

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

F21 OPCO, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 25-10469 ()

(Joint Administration Requested)

**DEBTORS' MOTION FOR ENTRY OF INTERIM AND FINAL ORDERS
(I) AUTHORIZING CONTINUED USE OF CASH MANAGEMENT SYSTEM;
(II) AUTHORIZING USE OF PREPETITION BANK ACCOUNTS AND CERTAIN
PAYMENT METHODS; (III) AUTHORIZING CONTINUED PERFORMANCE OF
INTERCOMPANY TRANSACTIONS IN THE ORDINARY COURSE
OF BUSINESS; AND (IV) GRANTING RELATED RELIEF**

F21 OpCo, LLC and its debtor affiliates, as debtors and debtors in possession (collectively, the “**Debtors**”) in the above-captioned chapter 11 cases (these “**Chapter 11 Cases**”) hereby submit this motion (this “**Motion**”) for entry of interim and final orders, substantially in the forms attached hereto as **Exhibit A** (the “**Interim Order**”) and **Exhibit B** (the “**Final Order**”) and, together with the Interim Order, the “**Proposed Orders**”), (a) authorizing the Debtors’ continued use of their existing cash management system; (b) authorizing the Debtors to continue using prepetition bank accounts and payment methods, including debit, wire, and ACH payments; (c) performing certain Intercompany Transactions (as defined below); and (d) granting related relief. In support of this Motion, the Debtors rely upon, and incorporate by reference, the *Declaration of Stephen Coulombe in Support of Chapter 11*

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: F21 OpCo, LLC (8773); F21 Puerto Rico, LLC (5906); and F21 GiftCo Management, LLC (6412). The Debtors’ address for purposes of service in these Chapter 11 Cases is 110 East 9th Street, Suite A500, Los Angeles, CA 90079.



Petitions and First Day Pleadings (the “**First Day Declaration**”),² filed contemporaneously herewith. In further support of this Motion, the Debtors respectfully state as follows:

JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the District of Delaware (the “**Court**”) has jurisdiction to consider this Motion under 28 U.S.C. § 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Under Rule 9013-1(f) of the Local Rules of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”), the Debtors consent to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

2. Venue of these Chapter 11 Cases and this Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

3. The statutory and legal predicates for the relief requested herein are sections 105, 363, 364(b), and 503(b) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “**Bankruptcy Code**”), Rules 6003 and 6004 Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and Local Rule 2015-1.

BACKGROUND

4. On the date hereof (the “**Petition Date**”), the Debtors filed voluntary petitions in the Court commencing these Chapter 11 Cases. The Debtors continue to manage and operate

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the First Day Declaration.

their businesses as debtors in possession under sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been requested and no committee has been appointed in these Chapter 11 Cases.

5. The factual background regarding the Debtors, including their business operations, their capital and debt structures, and the events leading to the filing of these Chapter 11 Cases, is set forth in detail in the First Day Declaration. Simultaneously herewith, the Debtors have filed a motion seeking to have these Chapter 11 Cases jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b).

THE CASH MANAGEMENT SYSTEM

I. CASH COLLECTIONS AND DISBURSEMENTS

6. In the ordinary course of their business, the Debtors maintain a complex cash management system (the “**Cash Management System**”) that includes all activities necessary and pertinent to collecting and disbursing the Debtors’ cash assets. The Cash Management System is governed by various agreements between the Debtors and each of the Banks (defined below) that set forth the terms and conditions pursuant to which the Debtors are allowed, and required to comply with, to operate the Cash Management System (the “**Cash Management Agreements**”). The Cash Management System allows the Debtors to efficiently identify the Debtors’ cash requirements and transfer cash as needed to respond to these requirements. The Cash Management System is important to the Debtors’ business operations, and, ultimately, to maximizing the value of the Debtors’ estates.

7. The Cash Management System currently consists of 123 bank accounts (collectively, the “**Bank Accounts**”). The Bank Accounts are maintained at PNC Bank, N.A. (“**PNC**”), Bank of America, N.A. (“**BofA**”), Banco Popular de Puerto Rico (“**Banco Popular**” or

“**BP**”), and JPMorgan Chase Bank, N.A. (“**JP Morgan**” or “**JPM**”), and together with PNC, BofA, and Banco Popular, the “**Banks**”). All of the Bank Accounts are owned by Debtor F21 OpCo, LLC, except with respect to the Bank Accounts at Banco Popular, which are owned by Debtor F21 Puerto Rico, LLC.

8. In the ordinary course of business, the Debtors use their Cash Management System to collect, transfer, and distribute funds and facilitate cash monitoring, forecasting, and reporting. A list of the Debtors’ Bank Accounts is attached hereto as **Exhibit C**. Each of the Debtors’ Bank Accounts complies with the requirements of section 345 of the Bankruptcy Code, as each Bank is on the list of authorized depositories maintained by the Office of the United States Trustee for the District of Delaware (the “**U.S. Trustee**”).

9. A description of the Bank Accounts is set forth below:³

Account	Account Description
Master AR Account <u>PNC</u> x5923	The Master AR Account is the Debtors’ primary concentration account. Each day, as payments from in-store sales, e-commerce sales, and gift card sales come into various other bank accounts, the cash is either manually or automatically transferred to the Master AR Account by the Debtors’ treasury department. Historically, cash held in this account was transferred to non-Debtor affiliate SPARC Group LLC to pay down the SPARC Payable (defined below). However, the Debtors substantially modified this practice prior to the Petition Date and, as of the Petition Date, have discontinued any payments to non-Debtor affiliates, subject to the relief requested herein.
Master Operating Account <u>PNC</u> x5915	The Debtors use their Master Operating account to fund specific Disbursement Accounts (defined below). The Master Operating Account draws funds from the Master AR Account as needed to fund various Disbursement Accounts.

³ A schematic showing the flow of funds is attached hereto as **Exhibit D**.

Account	Account Description
<p>Disbursement Accounts</p> <p><u>PNC</u> x5907 x5894 x5886 x4084</p>	<p>Each Disbursement Account is used to fund payments to various payees.</p> <p>PNC x5907 is the Debtors' primary Disbursement Account and is linked to the Debtors' ERP/SAP systems. As vendors submit invoices for goods or services, the Debtors process payments from PNC x5907 through their ERP/SAP system. PNC x5907 draws on the Master Operating Account to fund these payments.</p> <p>PNC x5894 is the Debtors auto-debit account. The Debtors have pre-authorized certain vendors to automatically debit payments from PNC x5894 to pay invoices. Historically, the largest payee from PNC x5894 is the United States Customs and Border Patrol, which charges customs duties against product that the Debtors import.</p> <p>PNC x5886 is the Debtors' primary payroll account. The Debtors make payments to each of their employees from PNC x5886. As payroll funding needs arise, the Debtors use PNC x5886 to draw funds from an account held at non-Debtor SPARC Group LLC and then disburse payroll payments to their employees. As the Debtors draw funds for payroll obligations from SPARC Group LLC, they book a corresponding payable owing to SPARC Group LLC.</p> <p>PNC x4084 is a legacy account that was initially established to purchase physical gift cards. Although presently an active account, the Debtors have never used this account and it does not hold any cash.</p>
<p>Receipt Accounts</p> <p><u>PNC</u> x5966 x5958 x5931 x1641</p> <p><u>BofA</u></p>	<p>The Debtors hold numerous accounts established to handle receipts from a variety of sources. Each Receipt Account ultimately rolls up to the Master AR Account.</p> <p>PNC x5966, BofA x3229, BP x2363, and JPM x3158 are the Debtors' primary store cash depository accounts. In most instances, cash generated from in-store sales is deposited directly into either PNC x5966 or JPM x3158. In other instances, however, the Debtors deposit cash</p>

Account	Account Description
<p>x3229,</p> <p><u>BP (owned by F21 Puerto Rico)</u> x2363</p> <p><u>JPM</u> x3158</p>	<p>into Store-Level Accounts (defined below) at either BofA or Banco Popular, and then transfer such cash to either BofA x3229 or BP x2363, respectively. Funds held in BofA x3229 and BP x2363 are manually transferred to the Master AR Account each day, while funds held in PNC x5966 automatically sweep to the Master AR Account. Cash held at JPM x3158 is transferred to the JPM Master Account (defined below), then to the JPM Operating Account (defined below), and then to the JPM Disbursement Account (defined below), before ultimately being transferred to the Master AR Account.</p> <p>The Debtors use PNC x5958 to collect funds from customers who use credit or debit cards to make in-store purchases.</p> <p>The Debtors use PNC x5931 to receive all payments made on their e-commerce platform.</p> <p>PNC x1641 is used to receive funds from gift card purchases made via gift cards issued by either Blackhawk Network Rewards (“Blackhawk”) or InComm Incentives (“InComm”). Customers purchase Forever 21 gift cards issued by Blackhawk or InComm at various third party retail locations, and then use the gift cards to purchase goods from the Debtors brick-and-mortar stores or e-commerce platform. When customers purchase gift cards from third party retail locations, Blackhawk or InComm (as applicable) transfer the applicable funds to PNC x1641.</p>
<p>JPM Master Account</p> <p><u>JPM</u> x8000</p>	<p>The JPM Master Account is used to receive funds from Receipt Account JPM x3158. The JPM Master Account automatically sweeps to the JPM Operating Account.</p>
<p>JPM Operating Account</p> <p><u>JPM</u> x1251</p>	<p>The JPM Operating Account is used to receive automatic sweeps from the JPM Master Account. The JPM Operating Account automatically sweeps to the JPM Disbursement Account.</p>
<p>JPM Disbursement Account</p> <p><u>JPM</u></p>	<p>The JPM Disbursement Account is used to receive automatic sweeps from the JPM Operating Account. Although historically used to make disbursements to</p>

Account	Account Description
x2039	certain vendors, as of the Petition Date the JPM Disbursement Account automatically sweeps to the Master AR Account and does not make any other disbursements.
Store-Level Accounts	The Debtors maintain individual store-level accounts at Banco Popular and BofA, each of which are listed on <u>Exhibit C</u> . Each Banco Popular Store-Level Account corresponds to one of the Debtors' retail locations in Puerto Rico. Similarly, each BofA Store Level Account corresponds to a specific retail location in the United States. Cash received into the Store Level Accounts is manually transferred to the Master AR Account daily.
Inactive Accounts <u>JPM</u> x1665 x1289 x8376 x2709 x0083 <u>PNC</u> X4084	There is no activity in the Inactive Accounts.

II. INTERCOMPANY TRANSACTIONS

10. In the ordinary course of business, the Debtors have, historically, engaged in routine business transactions with other Debtors and certain non-Debtor affiliates (the “**Intercompany Transactions**”). These Intercompany Transactions result in intercompany receivables and payables (the “**Intercompany Claims**”). Accordingly, at any given time there may be Intercompany Claims owing by one Debtor to another Debtor or between a Debtor and one or more of its non-Debtor affiliates.

11. After the F21 Acquisition, the Debtors participated in a cash pooling system that SPARC had developed for its collection of brands. Centered at SPARC Group LLC, the entity housing the Aeropostale brand (“**Aero**”), all cash generated by entities under the SPARC umbrella, including the Debtors, was swept into an account held by Aero (such arrangement, the “**Cash Pooling Arrangement**”), which Aero then used to pay down the Old SPARC ABL Facility. As the Debtors or other SPARC subsidiaries required cash to fund their respective operations, Aero would draw on the Old SPARC ABL Facility and disburse funds to the applicable SPARC portfolio company (generally on a brand-by-brand basis). An intercompany receivable owing from such entity was then recorded and, simultaneously, the applicable SPARC subsidiary would book an intercompany payable owing to Aero. This arrangement continued after the Old SPARC ABL Facility was replaced with the ABL Facility in connection with the SPARC Acquisition, although the Debtors discontinued their cash sweeps to Aero in approximately the end of January 2025. As of the Petition Date, the intercompany payable owing from the Debtors to Aero pursuant to the Cash Pooling Arrangement is approximately \$320 million (the “**SPARC Payable**”).

12. The Debtors seek authority to continue engaging in Intercompany Transactions in the ordinary course of business during these Chapter 11 Cases, including with their non-Debtor affiliates on a limited basis. The Debtors benefit from numerous services that they share with their non-Debtor affiliates under the SPARC umbrella (the “**Shared Services**”). For example, the Debtors receive from their non-Debtor affiliates (i) funding for the Debtors’ payroll obligations; (ii) coverage through the non-Debtor affiliates’ insurance program; and (ii) various corporate personnel to support the Debtors’ operations. The Debtors seek authority to pay their non-Debtor affiliates only for actual and necessary benefits that such non-Debtor affiliates

provide to the Debtors during these Chapter 11 Cases. Absent the ability to pay the non-Debtor affiliates for the Debtors' share of the Shared Services, the non-Debtor affiliates may discontinue providing Shared Services that benefit the Debtors and, as a result, the Debtors' payroll and insurance obligations may not be met (among other things), and they would be left without significant personnel necessary to ease the Debtors' transition into chapter 11.

13. Accordingly, the Debtors seek authority, but not direction, to continue the Intercompany Transactions, and request, pursuant to sections 503(b)(1) and 364(b) of the Bankruptcy Code, that postpetition Intercompany Claims resulting from ordinary course Intercompany Transactions be accorded administrative priority. However, for the avoidance of doubt, the Debtors do not seek authority to make payments on account any portion of the SPARC Payable that was incurred prepetition, and will only make payments on Intercompany Claims that arise during these Chapter 11 Cases.

III. BANK FEES

14. Additionally, in the ordinary course of business, the Banks charge, and the Debtors pay, honor, or allow the deduction from the appropriate Bank Account, certain service charges and other fees, costs, and expenses in accordance with the applicable Cash Management Agreements governing the Bank Accounts (collectively, the "**Bank Fees**"). The Debtors estimate that the Banks collectively charge the Debtors approximately \$100,000.00 in total Bank Fees per year. The Debtors estimate that approximately \$50,000 of accrued but unpaid Banks Fees are outstanding as of the Petition Date.

RELIEF REQUESTED

15. By this Motion, the Debtors seek entry of the Interim Order and the Final Order (a) authorizing the Debtors' continued use of the Cash Management System on the terms

described herein; (b) authorizing the Debtors to continue using prepetition bank accounts and making debit, wire, and ACH payments; (c) authorizing the Debtors to perform Intercompany Transactions in the ordinary course of business, including with the non-Debtor affiliates on a limited basis; and (d) granting related relief.

16. To enable the Debtors to carry out the relief requested, the Debtors also request that the Court authorize the Banks to continue to service and administer the Bank Accounts as accounts of the Debtors as debtors in possession without interruption and in the ordinary course, and to receive, process, honor, and pay any and all checks and drafts drawn on, or electronic transfer requests made on, the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be, in accordance with the orders of the Court.

BASIS FOR RELIEF

17. Section 363(c)(1) of the Bankruptcy Code authorizes a debtor in possession to “use property of the estate in the ordinary course of business, without notice or a hearing.” 11 U.S.C. § 363(c)(1). Section 363(c)(1) is intended to provide a debtor in possession with the flexibility to engage in the ordinary transactions required to operate its business. *See, e.g., In re Roth Am., Inc.*, 975 F.2d 949, 952 (3d Cir. 1992); *see also In re Nellson Nutraceutical, Inc.*, 369 B.R. 787, 796 (Bankr. D. Del. 2007). Included within the purview of section 363(c) is a debtor’s ability to continue the routine transactions necessitated by its cash management system. *See Amdura Nat’l Distrib. Co. v. Amdura Corp. (In re Amdura Corp.)*, 75 F.3d 1447, 1453 (10th Cir. 1996).

18. Courts in this and other districts have noted that an integrated cash management system “allows efficient utilization of cash resources and recognizes the impracticalities of maintaining separate cash accounts for the many different purposes that require cash.” *In re*

Columbia Gas Sys., Inc., 136 B.R. 930, 934 (Bankr. D. Del. 1992), rev'd on other grounds, 997 F.2d 1039 (3d Cir. 1993); *see also Southmark Corp. v. Grosz (In re Southmark Corp.)*, 49 F.3d 1111, 1114 (5th Cir. 1995) (finding cash management system allows a debtor “to administer more efficiently and effectively its financial operations and assets”). The United States Court of Appeals for the Third Circuit has agreed, emphasizing that requiring a debtor to maintain separate accounts “would be a huge administrative burden and economically inefficient.” *In re Columbia Gas Sys., Inc.*, 997 F.2d 1039, 1061 (3d Cir. 1993). Courts routinely grant chapter 11 debtors authority to continue utilizing existing cash management systems and treat requests for such authority as a relatively “simple matter.” *In re Baldwin-United Corp.*, 79 B.R. 321, 327 (Bankr. S.D. Ohio 1987).

19. The Court may also exercise its equitable powers to grant the relief requested herein. Section 105(a) of the Bankruptcy Code empowers the Court to “issue any order, process or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). Continuing the Cash Management System without interruption is important to the success of these Chapter 11 Cases, and it is within the Court’s equitable power under section 105(a) of the Bankruptcy Code to approve its continued use.

I. CAUSE EXISTS TO AUTHORIZE THE DEBTORS TO MAINTAIN THEIR EXISTING CASH MANAGEMENT SYSTEM

20. The Debtors maintain the Cash Management System in the ordinary course of their business operations, which allows them to effectively and efficiently administer their cash and financial affairs.

21. As described herein, any disruption to the Cash Management System would have an immediate adverse impact on the Debtors’ business and would impair the Debtors’ ability to successfully administer these Chapter 11 Cases. It would be time-consuming, difficult, and

costly for the Debtors to establish an entirely new system of accounts and a new cash management system. The attendant delays from revising cash management procedures, redirecting receipts, and implementing new payment protocols would create unnecessary pressure on the Debtors and their employees while they, among other things, work to meet the other administrative obligations imposed by chapter 11 of the Bankruptcy Code. In addition, preserving a “business as usual” atmosphere and avoiding the unnecessary and costly distractions that would inevitably be associated with any substantial disruption in the Cash Management System will facilitate the Debtors’ efforts in this regard.

22. The Debtors will maintain records of all transfers within the Cash Management System to the same extent that they were recorded by the Debtors before the commencement of these Chapter 11 Cases. As a result, the continued use of the Cash Management System will enable the Debtors to record the transactions occurring within the Cash Management System without interruption for the benefit of all parties in interest.

II. CAUSE EXISTS TO AUTHORIZE THE DEBTORS TO MAINTAIN EXISTING BANK ACCOUNTS AND CONTINUE TO USE THEIR EXISTING BUSINESS FORMS

23. The United States Trustee for the District of Delaware (the “U.S. Trustee”) has set forth certain operating and reporting requirements for chapter 11 cases (the “U.S. Trustee Guidelines”) that require debtors in possession to, among other things: (a) establish one debtor in possession bank account for all estate monies required for the payment of taxes, including payroll taxes; (b) close all existing bank accounts and open new debtor in possession accounts; (c) maintain a separate debtor in possession account for cash collateral; and (d) obtain checks that bear the designation “debtor in possession” and reference the bankruptcy case number and type of account on such checks. These requirements are designed to provide a clear line of

demarcation between prepetition and postpetition claims and payments, and to help protect against the inadvertent payment of prepetition claims by preventing banks from honoring checks drawn before the Petition Date.

24. Enforcement of the U.S. Trustee Guidelines during these Chapter 11 Cases would severely disrupt the Debtors' ordinary financial operations. Accordingly, the Debtors respectfully request that the Court allow them to operate each of the Bank Accounts as they were maintained in the ordinary course of business before the Petition Date.

25. In addition, the Debtors have concurrently filed several motions seeking authority to pay certain prepetition obligations in the ordinary of business. If the Debtors were required to open new accounts, they would likely be unable to timely implement the critical relief sought in those motions. The Debtors have the ability to monitor disbursements from the Bank Accounts to ensure that only those prepetition obligations expressly approved by the Court are paid.

26. Further, in the ordinary course of their business, the Debtors use a variety of checks and business forms. To avoid disruption of the Cash Management System and unnecessary expense, the Debtors request that they be authorized to continue to use their existing check stock, correspondence, and other business forms (including, without limitation, letterhead, purchase orders, and invoices) (collectively, the "**Business Forms**") as such forms were in existence immediately before the Petition Date, without reference to the Debtors' status as debtors in possession. Pursuant to Local Rule 2015-1, in the event that the Debtors need to purchase new check stock during the pendency of these Chapter 11 Cases, such check stock will include a legend referring to the Debtors as "Debtors in Possession" or "DIP" and the lead case number.

27. The Debtors submit that parties in interest will not be prejudiced if the Debtors are authorized to continue to use their existing Business Forms. The Debtors will be sending a notice of commencement of these Chapter 11 Cases to all creditors. Most parties doing business with the Debtors undoubtedly will be aware of their status as debtors in possession; thus, the Debtors submit that changing Business Forms immediately is unnecessary and unduly burdensome.

III. CAUSE EXISTS TO AUTHORIZE THE BANKS TO CONTINUE TO MAINTAIN, SERVICE, AND ADMINISTER THE BANK ACCOUNTS IN THE ORDINARY COURSE OF BUSINESS

28. The Debtors further request that the Court authorize the Banks to continue to maintain, service, and administer the Bank Accounts as accounts of debtors in possession, without interruption and in the ordinary course of business. In this regard, the Banks should be authorized to receive, process, honor, and pay any and all checks, ACH payments, and other instructions, and drafts payable through, drawn, or directed on the Bank Accounts after the Petition Date by holders, makers, or other parties entitled to issue instructions with respect thereto.

29. The Debtors further request that the Court authorize the Banks to accept and honor all representations from the Debtors as to which checks, drafts, wires, or ACH payments should be honored or dishonored consistent with any order of the Court and governing law, whether such checks, drafts, wires, or ACH payments are dated before or after the Petition Date. The Debtors will identify all prepetition checks and other forms of payment outstanding on the Petition Date and notify the appropriate Bank which checks or obligations should be honored, as authorized by the Court. The Debtors also request that, to the extent a Bank honors a prepetition check or other item drawn on any account: (a) at the direction of the Debtors; (b) in a good-faith

belief that the Court has authorized such prepetition check or item to be honored; or (c) as a result of an innocent mistake made despite the above-described protective measures, such Bank shall not be deemed to be liable to the Debtors or their estates on account of such prepetition check or other item honored postpetition. The Debtors respectfully submit that such relief is reasonable and appropriate because the Banks are not in a position to independently verify or audit whether a particular item may be paid in accordance with a court order or otherwise.

30. The Debtors further request that the Banks be authorized to (a) honor the Debtors' directions with respect to the opening and closing of any Bank Account, and (b) accept and hold, or invest, the Debtors' funds in accordance with the Debtors' instructions; provided, in each case that the Banks shall not have any liability to any party for relying on such representations.

IV. CAUSE EXISTS TO PERMIT CONTINUED USE OF INTERCOMPANY TRANSACTIONS, AND POSTPETITION INTERCOMPANY CLAIMS SHOULD BE GIVEN ADMINISTRATIVE EXPENSE STATUS.

31. As described above, the Debtors enter into certain Intercompany Transactions in the ordinary course of business. As described above, the Intercompany Transactions are integral to the Debtors' operations. If the Intercompany Transactions were to be discontinued, the Debtors' operations, Cash Management System, and related administrative controls would be disrupted, causing irreparable harm to the Debtors.

32. The continuation of the Intercompany Transactions will not prejudice the Debtors' estates or their creditors. Among other things, the Intercompany Transactions are part of the normal course operations of the Debtors' businesses, which allow the Debtors' enterprise as a whole to function more effectively and efficiently, thereby benefitting all of the Debtors' stakeholders. Further, the Debtors maintain strict records of transfers of cash and can ascertain, trace, and account for all such Intercompany Transactions. Accordingly, the Debtors believe that

continuation of the Intercompany Transactions is in the best interests of the Debtors' estates and creditors. However, the continuation of any Intercompany Transactions with the non-Debtor affiliates will be limited solely to the payment of Intercompany Claims that arose after the Petition Date, and the Debtors will not pay any portion of the Intercompany Claim that arose prior to the Petition Date.

33. Because the Debtors engage in Intercompany Transactions on a regular basis and such transactions are common among similar enterprises, the Debtors believe the Intercompany Transactions are ordinary course transactions within the meaning of section 363(c)(1) of the Bankruptcy Code and, therefore, do not require the Court's approval. Yet, precisely because of their routine nature, the continuation of such transactions is integral to the Debtors' ability to operate their business. Accordingly, out of an abundance of caution, the Debtors are seeking express authority to engage in Intercompany Transactions postpetition. If the Intercompany Transactions were discontinued, the Debtors' ordinary course operations would be disrupted, thereby prejudicing the Debtors' ability to maximize value through these proceedings.

34. Additionally, the Debtors respectfully request that, pursuant to sections 503(b)(1), 507(b), and 364(a) of the Bankruptcy Code, all Intercompany Claims arising from postpetition Intercompany Transactions be granted administrative expense status. The purpose of this relief is twofold. First, as between Debtors, this relief will ensure that each individual Debtor will not fund, at the expense of its own creditors, the operations of another entity. Second, as between a Debtor and a non-Debtor affiliate, the relief requested will ensure that non-Debtor affiliates who provide actual and necessary benefits to the estates are assured payment for the Shared Services from which the Debtors benefit postpetition.

35. For the avoidance of doubt, the Debtors seek authority to enter into Intercompany Transactions in the ordinary course of business on a postpetition basis, *provided, however*, that the Debtors are not seeking to make cash payments on account of prepetition Intercompany Claims absent further Court order.

**BANKRUPTCY RULE 6003 HAS BEEN SATISFIED
AND BANKRUPTCY RULE 6004 SHOULD BE WAIVED**

36. Under Bankruptcy Rule 6003, the Court may grant a motion to “use . . . property of the estate, including a motion to pay all or part of a claim that arose before the filing of the petition” within 21 days after the commencement of a chapter 11 case to the extent “relief is necessary to avoid immediate and irreparable harm.” Fed. R. Bankr. P. 6003. The Debtors believe an immediate and orderly transition into chapter 11 is critical to the success of these Chapter 11 Cases. As discussed in detail above and demonstrated by the First Day Declaration, immediate and irreparable harm would result if the relief herein is not granted. Any disruption of the Cash Management System would substantially diminish or impair the Debtors’ efforts in these Chapter 11 Cases to preserve and maximize the value of their estates. Accordingly, the Debtors submit that they have satisfied the “immediate and irreparable harm” standard of Bankruptcy Rule 6003 and, therefore, respectfully request that the Court approve the relief requested in this Motion on an emergency basis.

37. The Debtors also request that the Court waive the stay imposed by Bankruptcy Rule 6004(h), which provides that “[a]n order authorizing the use, sale, or lease of property other than cash collateral is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise.” Fed. R. Bankr. P. 6004(h). As described above, the relief sought herein is necessary for the Debtors to operate their business without interruption, thereby preserving value for their estates. Accordingly, the Debtors respectfully request that the Court waive the

fourteen day stay imposed by Bankruptcy Rule 6004(h), as the exigent nature of the relief sought herein justifies immediate relief.

RESERVATION OF RIGHTS

38. Nothing in this Motion shall be deemed: (a) an implication or admission as to the amount of, basis for, or validity of any claim against the Debtors under the Bankruptcy Code or other applicable non-bankruptcy law; (b) a waiver of the Debtors' or any other party in interest's right to dispute any claim; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Motion; (e) a concession by the Debtors that any lien (contractual, common, statutory or otherwise) satisfied pursuant to this Motion is valid (and all rights to contest the extent, validity, or perfection or seek avoidance of all such liens are expressly reserved); (f) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (g) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (h) a waiver of the obligation of any party in interest to file a proof of claim; or (i) a waiver of any claims or causes of action which may exist against any entity under the Bankruptcy Code or any other applicable law. If the Court enters any order granting the relief sought herein, any payment made pursuant to such order is not intended and should not be construed as an admission as to the validity of any particular claim or a waiver of the Debtors' rights to subsequently dispute such claim.

NOTICE

39. Notice of this Motion will be given to: (a) the Office of the United States Trustee for the District of Delaware; (b) counsel to Wells Fargo Bank, N.A. as Prepetition ABL

Administrative Agent; (c) counsel to Pathlight Capital LP as Prepetition Term Loan Agent; (d) counsel to Simon Blackjack Consolidated Holdings, LLC as Prepetition Subordinated Loan Agent; (e) the creditors listed on the Debtors' consolidated list of thirty (30) creditors holding the largest unsecured claims against the Debtors; (f) the Banks; (g) the United States Attorney for the District of Delaware; (h) the Internal Revenue Service; (i) the state attorneys general for states in which the Debtors conduct business; and (j) all parties entitled to notice pursuant to Bankruptcy Rule 2002. Notice of this Motion and any order entered hereon will be served in accordance with Local Rule 9013-1(m). The Debtors submit that, under the circumstances, no other or further notice is required.

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WHEREFORE, the Debtors respectfully request that the Court enter the Proposed Orders granting the relief requested in this Motion and such other and further relief as may be just and proper.

Dated: March 16, 2025

YOUNG CONAWAY STARGATT & TAYLOR, LLP

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EXHIBIT A

Proposed Interim Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

F21 OPCO, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 25-10469 (____)

(Jointly Administered)

Ref: Docket No. ____

**INTERIM ORDER (I) AUTHORIZING CONTINUED USE OF CASH MANAGEMENT
SYSTEM; (II) AUTHORIZING USE OF PREPETITION BANK ACCOUNTS AND
CERTAIN PAYMENT METHODS; (III) AUTHORIZING CONTINUED
PERFORMANCE OF INTERCOMPANY TRANSACTIONS IN THE ORDINARY
COURSE OF BUSINESS; AND (IV) GRANTING RELATED RELIEF**

Upon the motion (the “**Motion**”)² of the Debtors for entry of an interim order (this “**Interim Order**”) (a) authorizing the Debtors’ continued use of the Cash Management System; (b) authorizing the Debtors to continue using prepetition Bank Accounts and using debit, wire, and ACH payments; (c) continued performance of Intercompany Transactions in the ordinary course of business on the terms described herein; and (d) granting related relief, all as more fully set forth in the Motion; and this Court having reviewed the Motion and the First Day Declaration; and this Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C.

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: F21 OpCo, LLC (8773); F21 Puerto Rico, LLC (5906); and F21 GiftCo Management, LLC (6412). The Debtors’ address for purposes of service in these Chapter 11 Cases is 110 East 9th Street, Suite A500, Los Angeles, CA 90079.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion or First Day Declaration, as applicable.

§ 157(b)(2) and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and this Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is GRANTED on an interim basis, as set forth herein.
2. All objections to the entry of this Interim Order, to the extent not withdrawn or settled, are overruled.
3. The final hearing (the “**Final Hearing**”) on the Motion shall be held on [_____, 2025, at __:__ .m] (prevailing Eastern Time). On or before [__:__ .m.] (prevailing Eastern Time) on [_____, 2025], any objections or responses to entry of a final order on the Motion shall be filed with this Court and served on: (a) the Debtors, 110 East 9th Street, Suite A500, Los Angeles, CA 90079, Attn: Michael Brown (mbrown@thinkbrg.com); (b) the Debtors’ proposed counsel Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, DE 19801, Attn: Andrew L. Magaziner, Esq. (amagaziner@ycst.com) and S. Alexander Faris, Esq. (afaris@ycst.com); (c) counsel to Wells Fargo Bank, N.A. in its capacity as Prepetition ABL Administrative Agent, Otterbourg P.C., 230 Park Avenue, New York, NY 10169, Attn: Chad Simon, Esq. (csimon@otterbourg.com) and Daniel Fiorillo, Esq. (dfiorillo@otterbourg.com); (d) counsel to Pathlight Capital LP in its capacity as Prepetition Term Loan Agent, Riemer & Braunstein LLP, Times Square Tower, Suite 2506, Seven Times

Square, New York, NY 10036, Attn: Steven E. Fox, Esq. (sfox@riemerlaw.com) and Paul D. Bekker, Esq. (pbekker@riemerlaw.com); (e) counsel to Simon Blackjack Consolidated Holdings, LLC in its capacity as Prepetition Subordinated Loan Agent, (i) Choate Hall & Stewart LLP, Two International Place, Boston, MA 02110, Attn: Mark D. Silva, Esq. (msilva@choate.com), Rick Thide, Esq. (rthide@choate.com), and Hampton Foushee, Esq. (hfoushee@choate.com); and (ii) Pashman Stein Walder Hayden, P.C., 824 North Market Street, Suite 800, Wilmington, DE 19801, Attn: Joseph C. Barsalona, Esq. (jbarsalona@pashmanstein.com); and (f) the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Wilmington, DE 19801, Attn: Jane M. Leamy, Esq. (jane.m.leafy@usdoj.gov). In the event no objections to entry of the Final Order on the Motion are timely received, this Court may enter such Final Order without need for the Final Hearing.

4. The Debtors are authorized, but not directed, and on an interim basis, to: (a) continue operating the Cash Management System in accordance with, and subject to, the terms and conditions of the Cash Management Agreements, (b) continue to use the Bank Accounts in existence as of the Petition Date, in the names and with the account numbers existing immediately before the Petition Date, (c) honor any prepetition obligations related to the Cash Management System in the ordinary course of business, and (d) pay to any ordinary course bank fees and charges relating to the Bank Accounts and treasury management services, up to an aggregate amount of \$50,000 on an interim basis and in each case irrespective of whether such fees arose prior to the Petition Date, and perform their obligations under the Cash Management Agreements. The Debtors shall provide notice to the U.S. Trustee and any statutory committee appointed in these Chapter 11 Cases of any material changes to their Cash Management System.

5. The Debtors are further authorized to: (a) maintain any corporate card programs and honor all prepetition and post-petition obligations arising thereunder, and (b) pay or reimburse any ordinary course amounts owed in connection with merchant services provided by the Banks, including without limitation PNC Merchant Services, or any other corporate credit card provider, for any fees, charges, refunds, chargebacks, reserves and other amounts due and owing from the Debtors to the providers of the corporate credit cards, p-cards, or any other similar arrangements, (the “**Corporate Credit Cards**”) under the applicable Cash Management Agreements, whether such obligations are incurred prepetition or post-petition, and the Banks providing for such Corporate Credit Cards are authorized to receive or obtain payment for such obligations, as provided under, and in the manner set forth in, the applicable Cash Management Agreement governing such Corporate Credit Cards.

6. The Debtors are further authorized, but not directed, to: (a) continue to use all of the Bank Accounts in existence as of the Petition Date, including but not limited to those accounts identified on Exhibit C to the Motion, in accordance with the terms of the applicable Cash Management Agreements; (b) use, in their present form, all Business Forms, without reference to the Debtors’ status as debtors in possession; *provided that* in the event that the Debtors need to purchase new check stock during the pendency of these Chapter 11 Cases, such check stock will include a legend referring to the Debtors as “Debtors in Possession” or “DIP” and the lead case number; *provided further that*, with respect to checks that the Debtors or their agents print themselves, the Debtors shall use commercially reasonable efforts to begin printing the “Debtor in Possession” legend and the lead bankruptcy case number on such checks within ten (10) business days of the date of entry of this Interim Order; (c) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors-in-possession; and (d) deposit funds in and

withdraw funds from the Bank Accounts by all usual means, including checks, wire transfers, ACH payments, and other debits.

7. The Cash Management Agreements existing between the Debtors and the Banks shall continue to govern the post-petition cash management relationship between the Debtors and the Banks and all of the provisions of such agreements, including the termination, fee provisions, rights, benefits, collateral, and offset rights, and remedies afforded under such agreements shall remain in full force and effect absent further order of this Court or, with respect to any such agreement with the Banks (including, for the avoidance of doubt, any rights of the Bank to use funds from the Bank Accounts to remedy any overdraft of another Bank Account or other cash management obligations, whether prepetition or postpetition, to the extent permitted under the applicable Cash Management Agreement), unless the Debtors and Bank agree otherwise, and any other legal rights and remedies afforded to the Bank under applicable law shall be preserved.

8. Each Bank is hereby authorized to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtors as debtors in possession without interruption and in the ordinary course and to receive, process, honor, and pay, to the extent of available funds, any and all checks, drafts, wires, ACH transfers, and other electronic transfers of any kind issued and drawn on the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be (including the completion of any such transaction commenced on or before the Petition Date but not completed until on or after the Petition Date).

9. Each Bank is authorized to debit the Debtors' accounts in the ordinary course of business without need for further order of this Court for: (a) all checks and other payment orders drawn on the Debtors' accounts which are cashed at such Bank's counters or exchanged for cashier's checks by the payees thereof prior to the Bank's receipt of notice of filing of these

Chapter 11 Cases; and (b) all checks, automated clearing house entries, and other items deposited or credited to one of Debtors' accounts with such Bank prior to filing of these Chapter 11 Cases which have been dishonored, reversed, or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtors were responsible for such items prior to filing of these Chapter 11 Cases.

10. Each Bank may rely on the Debtors' representations with respect to whether any check or other payment order drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to this or any other order of this Court, and the Banks shall not have any liability to any party for relying on such representations by the Debtors as provided for herein.

11. As soon as reasonably practicable after entry of this Interim Order, the Debtors shall (a) contact each Bank, (b) provide each Bank with each of the Debtors' employer identification numbers and the case number of these Chapter 11 Cases and (c) identify for each Bank each of the Bank Accounts held at such Bank as being held by a debtor in possession in a bankruptcy case.

12. Subject to the terms of the applicable Cash Management Agreements, the Debtors are authorized to open any new bank accounts or close any existing Bank Accounts as they may deem necessary and appropriate in their sole discretion; *provided* that the Debtors give five (5) business days' prior notice to counsel for the Prepetition ABL Administrative Agent, counsel for the Prepetition Term Loan Agent, the U.S. Trustee and any statutory committee appointed in these Chapter 11 Cases; *provided, further*, that the Debtors shall only open any such new bank accounts at banks that have executed a Uniform Depository Agreement with the U.S. Trustee, or at banks that are willing to immediately execute such an agreement.

13. The Banks are authorized to continue to charge, and the Debtors are authorized to pay, honor, or allow the deduction from the appropriate account, the Bank Fees in the ordinary course of business, whether such items are dated prior to, on, or subsequent to the Petition Date.

14. Subject to the terms of the applicable Cash Management Agreements, the Debtors are authorized to continue performing Intercompany Transactions in the ordinary course of business; *provided* that the Debtors shall not be authorized by this Interim Order to undertake any Intercompany Transactions that are not on terms materially consistent with the Debtors' operation of their business in the ordinary course during the prepetition period; *provided, further*, that the Debtors shall not be authorized by this Interim Order to make cash payments on account of any prepetition Intercompany Claims.

15. All Intercompany Claims arising after the Petition Date as a result of Intercompany Transactions and transfers in the ordinary course of business shall be accorded administrative expense status in accordance with section 503(b) of the Bankruptcy Code; *provided, however*, that, subject to entry of the Final Order, nothing herein shall limit or be construed to limit the Debtors' ability to reconcile amounts owed between and among any Debtors, including netting and setting off obligations arising from Intercompany Transactions, whether arising prepetition or postpetition, in the ordinary course of business, as determined by the applicable Debtor.

16. Except as provided otherwise in paragraph 15 of this Interim Order, the relief granted in this Interim Order with respect to any Intercompany Transaction or Intercompany Claim shall not constitute a finding as to the validity, priority, or status of such Intercompany Transaction or Intercompany Claim. The rights of any party, including the Debtors, to contest

the validity, priority, or status of any Intercompany Transaction or Intercompany Claim are expressly reserved.

17. The Debtors shall maintain accurate and detailed records of all transactions and transfers, including Intercompany Transactions, in accordance with their prepetition practices so that all transactions and transfers may be ascertained, traced, recorded properly, and distinguished between prepetition and postpetition transactions and transfers.

18. Notwithstanding anything contained herein, despite the Debtors' use of the consolidated Cash Management System, the Debtors shall calculate quarterly fees under 28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor, regardless of which Debtor pays those disbursements.

19. Within two (2) business days from the entry of this Interim Order, the Debtors shall (a) serve a copy of this Interim Order on each Bank and (b) request that each Bank internally code each of the Bank Accounts as "debtor in possession" accounts.

20. Except as specifically set forth in this Interim Order, nothing in the Motion or this Interim Order, or the relief granted herein (including any actions taken or payments made by the Debtors), is to be construed as: (a) an implication or admission as to the amount of, basis for, or validity of any claim against the Debtors under the Bankruptcy Code or other applicable non-bankruptcy law; (b) a waiver of the Debtors' or any other party in interest's right to dispute any claim; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in the Motion; (e) a concession by the Debtors that any lien (contractual, common, statutory or otherwise) satisfied pursuant to the Motion is valid (and all rights to contest the extent, validity or perfection or seek avoidance of all such liens are expressly reserved); (f) a request or authorization to assume,

adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (g) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (h) a waiver of the obligation of any party in interest to file a proof of claim; or (i) a waiver of any claims or causes of action which may exist against any entity under the Bankruptcy Code or any other applicable law. Nothing contained in this Interim Order shall be deemed to increase, reclassify, elevate to an administrative expense status, or otherwise affect any claim to the extent it is not paid.

21. Notwithstanding Bankruptcy Rule 6004(h), to the extent applicable, this Interim Order shall be effective and enforceable immediately upon entry hereof.

22. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied because the relief set forth in this Interim Order is necessary to avoid immediate and irreparable harm.

23. The Debtors are authorized and empowered to take all actions necessary or appropriate to implement the relief granted in this Interim Order.

24. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation, interpretation or enforcement of this Interim Order.

EXHIBIT B

Proposed Final Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

F21 OPCO, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 25-10469 (___)

(Jointly Administered)

Ref: Docket Nos. ___ & ___

**FINAL ORDER (I) AUTHORIZING CONTINUED USE OF CASH MANAGEMENT
SYSTEM; (II) AUTHORIZING USE OF PREPETITION BANK ACCOUNTS AND
CERTAIN PAYMENT METHODS; (III) AUTHORIZING CONTINUED
PERFORMANCE OF INTERCOMPANY TRANSACTIONS IN THE ORDINARY
COURSE OF BUSINESS; AND (IV) GRANTING RELATED RELIEF**

Upon the motion (the “**Motion**”)² of the Debtors for entry of a final order (this “**Final Order**”), (a) authorizing the Debtors’ continued use of the Cash Management System; (b) authorizing the Debtors to continue using prepetition Bank Accounts and using debit, wire, and ACH payments; (c) continued performance of Intercompany Transactions in the ordinary course of business on the terms described herein; and (d) granting related relief, all as more fully set forth in the Motion; and this Court having reviewed the Motion and the First Day Declaration; and this Court having previously entered that certain *Interim Order (I) Authorizing Continued Use of Cash Management System; (II) Authorizing Use of Prepetition Bank Accounts and Certain Payment Methods; (III) Authorizing Continued Performance of Intercompany Transactions in the Ordinary Course of Business; and (IV) Granting Related Relief* [D.I. ___] (the

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: F21 OpCo, LLC (8773); F21 Puerto Rico, LLC (5906); and F21 GiftCo Management, LLC (6412). The Debtors’ address for purposes of service in these Chapter 11 Cases is 110 East 9th Street, Suite A500, Los Angeles, CA 90079.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion or First Day Declaration, as applicable.

“Interim Order”); and this Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and this Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is GRANTED on a final basis, as set forth herein.
2. The Debtors are authorized, but not directed, and on an interim basis, to: (a) continue operating the Cash Management System in accordance with, and subject to, the terms and conditions of the Cash Management Agreements, (b) continue to use the Bank Accounts in existence as of the Petition Date, in the names and with the account numbers existing immediately before the Petition Date, (c) honor any prepetition obligations related to the Cash Management System in the ordinary course of business, and (d) pay to any ordinary course bank fees and charges relating to the Bank Accounts and treasury management services, in each case irrespective of whether such fees arose prior to the Petition Date, and perform their obligations under the Cash Management Agreements. The Debtors shall provide notice to the U.S. Trustee

and any statutory committee appointed in these Chapter 11 Cases of any material changes to their Cash Management System.

3. The Debtors are further authorized to: (a) maintain any corporate card programs and honor all prepetition and post-petition obligations arising thereunder, and (b) pay or reimburse any ordinary course amounts owed in connection with merchant services provided by the Banks, including without limitation PNC Merchant Services, or any other corporate credit card provider, for any fees, charges, refunds, chargebacks, reserves and other amounts due and owing from the Debtors to the providers of the corporate credit cards, p-cards, or any other similar arrangements, (the “**Corporate Credit Cards**”) under the applicable Cash Management Agreements, whether such obligations are incurred prepetition or post-petition, and the Banks providing for such Corporate Credit Cards are authorized to receive or obtain payment for such obligations, as provided under, and in the manner set forth in, the applicable Cash Management Agreement governing such Corporate Credit Cards.

4. The Debtors are further authorized, but not directed, to: (a) continue to use all of the Bank Accounts in existence as of the Petition Date, including but not limited to those accounts identified on Exhibit C to the Motion, in accordance with the terms of the applicable Cash Management Agreements; (b) use, in their present form, all Business Forms, without reference to the Debtors’ status as debtors in possession; *provided that* in the event that the Debtors need to purchase new check stock during the pendency of these Chapter 11 Cases, such check stock will include a legend referring to the Debtors as “Debtors in Possession” or “DIP” and the lead case number; *provided further* that with respect to checks that the Debtors or their agents print themselves, the Debtors shall use commercially reasonable efforts to print the “Debtor in Possession” legend and the lead bankruptcy case number on such checks; (c) treat the

Bank Accounts for all purposes as accounts of the Debtors as debtors-in-possession; (d) deposit funds in and withdraw funds from the Bank Accounts by all usual means, including checks, wire transfers, ACH payments, and other debits; and (e) pay any ordinary course prepetition or postpetition fees incurred in connection with the Bank Accounts and to otherwise perform their obligations under the applicable Cash Management Agreements governing the Bank Accounts.

5. The Cash Management Agreements existing between the Debtors and the Banks shall continue to govern the post-petition cash management relationship between the Debtors and the Banks and all of the provisions of such agreements, including the termination, fee provisions, rights, benefits, collateral, and offset rights, and remedies afforded under such agreements shall remain in full force and effect absent further order of this Court or, with respect to any such agreement with the Banks (including, for the avoidance of doubt, any rights of the Bank to use funds from the Bank Accounts to remedy any overdraft of another Bank Account or other cash management obligations, whether prepetition or postpetition, to the extent permitted under the applicable Cash Management Agreement), unless the Debtors and Bank agree otherwise, and any other legal rights and remedies afforded to the Bank under applicable law shall be preserved.

6. Each Bank is hereby authorized to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtors as debtors in possession without interruption and in the ordinary course and to receive, process, honor, and pay, to the extent of available funds, any and all checks, drafts, wires, ACH transfers, and other electronic transfers of any kind issued and drawn on the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be (including the completion of any such transaction commenced on or before the Petition Date but not completed until on or after the Petition Date).

7. All objections to the entry of this Final Order, to the extent not withdrawn or settled, are overruled.

8. Each Bank may rely on the Debtors' representations with respect to whether any check or other payment order drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to this or any other order of this Court, and the Banks shall not have any liability to any party for relying on such representations by the Debtors as provided for herein.

9. Subject to the terms of the applicable Cash Management Agreements, the Debtors are authorized to open any new bank accounts or close any existing Bank Accounts as they may deem necessary and appropriate in their sole discretion; *provided* that the Debtors give five (5) business days' prior notice to counsel for the Prepetition ABL Administrative Agent, counsel for the Prepetition Term Loan Agent, the U.S. Trustee and any statutory committees appointed in these Chapter 11 Cases; *provided, further*, that the Debtors shall only open any such new bank accounts at banks that have executed a Uniform Depository Agreement with the U.S. Trustee, or at banks that are willing to immediately execute such an agreement.

10. The Debtors are authorized to continue to charge, and the Debtors are authorized to pay, honor, or allow the deduction from the appropriate account, the Bank Fees in the ordinary course of business, whether such items are dated prior to, on, or subsequent to the Petition Date.

11. Subject to the terms of the applicable Cash Management Agreements, The Debtors are authorized to continue performing Intercompany Transactions in the ordinary course of business; *provided that* the Debtors shall not be authorized by this Final Order to undertake any Intercompany Transactions that are not on terms materially consistent with the Debtors' operation of their business in the ordinary course during the prepetition period; *provided further*

that the Debtors shall not be authorized by this Final Order to make cash payments on account of any prepetition Intercompany Claims.

12. All Intercompany Claims arising after the Petition Date as a result of Intercompany Transactions and transfers in the ordinary course of business shall be accorded administrative expense status in accordance with section 503(b) of the Bankruptcy Code; *provided, however*, that, subject to entry of the Final Order, nothing herein shall limit or be construed to limit the Debtors' ability to reconcile amounts owed between and among any Debtors, including netting and setting off obligations arising from Intercompany Transactions, whether arising prepetition or postpetition, in the ordinary course of business, as determined by the applicable Debtor.

13. Except as provided otherwise in paragraph 12 of this Final Order, the relief granted in this Final Order with respect to any Intercompany Transaction or Intercompany Claim shall not constitute a finding as to the validity, priority, or status of such Intercompany Transaction or Intercompany Claim. The rights of any party, including the Debtors, to contest the validity, priority, or status of any Intercompany Transaction or Intercompany Claim are expressly reserved.

14. The Debtors shall maintain accurate and detailed records of all transactions and transfers, including Intercompany Transactions, in accordance with their prepetition practices so that all transactions and transfers may be ascertained, traced, recorded properly, and distinguished between prepetition and postpetition transactions and transfers.

15. Notwithstanding anything contained herein, despite the Debtors' use of the consolidated Cash Management System, the Debtors shall calculate quarterly fees under

28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor, regardless of which Debtor pays those disbursements.

16. Within two (2) business days from the entry of this Final Order, the Debtors shall serve a copy of this Final Order on each Bank.

17. Except as specifically set forth in this Final Order, nothing in the Motion, the Interim Order, or this Final Order, or the relief granted herein (including any actions taken or payments made by the Debtors), is to be construed as: (a) an implication or admission as to the amount of, basis for, or validity of any claim against the Debtors under the Bankruptcy Code or other applicable non-bankruptcy law; (b) a waiver of the Debtors' or any other party in interest's right to dispute any claim; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in the Motion; (e) a concession by the Debtors that any lien (contractual, common, statutory or otherwise) satisfied pursuant to the Motion are valid (and all rights to contest the extent, validity or perfection or seek avoidance of all such liens are expressly reserved); (f) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (g) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (h) a waiver of the obligation of any party in interest to file a proof of claim; or (i) a waiver of any claims or causes of action which may exist against any entity under the Bankruptcy Code or any other applicable law. Nothing contained in this Final Order shall be deemed to increase, reclassify, elevate to an administrative expense status, or otherwise affect any claim to the extent it is not paid.

18. Notwithstanding Bankruptcy Rule 6004(h), to the extent applicable, this Final Order shall be effective and enforceable immediately upon entry hereof.

19. The Debtors are authorized and empowered to take all actions necessary or appropriate to implement the relief granted in this Final Order.

20. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation, interpretation or enforcement of this Final Order.

EXHIBIT C

List of Bank Accounts

Forever 21

Bank Account Listing

Entity Name	Bank Name	Bank Account Number	Account Description
F21 OpCo, LLC	Banco Popular	- 3438	Puerto Rico Store 609 Store Account
F21 OpCo, LLC	Banco Popular	- 4051	Puerto Rico Store 611 Store Account
F21 OpCo, LLC	Banco Popular	- 9073	Puerto Rico Store 397 Store Account
F21 OpCo, LLC	Banco Popular	- 7352	Puerto Rico Store Change Orders
F21 OpCo, LLC	Banco Popular	- 2363	Puerto Rico Store 334 Store Account & Main Depository Account
F21 OpCo, LLC	Banco Popular	- 2371	Credit Card Depository Account
F21 OpCo, LLC	Banco Popular	- 1365	Puerto Rico Store 431 Store Account
F21 OpCo, LLC	JPMorgan Chase Bank, N.A	- 8000	Main Depository Account
F21 OpCo, LLC	JPMorgan Chase Bank, N.A	- 1251	Operating account
F21 OpCo, LLC	JPMorgan Chase Bank, N.A	- 3158	Main Store Cash Depository
F21 OpCo, LLC	JPMorgan Chase Bank, N.A	- 2039	Disbursement Account (This account is used to transfer JPM to PNC)
F21 OpCo, LLC	PNC BANK, NA	- 5886	Payroll Disbursement Account
F21 OpCo, LLC	PNC BANK, NA	- 5894	Auto Debit Disbursement Account
F21 OpCo, LLC	PNC BANK, NA	- 5907	SAP Disbursement (Checks, ACH, Wires)
F21 OpCo, LLC	PNC BANK, NA	- 5923	Main Depository Account
F21 OpCo, LLC	PNC BANK, NA	- 5931	Ecom Credit Card Sales Depository
F21 OpCo, LLC	PNC BANK, NA	- 5958	Store Credit Card Sales Depository
F21 OpCo, LLC	PNC BANK, NA	- 5966	Store Cash Depository
F21 OpCo, LLC	PNC BANK, NA	- 1641	F21 Gift Co Management Depository Account for 3rd Party Sales
F21 OpCo, LLC	PNC BANK, NA	- 5915	Operating account
F21 OpCo, LLC	Bank of America	- 3229	Store Depository Account
F21 OpCo, LLC	Bank of America	- 9959	Store account
F21 OpCo, LLC	Bank of America	- 3188	Store account
F21 OpCo, LLC	Bank of America	- 0589	Store account
F21 OpCo, LLC	Bank of America	- 0626	Store account
F21 OpCo, LLC	Bank of America	- 7379	Store account
F21 OpCo, LLC	Bank of America	- 2124	Store account
F21 OpCo, LLC	Bank of America	- 3847	Store account
F21 OpCo, LLC	Bank of America	- 1440	Store account
F21 OpCo, LLC	Bank of America	- 4293	Store account
F21 OpCo, LLC	Bank of America	- 4358	Store account
F21 OpCo, LLC	Bank of America	- 5533	Store account
F21 OpCo, LLC	Bank of America	- 1718	Inactive Account
F21 OpCo, LLC	Bank of America	- 1831	Inactive Account
F21 OpCo, LLC	Bank of America	- 2625	Inactive Account
F21 OpCo, LLC	Bank of America	- 3177	Inactive Account
F21 OpCo, LLC	Bank of America	- 6863	Inactive Account
F21 OpCo, LLC	Bank of America	- 8787	Inactive Account
F21 OpCo, LLC	Bank of America	- 0563	Inactive Account
F21 OpCo, LLC	Bank of America	- 8965	Inactive Account
F21 OpCo, LLC	Bank of America	- 3702	Inactive Account
F21 OpCo, LLC	Bank of America	- 9728	Inactive Account
F21 OpCo, LLC	Bank of America	- 9742	Inactive Account
F21 OpCo, LLC	Bank of America	- 9747	Inactive Account
F21 OpCo, LLC	Bank of America	- 7715	Inactive Account
F21 OpCo, LLC	Bank of America	- 7734	Inactive Account
F21 OpCo, LLC	Bank of America	- 7739	Inactive Account
F21 OpCo, LLC	Bank of America	- 7753	Inactive Account
F21 OpCo, LLC	Bank of America	- 3674	Inactive Account
F21 OpCo, LLC	Bank of America	- 8568	Inactive Account
F21 OpCo, LLC	Bank of America	- 7564	Inactive Account
F21 OpCo, LLC	Bank of America	- 7569	Inactive Account
F21 OpCo, LLC	Bank of America	- 8831	Inactive Account
F21 OpCo, LLC	Bank of America	- 0584	Inactive Account
F21 OpCo, LLC	Bank of America	- 0602	Inactive Account
F21 OpCo, LLC	Bank of America	- 0607	Inactive Account
F21 OpCo, LLC	Bank of America	- 0640	Inactive Account
F21 OpCo, LLC	Bank of America	- 7700	Inactive Account
F21 OpCo, LLC	Bank of America	- 7705	Inactive Account
F21 OpCo, LLC	Bank of America	- 6930	Inactive Account
F21 OpCo, LLC	Bank of America	- 6935	Inactive Account
F21 OpCo, LLC	Bank of America	- 6954	Inactive Account
F21 OpCo, LLC	Bank of America	- 4069	Inactive Account

Forever 21

Active Bank Account Listing

Entity Name	Bank Name	Bank Account Number	Account Description
F21 OpCo, LLC	Bank of America	- 7374	Inactive Account
F21 OpCo, LLC	Bank of America	- 6238	Inactive Account
F21 OpCo, LLC	Bank of America	- 0037	Inactive Account
F21 OpCo, LLC	Bank of America	- 2149	Inactive Account
F21 OpCo, LLC	Bank of America	- 3578	Inactive Account
F21 OpCo, LLC	Bank of America	- 7274	Inactive Account
F21 OpCo, LLC	Bank of America	- 7293	Inactive Account
F21 OpCo, LLC	Bank of America	- 9438	Inactive Account
F21 OpCo, LLC	Bank of America	- 3880	Inactive Account
F21 OpCo, LLC	Bank of America	- 4011	Inactive Account
F21 OpCo, LLC	Bank of America	- 9360	Inactive Account
F21 OpCo, LLC	Bank of America	- 9240	Inactive Account
F21 OpCo, LLC	Bank of America	- 9245	Inactive Account
F21 OpCo, LLC	Bank of America	- 2812	Inactive Account
F21 OpCo, LLC	Bank of America	- 0349	Inactive Account
F21 OpCo, LLC	Bank of America	- 0368	Inactive Account
F21 OpCo, LLC	Bank of America	- 0163	Inactive Account
F21 OpCo, LLC	Bank of America	- 2469	Inactive Account
F21 OpCo, LLC	Bank of America	- 2483	Inactive Account
F21 OpCo, LLC	Bank of America	- 5255	Inactive Account
F21 OpCo, LLC	Bank of America	- 8589	Inactive Account
F21 OpCo, LLC	Bank of America	- 8602	Inactive Account
F21 OpCo, LLC	Bank of America	- 8607	Inactive Account
F21 OpCo, LLC	Bank of America	- 1553	Inactive Account
F21 OpCo, LLC	Bank of America	- 5342	Inactive Account
F21 OpCo, LLC	Bank of America	- 5687	Inactive Account
F21 OpCo, LLC	Bank of America	- 1082	Inactive Account
F21 OpCo, LLC	Bank of America	- 3166	Inactive Account
F21 OpCo, LLC	Bank of America	- 3628	Inactive Account
F21 OpCo, LLC	Bank of America	- 3642	Inactive Account
F21 OpCo, LLC	Bank of America	- 5400	Inactive Account
F21 OpCo, LLC	Bank of America	- 7539	Inactive Account
F21 OpCo, LLC	Bank of America	- 7553	Inactive Account
F21 OpCo, LLC	Bank of America	- 0985	Inactive Account
F21 OpCo, LLC	Bank of America	- 0648	Inactive Account
F21 OpCo, LLC	Bank of America	- 1366	Inactive Account
F21 OpCo, LLC	Bank of America	- 0866	Inactive Account
F21 OpCo, LLC	Bank of America	- 0880	Inactive Account
F21 OpCo, LLC	Bank of America	- 0885	Inactive Account
F21 OpCo, LLC	Bank of America	- 1696	Inactive Account
F21 OpCo, LLC	Bank of America	- 4896	Inactive Account
F21 OpCo, LLC	Bank of America	- 3346	Inactive Account
F21 OpCo, LLC	Bank of America	- 5241	Inactive Account
F21 OpCo, LLC	Bank of America	- 1327	Inactive Account
F21 OpCo, LLC	Bank of America	- 5519	Inactive Account
F21 OpCo, LLC	Bank of America	- 5538	Inactive Account
F21 OpCo, LLC	Bank of America	- 6085	Inactive Account
F21 OpCo, LLC	Bank of America	- 6660	Inactive Account
F21 OpCo, LLC	Bank of America	- 3285	Inactive Account
F21 OpCo, LLC	Bank of America	- 9966	Inactive Account
F21 OpCo, LLC	Bank of America	- 0691	Inactive Account
F21 OpCo, LLC	Bank of America	- 6235	Inactive Account
F21 OpCo, LLC	Bank of America	- 7404	Inactive Account
F21 OpCo, LLC	Bank of America	- 6601	Inactive Account
F21 OpCo, LLC	JPMorgan Chase Bank, N.A	- 1665	Inactive Account
F21 OpCo, LLC	JPMorgan Chase Bank, N.A	- 8376	Inactive Account
F21 OpCo, LLC	JPMorgan Chase Bank, N.A	- 0083	Inactive Account
F21 OpCo, LLC	JPMorgan Chase Bank, N.A	- 1289	Inactive Account
F21 OpCo, LLC	JPMorgan Chase Bank, N.A	- 2709	Inactive Account
F21 GiftCo Management, LLC	PNC BANK, NA	- 4084	Legacy GiftCo Disbursement Account

EXHIBIT D

Cash Flow Schematic

F21 OpCo, LLC Bank Account Structure

