of the case under this title

11 U.S.C. § 362(a)(1). Section 362(d)(1), however, permits a debtor or other party in interest to request a modification or termination of the automatic stay for “cause.” 11 U.S.C. § 362(d)(1).

33. Pursuant to section 362(d) of the Bankruptcy Code, the Debtors seek authority to modify the automatic stay to permit employees who hold workers' compensation claims to proceed with such claims in the appropriate judicial or administrative forum. The Debtors further request that any recovery on account of such claims be limited solely to the proceeds under the Workers' Compensation Program and proceeds from non-Debtor sources.

34. There is cause to modify the automatic stay because staying the workers' compensation claims could result in employee departures or otherwise harm employee morale, at a time when the Debtors need their workforce to be operating at peak efficiency. Unnecessary distractions or heavy attrition could jeopardize the Debtors' chapter 11 strategy and result in irreversible harm to the Debtors' business. Accordingly, the Debtors respectfully request that the Court modify the automatic stay as it relates to valid workers' compensation claims to allow employees holding any such claims to pursue resolution and collection from the applicable Insurer and any other non-Debtor sources.

**DEBTORS' BANKS SHOULD BE AUTHORIZED TO
HONOR CHECKS AND ELECTRONIC FUNDS TRANSFERS**

35. The Debtors further request that the Court (a) authorize all applicable financial institutions (collectively, the "**Banks**") to receive, process, honor, and pay all checks presented for payment and electronic payment requests relating to the relief sought herein to the extent that the Debtors have sufficient funds on deposit in their accounts with the Banks, whether such checks were presented or electronic requests were submitted before or after the Petition Date, and (b) authorize the Banks to rely on the Debtors' designation of any particular check or electronic payment request as appropriate pursuant to this Motion without any duty of further inquiry and without liability for following the Debtors' instructions. The Debtors anticipate having sufficient funds to pay the amounts described herein. In addition, under the Debtors' existing cash management system, the Debtors can readily identify whether checks or wire transfer requests are payments authorized by the relief requested herein. Accordingly, the Debtors believe that checks, direct debits, or wire transfer requests, other than those relating to authorized payments, will not be honored inadvertently.

**BANKRUPTCY RULE 6003 HAS BEEN SATISFIED
AND BANKRUPTCY RULE 6004 SHOULD BE WAIVED**

36. Certain aspects of the relief requested herein may, if granted, be subject to Bankruptcy Rule 6003, which governs the availability of certain types of relief within 21 days after the Petition Date. Pursuant to Bankruptcy Rule 6003, a court may grant such relief if it is necessary to avoid immediate and irreparable harm. The Debtors submit that the facts set forth herein and in the First Day Declaration demonstrate that the relief requested is necessary to avoid immediate and irreparable harm to the Debtors and, thus, Bankruptcy Rule 6003 has been satisfied.

37. Additionally, to the extent that any aspect of the relief sought herein constitutes a use of property under section 363(b) of the Bankruptcy Code, the Debtors seek a waiver of the

notice requirements under Bankruptcy Rule 6004(a), to the extent not satisfied, and of the 14-day stay under Bankruptcy Rule 6004(h). As described above, the relief that the Debtors seek in this Motion is immediately necessary in order for the Debtors to be able to continue to operate their business and preserve the value of their estates. Accordingly, the Debtors submit that the requested waiver of the notice requirements of Bankruptcy Rule 6004(a) and of the 14-day stay imposed by Bankruptcy Rule 6004(h) is appropriate.

RESERVATION OF RIGHTS

38. Nothing contained herein is or should be construed as: (a) an admission as to the validity of any claim against the Debtors or the existence of any lien against the Debtors' property; (b) a waiver of the Debtors' rights to dispute any claim or lien on any grounds; (c) a promise to pay any claim; (d) an implication or admission that any particular claim would constitute an allowed claim; (e) an assumption or rejection of any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code; or (f) a limitation on the Debtors' rights under section 365 of the Bankruptcy Code to assume or reject any executory contract with any party subject to the Proposed Orders once entered. Nothing contained in the Proposed Orders will be deemed to increase, reclassify, elevate to an administrative expense status, or otherwise affect any claim to the extent it is not paid.

NOTICE

39. Notice of this Motion will be provided to (a) the Office of the United States Trustee for the District of Delaware (Attn: Benjamin Hackman); (b) the holders of the 30 largest unsecured claims against the Debtors; (c) counsel to ArrowMark Agency Services LLC as DIP Agent and Prepetition Agent, (i) Sheppard, Mullin, Richter & Hampton LLP (Attn: Justin Bernbrock, Kyle J. Mathews, Bryan V. Uelk, and Catherine Jun), and (ii) Potter Anderson & Corroon LLP (Attn: L. Katherine Good); (d) the Insurers; (e) the Insurance Service Providers; (f) the Banks; (g) the

United States Attorney's Office for the District of Delaware; (h) the Internal Revenue Service; (i) the United States Securities and Exchange Commission; and (j) any party that has requested notice pursuant to Bankruptcy Rule 2002. As this Motion is seeking "first day" relief, the Debtors will serve copies of this Motion and any order entered in respect of this Motion as required by Local Rule 9013-1(m). The Debtors believe that no further notice is required.

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WHEREFORE the Debtors respectfully request entry of the Proposed Orders granting the relief requested herein and such other and further relief as the Court may deem just and appropriate.

Dated: February 20, 2023
Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ Joseph M. Mulvihill

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Proposed Counsel for Debtors and Debtors in Possession

EXHIBIT A

Proposed Interim Order

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

	x	
	:	
In re:	:	Chapter 11
	:	
STARRY GROUP HOLDINGS, INC., <i>et al.</i> , ¹	:	Case No. 23-10219 (___)
	:	
Debtors.	:	(Jointly Administered)
	:	
	x	Re: Docket No.

INTERIM ORDER (I) AUTHORIZING DEBTORS TO (A) CONTINUE TO MAINTAIN INSURANCE POLICIES AND PROGRAMS AND SURETY BONDS AND (B) HONOR ALL INSURANCE OBLIGATIONS AND BOND OBLIGATIONS, (II) MODIFYING AUTOMATIC STAY, 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 interim and final orders (a) authorizing, but not directing, the Debtors to (i) continue to maintain the Insurance Policies and Programs and Surety Bonds and (ii) honor the Insurance Obligations and Bond Obligations in the ordinary course of business during the Chapter 11 Cases, including with respect to payment of any prepetition Insurance Obligations, Bond Obligations, and amounts owed to the Insurance Service Providers; (b) modifying the automatic stay if necessary to permit the Debtors’ employees to proceed with any claims they may have under the Workers’ Compensation Program; and (c) granting related relief, all as more fully set forth in the Motion; and this Court having reviewed the Motion and the First Day Declaration; and this Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order*

¹ The debtors in these cases, along with the last four digits of each debtor’s federal tax identification number, are: Starry Group Holdings, Inc. (9355); Starry, Inc. (9616); Connect Everyone LLC (5896); Starry Installation Corp. (7000); Starry (MA), Inc. (2010); Starry Spectrum LLC (N/A); Testco LLC (5226); Starry Spectrum Holdings LLC (9444); Widmo Holdings LLC (9208); Vibrant Composites Inc. (8431); Starry Foreign Holdings Inc. (3025); and Starry PR Inc. (1214). The debtors’ address is 38 Chauncy Street, Suite 200, Boston, Massachusetts 02111.

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

of Reference from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and 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. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary, except as set forth in the Motion with respect to entry of this Interim Order and notice of the Final Hearing (as defined below); and upon the record herein; and after due deliberation thereon; and this Court having determined that there is good and sufficient cause for the relief granted in this Interim Order, therefore, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is granted on an interim basis, as set forth herein.
2. All objections to the entry of this Interim Order, to the extent not withdrawn or settled, are overruled.
3. The Debtors are authorized, but not directed, to maintain the Insurance Policies and Programs and Surety Bonds, in accordance with practices and procedures that were in effect before the commencement of the Chapter 11 Cases and to pay, in the ordinary course of business as such obligations become due, all Insurance Obligations and Bond Obligations (including, without limitation, amounts owed to the Insurance Service Providers), without regard to whether accruing or relating to the period before or after the Petition Date; *provided* that all payments on account of prepetition Insurance Obligations and Bond Obligations shall not in an aggregate amount exceed \$5,000 on an interim basis.

4. The Debtors are authorized, but not directed, to renew, revise, extend, supplement, replace, modify or obtain new insurance or surety coverage as needed, including through the purchase or renewal of new or existing Insurance Policies and Programs and Surety Bonds.

5. The automatic stay is modified solely to the extent necessary to permit the Debtors' employees to proceed with any valid claims they may have under the Workers' Compensation Program, *provided* that any recovery on account of such claims is limited solely to the proceeds under the Workers' Compensation Program and proceeds from non-Debtor sources; *provided further* that this relief is without prejudice to the Workers' Compensation Insurer's and other parties' rights.

6. The Banks shall be, and are hereby authorized, when requested by the Debtors, to process, honor, pay, and, if necessary, reissue any and all checks or electronic funds transfers, including prepetition checks and electronic payment and transfer requests that the Debtors reissue or re-request postpetition, drawn on the Debtors' accounts, whether those checks were presented before or after the Petition Date, provided that sufficient funds are available in such accounts to make the payments.

7. 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 before the Petition Date should be honored pursuant to this Interim Order, and the Banks shall not have any liability to any party for relying on such representations by the Debtors as provided for in this Interim Order.

8. The Debtors are authorized, but not directed, to issue new postpetition checks, or effect new electronic funds transfers, on account of Insurance Obligations and Bond Obligations as set forth herein, and to replace any prepetition checks or electronic fund transfer requests that may be lost or dishonored as a result of the commencement of the Chapter 11 Cases.

9. Nothing in the Motion or this Interim Order, nor any actions or payments made by the Debtors pursuant to this Interim Order, shall be construed as: (a) an admission as to the validity of any claim against the Debtors or the existence of any lien against the Debtors' properties; (b) a waiver of the Debtors' rights to dispute any claim or lien on any grounds; (c) a promise to pay any claim; (d) an implication or admission that any particular claim would constitute an allowed claim; (e) an assumption or rejection of any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code; or (f) a limitation on the Debtors' rights under section 365 of the Bankruptcy Code to assume or reject any executory contract with any party subject to this Interim Order. Nothing contained in this Interim Order shall be deemed to increase, reclassify, elevate to an administrative expense status, or otherwise affect any claim to the extent it is not paid.

10. The requirements set forth in Bankruptcy Rule 4001(b) for authority to use cash collateral are satisfied.

11. Notwithstanding Bankruptcy Rule 6004(h), to the extent applicable, this Interim Order shall be effective and enforceable immediately upon entry hereof.

12. The requirements set forth in Bankruptcy Rule 6004(a) are hereby waived.

13. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied because the relief set forth in this Interim Order is necessary to avoid immediate and irreparable harm.

14. The Debtors are hereby authorized to take such actions and to execute such documents as may be necessary to implement the relief granted by this Interim Order.

15. The final hearing (the "**Final Hearing**") on the Motion shall be held on _____, 2023, at _____, prevailing Eastern Time. On or before _____, prevailing Eastern Time, on _____, 2023, any objections or responses to entry of a final order on the Motion (a "**Final Order**") shall be filed with this Court, and served on: (a) proposed counsel to the

Debtors, (i) Latham & Watkins LLP, (1) 355 South Grand Avenue, Suite 100, Los Angeles, California 90071 (Attn: Ted A. Dillman (ted.dillman@lw.com), Jeffrey T. Mispagel (jeffrey.mispagel@lw.com), and Nicholas J. Messana (nicholas.messana@lw.com)) and (2) 330 North Wabash Avenue, Suite 2800, Chicago, Illinois 60611 (Attn: Jason B. Gott (jason.gott@lw.com)), and (ii) Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, Delaware 19801 (Attn: Kara Hammond Coyle (kcoyle@ycst.com), Joseph M. Mulvihill (jmulvihill@ycst.com), and Timothy R. Powell (tpowell@ycst.com)); (b) counsel to ArrowMark Agency Services LLC as DIP Agent and Prepetition Agent, (i) Sheppard, Mullin, Richter & Hampton LLP, (1) 333 South Hope Street, 43rd Floor, Los Angeles, California 90071 (Attn: Kyle J. Matthews (KMatthews@sheppardmullin.com)) and (2) 321 North Clark Street, 32nd Floor, Chicago, Illinois 60654 (Attn: Justin Bernbrock (JBernbrock@sheppardmullin.com), Bryan V. Uelk (BUelk@sheppardmullin.com), and Catherine Jun (CJun@sheppardmullin.com)), and (ii) Potter Anderson & Corroon LLP, Hercules Plaza, 1313 North Market Street, 6th Floor, P.O. Box 951, Wilmington, Delaware, 19801 (Attn: L. Katherine Good (kgood@potteranderson.com)); (c) counsel to any statutory committee appointed in the Chapter 11 Cases; and (d) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801 (Attn: Benjamin Hackman (Benjamin.A.Hackman@usdoj.gov)).

In the event that no objections to entry of the Final Order on the Motion are timely received, this Court may enter such Final Order without need for the Final Hearing.

16. 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 B

Proposed Final Order

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

	x	
	:	
In re:	:	Chapter 11
	:	
STARRY GROUP HOLDINGS, INC., <i>et al.</i> , ¹	:	Case No. 23-10219 (___)
	:	
Debtors.	:	(Jointly Administered)
	:	
	x	Re: Docket Nos.

FINAL ORDER (I) AUTHORIZING DEBTORS TO (A) CONTINUE TO MAINTAIN INSURANCE POLICIES AND PROGRAMS AND SURETY BONDS AND (B) HONOR ALL INSURANCE OBLIGATIONS AND BOND OBLIGATIONS, (II) MODIFYING AUTOMATIC STAY, 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 interim and final orders (a) authorizing, but not directing, the Debtors to (i) continue to maintain the Insurance Policies and Programs and Surety Bonds and (ii) honor the Insurance Obligations and Bond Obligations in the ordinary course of business during the Chapter 11 Cases, including with respect to payment of any prepetition Insurance Obligations, Bond Obligations, and amounts owed to the Insurance Service Providers; (b) modifying the automatic stay if necessary to permit the Debtors’ employees to proceed with any claims they may have under the Workers’ Compensation Program; and (c) granting related relief, all as more fully set forth in the Motion; and this Court having reviewed the Motion, the First Day Declaration, and the Interim Order, as approved by this Court; and this Court having jurisdiction to consider the Motion and the relief requested therein in accordance with

¹ The debtors in these cases, along with the last four digits of each debtor’s federal tax identification number, are: Starry Group Holdings, Inc. (9355); Starry, Inc. (9616); Connect Everyone LLC (5896); Starry Installation Corp. (7000); Starry (MA), Inc. (2010); Starry Spectrum LLC (N/A); Testco LLC (5226); Starry Spectrum Holdings LLC (9444); Widmo Holdings LLC (9208); Vibrant Composites Inc. (8431); Starry Foreign Holdings Inc. (3025); and Starry PR Inc. (1214). The debtors’ address is 38 Chauncy Street, Suite 200, Boston, Massachusetts 02111.

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

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 this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and 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. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and this Court having determined that there is good and sufficient cause for the relief granted in this Final Order, therefore, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is granted on a final basis, as set forth herein.
2. All objections to the entry of this Final Order, to the extent not withdrawn or settled, are overruled.
3. The Debtors are authorized, but not directed, to maintain the Insurance Policies and Programs and Surety Bonds, in accordance with practices and procedures that were in effect before the commencement of the Chapter 11 Cases and to pay, in the ordinary course of business as such obligations become due, all Insurance Obligations and Bond Obligations (including, without limitation, amounts owed to the Insurance Service Providers), without regard to whether accruing or relating to the period before or after the Petition Date; *provided* that all payments on account of prepetition Insurance Obligations and Bond Obligations shall not in an aggregate amount exceed \$50,000 absent further order of this Court.

4. The Debtors are authorized, but not directed, to renew, revise, extend, supplement, replace, modify or obtain new insurance or surety coverage as needed, including through the purchase or renewal of new or existing Insurance Policies and Programs and Surety Bonds.

5. The automatic stay is modified solely to the extent necessary to permit the Debtors' employees to proceed with any valid claims they may have under the Workers' Compensation Program, provided that any recovery on account of such claims is limited solely to the proceeds under the applicable Workers' Compensation program and proceeds from non-Debtor sources; *provided further* that this relief is without prejudice to the Workers' Compensation Insurers' and other parties' rights.

6. The Banks shall be, and are hereby authorized, when requested by the Debtors, to process, honor, pay, and, if necessary, reissue any and all checks or electronic funds transfers, including prepetition checks and electronic payment and transfer requests that the Debtors reissue or re-request postpetition, drawn on the Debtors' accounts, whether those checks were presented before or after the Petition Date, provided that sufficient funds are available in such accounts to make the payments.

7. 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 before the Petition Date should be honored pursuant to this Final Order, and the Banks shall not have any liability to any party for relying on such representations by the Debtors as provided for in this Final Order.

8. The Debtors are authorized, but not directed, to issue new postpetition checks, or effect new electronic funds transfers, on account of Insurance Obligations and Bond Obligations as set forth herein, and to replace any prepetition checks or electronic fund transfer requests that may be lost or dishonored as a result of the commencement of the Chapter 11 Cases.

9. Nothing in the Motion or this Final Order, nor any actions or payments made by the Debtors pursuant to this Final Order, shall be construed as: (a) an admission as to the validity of any claim against the Debtors or the existence of any lien against the Debtors' properties; (b) a waiver of the Debtors' rights to dispute any claim or lien on any grounds; (c) a promise to pay any claim; (d) an implication or admission that any particular claim would constitute an allowed claim; (e) an assumption or rejection of any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code; or (f) a limitation on the Debtors' rights under section 365 of the Bankruptcy Code to assume or reject any executory contract with any party subject to this Final Order. Nothing contained in this Final Order shall be deemed to increase, reclassify, elevate to an administrative expense status, or otherwise affect any claim to the extent it is not paid.

10. Notwithstanding Bankruptcy Rule 6004(h), to the extent applicable, this Final Order shall be effective and enforceable immediately upon entry hereof.

11. The requirements set forth in Bankruptcy Rule 4001(b) for authority to use cash collateral are satisfied.

12. The Debtors are hereby authorized to take such actions and to execute such documents as may be necessary to implement the relief granted by this Final Order.

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

EXHIBIT C

Insurance Schedule

Type of Coverage	Insurer	Policy Number	Current Policy Period	Total Premium
Auto	Chubb Group of Ins Cos 202 B Hall's Mill Rd, Whitehouse Station, NJ 08889 PH: 215-640-1000	73625656	1/1/23-1/1/24	\$217,067
Cargo	Falvey Cargo 66 Whitecap Dr North Kingstown RI 02852 PH: 401-792-0144 Fax: 401-667-0573	MC-1000592	6/1/22-6/1/23	\$52,083
Crime	Beazley 30 Batterson Park Road Farmington, CT 06032 Tel: (860) 677-3700 Fax: (860) 679-0247	V32372220101	5/01/22 - 3/28/23	\$5,214
Employed Lawyers	CHUBB 436 Walnut Street PO Box 1000 Philadelphia, PA 19106-3703 1-800-352-4462	J06016078	5/01/22 - 3/28/23	\$8,047
EPLI & Fiduciary	Starstone Specialty 185 Hudson St, Ste 2600 Jersey City, NJ 07311 PH: 855-275-6041	71568N220ASP	5/1/22-5/1/23	\$49,854
Errors & Omissions	HSB Specialty Ins Co 1 State St P.O. Box 5024 Hartford CT 06102 PH: 860-722-1866 Fax: 860-722-1881	6603653-04	1/1/23-1/1/24	\$75,840
Excess Errors & Omissions	Scottsdale Ins Co 1 West Nationwide Blvd FRAP Solutions Columbus, OH 43215 PH: 480-365-4000 Fax: 866-315-1430	EKS3412420	1/1/23-1/1/24	\$65,000
Excess Umbrella	Travelers Property Casualty Company of America 1 Tower Square Hartford, CT 06183 PH: 860-277-0111 Fax: 844-816-9447	EX-0T990538-23- NF	1/1/23-1/1/24	\$25,250

Type of Coverage	Insurer	Policy Number	Current Policy Period	Total Premium
Package	Chubb Group of Ins Cos 202 B Hall's Mill Rd, Whitehouse Station, NJ 08889 PH: 215-640-1000	36072259	1/1/23-1/1/24	\$63,740
Public D&O	XL Professional 100 Constitution Plaza 17th Floor Hartford, CT 06103 Phone 860-246-1863 Fax 860-246-1899	ELU181732-22	3/28/22 - 3/28/23	\$1,750,000
Public D&O	Allied World Insurance Company 160 Federal St., 6th Floor Boston, MA 02110 T. 857-288-6000 F. 617-556-8060	0313-3150	3/28/22 - 3/28/23	\$1,225,000
Public D&O	100 William Street, 5th Floor New York, NY 10038 Phone: 646.216.3701 Fax: 212.344.2973	HN-0303-8381	3/28/22 - 3/28/23	\$857,500
Public D&O	AIG, Financial Lines Claims P.O. Box 25947 Shawnee Mission, KS 66225 P: (888) 602-5246 F: (866) 227-1750	04-177-75-02	3/28/22 - 3/28/23	\$595,000
Public D&O	Canopus Insurance Services 140 Broadway, Suite 2210 New York, NY 10005 800-877-4567	SGC 0943-00	3/28/22 - 3/28/23	\$404,600
Public D&O	RSUI Group, Inc. 945 East Paces Ferry Rd. Suite 1800 F: (404) 231-3755	HS698860	3/28/22 - 3/28/23	\$275,000
Public D&O - Side A	Allied World Insurance Company 160 Federal St., 6th Floor Boston, MA 02110 T. 857-288-6000 F. 617-556-8060	0313-3151	3/28/22 - 3/28/23	\$96,000
Public D&O - Side A	Berkley 757 Third Avenue, 10th Floor New York, NY 10017 (212) 618-2900 Fax (212) 618-2940	BPRO8071052	3/28/22 - 3/28/23	\$72,000

Type of Coverage	Insurer	Policy Number	Current Policy Period	Total Premium
Public D&O - Side A	Sompo Commercial Management Liability Attn: Claims Department 1221 Avenue of The Americas New York, NY 10020 Insuranceclaims@sompo-intl.com 1-877-676-7575	ADX30018027500	3/28/22 - 3/28/23	\$54,000
Public D&O - Side A	AIG, Financial Lines Claims P.O. Box 25947 Shawnee Mission, KS 66225 P: (888) 602-5246 F: (866) 227-1750	04-391-67-05	3/28/22 - 3/28/23	\$50,000
Public D&O - Side A	XL Professional 100 Constitution Plaza 17th Floor Hartford, CT 06103 Phone 860-246-1863 Fax 860-246-1899	ELU181738-22	3/28/22 - 3/28/23	\$47,500
Umbrella	Chubb Group of Ins Cos 202 B Hall's Mill Rd, Whitehouse Station, NJ 08889 PH: 215-640-1000	78195471	1/1/23-1/1/24	\$73,994
Workers' Compensation	Chubb Group Centralized Operations 1 Beaver Valley Rd Wilmington, DE 19803 PH: 215-640-1000	71832952	1/1/23-1/1/24	\$700,407

EXHIBIT D

Bond Schedule

Type of Bond	Principal	Surety	Obligee	Bond Amount	Effective Date
Customs	Starry, Inc.	Avalon Risk Management	Expeditors International	\$80,000	11/29/2022