

Hearing Date: March 28, 2017, at 3:00 p.m. (prevailing Eastern Time)  
Objection Deadline: March 21, 2017, at 4:00 p.m. (prevailing Eastern Time)

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*Proposed Counsel to the Debtors and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:	)	
	)	Chapter 11
	)	
BCBG MAX AZRIA GLOBAL HOLDINGS, LLC, <i>et al.</i> , <sup>1</sup>	)	Case No. 17-10466 (SCC)
	)	
Debtors.	)	(Jointly Administered)
	)	

**NOTICE OF DEBTORS' FIRST OMNIBUS MOTION  
FOR ENTRY OF AN ORDER AUTHORIZING REJECTION  
OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED  
LEASES EFFECTIVE *NUNC PRO TUNC* TO THE PETITION DATE**

**PLEASE TAKE NOTICE** that on March 14, 2017, the above-captioned debtors and debtors in possession (collectively, the "Debtors") filed the *Debtors' First Omnibus Motion for Entry of an Order Authorizing Rejection of Certain Executory Contracts and Unexpired Leases Effective Nunc Pro Tunc to the Petition Date*. (the "Motion," a copy of which is attached hereto). A hearing (the "Hearing") on the Motion will be held before the Honorable Shelley C. Chapman of the United States Bankruptcy Court for the Southern District of New York (the "Court"), in

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: BCBG Max Azria Global Holdings, LLC (6857); BCBG Max Azria Group, LLC (5942); BCBG Max Azria Intermediate Holdings, LLC (3673); Max Rave, LLC (9200); and MLA Multibrand Holdings, LLC (3854). The location of the Debtors' service address is: 2761 Fruitland Avenue, Vernon, California 90058.

Room 623, One Bowling Green, New York, New York 10004-1408, on **March 28, 2017, at 3:00 p.m. (prevailing Eastern Time)**.

**PLEASE TAKE FURTHER NOTICE** parties receiving this Notice should locate their names and their respective executory contracts and unexpired leases in the Motion. A listing of the parties and the executory contracts and unexpired leases that are the subject of the Motion appears in **Exhibit 1** to **Exhibit A** of the Motion.

**PLEASE TAKE FURTHER NOTICE** that any responses or objections (each, an “Objection”) to the Motion and the relief requested therein shall be in writing, shall conform to the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules for the Southern District of New York, and the *Order (I) Establishing Certain Notice, Case Management, and Administrative Procedures and (II) Granting Related Relief* [Docket No. 90] (the “Case Management Order”), shall set forth the basis for the Objection and the specific grounds therefore, and shall be filed with the Court electronically in accordance with General Order M-399 by registered users of the Court’s case filing system (the User’s Manual for the Electronic Case Filing System can be found at <http://www.nysb.uscourts.gov>, the official website for the Court), with a hard copy delivered directly to chambers pursuant to Local Bankruptcy Rule 9070-1 and served so as to be actually received no later than **March 21, 2017, at 4:00 p.m. (prevailing Eastern Time)** (the “Objection Deadline”), upon the parties on the Master Service List (as defined in the Case Management Order), including, without limitation:

- a. Kirkland & Ellis LLP, 300 North LaSalle Street, Chicago, Illinois 60654 (Attn: Benjamin M. Rhode and John R. Luze), the proposed attorneys for the Debtors;
- b. The Office of The United States Trustee for Region 2, U.S. Federal Office Building, 201 Varick Street, Suite 1006, New York, New York 10014 (Attn: Brian Masumoto, Esq.);

- c. Pachulski Stang Ziehl & Jones LLP, 780 Third Avenue, 34th Floor, New York, New York 10017-2024 (Attn: Bradford Sandler and Robert Feinstein), the proposed attorneys for the Official Committee of Unsecured Creditors;
- d. Morgan, Lewis & Bockius LLP, One Federal Street, Boston, Massachusetts 02110 (Attn: Marc R. Leduc, Matthew F. Furlong), attorneys to the administrative agent under the Debtors' prepetition and postpetition asset-based revolving credit facilities; and
- e. Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Matt Barr), attorneys to the administrative agent under the Debtors' prepetition and postpetition term loan credit facility.

**PLEASE TAKE FURTHER NOTICE** that if no Objections are timely filed and served with respect to the Motion, the Debtors shall, on or after the Objection Deadline, submit to the Court an order substantially in the form annexed as **Exhibit A** to the Motion, which order the Court may enter with no further notice or opportunity to be heard.

**PLEASE TAKE FURTHER NOTICE** that the Hearing may be continued or adjourned thereafter from time to time without further notice other than an announcement of the adjourned date or dates at the Hearing. The Debtors will file an agenda before the Hearing, which may modify or supplement the Motion to be heard at the Hearing.

**PLEASE TAKE FURTHER NOTICE** that a copy of the Motion may be obtained free of charge by visiting the website of Donlin, Recano & Company, Inc. at <http://www.donlinrecano.com/bcbg>. You may also obtain copies of any pleadings by visiting the Court's website at <http://www.nysb.uscourts.gov> in accordance with the procedures and fees set forth therein.

*[Remainder of page intentionally left blank]*

Dated: March 14, 2017

*/s/ Joshua A. Sussberg*

Joshua A. Sussberg, P.C.

Christopher J. Marcus, P.C.

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*Proposed Counsel to the Debtors and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

	)	
In re:	)	Chapter 11
	)	
BCBG MAX AZRIA GLOBAL HOLDINGS, LLC, <i>et al.</i> , <sup>1</sup>	)	Case No. 17-10466 (SCC)
	)	
Debtors.	)	(Jointly Administered)
	)	

**DEBTORS' FIRST OMNIBUS MOTION  
FOR ENTRY OF AN ORDER AUTHORIZING REJECTION  
OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED  
LEASES EFFECTIVE *NUNC PRO TUNC* TO THE PETITION DATE**

**THIS MOTION SEEKS TO REJECT CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES. PARTIES RECEIVING THIS MOTION SHOULD LOCATE THEIR NAMES AND THEIR RESPECTIVE EXECUTORY CONTRACTS AND UNEXPIRED LEASES IN THE MOTION. A LISTING OF THE PARTIES AND THE EXECUTORY CONTRACTS AND UNEXPIRED LEASES THAT ARE THE SUBJECT OF THIS MOTION APPEARS IN EXHIBIT 1 TO EXHIBIT A OF THIS MOTION.**

BCBG Max Azria Global Holdings, LLC and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”),<sup>2</sup> respectfully state the following in support of this motion:

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: BCBG Max Azria Global Holdings, LLC (6857); BCBG Max Azria Group, LLC (5942); BCBG Max Azria Intermediate Holdings, LLC (3673); Max Rave, LLC (9200); and MLA Multibrand Holdings, LLC (3854). The location of the Debtors’ service address is: 2761 Fruitland Avenue, Vernon, California 90058.

### **Relief Requested**

1. The Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Order”) authorizing the Debtors to reject (i) that certain Aircraft Lease Agreement, dated as of November 19, 2009 (the “Aircraft Lease”), (ii) that certain Rolls Royce CorporateCare Agreement for Tay 611-8 Engines, dated as of November 1, 2010 (the “Maintenance Contract”), (iii) that certain Aircraft Use Agreement, dated as of June 1, 2015 (the “Use Agreement”), and (iv) that certain Aircraft Management and Operating Agreement, dated as of January 1, 2010 (the “Aircraft Management and Operating Agreement,” and together with the Aircraft Lease, the Maintenance Contract, and the Use Agreement, the “Agreements”), each effective *nunc pro tunc* to the Petition Date. Each of the Agreements is identified on the schedule annexed as **Exhibit 1** to **Exhibit A** attached hereto. In support of the motion the Debtors submit the Declaration of Holly Felder Etlin (the “Etlin Declaration”), attached hereto as **Exhibit B**.

### **Jurisdiction and Venue**

2. The United States Bankruptcy Court for the Southern District of New York (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the Southern District of New York*, dated January 31, 2012. The Debtors confirm their consent, pursuant to rule 7008 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), to the entry of a final order by the Court in connection with this motion to the extent that it is later

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<sup>2</sup> A detailed description of the Debtors and their businesses, and the facts and circumstances supporting the Debtors’ chapter 11 cases, are set forth in greater detail in the *Declaration of Holly Felder Etlin, Chief Restructuring Officer of BCBG Max Azria Global Holdings, LLC, (I) in Support of Chapter 11 Petitions and First Day Motions and (II) Pursuant to Local Bankruptcy Rule 1007-2* [Docket No. 3] (the “First Day Declaration”), filed contemporaneously with the Debtors’ voluntary petitions for relief filed under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”), on February 28, 2017 (the “Petition Date”).

determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

3. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The bases for the relief requested herein are sections 105(a) and 365(a) of the Bankruptcy Code, Bankruptcy Rule 6006, and Rule 6006-1(a) of the Local Bankruptcy Rules for the Southern District of New York (the “Local Rules”).

### **The Aircraft Lease and Maintenance Contract**

5. As part of their ongoing restructuring efforts, the Debtors are engaging in a comprehensive review and analysis of their lease and contract portfolio. The Debtors have determined to reject the Agreements.

6. Continuation of the Aircraft Lease, Maintenance Contract, Use Agreement, and the Aircraft Management and Operating Agreement would be burdensome and would provide no corresponding benefit to the Debtors, their estates, or the stakeholders in these chapter 11 cases. By rejecting the Aircraft Lease, Maintenance Contract, and Aircraft Management and Operating Agreement, surrendering the subject aircraft, and avoiding ongoing aircraft operating costs, insurance, and other related costs, the Debtors estimate that they will be able to achieve cost savings of approximately \$115,000 per month, or approximately \$1.4 million per year (not accounting for any income related to the Use Agreement). Therefore, immediate rejection of the Aircraft Lease, Maintenance Contract, and Aircraft Management and Operating Agreement will prevent the estates from incurring unnecessary expenses associated with the Debtors’ obligations therewith. Further, the Debtors do not receive sufficient income from chartering activities conducted pursuant to the Use Agreement to outweigh the costs associated with the Aircraft Lease, Maintenance Contract, Aircraft Management and Operating Agreement, and general aircraft operation and upkeep, and the Debtors do not anticipate such income will materially

increase in the future. The Debtors also do not believe that marketing the Aircraft Lease for assignment or sublease to a third party would generate any significant value for their estates. Further, none of the Maintenance Contract, Use Agreement, or Aircraft Management and Operating Agreement have a standalone value separate from the Aircraft Lease.

7. Accordingly, the Debtors have determined that it is in the best interests of their estates to reject the Agreements pursuant to section 365 of the Bankruptcy Code.

### **Basis for Relief**

#### **I. Rejection of the Agreements Reflects the Debtors' Sound Business Judgment.**

8. Section 365(a) of the Bankruptcy Code provides that a debtor in possession "subject to the court's approval, may . . . reject any executory contract or unexpired lease of the debtor." 11 U.S.C. § 365(a). "This provision allows a trustee to relieve the bankruptcy estate of burdensome agreements which have not been completely performed." *Stewart Title Guar. Co. v. Old Republic Nat'l Title Ins. Co.*, 83 F.3d 735, 741 (5th Cir. 1996) (citing *In re Murexco Petroleum, Inc.*, 15 F.3d 60, 62 (5th Cir. 1994)); see also *In re Orion Pictures Corp.*, 4 F.3d 1095, 1098 (2d Cir. 1993) (noting that the purpose of rejection of executory contracts is to permit the debtor-in-possession to renounce title to and abandon burdensome property).

9. The Debtors' rejection of an executory contract or unexpired lease is governed by the "business judgment" standard. See *Orion Pictures*, 4 F.3d at 1098-99; *In re Enron Corp.*, No. 01-16034, 2006 WL 898033, at \*4 (Bankr. S.D.N.Y. Mar. 24, 2006) ("In determining whether to approve a [debtor's] decision to reject such lease or contract, a court applies the 'business judgment' test which is met if the rejection is beneficial to the estate.") *In re Ames Dep't Stores, Inc.*, 306 B.R. 43, 51 (Bankr. S.D.N.Y. 2004); see also *NLRB v. Bildisco & Bildisco*, 465 U.S. 513, 523 (1984) (recognizing the "business judgment" standard used to approve rejection of executory contracts); *In re Klein Sleep Prods., Inc.*, 78 F.3d 18, 25 (2d Cir.



1996) (same). The business judgment standard requires a court to approve a debtor's business decision unless that decision "derives from bad faith, whim, or caprice." *In re Helm*, 335 B.R. 528, 538 (Bankr. S.D.N.Y. 2006) (quoting *In re Cent. Jersey Airport Servs., LLC*, 282 B.R. 176, 183 (Bankr. D.N.J. 2002) (internal quotations omitted)).

10. Rejection of an executory contract or an unexpired lease is appropriate where such rejection would benefit the estate. *See Orion Pictures Corp.*, 4 F.3d at 1098-99; *In re Stable Mews Assocs., Inc.*, 41 B.R. 594, 596 (Bankr. S.D.N.Y. 1984). Upon finding that a debtor exercised its sound business judgment in determining that rejection of certain contracts or leases is in the best interests of its creditors and all parties in interest, a court should approve the rejection under section 365(a). *See In re Summit Land Co.*, 13 B.R. 310, 315 (Bankr. D. Utah 1981) (holding that absent extraordinary circumstances, court approval of a debtors' decision to assume or reject an executory contract "should be granted as a matter of course").

11. Rejection of the Agreements is well within the Debtors' business judgment and is in the best interest of their estates. The Debtors do not use the aircraft that is the subject of the Aircraft Lease. The Debtors have determined that marketing costs and the obligations to pay, among other things, postpetition rent, taxes, maintenance costs, insurance, and other related charges diminishes any potential value received from an assignment or sublease. Further, the income the Debtors receive from the Use Agreement does not outweigh the costs of maintaining the aircraft that is the subject of the Aircraft Lease. In contrast, rejection of the Aircraft Lease, Maintenance Contract, and Aircraft Management and Operating Agreement, together with saved operating and maintenance costs, will save the Debtors approximately \$1.4 million in costs per year (not accounting for any income related to the Use Agreement) for the remaining term of the Aircraft Lease. Accordingly, the Debtors have determined that the Agreements constitute an unnecessary drain on the Debtors' resources, do not provide any benefit to the Debtors' estates,

and are not necessary to the Debtors' ongoing operations. Accordingly, the Court should approve rejection of the Agreements as a sound exercise of the Debtors' business judgment.

**II. Deeming Rejection of the Agreements Effective as of the Petition Date is Appropriate.**

12. Section 365 of the Bankruptcy Code does not specifically address whether the Court may order rejection to be applied retroactively. *See In re Jamesway Corp.*, 179 B.R. 33, 36-37 (S.D.N.Y. 1995) (stating that section 365 does not include "restrictions as to the manner in which the court can approve rejection"); *see also In re CCI Wireless, LLC*, 297 B.R. 133, 138 (D. Colo. 2033) (noting that section 365 "does not prohibit the bankruptcy court from allowing the rejection of [leases] to apply retroactively"). Many courts, however, have held that bankruptcy courts may, in their discretion, authorize rejection retroactively to a date prior to entry of the order authorizing such rejection where the balance of equities favor such relief. *See BP Energy Co. v. Bethlehem Steel Corp.*, 2002 WL 31548723, at \*3 (S.D.N.Y. Nov. 15, 2002) ("We cannot conclude . . . that a bankruptcy court's assignment of a retroactive rejection date falls outside of its authority when the balance of the equities favors this solution."); *In re Jamesway Corp.*, 179 B.R. at 38 (same); *see also In re At Home Corp.*, 392 F.3d 1064, 1065-66 (9th Cir. 2004) (affirming bankruptcy court's approval of retroactive rejection), *cert. denied sub nom. Pac. Shores Dev., LLC v. At Home Corp.*, 546 U.S. 814 (2005); *In re Thinking Machs., Corp.*, 67 F.3d 1021, 1028 (1st. Cir. 1995) ("bankruptcy courts may enter retroactive orders of approval, and should do so when the balance of equities preponderates in favor of such remediation"). In considering whether to approve retroactive rejection, courts examine a number of factors, including the costs that a delayed rejection date would otherwise impose on a debtor. *See In re Jamesway Corp.*, 179 B.R. at 33.

13. In this instance, the balance of the equities favors approval of retroactive rejection of the Agreements. The Aircraft Lease, Maintenance Contract, and Aircraft Management and Operating Agreement do not provide any benefit to the Debtors' estates. The Debtors do not use the aircraft that is the subject of the Aircraft lease and have determined that they have no need for an aircraft under their go-forward business plan. The Debtors have already been in discussions with the lessor regarding their intention to reject the Aircraft Lease, and the lessor under the Aircraft Lease will receive adequate notice of this motion and have sufficient opportunity to act accordingly, as will the counterparties under the Maintenance Contract, Use Agreement, and Aircraft Management and Operating Agreement. The Debtors filed this Motion only fourteen days after the Petition Date, to be heard at the first non-emergency hearing scheduled in these chapter 11 cases. Failure to approve rejection *nunc pro tunc* could result in the Debtors incurring unnecessary costs associated with the Aircraft Lease, Maintenance Contract, or Aircraft Management and Operating Agreement. Since the Debtors do not use the aircraft, such costs would be a drain on the Debtors' estates. Further, the Debtors have not received any benefit from the Aircraft Lease, Maintenance Contract, Use Agreement, or Aircraft Management and Operating Agreement in the time since the Petition Date. Accordingly, under the balance of the equities, this court should grant the Motion, effective *nunc pro tunc* to the Petition Date.

**Bankruptcy Rule 6006 is Satisfied**

14. Bankruptcy Rule 6006(a) provides that a "proceeding to assume, reject, or assign an executory contract or unexpired lease . . . is governed by Rule 9014." Fed. R. Bankr. P. 6006(a). In turn, Bankruptcy Rule 9014 states that "[i]n a contested matter . . . not otherwise governed by these rules, relief shall be requested by motion, and reasonable notice and opportunity for hearing shall be afforded the party against whom relief is sought." Fed. R.

Bankr. P. 9014(a). Further, Bankruptcy Rule 6006(e) allows a debtor to consolidate, in a single motion, requests for the authority to reject multiple executory contracts or unexpired leases that are among different parties, subject to Bankruptcy Rule 6006(f). *See* Fed. R. Bankr. P. 6006(e). Bankruptcy Rule 6006(f) requires, in part, that such omnibus motion must: (a) “state in a conspicuous place that parties receiving the omnibus motion should locate their names and their contracts or leases listed in the motion;” (b) “list parties alphabetically and identify the corresponding contract or lease;” (c) “be numbered consecutively with other omnibus motions to assume, assign, or reject executory contracts or unexpired leases;” and (d) “be limited to no more than 100 executory contracts or unexpired leases.” Fed. R. Bankr. P. 6006(f).

15. Here, the Debtors have provided notice to the counterparties to the Agreements such that they can take appropriate action. In addition, this motion provides a conspicuous notice that the parties receiving it should locate their names and agreements, includes the counterparties to the Agreements in alphabetical order, identifies the Agreements to be rejected, and covers only 4 Agreements. This Motion and the notice provided to the Counterparties and other parties in interest are thus sufficient under Bankruptcy Rule 6006. To the extent the Motion does not comply with Bankruptcy Rule 6006, the Debtors respectfully request a waiver.

#### **Motion Practice**

16. This motion includes citations to the applicable rules and statutory authorities upon which the relief requested herein is predicated and a discussion of their application to this motion. Accordingly, the Debtors submit that this motion satisfies Local Rule 9013-1(a).

#### **Notice**

17. The Debtors will provide notice of this motion to: (a) the Master Service List; (b) the 2002 List; and (c) any Affected Entity (each as defined in the *Order (I) Establishing Certain Notice, Case Management, and Administrative Procedures and (II) Granting Related*

*Relief* [Docket No. 90]). The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

**No Prior Request**

18. No prior request for the relief sought in this motion has been made to this or any other court.

*[Remainder of page intentionally left blank.]*

WHEREFORE, the Debtors respectfully request that the Court enter the Order granting the relief requested herein and such other relief as the Court deems appropriate under the circumstances.

Dated: March 14, 2017

*/s/ Joshua A. Sussberg*

Joshua A. Sussberg, P.C.

Christopher J. Marcus, P.C.

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*Proposed Counsel to the Debtors and Debtors in Possession*

**EXHIBIT A**

**Proposed Order**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:	)	Chapter 11
	)	
BCBG MAX AZRIA GLOBAL HOLDINGS, LLC, <i>et al.</i> , <sup>1</sup>	)	Case No. 17-10466 (SCC)
	)	
Debtors.	)	(Jointly Administered)

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**ORDER AUTHORIZING REJECTION OF  
CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED  
LEASES EFFECTIVE *NUNC PRO TUNC* TO THE PETITION DATE**

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Upon the motion (the “Motion”)<sup>2</sup> of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order (this “Order”) authorizing the Debtors to reject (i) that certain Aircraft Lease Agreement, dated as of November 19, 2009 (the “Aircraft Lease”), (ii) that certain Rolls Royce CorporateCare Agreement for Tay 611-8 Engines, dated as of November 1, 2010 (the “Maintenance Contract”), (iii) that certain Aircraft Use Agreement, dated as of June 1, 2015 (the “Use Agreement”), and (iv) that certain Aircraft Management and Operating Agreement, dated as of January 1, 2010 (the “Aircraft Management and Operating Agreement,” and together with the Aircraft Lease, the Maintenance Contract, and the Use Agreement, the “Agreements”), each effective *nunc pro tunc* to the Petition Date, and upon the Etlin Declaration; and the Court having found that this Court has jurisdiction over this

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: BCBG Max Azria Global Holdings, LLC (6857); BCBG Max Azria Group, LLC (5942); BCBG Max Azria Intermediate Holdings, LLC (3673); Max Rave, LLC (9200); and MLA Multibrand Holdings, LLC (3854). The location of the Debtors’ service address is: 2761 Fruitland Avenue, Vernon, California 90058.

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



matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the Southern District of New York*, dated January 31, 2012; and that this Court may enter a final order consistent with Article III of the United States Constitution; and the 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 this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing, if any, before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.
2. Pursuant to section 365 of the Bankruptcy Code, the Agreements identified on **Exhibit 1** attached hereto are hereby rejected effective *nunc pro tunc* to the Petition Date.
3. The Debtors do not waive any claims that they may have against any Counterparty to the Agreements, whether or not such claims arise under, are related to the rejection of, or are independent of the Agreements.
4. Notwithstanding anything to the contrary, the terms and conditions of this Order are immediately effective and enforceable upon its entry.
5. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

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

New York, New York

Dated: \_\_\_\_\_, 2017

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THE HONORABLE SHELLEY C. CHAPMAN  
UNITED STATES BANKRUPTCY JUDGE

**EXHIBIT 1**

**Schedule of Rejected Agreements**

<b>Agreement Counterparty</b>	<b>Debtor Party</b>	<b>Description of Agreement</b>	<b>Counterparty Address</b>	<b>Effective Date of Rejection</b>
CEF 2002 Aircraft / Global Jet	BCBG Max Azria Group, Inc.	Aircraft Lease	10 Riverview Drive, Danbury, Connecticut 06810-5105	Petition Date
Rolls-Royce plc	BCBG Max Azria Group, Inc.	Maintenance Contract	65 Buckingham Gate, London SW1E 6AT England	Petition Date
Threshold Technologies	BCBG Max Azria Group, Inc.	Aircraft Management and Operating Agreement	8352 Kimball Avenue, F350, #3 Chino, California 91708	Petition Date
Worldwide Jet Charter, Inc.,	BCBG Max Azria Group, LLC	Use Agreement	22601 N 17th Avenue, Suite 220 Phoenix, Arizona 85027	Petition Date

**EXHIBIT B**

**Etlin Declaration**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:	)	Chapter 11
	)	
BCBG MAX AZRIA GLOBAL HOLDINGS, LLC, <i>et al.</i> , <sup>1</sup>	)	Case No. 17-10466 (SCC)
	)	
Debtors.	)	(Jointly Administered)

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**DECLARATION OF HOLLY FELDER ETLIN  
IN SUPPORT OF THE DEBTORS' FIRST OMNIBUS  
MOTION FOR ENTRY OF AN ORDER AUTHORIZING  
REJECTION OF CERTAIN EXECUTORY CONTRACTS AND  
UNEXPIRED LEASES EFFECTIVE *NUNC PRO TUNC* TO THE PETITION DATE**

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I, Holly Felder Etlin, Chief Restructuring Officer of BCBG Max Azria Global Holdings, LLC and certain of its subsidiaries and submit this declaration in support of the Debtors' *First Omnibus Motion for Entry of an Order Authorizing Rejection of Certain Executory Contracts and Unexpired Leases Effective Nunc Pro Tunc to the Petition Date* (the "Motion")<sup>2</sup> under penalty of perjury:

1. I am a Managing Director at AlixPartners LLP ("AlixPartners") and have served as the Chief Restructuring Officer of BCBG Max Azria Global Holdings, LLC since January 12, 2017.

2. Except as otherwise indicated, all facts in this Declaration are based on my personal knowledge, my discussions with the Debtors' management team and advisors, including

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: BCBG Max Azria Global Holdings, LLC (6857); BCBG Max Azria Group, LLC (5942); BCBG Max Azria Intermediate Holdings, LLC (3673); Max Rave, LLC (9200); and MLA Multibrand Holdings, LLC (3854). The location of the Debtors' service address is: 2761 Fruitland Avenue, Vernon, California 90058.

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

the AlixPartners team working under my supervision, my review of relevant documents and information provided to me or verified by other executives, management, employees, or advisors of the Debtors, or my opinion based on my experience and knowledge of the Debtors' operations and financial condition. If called upon to testify, I could and would testify competently to the facts set forth herein.

3. As part of their ongoing restructuring efforts, the Debtors are engaging in a comprehensive review and analysis of their lease and contract portfolio. The Debtors have determined to reject the Agreements.

4. Continuation of the Aircraft Lease, Maintenance Contract, Use Agreement, and Aircraft Management and Operating Agreement would be burdensome and would provide no corresponding benefit to the Debtors, their estates, or the stakeholders in these chapter 11 cases. By rejecting the Aircraft Lease, Maintenance Contract, and Aircraft Management and Operating Agreement, surrendering the subject aircraft, and avoiding ongoing aircraft operating costs, insurance, and other related costs, the Debtors estimate that they will be able to achieve cost savings of approximately \$115,000 per month, or approximately \$1.4 million per year (not accounting for any income related to the Use Agreement). Therefore, immediate rejection of the Aircraft Lease, Maintenance Contract, and Aircraft Management and Operating Agreement will prevent the estates from incurring unnecessary expenses associated with the Debtors' obligations therewith. Further, the Debtors do not receive sufficient income from chartering activities conducted pursuant to the Use Agreement to outweigh the costs associated with the Aircraft Lease, Maintenance Contract, Aircraft Management and Operating Agreement, and general aircraft operation and upkeep, and the Debtors do not anticipate such income will materially increase in the future. The Debtors also do not believe that marketing the Aircraft Lease for

assignment or sublease to a third party would generate any significant value for their estates. Further, none of the Maintenance Contract, Use Agreement, or Aircraft Management and Operating Agreement have a standalone value separate from the Aircraft Lease.

5. Accordingly, I believe that it is in the best interests of the Debtors and their estates to reject the Agreements pursuant to section 365 of the Bankruptcy Code.

*[Remainder of page intentionally left blank]*

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true  
and correct to the best of my knowledge and belief.

Dated: March 14, 2017  
New York, New York

/s/ Holly Felder Etlin

Name: Holly Felder Etlin  
Title: Chief Restructuring Officer  
BCBG Max Azria Global Holdings, LLC  
and its Debtor subsidiaries