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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> , ¹)	Case No. 17-10466 (SCC)
Debtors.)	(Jointly Administered)

**NOTICE OF PRESENTMENT OF SUPPLEMENTAL ORDER IN SUPPORT OF
CONFIRMATION OF THE AMENDED JOINT PLAN OF REORGANIZATION OF
BCBG MAX AZRIA GLOBAL HOLDINGS, LLC AND ITS DEBTOR AFFILIATES
PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE**

PLEASE TAKE NOTICE that, pursuant to Article V.H.c of the *Amended Joint Plan of Reorganization of BCBG Max Azria Global Holdings, LLC and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* (the “Plan”)² [Docket No. 587], confirmed pursuant to the *Findings of Fact, Conclusions of Law, and Order Confirming the Amended Joint Plan of Reorganization of BCBG Max Azria Global Holdings, LLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* (the “Confirmation Order”) [Docket No. 591], the Debtors

¹ 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.

² Capitalized terms used but not defined herein have the meanings given to them in the Plan.

have determined to assign the Insurance Program, with the consent of Chubb, subject to the execution of the Assumption Agreement, as defined in the Proposed Order, to the OpCo Purchaser on the terms set forth in the *Supplemental Order in Support of Confirmation of the Amended Joint Plan of Reorganization of BCBG Max Azria Global Holdings, LLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code*, substantially in the form attached hereto as **Exhibit A** (the “Proposed Order”).

PLEASE TAKE FURTHER NOTICE that, pursuant to Article V.H.c of the Plan, the Debtors are authorized to submit the Proposed Order under notice of presentment on three calendar days’ notice, notwithstanding any Bankruptcy Rule to the contrary.

PLEASE TAKE FURTHER NOTICE that, the Debtors will present the Proposed Order, for signature to the Honorable Shelley C. Chapman of the United States Bankruptcy Court for the Southern District of New York (the “Court”), in Room 623, One Bowling Green, New York, New York 10004-1408, on **July 31, 2017, at 4:00 p.m. (prevailing Eastern Time)** (the “Presentment Date”).

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 Rule 9070-1 and served so as to be actually received no later than **July 31, 2017, at 11:00 a.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), 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), attorneys for the Official Committee of Unsecured Creditors;
- d. Morgan, Lewis & Bockius LLP, One Federal Street, Boston, Massachusetts 02110 (Attn: Julia Frost-Davies, Christopher L. Carter), 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 Court may enter the Proposed Order with no further notice or opportunity to be heard.

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 <https://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.

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Dated: July 27, 2017

/s/ Joshua A. Sussberg

Joshua A. Sussberg, P.C.

Christopher Marcus, P.C.

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Counsel to the Debtors and Debtors in Possession

EXHIBIT A

Proposed Order

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

In re:)

) Chapter 11

BCBG MAX AZRIA GLOBAL HOLDINGS,)
LLC, *et al.*,¹)

) Case No. 17-10466 (SCC)

) Debtors.)

) (Jointly Administered)

**SUPPLEMENTAL ORDER IN SUPPORT OF CONFIRMATION
OF THE AMENDED JOINT PLAN OF REORGANIZATION OF BCBG
MAX AZRIA GLOBAL HOLDINGS, LLC AND ITS DEBTOR AFFILIATES
PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE**

In connection with the *Findings of Fact, Conclusions of Law, and Order Confirming the Amended Joint Plan of Reorganization of BCBG Max Azria Global Holdings, LLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* (the “Confirmation Order”) [Docket No. 591] and the *Amended Joint Plan of Reorganization of BCBG Max Azria Global Holdings, LLC and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* (the “Plan”) [Docket No. 587], and in support of confirmation of the Plan,

IT IS HEREBY FURTHER ORDERED THAT:

1. The Assumption Agreement by and among the Original Insureds, the Assuming Entity and Chubb (in form and substance satisfactory to Chubb, the “Assumption Agreement”), is hereby approved² and shall be substantially in the form attached hereto as Exhibit A.

2. Except as set forth in paragraph 3 hereof, notwithstanding anything to the

¹ 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.

² Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Assumption Agreement.

contrary in the Confirmation Order, Disclosure Statement, the Plan, the Plan Supplement, the Asset Purchase Agreements, or any other order or document related to the foregoing:

- a. Subject to the satisfaction of all of the conditions set forth in clause (b) below and the execution of the Assumption Agreement by the Original Insureds, the Assuming Entity and Chubb:
 - i. the Original Insureds are hereby authorized and directed to assume (immediately hereafter or immediately after issuance thereof), pursuant to 11 U.S.C. §§ 105 and 365, the ACE WC Program;
 - ii. subject to the terms of the Assumption Agreement, the Original Insureds are hereby authorized and directed to assign the Chubb WC Program to the Assuming Entity;
 - iii. the Original Insureds are hereby authorized and directed to enter into the Assumption Agreement; and
 - iv. effective upon the assignment of Chubb WC Program, and subject to the terms of the Assumption Agreement:
 1. the Assuming Entity assumes and shall be liable for any and all now existing or hereafter arising WC Obligations, including, without limitation, any and all liability and obligation to pay losses and expenses within the deductibles, provide collateral and/or security as required by Chubb, pay premium to Chubb, and pay service fees to the applicable third party claims administrator;
 2. the rights and interests of the Original Insureds in the Collateral shall be transferred and assigned to the Assuming Entity;

3. all right, title and interest of the Original Insureds in the Chubb WC Program and the Collateral shall terminate;
 4. the Collateral shall continue to secure the insureds' and/or the Assuming Entity's obligations and liabilities under the Chubb WC Program; and
 5. the Assuming Entity and the Original Insureds shall remain jointly obligated to cooperate with Chubb in providing information reasonably necessary for premium audits or claims handling under the Chubb WC Program.
- b. The assumption and assignment of the Chubb WC Program shall not be effective unless and until:
- i. Chubb, the Original Insureds and the Assuming Entity shall have executed the Assumption Agreement; and
 - ii. the Original Insureds and the Assuming Entity shall have satisfied the conditions to effectiveness set forth in the Assumption Agreement.
- c. Except to the extent specifically addressed in clauses (a) – (c) above, nothing in this paragraph shall amend, modify or otherwise alter the terms and conditions of the Chubb WC Program.
3. This Order is entered pursuant to Section V.H.c of the Plan and except as specifically addressed herein, nothing herein or in the Confirmation Order is intended to alter the Chubb Order (as defined in the Plan) or Section V.H of the Plan. Nothing herein modifies the Assumption Agreement.

4. The following release is approved:

Release by the Original Insureds and the Assuming Entity. In consideration of the promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, upon the Effective Date, the Original Insureds, jointly and severally, on behalf of themselves, their bankruptcy estates and all parties claiming by, through or under each of them and each of their respective agents, employees, representatives, officers, attorneys, shareholders, members, partners, directors, successors, assigns, trustees, estates and predecessors in interest of each of the foregoing (collectively and including any chapter 7 trustee appointed pursuant to the Bankruptcy Code, the “Original Insured Entities”) and the Assuming Entity on behalf of itself and all parties claiming by, through or under it and its respective agents, employees, representatives, officers, attorneys, shareholders, members, partners, directors, successors, assigns, trustees, estates and predecessors in interest of each of the foregoing (collectively, the “Assuming Entity Releasers” and, together with the Original Insured Entities, the “Releasing Parties”) hereby waives, releases, acquits and forever discharges Chubb and each of its respective agents, employees, representatives, officers, attorneys, shareholders, directors, parents, subsidiary corporations, affiliates, successors, assigns, trustees and predecessors in interest (collectively, the “Chubb Releasees”) from any and all claims (including, but not limited to, any and all claims pursuant to §§ 362, 363, 364, 365, 542, 544, 547, 548, 549, and 550 of the Bankruptcy Code), counterclaims, rights, demands, obligations, causes of action, actions, costs, damages, losses, liabilities, and attorneys’ fees, arising under any statute, federal, state, or local regulation, ordinance or common law, whether asserted or unasserted, known or unknown, fixed or contingent, liquidated or unliquidated, matured or unmatured, foreseen or unforeseen, which exist or may exist that the Releasing Parties may have against any or all of the Chubb Releasees from the beginning of time through the Effective Date, arising out of or in any way related to the Chubb WC Program, the WC Policies or the WC Obligations; provided, however, that the release set forth in this paragraph shall not apply to (i) Chubb’s obligations under the Chubb WC Program; and (ii) the obligations expressly contained in this Assumption Agreement. The releases contained in this provision shall be referred to herein as the “Releases.”

5. Notwithstanding the applicability of Bankruptcy Rules 6004(h) and 6006(d), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry and the notice requirements of Bankruptcy Rule 4001(d) are hereby waived.

New York, New York
Dated: [____], 2017

THE HONORABLE SHELLEY C. CHAPMAN
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT A

ASSUMPTION AND ASSIGNMENT AGREEMENT

THIS ASSUMPTION AND ASSIGNMENT AGREEMENT (the “Assumption Agreement”) dated _____, 2017, is made by and among Federal Insurance Company (including its division Chubb & Son, “Federal”) and ACE American Insurance Company (“ACE” and together with Federal, “Chubb”), GBG USA Inc. (“GBG” and together with all of its affiliates, the “Assuming Entity”), and BCBG Max Azria Group, LLC and BCBG Max Azria Global Holdings, LLC, each on behalf of itself and affiliated insured companies (collectively, the “Original Insureds”; and together with Chubb and the Assuming Entity, the “Parties”).

WHEREAS, on February 28, 2017 (the “Petition Date”), the Original Insureds and certain of their affiliates filed petitions for relief commencing a case (“Chapter 11 Case”) under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of New York (“Court”), which cases were administratively consolidated at Case No. 17-10466 (SCC);

WHEREAS, prior to the Petition Date, Federal issued certain workers’ compensation insurance coverage to the Original Insureds under and subject to the terms, conditions and limitations of certain insurance policies (together with any written agreements related thereto, and all as renewed, amended, modified, endorsed or supplemented from time to time, collectively, the “Federal WC Program”);

WHEREAS, after the Petition Date, ACE issued certain workers’ compensation insurance coverage to the Original Insureds under and subject to the terms, conditions and limitations of certain insurance policies (together with any written agreements related thereto, and all as renewed, amended, modified, endorsed or supplemented from time to time, collectively, the “ACE WC Program” and together with the Federal WC Program, the “Chubb WC Program”)¹;

WHEREAS, as security for the obligations to Chubb, the Original Insureds provided to Chubb two irrevocable letters of credit in the aggregate amount of \$5,349,195.00 (collectively, as amended from time to time and together with the proceeds thereof, the “Original Insureds’ LOC”) and (ii) a paid loss deposit fund in the amount of \$100,000.00 (together with the Original Insureds’ LOC and any other cash, credits, other letters of credit, or other collateral or security provided by the Original Insureds to Chubb and together with the proceeds of each of the foregoing, the “Collateral”);

WHEREAS, pursuant to that certain *Order (I) Authorizing Assumption of the Prepetition Insurance Program, (II) Authorizing the Debtors to Enter into the Postpetition Insurance Program, and (III) Granting Related Relief* entered by the Court on July 10, 2017 [Docket No. 512, and as may be revised/corrected by the Court], the Debtors assumed the Federal WC Program and entered into the ACE WC Program;

¹ For the avoidance of doubt, Chubb also issued certain general liability, automobile liability, directors’ and officers’ liability, employment practices liability and certain other insurance coverage to the Original Insureds (collectively, the “Other Policies”). The Other Policies and any obligations thereunder are excluded from this Assumption Agreement.

WHEREAS, pursuant to that certain Asset Purchase Agreement dated as of June 9, 2017 (the “APA”), by and between the Original Insureds (and other Seller Parties (as such term is defined in the APA)) and the Assuming Entity, the Seller Parties have agreed to sell, transfer and convey to the Assuming Entity, and the Assuming Entity has agreed to purchase, assume and acquire from the Seller Parties, all of the Seller Parties’ right, title and interest in and to certain assets (the “Assets”) and to assume certain liabilities of the Seller Parties, as described more fully under the APA;

WHEREAS, the APA was attached to the Amended Joint Plan of Reorganization of BCBG Max Azria Global Holdings, LLC and Its Debtors Affiliates Pursuant to Chapter 11 of the Bankruptcy Code (the “Plan”) [Docket No. 564];

WHEREAS, pursuant to that certain Transition Services Agreement dated as of the date hereof (the “TSA”), by and between the Seller Parties and the Assuming Entity, (i) the Assuming Entity agreed to assume certain Employee Costs (as defined in the TSA) including the WC Obligations (as defined herein) until such date as the Hired Employees (as defined in the TSA) are hired by the Assuming Entity and (ii) the Seller Parties and the Assuming Entity agreed that the Hired Employees would be hired by the Assuming Entity on a date prior to September 30, 2017 (the date such employees are actually hired by the Assuming Entity, the “Employee Transfer Date”);

WHEREAS, the TSA was included in the Plan Supplement (as defined in the Plan);

WHEREAS, on or about July 26, 2017, the Court entered its Findings of Fact, Conclusions of Law, and Order Confirming the Amended Joint Plan of Reorganization of BCBG Max Azria Global Holdings, LLC and its Debtor Affiliates Pursuant to Chapter 11 of The Bankruptcy Code (the “Confirmation Order”) [Docket No. 591];

WHEREAS, on or about _____, the Court entered an order approving the Debtors’ assignment of certain of their rights and obligations under the Chubb WC Program to the Assuming Entity and the Releases (as defined herein) (the “Supplemental Order”);

WHEREAS, pursuant to the APA, the TSA, the Confirmation Order and the Supplemental Order, the Assuming Entity has agreed to assume the WC Obligations (as defined herein);

WHEREAS, the Original Insureds and the Assuming Entity have requested that Chubb consent to the assumption and assignment of the Chubb WC Program to the Assuming Entity and accept the Replacement LOC (as defined herein), and as a condition for considering this request, Chubb has required, among other things, that the Original Insureds and the Assuming Entity execute this Assumption Agreement.

NOW THEREFORE, incorporating the foregoing herein, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties hereby agree as follows:

1. Conditions to Effectiveness. The effectiveness of this Assumption Agreement and Chubb's obligations hereunder shall be subject to the prior satisfaction of all of the following material conditions precedent:

1.1 The Supplemental Order shall be entered in a form acceptable to Chubb, and shall provide for the assumption, to the extent necessary, by the Original Insureds of the ACE WC Program and the assignment of the Chubb WC Program to the Assuming Entity, subject to written approval by Chubb and the execution of this Assumption Agreement;

1.2 Occurrence of the Closing of the APA;

1.3 Execution of this Assumption Agreement by all of the Parties;

1.4 Execution of an amendment to the Chubb WC Program, in form and substance satisfactory to Chubb, by the Assuming Entity and Chubb reflecting the Assuming Entity's assumption of all liabilities and obligations under the Chubb WC Program pursuant to this Assumption Agreement;

1.5 Payment in full by the Original Insureds of all sums currently due and owing to Chubb;

1.6 Delivery to Chubb of a clean irrevocable evergreen letter of credit in form, content, amount and substance reasonably acceptable to Chubb and issued by a financial institution for the account of the Assuming Entity and for the benefit of Chubb, which financial institution shall be acceptable to Chubb in Chubb's sole discretion, to secure the Assuming Entity's obligations under the Chubb WC Program (the "Replacement LOC"), the form of which Replacement LOC is attached hereto as Exhibit A; the Replacement LOC shall be issued in the amount of \$5,501,050.00; and

1.7 Transfer and assignment of the Original Insureds' rights, claims, title and interest, if any, in the Collateral to the Assuming Entity free and clear of the Original Insureds' rights, claims, title and interest but subject to the continuing security interests and liens of Chubb for the Assuming Entity's obligations and liabilities under the Chubb WC Program including, but not limited to, the WC Obligations (as defined herein).

The date on which all conditions set forth in this Section 1 have been satisfied shall be the "Effective Date."

2. Transfer, Assignment and Assumption of WC Obligations and Chubb WC Program.

2.1 On the Effective Date, Original Insureds hereby transfer and assign to the Assuming Entity and the Assuming Entity hereby accepts and assumes from the Original Insureds, all rights, claims, title and interest in and to, and agrees to observe, pay, perform, satisfy, fulfill and discharge, any and all now existing or hereafter arising duties, terms, provisions, covenants, obligations and liabilities of the Original Insureds or any of them under the Chubb WC Program; including, without limitation, any and all liabilities and obligations to pay in full dollars losses and expenses within the

deductibles, provide security as required by Chubb, pay premium to Chubb, and pay service fees (hereinafter collectively, the “WC Obligations”); provided, however and without altering the foregoing assumption of the WC Obligations, the Chubb WC Program itself and the coverage provided thereunder shall only be assigned to the Assuming Entity upon satisfaction of the conditions set forth in Section 2.2 hereof.

2.2 The Employee Transfer Date shall be September 30, 2017. Without in any way affecting or altering the prior assignment of the WC Obligations as provided in Section 2.1 hereof and regardless of how many Hired Employees there are, the Chubb WC Program itself and the coverage thereunder shall be assigned to the Assuming Entity on the Employee Transfer Date.

2.3 On the Effective Date, the Original Insureds hereby assign, transfer, sell and convey to the Assuming Entity, and the Assuming Entity hereby accepts and assumes from the Original Insureds, all rights, claims, title, interest and entitlements of the Original Insureds in and to, the Collateral, if any, in consideration for the Assuming Entity assumption of the WC Obligations, subject to the continuing security interests and liens of Chubb but free and clear of the Original Insureds’ rights, claims and interest.

2.4 The Parties agree that as of the Effective Date, any return premiums, loss payments, expense adjustments, return of paid loss deposit funds, and other benefits under the Chubb WC Program shall be paid or delivered to the Assuming Entity, and not to the Original Insureds.

2.5 The Parties agree that as of the Effective Date, (i) Chubb shall be under no obligation whatsoever to determine the applicability of any policy under the Chubb WC Programs, and/or the availability of coverage or proceeds thereunder, with respect to any underlying claim against the Original Insureds, the Assuming Entity, or both, except in the normal course of responding to tender of a claim, (ii) without altering Chubb’s ability to determine in its sole discretion if coverage exists under the Chubb WC Program and how losses, insurance proceeds or benefits are allocated between or among multiple insureds or claimants, issues regarding allocation of losses, insurance proceeds or benefits between the Original Insureds and Assuming Entity shall otherwise be determined by and between the Original Insureds and the Assuming Entity, at their sole cost and expense, (iii) Chubb shall in no event be responsible or liable for any allocation or alleged misallocation of coverage or proceeds, and (iv) the Original Insureds and Assuming Entity hereby release and hold Chubb harmless from any responsibility or liability for any loss, cost, damage, or expense incurred by Original Insureds or the Assuming Entity relating to such allocation or misallocation as between the Seller Parties or the Assuming Entity.

2.6 Notwithstanding anything to the contrary contained in the ACE WC Program, on the Employee Transfer Date, Chubb shall endorse the ACE WC Program to amend such ACE WC Program to, as of the Employee Transfer Date, remove the Original Insureds as insureds under all the ACE WC Program, and add the Assuming Entity as the Named Insured under the ACE WC Program, pursuant to which all right, title and interest of the Original Insureds in the Chubb WC Program shall terminate. Except as expressly amended herein, the terms, conditions, limitations, deductibles, coverages, and policy periods under the Chubb WC Program remain unchanged and in full force and effect; and are enforceable against the Assuming Entity. Nothing in this Assumption Agreement shall increase, decrease

or otherwise alter or change the availability or scope of coverage under the Chubb WC Program. The Assuming Entity shall not be a named insured, additional insured, or other form of insured or beneficiary under any of the Federal WC Program. THE ORIGINAL INSUREDS UNDERSTAND AND AGREE THAT AS OF THE EMPLOYEE TRANSFER DATE, THEY WILL NO LONGER HAVE OR BE ENTITLED TO COVERAGE UNDER THE CHUBB WC PROGRAM FOR CLAIMS AGAINST THEM AFTER THE EMPLOYEE TRANSFER DATE.

2.7 The Parties agree that as of the Effective Date, the Assuming Entity is entitled to receive all insurance benefits of the Chubb WC Program (except for coverage as set forth in Section 2.1), and that Chubb shall provide or pay all of such insurance benefits to the Assuming Entity as though the Assuming Entity were the original named insured under and party to the Chubb WC Program; such insurance benefits may include, but are not limited to, any return premiums, loss payments, and expense adjustments under the Chubb WC Program; provided, however, that such agreement by Chubb is conditioned on and subject to the Assuming Entity's assumption of all duties and obligations due to Chubb under the Chubb WC Program including, but not limited to, the WC Obligations; provided further, however, that except as provided in section 2.6, nothing alters the coverage provided by the Chubb WC Program. Continuing after the Effective Date and the Employee Transfer Date, the Original Insureds and the Assuming Entity remain jointly obligated to cooperate with Chubb in providing information necessary for premium audits or claims handling under the Chubb WC Program.

2.8 On and after the Effective Date, and subject to sections 2.1 and 2.2 of this Assumption Agreement, the Assuming Entity hereby acknowledges and agrees that Chubb may enforce its rights under the Chubb WC Program against the Assuming Entity, as though the Assuming Entity was the original named insured thereunder and a party thereto; provided, however, notwithstanding anything to the contrary in this Assumption Agreement, the Assuming Entity is not entitled to coverage for claims against the Assuming Entity where the date of loss preceded the Employee Transfer Date.

3. No Limitation of Liability. Notwithstanding anything to the contrary in the Confirmation Order, any other order, the APA, any other agreement or otherwise, any provision which reduces, limits or excludes (or purports to reduce, limit or exclude) the Assuming Entity's liability and/or obligations for all or any part of the Original Insured's liabilities with respect to insurance shall not be applicable to, or reduce, limit, exclude, modify or impair in any respect, the Assuming Entity's liabilities and/or obligations to Chubb related to the WC Obligations, the Chubb WC Program and/or this Assumption Agreement.

4. Consent. Chubb hereby consents to the Original Insureds' assignment and transfer, and the Assuming Entity's assumption and acceptance of, the Chubb WC Program and the WC Obligations, and related benefits thereunder, subject to the terms and conditions of this Assumption Agreement.

5. The Original Insureds' LOC and the Future Provision of Collateral and Security.

5.1 Within three (3) business days of Chubb's receipt of the Replacement LOC and satisfaction of the conditions set forth in Section 1 of this Assumption Agreement, Chubb will release the Original Insureds' LOC by returning the Original Insureds' LOC to Bank of America, N.A.

5.2 The Assuming Entity will continue to provide Chubb with one or more letters of credit (and/or other collateral acceptable to Chubb) as security for the WC Obligations, all as provided in the Chubb WC Program and/or any new agreements executed by the Assuming Entity (if any, the “Additional Collateral”). In addition to any other remedies it may have, Chubb may draw down on all or any part of the Replacement LOC in each instance in which the Assuming Entity has failed to observe, pay, perform, satisfy, fulfill or discharge, in whole or in part, any of the WC Obligations subject to the terms of the Chubb WC Program.

5.3 Upon receipt of the Replacement LOC, the defined term “Collateral” as used in this Assumption Agreement shall include the Replacement LOC and exclude the Original Insureds’ LOC. Upon receipt of any Additional Collateral, the defined term “Collateral” as used in this Assumption Agreement shall include the Additional Collateral.

6. Security Interest. The Original Insureds and the Assuming Entity hereby grant to Chubb a security interest in and lien on all of their respective right, title and interest, if any, in and to the Collateral and all proceeds thereof as security for the WC Obligations. Chubb may hold the Collateral in any account in Chubb’s name and with any financial institution as Chubb determines in its sole discretion. Chubb may commingle the Collateral with Chubb’s own funds or the funds of other insureds. Chubb shall have the sole and exclusive right, and is hereby authorized, to use the Collateral to pay any and all WC Obligations under the Chubb WC Program without notice or demand. Chubb shall have no duty to invest the Collateral and may hold the Collateral in an interest bearing or non-interest bearing account as Chubb determines in its sole discretion.

7. Billing. Following the Effective Date, Chubb will bill only the Assuming Entity directly for the WC Obligations.

8. Limitation of Obligations. As of the Effective Date, the liabilities and obligations of the Assuming Entity shall be determined pursuant to the terms and conditions of the Chubb WC Program as though the Assuming Entity was the original named insured thereunder and a party thereto and as though the Chapter 11 Case had not occurred.

9. Release by the Original Insureds and the Assuming Entity. In consideration of the promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, upon the Effective Date, the Original Insureds, jointly and severally, on behalf of themselves, their bankruptcy estates and all parties claiming by, through or under each of them and each of their respective agents, employees, representatives, officers, attorneys, shareholders, members, partners, directors, successors, assigns, trustees, estates and predecessors in interest of each of the foregoing (collectively and including any chapter 7 trustee appointed pursuant to the Bankruptcy Code, the “Original Insured Entities”) and the Assuming Entity on behalf of itself and all parties claiming by, through or under it and its respective agents, employees, representatives, officers, attorneys, shareholders, members, partners, directors, successors, assigns, trustees, estates and predecessors in interest of each of the foregoing (collectively, the “Assuming Entity Releasers” and, together with the Original Insured Entities, the “Releasing Parties”) hereby waives, releases, acquits and forever discharges

Chubb and each of its respective agents, employees, representatives, officers, attorneys, shareholders, directors, parents, subsidiary corporations, affiliates, successors, assigns, trustees and predecessors in interest (collectively, the “Chubb Releasees”) from any and all claims (including, but not limited to, any and all claims pursuant to §§ 362, 363, 364, 365, 542, 544, 547, 548, 549, and 550 of the Bankruptcy Code), counterclaims, rights, demands, obligations, causes of action, actions, costs, damages, losses, liabilities, and attorneys’ fees, arising under any statute, federal, state, or local regulation, ordinance or common law, whether asserted or unasserted, known or unknown, fixed or contingent, liquidated or unliquidated, matured or unmatured, foreseen or unforeseen, which exist or may exist that the Releasing Parties may have against any or all of the Chubb Releasees from the beginning of time through the Effective Date, arising out of or in any way related to the Chubb WC Program or the WC Obligations; provided, however, that the release set forth in this paragraph shall not apply to (i) Chubb’s obligations under the Chubb WC Program; and (ii) the obligations expressly contained in this Assumption Agreement. The releases contained in this provision shall be referred to herein as the “Releases.”

10. Miscellaneous.

10.1 This Assumption Agreement shall be construed in accordance with the internal laws of the Commonwealth of Pennsylvania without regard to those provisions concerning conflicts of laws.

10.2 This Assumption Agreement is drafted in good faith. Should the need arise, the Parties shall cooperate in demonstrating to a court or arbitration panel that this Assumption Agreement, together with any terms and provisions contained therein, were negotiated and drafted on a mutual basis by parties of equal bargaining power and in good faith.

10.3 This Assumption Agreement contains no admissions whatsoever regarding insurance coverage. This Assumption Agreement is not and shall not be interpreted as a contract or policy of insurance. The Chubb WC Program provide all terms, conditions and limitations with respect to insurance coverage.

10.4 This Assumption Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective heirs, executors, legal representatives, successors and assigns; provided, however, that the Chubb WC Program may not hereafter be assigned by the Assuming Entity without Chubb’s written consent.

10.5 Any provision hereof which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction only, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions and without affecting the validity or enforceability of such provision in any other jurisdiction.

10.6 This Assumption Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same Assumption Agreement. This Assumption Agreement shall be deemed fully executed when it has been signed by all of the Parties.

10.7 This Assumption Agreement may not be modified, amended, assigned or terminated except by written agreement signed by the Parties. This Assumption Agreement is the entire agreement among all of the Parties and supersedes all other prior agreements and understandings, both written and oral, with respect to the subject matter hereof. The Parties understand and agree that they are not relying on any promise or representation that is not stated expressly herein.

10.8 Each Party hereof agrees to take such further actions as may be reasonably necessary or as another Party may reasonably request in order to achieve the purpose and intent of this Assumption Agreement, or to consummate the transactions contemplated under this Assumption Agreement.

11. Representations and Warranties.

11.1 Each of the Parties expressly warrants and represents to each other as follows: (i) the execution of this Assumption Agreement is fully authorized by each of them; (ii) that it has the right, power and authority to enter into the transaction described herein on its own behalf; (iii) the person or persons executing this Assumption Agreement have the necessary and appropriate authority to do so; (iv) there are no pending agreements, transactions, or negotiations to which any of them are a party that would render this Assumption Agreement or any part thereof void, voidable or unenforceable; and (v) none of the claims being novated pursuant to this Assumption Agreement have been previously assigned or transferred in any way to any person.

11.2 The Assuming Entity warrants and represents to Chubb that it has received copies of the Chubb WC Program.

12. Arbitration. Any controversy, dispute, claim or question arising out of or relating to this Assumption Agreement, including without limitation its interpretation, performance or non-performance by any party, or any breach thereof (collectively, "Controversy") shall be referred to and resolved exclusively by three arbitrators through private, confidential arbitration conducted in Philadelphia, Pennsylvania. Such arbitrators shall be disinterested, neutral individuals who have experience and qualifications in the subject matter of the Controversy. One arbitrator shall be chosen by each party and the third by the two so chosen. If either party refuses or neglects to appoint an arbitrator within thirty (30) days after receipt of written notice from the other party requesting it to do so, the requesting party may choose a total of two arbitrators who shall choose the third. If the arbitrators fail to select the third arbitrator within ten (10) days after both have been named, the party plaintiff shall notify the American Arbitration Association (AAA) who shall appoint the third arbitrator. The AAA shall select an arbitrator who is disinterested, neutral and who has experience and qualifications in the subject matter of the Controversy. Each party shall bear the expense of its own arbitrator and shall jointly and equally bear the cost of the third arbitrator. In the event of the death, disability or incapacity of any arbitrator, a replacement shall be named pursuant to the process which resulted in the selection of the arbitration to be replaced. The arbitrators may abstain from following the strict rules of law, and shall make their decision with regard to the custom and usage of insurance business as at the Effective Date. The arbitrators cannot award attorney's fees and costs to the prevailing party. The majority decision of the panel shall be final

and binding upon the Parties. Judgment may be entered upon the award of the arbitrators in any court of competent jurisdiction. Except as otherwise specifically provided, the arbitration of any Controversy shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association.

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IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this Assumption Agreement on the dates set forth below, to be effective as of the date set forth above.

FEDERAL INSURANCE COMPANY (INCLUDING ITS DIVISION CHUBB & SON)

By: _____

Printed Name: _____

Title: _____

Date: _____

ACE AMERICAN INSURANCE COMPANY

By: _____

Printed Name: _____

Title: _____

Date: _____

GBG USA INC.

(on behalf of itself and its affiliates)

By: _____

Printed Name: _____

Title: _____

Date: _____

BCBG MAX AZRIA GROUP, LLC

(on behalf of itself and its affiliated insured companies)

By: _____

Printed Name: _____

Title: _____

Date: _____

BCBG MAX AZRIA GLOBAL HOLDINGS, LLC

[Signature Page to the Assumption Agreement]

(on behalf of itself and its affiliated insured companies)

By: _____

Printed Name: _____

Title: _____

Date: _____

Exhibit A

Form of Replacement LOC

Standard LC (To be typed on bank letterhead or Letter of credit form)

(Date)

Illinois Union Insurance Company
Westchester Fire Insurance Company
Federal Insurance Company
ACE American Insurance Company
Chubb & Son, A Division of Federal Insurance Company
436 Walnut Street,
Philadelphia, Pennsylvania 19106

Attention: Collateral Manager

Irrevocable Letter of Credit No.

Beneficiaries:

By order of our client, _____, we hereby establish this Irrevocable Letter of Credit No. _____ in your favor for an amount up to but not exceeding the aggregate sum of _____ U.S. Dollars (U.S. \$ _____), effective immediately, and expiring at the offices of the bank on _____ unless renewed as hereinafter provided.

The term "Beneficiary" includes any successor by operation of law of the named Beneficiary including, without limitation, any liquidator, rehabilitator, receiver or conservator.

Funds under this Letter of Credit are available to you against your sight draft(s), drawn on us, bearing the clause "Drawn under Credit No. _____".

This Letter of Credit will be automatically renewed for a one year period upon the expiration date set forth above and upon each anniversary of such date, unless at least sixty (60) days prior to such expiration date, or prior to any anniversary of such date, we notify both you and your client in writing by registered mail that we elect not to so renew this Letter of Credit.

Upon receipt by you of our notice of election not to renew this Letter of Credit, you may draw hereunder by your sight draft(s) drawn on us and bearing the clause "Drawn under Credit No. _____".

This Letter of Credit sets forth in full the terms of our undertaking. Such undertaking shall not in any way be modified, amended or amplified by reference to any document or instrument referred to herein or in which this Letter of Credit is referred to or to which this Letter of Credit relates and any such reference shall not be deemed to incorporate herein by reference any document or instrument.

All bank charges and commissions incurred in this transaction are for the applicant's account.

We hereby agree with the drawers, endorsers and bona fide holders of drafts drawn under and in compliance with the terms of this credit that such drafts will be duly honored upon presentation to the drawee. The obligation of (issuing bank) under this Letter of Credit is the individual obligation of (issuing bank), and is in no way contingent upon reimbursement with respect thereto.

Except as otherwise expressly stated herein, this credit is subject to and governed by the Laws of the State of New York and the 2007 revision of the Uniform Customs and Practice for Documentary Credits of the International Chamber of Commerce (Publication 600) and, in the event of any conflict, the Laws of the State of New York will control. If this credit expires during an interruption of business as described in Article 36 of said I.C.C. publication, we agree to effect payment if this Credit is drawn against within 30 days after the resumption of business.

Very truly yours,

Authorized Signature