

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

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 :
In re : **Chapter 11**
 :
OLD MARKET GROUP HOLDINGS :
CORP., et al., : **Case No. 20-10161 (JLG)**
 :
Debtors.¹ : **Jointly Administered**
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**GLOBAL NOTES AND STATEMENTS OF LIMITATIONS AND
DISCLAIMERS REGARDING THE WIND DOWN ESTATES’
POST-CONFIRMATION QUARTERLY OPERATING REPORT**

1. **Basis of Presentation.** This post-confirmation quarterly operating report (the “**Quarterly Report**”) has been prepared solely for the purpose of complying with the quarterly reporting requirements applicable in these chapter 11 cases. The Quarterly Report is in a format acceptable to the U.S. Trustee.² The Quarterly Report should not be relied upon by any persons for information relating to current or future financial conditions, events, or performance of the Wind Down Estates. The supplemental information contained herein is limited in scope and covers the period of March 28, 2021 through June 27, 2021 or as of June 27, 2021. Moreover, such information is preliminary, unaudited, and subject to change. The Plan Administrator prepared this Quarterly Report relying primarily upon the information set forth in the Wind Down Estates’ books and records. In preparing this Quarterly Report, the Plan Administrator made reasonable efforts to supplement the information set forth in the Wind Down Estates’ books and records with additional information concerning transactions that may not have been identified therein, to the extent necessary.

2. **Consolidated Entity Accounts Payable and Disbursement Systems.** In the ordinary course of business, the Wind Down Estates utilize an integrated, centralized cash management system to collect, concentrate, and disburse funds (the “**Cash Management System**”). The Wind Down Estates maintain a consolidated accounts payable and disbursements system to pay

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Old Market Bakery LLC (4129); Old Market Broadway LLC (8591); Old Market Chelsea LLC (0288); Old Market Construction Group, LLC (2741); Old Market Douglaston LLC (2650); Old Market East 86th Street LLC (3822); Old Market eCommerce LLC (3081); Old Market Georgetowne LLC (9609); Old Market Greenwich Street LLC (6422); Old Market Central Services LLC (7843); Old Market Group Plainview LLC (8643); Old Market Hudson Yards LLC (9331); Old Market Kips Bay LLC (0791); Old Market Store LLC (9240); Old Market Pelham LLC (3119); Old Market Pelham Wines & Spirits LLC (3141); Old Market Red Hook LLC (8813); Old Market Stamford LLC (0738); Old Market Stamford Wines & Spirits LLC (3021); Old Market Staten Island LLC (1732); Old Market Uptown LLC (8719); and Old Market Westbury LLC (6240). The location of the Debtors’ corporate headquarters is 2284 12th Avenue, New York, New York 10027. Old Market Community Foundation Inc., a charitable organization, owned by Old Market Group Holdings Corp., is not a debtor in these proceedings.

² Capitalized terms used herein but not otherwise defined shall have the meaning ascribed to them in the *Joint Chapter 11 Plan of Old Market Group Holdings Corp. And its Affiliated Debtors* (the “**Plan**”) (ECF No. 767).

operating and administrative expenses through various disbursement accounts.

- Background.** On January 23, 2020 (the “**Commencement Date**”), Old Market Group Holdings Corp. (f/k/a Fairway Group Holdings Corp.) and certain of its affiliates, as debtors and debtors in possession (collectively “**Old Market**” or the “**Debtors**”), each commenced a voluntary 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 (the “**Bankruptcy Court**”).

On October 5, 2020, the Bankruptcy Court entered the *Order Confirming Joint Chapter 11 Plan of Old Market Group Holdings Corp. and Its Affiliated Debtors* (ECF No. 806) (the “**Confirmation Order**”) confirming the Plan. On October 30, 2020, the Debtors filed a *Notice of Occurrence of Effective Date* with the Bankruptcy Court, indicating that the effective date of the Plan occurred on October 30, 2020.

- Claims Administration.** As of June 27, 2021, approximately 1,700 proofs of claim in the aggregate amount of approximately \$2.0 billion were filed in these chapter 11 cases. The Plan Administrator is in the process of reviewing the claims filed as secured, priority, and/or administrative (“**SPA**”) claims, which includes approximately 800 claims with an asserted aggregate claim value of approximately \$48.0 million. Approximately 90 of these 800 proofs of claim filed included unliquidated amounts. To the extent that a proof of claim was filed partially as an SPA claim and partially as a General Unsecured Claim, the Plan Administrator is coordinating resolution of such claims with the GUC Recovery Trustee in accordance with the terms of the Plan.

In November 2020, the Plan Administrator filed four (4) omnibus objections (the “**Initial Omnibus Objections**”) seeking to disallow, reclassify, and/or reduce 247 of the SPA claims. Specifically, the Plan Administrator sought to (i) disallow 215 SPA claims filed in the amount of approximately \$11.5 million; and (ii) reduce and/or reclassify 32 SPA claims filed, including approximately \$604,000 of SPA and approximately \$67,000 of General Unsecured Claims, to an allowed amount of approximately \$360,000 of SPA and approximately \$93,000 of General Unsecured Claims.

In December 2020, the Plan Administrator filed two (2) additional omnibus objections (together with the Initial Omnibus Objections, the “**Omnibus Objections**”) seeking to disallow, reclassify, and/or reduce 34 of the SPA claims. Specifically, the Plan Administrator sought to (i) disallow 31 SPA claims filed in the aggregate amount of approximately \$308,000; and (ii) reduce and allow three (3) SPA claims filed in the aggregate amount of approximately \$48,000 to an aggregate allowed amount of approximately \$7,000.

On January 27, 2021, the Bankruptcy Court entered the *Order Granting First Omnibus Objection to certain Claims. (No Liability Claims)* (ECF No. 967), *Order Granting Second Omnibus Objection to Claims. (Duplicate Claims)* (ECF No. 968), *Order Granting Third Omnibus Objection to certain Claims. (Amended and Superseded Claims)* (ECF No. 969), *Order Granting Fourth Omnibus Objection to Claims. (Reduce and/or Reclassify)* (ECF No. 970), *Order Granting Fifth Omnibus Objection to certain Claims. (No Liability Claims)* (ECF No. 971), and *Order Granting Sixth Omnibus Objection to certain Claims. (Reduce and/or Reclassify)* (ECF No. 972) (the “**Orders**”).

A summary of the status of the filed proofs of claim as of June 27, 2021 is as follows:

(\$ in thousands)	Count (a)			\$ Amount		
	SPA (b)	GUC	Total	SPA (b)	GUC	Total (c)
Total Filed Claims	795	954	1,749	\$ 47,955	\$1,943,784	\$ 1,991,739
Withdrawn / Disallowed Claims (d)	619	25	644	31,150	3,649	34,799
Allowed Claims	23	-	23	543	-	543
Paid Claims	98	-	98	6,693	-	6,693
Claims Pending Objections	-	-	-	-	-	-
Claims Under Review	55	929	984	9,568	1,940,135	1,949,703

Notes:

(a) "Count" is defined above as the combination of claim and class. An individual proof of claim may consist of two classes, which would be represented as two claims in the "Count" above.

(b) Excludes senior lender claims.

(c) Total reflects the sum of the asserted SPA and General Unsecured Amounts, which may differ from totals listed in the claims register maintained by the Wind Down Estates' Claims Agent. Totals reflected in the claims register represent the face value listed on the filed proofs of claim, which are not always correctly reflected as the sum of the individually asserted amounts listed on the filed proof of claim.

(d) Includes 271 SPA claims, totaling \$11.7 million, that were either disallowed, reclassified, and/or reduced by the Bankruptcy Court, as well as two claims that were reduced by \$0.7 million collectively as part of a stipulation with a Claimant.

Under the Plan, the Plan Administrator is required to reserve an amount sufficient to pay holders of Disputed Administrative Expense Claims, Disputed Priority Tax Claims, Disputed Non-Priority Tax Claims, and Disputed Other Secured Claims the amount such holders would be entitled to receive under the Plan if such Claims were to become Allowed Claims prior to making any distributions to the Requisite Term Lenders.³ The Plan Administrator is continuing to file objections to expunge, reclassify, or reduce and allow the SPA claims as promptly as possible; however, at this time the Plan Administrator has begun the process of making distributions on certain allowed claims, but is unable to specify the date at which all distributions will be made in accordance with the Plan.

- Reservation of Rights.** Nothing contained in this Quarterly Report shall constitute a waiver of any rights of the Wind Down Estates or an admission with respect to these chapter 11 cases, including, but not limited to, matters involving objections to claims, allocation of sale proceeds among the Wind Down Estates, enforcement of the Plan confirmed by the Bankruptcy Court, and/or causes of action arising under the Bankruptcy Code or any other relevant applicable laws to recover assets or avoid transfers.

³ As of June 27, 2021 all valid 503(b)(9) claims have been paid in accordance with the *Stipulation and Order with Respect to DIP Paydown and Related Matters* (ECF No. 536) which established a segregated account to pay 503(b)(9) claims.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re

Old Market Group Holdings Corp., et al.
Debtor(s)

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Case No. 20-10161

Post-confirmation Report

Chapter 11

Quarter Ending Date: June 27, 2021

Petition Date: January 23, 2020

Plan Confirmed Date: October 05, 2020

Plan Effective Date: October 30, 2020

This Post-confirmation Report relates to: Reorganized Debtor

/s/ Maureen Page

Signature of Responsible Party

July 20, 2021

Date

Maureen Page

Printed Name of Responsible Party

Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

Debtor's Name: Old Market Group Holdings Corp., et al.

Case No: 20-10161

Part 1: Summary of Post-confirmation Transfers

in whole \$

Debtor Name	Current Quarter	Total Since Effective Date
a. Total cash disbursements	<u>2,523,357</u>	<u>10,022,898</u>
b. Non-cash securities transferred	<u>-</u>	<u>-</u>
c. Other non-cash property transferred	<u>-</u>	<u>-</u>
d. Total transferred (a+b+c)	<u>\$ 2,523,357</u>	<u>\$ 10,022,898</u>

Debtor's Name: Old Market Group Holdings Corp., et al.

Case No: 20-10161

Part 2: Preconfirmation Professional Fees and Expenses

in whole \$

Professional fees & expenses (bankruptcy) incurred by or on behalf of the debtor		Approved Current Quarter	Approved Cumulative	Paid Quarter	Paid Cumulative
Firm Name	Role				
Berkeley Research Group, LLC	Financial Advisor Unsecured Creditors Committee	n/a	\$ 392,720	n/a	\$ 392,720
Grant Thornton LLP	Accountant/Auditor	n/a	350,712	n/a	350,712
Mackinac Partners, LLC	Restructuring/Operational Advisor (CRO)	n/a	2,792,291	n/a	2,792,291
Omni Agent Solutions	Claims/Notice Agent	n/a	647,823	n/a	647,823
Pachulski Stang Ziehl & Jones LLC	Unsecured Creditors Committee Counsel	n/a	532,083	n/a	532,083
PJ Solomon, L.P. and PJ Solomon Securities, LLC	Financial Advisor/Investment Banker	n/a	3,754,733	n/a	3,754,733
Weil, Gotshal & Manges LLP	Lead Counsel	n/a	10,443,316	n/a	10,443,316
Total		n/a	\$ 18,913,678	n/a	\$ 18,913,678

Debtor's Name: Old Market Group Holdings Corp., et al.

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Part 3: Recoveries of the Holders of Claims and Interests under Confirmed Plan

in whole \$

	Total Anticipated Payments Under Plan ⁽³⁾	Paid Current Quarter	Paid Cumulative	Allowed Claims	% Paid of Allowed Claims
a. Administrative claims ⁽¹⁾	<u>\$ 7,607,038</u>	<u>\$ 5,801,310</u>	<u>\$ 5,913,104</u>	<u>\$ 6,258,694</u>	<u>94%</u>
b. Secured claims	<u>27,391</u>	<u>-</u>	<u>-</u>	<u>\$ 13,695</u>	<u>0%</u>
c. Priority claims	<u>1,359,291</u>	<u>52,052</u>	<u>780,182</u>	<u>\$ 963,918</u>	<u>81%</u>
d. General unsecured claims ⁽²⁾	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>0%</u>
e. Equity interests	<u>-</u>	<u>-</u>	<u>-</u>		

(1) Includes 503(B)(9) Claims

(2) Distributions and estimated amounts handled by GUC Trust Administrator

(3) Represents the Re-Organized Debtors estimate of allowed plus open claim payments and is subject to material change

Debtor's Name: Old Market Group Holdings Corp., et al.

Case No: 20-10161

Part 4: Questionnaire

a. Is this a final report?

No

If yes, give date Final Decree was entered:

n/a

If no, give date when the application for Final Decree is anticipated:

b. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930?

Yes

Debtor's Name: Old Market Group Holdings Corp., et al.

Case No: 20-10161

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information and provision of this information is mandatory. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6) and to otherwise evaluate whether a reorganized chapter 11 debtor is performing as anticipated under a confirmed plan. Disclosure of this information may be to a bankruptcy trustee when the information is needed to perform the trustee's duties, or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case, or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

I declare under penalty of perjury that the foregoing Post-confirmation Report and its attachments, if any, are true and correct and that I have been authorized to sign this report.

/s/ Maureen Page
Signature of Responsible Party

Authorized Representative
Title

Maureen Page
Printed Name of Responsible Party

July 20, 2021
Date