

____ District of Delaware
(State)

☐ Check if this is an amended filing

04/16

Debtor Beauty Brands Payroll Holdings, Inc.
Name

Case number (if known) _____

7. Describe debtor's business

A. Check one:

- ☐ Health Care Business (as defined in 11 U.S.C. § 101(27A))
- ☐ Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
- ☐ Railroad (as defined in 11 U.S.C. § 101(44))
- ☐ Stockbroker (as defined in 11 U.S.C. § 101(53A))
- ☐ Commodity Broker (as defined in 11 U.S.C. § 101(6))
- ☐ Clearing Bank (as defined in 11 U.S.C. § 781(3))
- ☒ None of the above

B. Check all that apply:

- ☐ Tax-exempt entity (as described in 26 U.S.C. § 501)
- ☐ Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. § 80a-3)
- ☐ Investment advisor (as defined in 15 U.S.C. § 80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor. See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.4 4 6 1**8. Under which chapter of the Bankruptcy Code is the debtor filing?**

Check one:

- ☐ Chapter 7
- ☐ Chapter 9
- ☒ Chapter 11. Check all that apply:
- ☐ Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,566,050 (amount subject to adjustment on 4/01/19 and every 3 years after that).
- ☐ The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
- ☐ A plan is being filed with this petition.
- ☐ Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
- ☐ The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the *Attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11* (Official Form 201A) with this form.
- ☐ The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.
- ☐ Chapter 12

9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?☒ No

☐ Yes. District _____ When _____ Case number _____
MM / DD / YYYY

District _____ When _____ Case number _____
MM / DD / YYYY

If more than 2 cases, attach a separate list.

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?☐ No

☒ Yes. Debtor See Attachment A Relationship _____
District Delaware When _____
MM / DD / YYYY

Case number, if known _____

List all cases. If more than 1, attach a separate list.

Debtor Beauty Brands Payroll Holdings, Inc.
Name

Case number (if known) _____

11. Why is the case filed in *this* district?*Check all that apply:*

- ☒ Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.
- ☐ A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?

- ☒ No
- ☐ Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.

Why does the property need immediate attention? *(Check all that apply.)*

- ☐ It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.
What is the hazard? _____
- ☐ It needs to be physically secured or protected from the weather.
- ☐ It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).
- ☐ Other _____

Where is the property? _____

Number Street

City

State

ZIP Code

Is the property insured?

- ☐ No
- ☐ Yes. Insurance agency _____
- Contact name _____
- Phone _____

Statistical and administrative information**13. Debtor's estimation of available funds***Check one:*

- ☒ Funds will be available for distribution to unsecured creditors.
- ☐ After any administrative expenses are paid, no funds will be available for distribution to unsecured creditors.

14. Estimated number of creditors

- | | | |
|--|--|--|
| <input checked="" type="checkbox"/> 1-49 | <input type="checkbox"/> 1,000-5,000 | <input type="checkbox"/> 25,001-50,000 |
| <input type="checkbox"/> 50-99 | <input type="checkbox"/> 5,001-10,000 | <input type="checkbox"/> 50,001-100,000 |
| <input type="checkbox"/> 100-199 | <input type="checkbox"/> 10,001-25,000 | <input type="checkbox"/> More than 100,000 |
| <input type="checkbox"/> 200-999 | | |

15. Estimated assets

- | | | |
|--|--|--|
| <input checked="" type="checkbox"/> \$0-\$50,000 | <input type="checkbox"/> \$1,000,001-\$10 million | <input type="checkbox"/> \$500,000,001-\$1 billion |
| <input type="checkbox"/> \$50,001-\$100,000 | <input type="checkbox"/> \$10,000,001-\$50 million | <input type="checkbox"/> \$1,000,000,001-\$10 billion |
| <input type="checkbox"/> \$100,001-\$500,000 | <input type="checkbox"/> \$50,000,001-\$100 million | <input type="checkbox"/> \$10,000,000,001-\$50 billion |
| <input type="checkbox"/> \$500,001-\$1 million | <input type="checkbox"/> \$100,000,001-\$500 million | <input type="checkbox"/> More than \$50 billion |

Debtor Beauty Brands Payroll Holdings, Inc.
Name

Case number (if known) _____

16. Estimated liabilities

- | | | |
|--|--|--|
| <input checked="" type="checkbox"/> \$0-\$50,000 | <input type="checkbox"/> \$1,000,001-\$10 million | <input type="checkbox"/> \$500,000,001-\$1 billion |
| <input type="checkbox"/> \$50,001-\$100,000 | <input type="checkbox"/> \$10,000,001-\$50 million | <input type="checkbox"/> \$1,000,000,001-\$10 billion |
| <input type="checkbox"/> \$100,001-\$500,000 | <input type="checkbox"/> \$50,000,001-\$100 million | <input type="checkbox"/> \$10,000,000,001-\$50 billion |
| <input type="checkbox"/> \$500,001-\$1 million | <input type="checkbox"/> \$100,000,001-\$500 million | <input type="checkbox"/> More than \$50 billion |

Request for Relief, Declaration, and Signatures

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

17. Declaration and signature of authorized representative of debtor

- ☐ The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.
- ☐ I have been authorized to file this petition on behalf of the debtor.
- ☐ I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 01/06/2019
MM / DD / YYYY**X** /s/ Timothy Boates

Signature of authorized representative of debtor

Timothy Boates

Printed name

Title Chief Restructuring Officer

18. Signature of attorney

X /s/ Gregory A. Taylor

Signature of attorney for debtor

Date 01/06/2019

MM / DD / YYYY

Gregory A. Taylor
Printed nameAshby & Geddes, P.A.
Firm name500 Delaware Avenue, 8th FloorNumber Wilmington DE 19801
City State ZIP Code(302) 654-1888 gtaylor@ashbygeddes.com

Contact phone Email address

4008 DE
Bar number State

ATTACHMENT A TO VOLUNTARY PETITION

Pending Bankruptcy Cases Filed by Affiliated Entities

On the date hereof, each of the entities listed below (collectively, the “Debtors”), including the Debtor in this chapter 11 case, will file or has filed a petition in this Court for relief under chapter 11 of title 11 of the United States Code. Contemporaneously with the filing of their voluntary petitions, the Debtors are filing a motion requesting that the Court consolidate their chapter 11 cases for administrative purposes only under the case number assigned to the chapter 11 case of Debtor Beauty Brands, LLC.

- Beauty Brands, LLC
- Beauty Brands Payroll, LLC

Fill in this information to identify the case and this filing:

Debtor Name Beauty Brands Payroll Holdings, Inc.

United States Bankruptcy Court for the: _____ District of Delaware
(State)

Case number (If known): _____

Official Form 202**Declaration Under Penalty of Perjury for Non-Individual Debtors****12/15**

An individual who is authorized to act on behalf of a non-individual debtor, such as a corporation or partnership, must sign and submit this form for the schedules of assets and liabilities, any other document that requires a declaration that is not included in the document, and any amendments of those documents. This form must state the individual's position or relationship to the debtor, the identity of the document, and the date. Bankruptcy Rules 1008 and 9011.

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

Declaration and signature

I am the president, another officer, or an authorized agent of the corporation; a member or an authorized agent of the partnership; or another individual serving as a representative of the debtor in this case.

I have examined the information in the documents checked below and I have a reasonable belief that the information is true and correct:

- ☐ *Schedule A/B: Assets—Real and Personal Property* (Official Form 206A/B)
- ☐ *Schedule D: Creditors Who Have Claims Secured by Property* (Official Form 206D)
- ☐ *Schedule E/F: Creditors Who Have Unsecured Claims* (Official Form 206E/F)
- ☐ *Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G)
- ☐ *Schedule H: Codebtors* (Official Form 206H)
- ☐ *Summary of Assets and Liabilities for Non-Individuals* (Official Form 206Sum)
- ☐ Amended Schedule _____
- ☐ *Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders* (Official Form 204)
- ☒ Other document that requires a declaration Corporate Ownership Statement and Equity Holders List

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 01/06/2019
MM / DD / YYYY

X/s/ Timothy Boates

Signature of individual signing on behalf of debtor

Timothy Boates

Printed name

Chief Restructuring Officer

Position or relationship to debtor

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

IN RE:)	Chapter 11
)	
BEAUTY BRANDS PAYROLL)	Case No. 19-_____ (___)
HOLDINGS, INC.,)	
)	
Debtor.)	

**CORPORATE OWNERSHIP STATEMENT AND LIST OF EQUITY SECURITY
HOLDERS PURSUANT TO FED. R. BANKR. P. 1007(a)(1), 1007 (a)(3), AND 7007.1**

Pursuant to Rules 1007(a)(1), 1007(a)(3), and 7007.1 of the Federal Rules of Bankruptcy Procedure, the above-captioned debtor ("Debtor") hereby states as follows:

1. Debtor Beauty Brands Payroll Holdings, Inc. is owned by the following non-debtor entities:

Entity	Relationship	Ownership
Beauty Brands, LLC	Sole Shareholder	100%

**RESOLUTION OF THE BOARD OF DIRECTORS OF
BEAUTY BRANDS PAYROLL HOLDINGS, INC.**

January 2, 2019

The undersigned, being all the directors, with the exception of Lyn Kirby, who is abstaining, (collectively, the “Directors”) of the board of directors (the “Board of Directors”) of Beauty Brands Payroll Holdings, Inc., a Delaware corporation (the “Company”), acting pursuant to the organizational documents of the Company and applicable law, hereby approve and adopt the following resolutions:

WHEREAS, the Directors have reviewed and had the opportunity to ask questions about the materials presented by the management and the legal and financial advisors of the Company regarding the liabilities and liquidity of the Company, the strategic alternatives available to it and the impact of the foregoing on the Company’s businesses;

WHEREAS, the Directors have had the opportunity to consult and confer with the legal and financial advisors of the Company to fully consider each of the strategic alternatives available to the Company; and

WHEREAS, the Directors desire to approve the following resolutions:

NOW, THEREFORE, BE IT RESOLVED, that the Directors have determined, in consultation with the legal and financial advisors of the Company, that it is desirable and in the best interests of the Company, its creditors, and other parties in interest that a petition be filed by the Company seeking relief under the provisions of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”); and be it further

RESOLVED, that Timothy D. Boates shall be and hereby is appointed as the Company’s Chief Restructuring Officer (“CRO”), and the CRO shall serve as an officer (but not a Director) of the Company and shall report to the Board of Directors as necessary to keep the Board of Directors reasonably informed regarding the exercise of its duties with respect to the Company and in no event less frequently than once per week unless otherwise waived by the Board of Directors; and be it further

RESOLVED, that the CRO, or such other person as the Directors will designate (each, an “Authorized Person”) is authorized and instructed to cause preparation of an appropriate voluntary petition as determined by him or her under Chapter 11 of the Bankruptcy Code on behalf of the Company.

RESOLVED, that the Company is hereby authorized and each Authorized Person shall be and hereby is, authorized and directed on behalf of the Company to commence a case under Chapter 11 of the Bankruptcy Code (the “Chapter 11 Case”) by executing, verifying and delivering a voluntary petition in the name of the Company under Chapter 11 of the Bankruptcy Code and causing the same to be filed with the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) in such form and at such time as the Authorized Person executing said petition shall determine; and be it further

RESOLVED, that the Company is hereby authorized, and each Authorized Person shall be, and hereby is, authorized on behalf of and in the name of the Company, to the extent applicable, to obtain the use of cash collateral, or to borrow additional funds, either as a debtor in possession under Chapter 11 of the Bankruptcy Code or otherwise, and that the Authorized Person is hereby authorized and instructed, on behalf of and in the name of the Company, to negotiate and agree with potential lenders as to the terms and amounts of any such cash collateral use or further borrowings and to grant such security interests in, or liens on the assets of the Company, and to execute and deliver appropriate agreements for such use of postpetition financing in connection with the Bankruptcy Case, including the granting of liens to any such lender(s) to such agreement(s), and to take such additional action and execute and deliver such other agreements, instruments, or documents proposed to be executed and delivered by or on behalf of the Company pursuant thereto or in connection therewith, all with such changes therein and additions thereto as any such officer, in his sole discretion, may deem necessary or proper in connection with such further borrowings; and be it further

RESOLVED, that the Company is authorized to retain the law firm of Ashby & Geddes, P.A., located at 500 Delaware Avenue, 8th Floor, Wilmington, Delaware 19801, as bankruptcy attorneys for the Company in the Chapter 11 Case, subject to Bankruptcy Court approval; and be it further

RESOLVED, that the Company is authorized to retain the firm of Lazard Middle Market, headquartered at 30 Rockefeller Plaza, New York, New York 10112, as investment bankers for the Company in the Chapter 11 Case, subject to Bankruptcy Court approval; and be it further

RESOLVED, that the Company is authorized to retain RAS Management Advisors, LLC, headquartered at 1285 Sharps Cove Road, Gurley, Alabama 35748, to represent and assist the CRO and the Company in carrying out their duties under the Bankruptcy Code, and to take any and all actions to advance the Company's rights and obligations; and be it further

RESOLVED, that the Company is authorized to retain the firm of Hilco Merchant Resources, LLC, headquartered at 5 Revere Drive, Suite 206, Northbrook, Illinois 60062, as the Company's exclusive agent for the limited purpose of conducting the sale and liquidation of the Company's assets, in accordance with that certain *Agency Agreement*, by and between Beauty Brands, LLC and Hilco Merchant Resources, LLC; and be it further

RESOLVED, that each Authorized Person is authorized and directed to employ any other firm as professionals or consultants to the Company as are deemed necessary to represent and assist the Company in carrying out its duties under the Bankruptcy Code and, in connection therewith, each Authorized Person is hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers prior to and immediately upon the filing of the Bankruptcy Case, and cause to be filed an appropriate application for authority to retain the services of such firm(s); and it is further

RESOLVED, that the Company be, and it hereby is, authorized and empowered to enter into that certain *Debtor-in-Possession Revolving Credit and Security Agreement* (the "Credit Agreement"), with PNC Bank, National Association ("PNC") as lender and as agent, to borrow

under the Credit Agreement at such times and in such amounts as any Authorized Officer shall deem necessary or advisable and as shall be permitted by the terms of the Credit Agreement and to consummate all the other transactions contemplated by the Credit Agreement, including without limitation, to grant first priority priming liens and security interests in, and to pledge, mortgage or grant deeds of trust with respect to, its right title and interest in and to its properties and assets to the extent required to secure its and PNC's obligations under the Credit Agreement and to grant superpriority claim status with regard thereto; and be it further

RESOLVED, that each of the Authorized Persons be, and each of them hereby is, authorized to negotiate, execute and deliver the Credit Agreement in the name and on behalf of the Company in the form and upon the terms and conditions as any Authorized Person may approve (such approval to be conclusively established by such Authorized Person's execution and delivery thereof), and to perform the Company's obligations thereunder, including the payment of any fees and expenses related thereto, and to take all actions in accordance therewith that any of them may deem necessary or advisable to consummate the transactions contemplated thereby, and the actions of any such Authorized Officer in negotiating the terms of, and in executing and delivering, the Credit Agreement, and any other action taken in connection therewith, on behalf of the Company be, and the same hereby are, ratified confirmed, approved and adopted; and be it further

RESOLVED, that any Authorized Person be, and each of them hereby is, authorized and empowered in the name and on behalf of the Company to execute and deliver any amendment (including amendments increasing the amount of credit available under the Credit Agreement and/or extending the maturity of the same), amendment and restatement or other modification to the Credit Agreement (each, an "Amendment"), such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that any such Amendment shall remain subject to further Board approval to the extent required under the Company's existing delegations of authority and/or corporate governance practices and procedures; and be it further

RESOLVED, that any Authorized Person be, and each of them hereby is, authorized and empowered in the name and on behalf of the Company to execute and deliver any officer's secretary's or similar certificate on behalf of the Company in connection with the Credit Agreement or any Amendment and the transactions contemplated therein, with such changes as such Authorized Person executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof; and be it further

RESOLVED, that each Authorized Person is authorized, empowered, and directed to execute, verify and/or file, or cause to be filed and/or executed or verified and to amend, supplement or otherwise modify from time to time, all necessary or appropriate documents, including, without limitation, petitions, affidavits, schedules, motions, lists, applications, pleadings and other documents, agreements, and papers; and to take any and all actions that the Authorized Person deems necessary or appropriate, each in connection with the Chapter 11 Cases, or any cash collateral usage contemplated thereby, with a view to the successful prosecution of the Chapter 11 Case; and be it further;

RESOLVED, that each Authorized Person is hereby authorized, directed and empowered in the name of and on behalf of the Company, (a) to take or cause to be taken any and all actions, and to make or cause to be made all payments (including but not limited to payments of expenses, retainers and filing fees), (b) to make or cause to be made all federal, state and local governmental, administrative and/or regulatory filings as may be required or advisable under the laws or regulations of any jurisdiction, and (c) to negotiate, enter into, execute, deliver appropriate, convenient or proper, in each case to effectuate the intent of, and the transactions contemplated by, the foregoing resolutions, and the execution and delivery thereof by such Authorized Person to be conclusive evidence of such approval; and

RESOLVED, that any Authorized Person is hereby authorized, empowered, and directed, in the name and on behalf of the Company, to cause the Company to enter into, execute, deliver, certify, file and/or record, and perform such agreements, instruments, motions, affidavits, applications for approvals or rulings of governmental or regulatory authorities, certificates, or other documents, and to take such other actions that in the judgment of the Authorized Person shall be or become necessary, proper, or desirable in connection with the Chapter 11 Case; and further

RESOLVED, that any and all past actions heretofore taken by any Authorized Person or the directors of the Company in the name and on behalf of the Company in furtherance of any or all of the preceding resolutions be, and the same hereby are, ratified, confirmed, and approved in all respects.

RESOLVED, that this resolution may be executed by facsimile, telecopy or other electronic means of reproduction, and such execution shall be considered valid, binding and effective for all purposes.

HADLEY MULLIN

/s/ Hadley Mullin

By: Hadley Mullin, Director

Date: January 2, 2019

DIANE MILES

/s/ Diane Miles

By: Diane Miles, Director

Date: January 2, 2019

CARYN LERNER

/s/ Caryn Lerner

By: Caryn Lerner, Director

Date: January 2, 2019

DAN COSTELLO

/s/ Dan Costello

By: Dan Costello, Director

Date: January 2, 2019

LYN KIRBY

By: Lyn Kirby, Director

Date: _____

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

In re:)	
)	Chapter 11
BEAUTY BRANDS PAYROLL)	
HOLDINGS, INC.)	Case No. 19-_____ (___)
)	
Debtor.)	Joint Administration Requested
)	

LIST OF EQUITY INTEREST HOLDERS

In accordance with Rule 1007(a)(3) of the Federal Rules of Bankruptcy Procedure, Beauty Brands Payroll Holdings, Inc. (the “Company”) hereby states that the entities on the following pages hold the Company’s equity interests.

I, the undersigned authorized officer of the Company, named as the debtor in this case, declare under penalty of perjury that I have reviewed the foregoing and that it is true and correct to the best of my knowledge, information, and belief, with the reliance in appropriate corporate officers.

<u>Name and Address</u>	<u>Number of Securities</u>	<u>Kind of Interest</u>
Beauty Brands, LLC 4600 Madison Ave., Ste. 400 Kansas City, MO 64112	100	Shares