

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MINNESOTA**

In re:	Jointly Administered Under Case No. 17-30673 (MER)
Gander Mountain Company, Overton's Inc.,	Case No.: 17-30673 Case No.: 17-30675
Debtors.	Chapter 11 Cases

UNSWORN DECLARATION OF GINO TIEPPO

Gino Tieppo makes this unsworn declaration in support of Mastercard International Incorporated's Motion for Order Compelling Rejection of Contract.

1. I am Senior Counsel for Mastercard International Incorporated ("Mastercard"), and I have personal knowledge of the matters set forth in this declaration.

2. Mastercard and Debtor Gander Mountain Company ("GMC") are parties to that certain Co-Branding Strategic Alliance Agreement dated October 1, 2012 (the "Co-Branding Agreement") setting forth the terms under which GMC would market and promote Mastercard co-branded credit cards in the United States.

3. On May 4, 2017, the Court entered its *Order Authorizing The Sale Of Certain Of The Debtors' Assets Free And Clear Of Liens, Claims, Rights, Encumbrances, And Other Interests* (doc. 688) and *Order Authorizing The Sale Of Certain Assets Free And Clear Of Liens, Claims, Rights, Encumbrances, And Other Interests* (Doc. 691 (the "CWI Sale Order")), approving a proposed sale to CWI, Inc. ("CWI").

4. The CWI Sale Order provided for, in part, a process under which CWI was authorized to designate executory contracts for assumption and assignment to CWI by no later than thirty (30) days following the closing of the sale.

5. According to the Debtors, the sale to CWI closed on May 26, 2017, and the deadline by which CWI was required to designate executory contracts for assumption and assignment was June 25, 2017.

6. After the Court entered the CWI Sale Order, Mastercard and CWI began negotiating terms for the potential assumption and assignment of the Co-Branding Agreement, but were unable to reach agreement by the June 26, 2017 deadline, and the Co-Branding Agreement was not designated for assumption and assignment.

7. Among other obligations under the Co-Branding Agreement, GMC is required to:

- a. Provide significant and consistent exposure to the Mastercard brand at all GMC retail, outlet, and other locations;
- b. Grant Mastercard a limited, royalty-free, non-exclusive, non-transferable right to use GMC's service marks, trademarks, tradenames and logos for use in promotional materials.

8. In exchange for performance of its obligations under the Co-Branding Agreement, GMC was entitled to incentive payments based on certain charges made with co-branded Mastercard credit cards.

9. GMC has not been complying with its obligations under the Co-Branding Agreement. Among other things, because GMC is in the process of closing substantially all of its retail locations, it is not promoting the Mastercard brand as required, and there is no reasonable prospect that it will begin doing so in the future.

10. Ongoing promotion of the Mastercard brand is a critical purpose of the Co-Branding Agreement, and the principal benefit for which Mastercard bargained.

11. Because GMC is not performing, and cannot perform, its obligations under the Co-Branding Agreement, Mastercard maintains that GMC should not be entitled to receive incentive payments that would otherwise accrue during the post-petition period, and, to the

extent that it would be entitled to such payments, Mastercard would be harmed by any delay in rejection.

12. The Co-Branding Agreement further requires Mastercard to grant GMC a license to use Mastercard trademarks. As such, the Co-Branding Agreement cannot be assumed or assigned without Mastercard's consent. As of the date hereof, GMC has made no proposal for the assumption or assignment of the Co-Branding Agreement that would be acceptable to Mastercard.

13. Notwithstanding the foregoing, Mastercard has begun communicating with the Debtors to discuss terms under which Mastercard might consent to the assumption and assignment of the Co-Branding Agreement to CWI. Mastercard will know whether there is any prospect for such an agreement by July 28, 2017, and therefore requests that the Court enter an order directing the Debtors to determine whether to assume or reject the Co-Branding Agreement on or before July 31, 2017.

14. The Co-Branding Agreement does not govern or have any effect on the use of any credit cards for the purpose of purchasing goods from the Debtors, and rejection of the Co-Branding Agreement would have no adverse impact on the Debtors' ongoing sales.

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

Date: 7/14/17


Gino Tieppo