

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF SOUTH CAROLINA

In re:

CAFE HOLDINGS CORP., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 18-05837 (hb)

(Jointly Administered)

SUPPLEMENTAL DECLARATION OF JOHN SORDILLO  
IN SUPPORT OF DEBTORS' APPLICATION FOR ENTRY OF ORDER  
PURSUANT TO 11 U.S.C. §§ 105(a) AND 363(b) AUTHORIZING  
AND APPROVING DEBTORS' (I) RETENTION AND EMPLOYMENT OF  
LOUGHLIN MANAGEMENT PARTNERS & CO., INC.  
AND (II) EMPLOYMENT OF JOHN SORDILLO AS  
CHIEF RESTRUCTURING OFFICER  
NUNC PRO TUNC TO THE PETITION DATE

1. I am a Managing Director of Loughlin Management Partners & Co., Inc. ("Loughlin"), a financial and operational advisory firm which has its principal office at 20 West 55<sup>th</sup> Street, 5<sup>th</sup> Floor, New York, New York 10019. I am submitting this Supplemental Declaration (this "**Supplemental Declaration**") in support of the Debtors' *Application for Entry of Order Pursuant to 11 U.S.C. §§ 105(a) and 363(b) Authorizing and Approving Debtors' (I) Retention and Employment of Loughlin Management Partners & Co., Inc. and (II) Employment of John Sordillo as Chief Restructuring Officer Nunc Pro Tunc to the Petition Date* (the "**Application**"). I am authorized to make this Supplemental Declaration on behalf of Loughlin. Except as otherwise noted,<sup>2</sup> I have personal knowledge of the matters set forth herein. Unless

<sup>1</sup> 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.

<sup>2</sup> Certain of the disclosures herein relate to matters within the personal knowledge of other professionals at Loughlin and are based on information provided by them.

otherwise defined, capitalized terms used but not defined herein shall have the meanings ascribed to them in the Application.

2. On December 4, 2018, the Debtors filed the *Application for Entry of Order Pursuant to 11 U.S.C. §§ 105(a) and 363(b) Authorizing and Approving Debtors' (I) Retention and Employment of Loughlin Management Partners & Co., Inc. and (II) Employment of John Sordillo as Chief Restructuring Officer Nunc Pro Tunc to the Petition Date* (the "**Application**"). Along with the filing of the Application, the Debtors filed the *Declaration of John Sordillo in Support of the Application* (the "**Original Declaration**").

3. In connection with the Application and the Original Declaration, I submit this Supplemental Declaration to provide additional disclosures in accordance with Bankruptcy Rule 2014(a).

4. In the Engagement Letter, Loughlin referenced that it has a business relationship with Madison Capital Funding, LLC ("**Madison**"). Specifically, Loughlin served as financial advisor to Madison in its role as Agent to the Solvaira Specialties lender syndicate. Additionally, I served as CRO of Network Global Logistics where Madison was the agent on the senior secured credit facility.

5. Schedule 1 to the Original Declaration is a list of potential parties-in-interest that Loughlin processed through its client database for our representation in these cases. Loughlin has also processed the additional parties-in-interest listed on Exhibit A hereto through its client database. Loughlin's searches revealed certain connections to Goldberg Kohn ("**Goldberg**") and Milestone Partners III, L.P. ("**Milestone**"), all completely unrelated to the Debtors.

6. Specifically, Goldberg served as counsel to Madison in the Solvaira Specialties and Network Global Logistics' matters referenced above. Loughlin has served as financial advisor and investment banker to Milestone on two deals over the last four years. Additionally,

one of Loughlin's managing directors has in the past served on the board of directors of a company owned by Milestone.

7. Loughlin does not represent Madison, Goldberg or Milestone or any of their affiliates in these Chapter 11 cases or in any matters related to these Chapter 11 cases.

**Conclusion**

8. In view of the foregoing, Loughlin submits that it holds no interest adverse to the Debtors as to the matters for which it has been employed. Loughlin recognizes its continuing responsibility to be aware of, and to further disclose, any relationship or connection between it and other parties-in-interest to the Debtors' bankruptcy estates and the Chapter 11 cases as they appear or become recognized during the Chapter 11 cases. Accordingly, Loughlin reserves the right to supplement this disclosure if necessary as more information becomes available.

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 information, knowledge and belief.

Dated: December 17, 2018



John Sordillo  
Managing Director  
Loughlin Management Partners & Co., Inc.