

UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA

In re:

CAFE HOLDINGS CORP., *et al.*,¹

Debtors.

Chapter 11

Case No. 18-05837 (hb)

(Jointly Administered)

**FINAL ORDER AUTHORIZING DEBTORS (I) TO MAINTAIN THEIR
INSURANCE PROGRAMS AND SURETY BOND PROGRAM;
(II) TO HONOR ALL OBLIGATIONS WITH RESPECT THERETO; AND
(III) TO CONTINUE THE INSURANCE PREMIUM FINANCING PROGRAM**

Upon consideration of the motion (the “**Motion**”)² of the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”), for the entry of an order (this “**Final Order**”), (a) authorizing, but not directing, the Debtors to continue and, to the extent necessary, renew, supplement, or purchase new liability, property, and other insurance programs as well and the surety bond program, to pay all policy premiums and obligations arising thereunder or in connection therewith, including all such prepetition obligations arising in the ordinary course of business, and to continue the Debtors’ insurance premium financing program, and (b) granting related relief, all as more fully set forth in the Motion; and upon consideration of the Motion and all pleadings related thereto; and due and proper notice of the Motion having been given; and it appearing that no other or further notice of the Motion is required; and it appearing that the Court has jurisdiction to consider the Motion in accordance with 28 U.S.C. §§ 157 and 1334; and it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Cafe Holdings Corp. (7910); Cafe Enterprises, Inc. (4946); CE Sportz LLC (2009); and CES Gastonia LLC (0863). The location of the Debtors’ corporate headquarters is 4324 Wade Hampton Blvd., Suite B, Taylors, South Carolina 29687.

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

appearing that the relief requested in the Motion and provided for herein is in the best interest of the Debtors, their estates, and creditors; and after due deliberation and sufficient cause appearing therefor, **IT IS HEREBY ORDERED THAT:**

1. The Motion is granted on a final basis as set forth herein.
2. The Debtors are authorized, but not directed, to maintain, continue, renew, modify, cancel, or extend (including through obtaining D&O “tail” coverage subject to the limitations set forth below) the Insurance Programs and the coverage thereunder, without interruption, on the same basis, and in accordance with the same practices and procedures as were in effect prior to the commencement of the Debtors’ chapter 11 cases; provided, however, that the Debtors will consult with the DIP Agent prior to renewing any insurance policies currently included within the Insurance Programs, modifying any insurance coverage, or acquiring new insurance policies or coverage not currently within the Insurance Programs as of the Petition Date, and will provide notice to the United States Trustee and the Official Committee of Unsecured Creditors (the “**Committee**”) of any such renewals, modifications, or acquisitions.
3. The Debtors are authorized, but not directed to obtain D&O “tail” coverage.
4. The Debtors are authorized, but not directed, to honor all Surety Bond Obligations, including, without limitation, any new Surety Bond Obligations, whether or not such Surety Bond Obligation is listed on **Exhibit B** to the Motion and regardless of whether accruing or relating to the period before or after the Petition Date.
5. The Debtors are authorized, but not required, to pay all Insurance Obligations, Surety Bond Obligations, and Premium Financing Obligations, including those Insurance Obligations, Surety Bond Obligations, and Premium Financing Obligations that (a) were due and payable before the commencement of these chapter 11 cases, and (b) are, or become, due and payable after the commencement of these chapter 11 cases.

6. The Debtors are authorized to continue utilizing the Broker and the Administrator in the ordinary course of business on a post-petition basis.

7. Nothing in this Final Order or the Motion shall be construed as prejudicing any rights the Debtors may have to dispute or contest the amount of or basis for any claims asserted against the Debtors arising in connection with the Insurance Programs, the Insurance Obligations, or the Premium Financing Obligations or as an admission as to the validity or priority of any claim against the Debtors.

8. Nothing in the Motion or this Final Order shall be deemed or construed as an approval of an assumption or rejection of any contract pursuant to section 365 of the Bankruptcy Code and all such rights are reserved.

9. Any parties receiving payment from the Debtors are authorized and directed to rely upon the representations of the Debtors as to which payments are authorized by this Final Order. The Banks on which checks were drawn or electronic payment requests made in payment of the obligations approved herein are authorized and directed to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such Banks are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Final Order.

10. The Debtors are authorized to take such actions as may be necessary and appropriate to implement the terms of this Final Order.

11. Notwithstanding anything to the contrary herein, any payments authorized to be made pursuant to this Final Order shall be made only to the extent authorized under the cash collateral and debtor-in-possession financing budget approved by the Court in effect as of the time such payment is to be made.

12. The terms and conditions of this Final Order shall be immediately effective and enforceable upon its entry.

13. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied.

14. Notice of the Motion satisfies the requirements set forth in Bankruptcy Rule 6004(a).

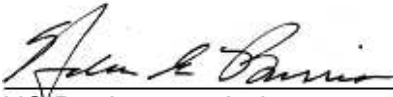
15. This Court shall retain jurisdiction with respect to all matters relating to the interpretation or implementation of this Final Order.

AND IT IS SO ORDERED.

**FILED BY THE COURT
12/06/2018**



Entered: 12/06/2018


US Bankruptcy Judge
District of South Carolina

Certificate of Notice Page 5 of 6
United States Bankruptcy Court
District of South Carolina

In re:
Cafe Holdings Corp.
Debtor

Case No. 18-05837-hb
Chapter 11

CERTIFICATE OF NOTICE

District/off: 0420-7 User: richardso Page 1 of 2 Date Rcvd: Dec 06, 2018
Form ID: pdf01 Total Noticed: 1

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Dec 08, 2018.

aty +Ian T. Peck, Haynes and Boone, LLP, 2323 Victory Avenue, Suite 700, Dallas, TX 75219-7673

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center. NONE. TOTAL: 0

***** BYPASSED RECIPIENTS *****

NONE. TOTAL: 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.

Transmission times for electronic delivery are Eastern Time zone.

I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Dec 08, 2018

Signature: /s/Joseph Speetjens

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on December 6, 2018 at the address(es) listed below:

- Brandon K. Poston on behalf of Creditor Committee Official Committee of Unsecured Creditors keith.poston@nelsonmullins.com, Stephanie.arnold@nelsonmullins.com;linnea.hann@nelsonmullins.com;stephanie.arnold@nelsonmullins.com;joan.kishline@nelsonmullins.com
Craig Solomon Ganz on behalf of Creditor Store Master Funding I, LLC ganzc@ballardspahr.com, phxdocketingbkr@ballardspahr.com,hartt@ballardspahr.com
Craig Solomon Ganz on behalf of Creditor STORE Master Funding V, LLC ganzc@ballardspahr.com, phxdocketingbkr@ballardspahr.com,hartt@ballardspahr.com
Daniel K Felker on behalf of Creditor Bruce Dressler dan@huckandfelker.com, brandy@hucksandfelker.com
David Brian Wheeler on behalf of Creditor Old Mill Stream, LLC davidwheeler@mvalaw.com
Elisabetta G. Gasparini on behalf of U.S. Trustee US Trustee's Office elisabetta.g.gasparini@usdoj.gov
Francesca Macchiaverna on behalf of Creditor Geoffrey S. Stutchman and Leehouang T. Stutchman as Trustees for the Stutchman Family Trust, successors-in-interest to Store Capital Acquisitions, LLC fmacchiaverna@huntermaclean.com, btees@huntermaclean.com
John Timothy Stack on behalf of U.S. Trustee US Trustee's Office John.T.Stack@usdoj.gov
Mary M. Caskey on behalf of Attorney Michael DiGiacomo mcaskey@hsblawfirm.com, awilloughby@hsblawfirm.com;uveguilla@hsblawfirm.com;cwilliamson@hsblawfirm.com
Mary M. Caskey on behalf of Creditor STORE Master Funding V, LLC mcaskey@hsblawfirm.com, awilloughby@hsblawfirm.com;uveguilla@hsblawfirm.com;cwilliamson@hsblawfirm.com
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Michael H. Weaver on behalf of Debtor Cafe Holdings Corp. mweaver@mcnair.net, khandrock@mcnair.net
Michael Kevin McCarrell on behalf of Creditor ACM Fatz VII LLC kmccarrell@foxrothschild.com, eaccetta@foxrothschild.com
Randy A. Skinner on behalf of Creditor Freshpoint North Carolina, Inc. janice@skinnerlawfirm.com;candicem@skinnerlawfirm.com
Robin C. Stanton on behalf of Debtor Cafe Holdings Corp. rstanton@mcnair.net, abennett@mcnair.net
Stanley H. McGuffin on behalf of Creditor STORE Master Funding V, LLC smcguffin@hsblawfirm.com, cwilliamson@hsblawfirm.com;mcaskey@hsblawfirm.com;uveguilla@hsblawfirm.com
Stanley H. McGuffin on behalf of Creditor Store Master Funding I, LLC smcguffin@hsblawfirm.com, cwilliamson@hsblawfirm.com;mcaskey@hsblawfirm.com;uveguilla@hsblawfirm.com

District/off: 0420-7

User: richardso
Form ID: pdf01

Page 2 of 2
Total Noticed: 1

Date Rcvd: Dec 06, 2018

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system (continued)

US Trustee's Office USTPRegion04.CO.ECF@usdoj.gov
Weyman C. Carter on behalf of Debtor Cafe Holdings Corp. wcarte@mcnair.net,
dhayes@mcnair.net

TOTAL: 21