

WEIL, GOTSHAL & MANGES LLP
Ray C. Schrock, P.C. (admitted pro hac vice)
Ryan Preston Dahl (admitted pro hac vice)
Candace M. Arthur (admitted pro hac vice)
Daniel Gwen (admitted pro hac vice)
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

HUNTON ANDREWS KURTH LLP
Tyler P. Brown (VSB No. 28072)
Henry P. (Toby) Long, III (VSB No. 75134)
Nathan Kramer (VSB No. 87720)
Riverfront Plaza, East Tower
951 East Byrd Street
Richmond, Virginia 23219
Telephone: (804) 788-8200
Facsimile: (804) 788-8218

Proposed Attorneys for Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

-----	X	
	:	
In re	:	Chapter 11
	:	
CHINOS HOLDINGS, INC., et al.,	:	Case No. 20-32181 (KLP)
	:	
Debtors.¹	:	(Jointly Administered)
	:	
-----	X	

FINAL ORDER (I) AUTHORIZING DEBTORS TO (A) CONTINUE

THEIR INSURANCE POLICIES AND SURETY BOND PROGRAM, AND (B) PAY ALL OBLIGATIONS WITH RESPECT THERETO, AND (II) GRANTING RELATED RELIEF

Upon the motion (the “**Motion**”)¹ of Chinos Holdings, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), for a final order (i) authorizing, but not directing, the Debtors to

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are Chinos Holdings, Inc. (3834); Chinos Intermediate Holdings A, Inc. (3301); Chinos Intermediate, Inc. (3871); Chinos Intermediate Holdings B, Inc. (3244); J. Crew Group, Inc. (4486); J. Crew Operating Corp. (0930); Grace Holmes, Inc. (1409); H.F.D. No. 55, Inc. (9438); J. Crew Inc. (6360); J. Crew International, Inc. (2712); J. Crew Virginia, Inc. (5626); Madewell Inc. (8609); J. Crew Brand Holdings, LLC (7625); J. Crew Brand Intermediate, LLC (3860); J. Crew Brand, LLC (1647); J. Crew Brand Corp. (1616); J. Crew Domestic Brand, LLC (8962); and J. Crew International Brand, LLC (7471). The Debtors’ corporate headquarters and service address is 225 Liberty St., New York, NY 10281.

¹ Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Motion.

(a) continue maintaining their Insurance Policies and (b) honor their Insurance Obligations in the ordinary course of business during the administration of these chapter 11 cases, including paying any prepetition Insurance Obligations, including Service Provider Fees, (c) modify the automatic stay if necessary to permit the Debtors' employees to proceed with any claims they may have under the Workers' Compensation Policies solely against the proceeds of such policies, and (ii) granting related relief, pursuant to sections 105(a), 362(d), 363(b), and 503(b) of title 11 of the United States Code (the "**Bankruptcy Code**"), and Rule 4001 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), all as more fully set forth in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157(a)–(b) and §1334; and the *Standing Order of Reference from the United States District Court for the Eastern District of Virginia*, dated July 10, 1984; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the Notice Parties, and it appearing that no other or further notice need be provided; and the Court having held one or more hearings to consider the relief requested in the Motion; and upon the First Day Declaration and the records of the hearings on the Motion and all of the proceedings had before this Court; and all objections to the Motion having been withdrawn, resolved, or overruled; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted on a final basis to the extent set forth herein.

1. The Debtors are authorized, but not directed, pursuant to sections 363(b) and 105(a) of the Bankruptcy Code, to pay in the ordinary course of business as such obligations become due, all Insurance Obligations (including Service Provider Fees) arising under or relating to the Insurance Policies, including any new Insurance Policies, without regard to whether such Insurance Policies are listed on Exhibit C to the Motion, and without regard to whether accruing or relating to the period before or after the Petition Date, without further order of the Court.

2. The Debtors are further authorized, but not directed, to maintain their Insurance Policies in accordance with practices and procedures that were in effect before the commencement of these chapter 11 cases.

3. The Debtors are authorized, but not directed, to revise, extend, supplement, or otherwise modify their insurance coverage as needed, including through the purchase of new or renewal of existing Insurance Policies.

4. The Debtors are authorized, but not directed, to satisfy any prepetition Surety Premiums and to provide additional or new surety bonds to third parties to secure the Debtors' payment or performance of certain obligations, including duties, taxes, and fees on account of merchandise imported from foreign countries, and to take all appropriate actions in connection therewith, including providing any cash collateral, as required in the ordinary course of business.

5. Notwithstanding anything to the contrary contained in the Motion or this Final Order, any payment to be made and any relief or authorization granted hereunder shall not be inconsistent with, and shall be subject to, the requirements imposed on the Debtors in any orders entered by this Court authorizing the Debtors to obtain debtor-in-possession financing and authorizing the use of cash collateral (any such order, a "**DIP Order**"). To the extent that there

may be any inconsistency between the terms of this Final Order and the terms of any DIP Order, the terms of the DIP Order will govern.

6. Pursuant to section 362(d) of the Bankruptcy Code, to the extent any of the Debtors' employees hold claims under the Workers' Compensation Policies, such employees are authorized to proceed with their Workers' Compensation Claims through and including the collection of any judgment in the appropriate judicial or administrative forum under the Workers' Compensation Policies; *provided* that the prosecution of such claims is in accordance with the Workers' Compensation Policies and the recoveries are limited to the proceeds available under the Workers' Compensation Policies.

7. Each of the Banks at which the Debtors maintain their accounts relating to the payment of the Insurance Obligations are authorized to (a) receive, process, honor, and pay all checks presented for payment and to honor all funds transfer requests made by the Debtors related thereto, to the extent that sufficient funds are on deposit in those accounts and (b) accept and rely on all representations made by the Debtors with respect to which checks, drafts, wires, or automated clearing house transfers should be honored or dishonored in accordance with this or any other order of this Court, whether such checks, drafts, wires, or transfers are dated before, on, or after the Petition Date, without any duty to inquire otherwise.

8. Nothing contained in the Motion or this Final Order, nor any payment made pursuant to the authority granted by this Final Order, is intended to be or shall be construed as (a) an admission as to the validity of any claim against the Debtors, (b) a waiver of the Debtors' or any appropriate party in interest's rights to dispute the amount of, basis for, or validity of any claim against the Debtors, (c) a waiver of any claims or causes of action which may exist against any creditor or interest holder, or (d) an approval, assumption, adoption, or

rejection of any agreement, contract, lease, program, or policy between the Debtors and any third party under section 365 of the Bankruptcy Code.

9. Notwithstanding entry of this Final Order, nothing herein shall create, nor is intended to create, any rights in favor of or enhance the status of any claim held by, any party.

10. Notice of the Motion is adequate under Bankruptcy Rule 6004(a) and the Local Bankruptcy Rules.

11. Notwithstanding Bankruptcy Rule 6004(h), this Final Order shall be immediately effective and enforceable upon its entry.

12. The requirement under Local Bankruptcy Rule 9013-1(G) to file a memorandum of law in connection with the Motion is waived.

13. The Debtors are authorized to take all action necessary to effectuate the relief granted in this Final Order.

14. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Final Order.

May 28 2020

Dated: _____, 2020
Richmond, Virginia

/s/ Keith L. Phillips
UNITED STATES BANKRUPTCY JUDGE

Entered on Docket: May 28 2020

WE ASK FOR THIS:

/s/ Henry P. (Toby) Long, III

HUNTON ANDREWS KURTH LLP

Tyler P. Brown (VSB No. 28072)

Henry P. (Toby) Long, III (VSB No. 75134)

Nathan Kramer (VSB No. 87720)

Riverfront Plaza, East Tower

951 East Byrd Street

Richmond, VA 23219

Tel: (804) 788-8200

Fax: (804) 788-8218

-and-

WEIL, GOTSHAL & MANGES LLP

Ray C. Schrock, P.C. (*pro hac vice* admission pending)

Ryan Preston Dahl (*pro hac vice* admission pending)

Candace M. Arthur (*pro hac vice* admission pending)

Daniel Gwen (*pro hac vice* admission pending)

767 Fifth Avenue

New York, New York 10153

Telephone: (212) 310-8000

Facsimile: (212) 310-8007

*Proposed Attorneys for Debtors
and Debtors in Possession*

**CERTIFICATION OF ENDORSEMENT
UNDER LOCAL BANKRUPTCY RULE 9022-1(C)**

I hereby certify that the foregoing proposed order has been endorsed by or served upon all necessary parties.

/s/ Henry P. (Toby) Long, III