

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

In re:

HRI HOLDING CORP., *et al.*¹

Debtors.

Chapter 11

Case No. 19-12415 (MFW)

(Jointly Administered)

Ref. Nos. 7 & 60

CERTIFICATION OF COUNSEL

I, Matthew R. Pierce, proposed counsel to the above-captioned debtors and debtors in possession (the “Debtors”) hereby certify as follows to the best of my knowledge, information and belief:

1. On November 14, 2019 (the “Petition Date”), the Debtors filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* in the United States Bankruptcy Court for the District of Delaware (the “Court”).

2. On the Petition Date, the Debtors filed the *Motion of the Debtors for Entry of Interim and Final Orders (a) Authorizing the Debtors to Pay All or a Portion of the Prepetition Claims of Certain Critical Vendors and (b) Authorizing Financial Institutions to Honor and Process Related Checks and Transfers* [D.I. 7] (the “Critical Vendors Motion”).

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: HRI Holding Corp. (4677), Houlihan’s Restaurants, Inc. (8489), HDJG Corp. (3479), Red Steer, Inc. (2214), Sam Wilson’s/Kansas, Inc. (5739), Darryl’s of St. Louis County, Inc. (7177), Darryl’s of Overland Park, Inc. (3015), Houlihan’s of Ohio, Inc. (6410), HRI O’Fallon, Inc. (4539), Algonquin Houlihan’s Restaurant, L.L.C. (0449), Geneva Houlihan’s Restaurant, L.L.C. (3156), Hanley Station Houlihan’s Restaurant, LLC (8058), Houlihan’s Texas Holdings, Inc. (5485), Houlihan’s Restaurants of Texas, Inc. (4948), JGIL Mill OP LLC (0741), JGIL Millburn, LLC (6071), JGIL Milburn Op LLC (N/A), JGIL, LLC (5485), JGIL Holding Corp. (N/A), JGIL Omaha, LLC (5485), HOP NJ NY, LLC (1106), HOP Farmingdale LLC (7273), HOP Cherry Hill LLC (5012), HOP Paramus LLC (5154), HOP Lawrenceville LLC (5239), HOP Brick LLC (4416), HOP Secaucus LLC (5946), HOP Heights LLC (6017), HOP Bayonne LLC (7185), HOP Fairfield LLC (8068), HOP Ramsey LLC (8657), HOP Bridgewater LLC (1005), HOP Parsippany LLC (1520), HOP Westbury LLC (2352), HOP Weehawken LLC (2571), HOP New Brunswick LLC (2637), HOP Holmdel LLC (2638), HOP Woodbridge LLC (8965), and Houlihan’s of Chesterfield, Inc. (5073). The Debtors’ corporate headquarters and the mailing address is 8700 State Line Road, Suite 100, Leawood, Kansas 66206.



3. On November 15, 2019, the Court entered the *Interim Order Authorizing the Debtors to Pay All or a Portion of the Prepetition Claims of Certain Critical Vendors and Authorizing Financial Institutions to Honor and Process Related Checks and Transfers* [D.I. 60] (the “Interim Critical Vendors Order”).

4. As of the date hereof, no formal objections or other responses to the Critical Vendors Motion have been filed or served on the Debtors. However, the Debtors received informal comments on the proposed form of final order from the Official Committee of Unsecured Creditors (the “Committee”).

5. To resolve the informal comments of the Committee, the Debtors have revised the proposed form of final order (the “Revised Order”), a copy of which is attached hereto as **Exhibit A**. A copy of the Revised Order compared against the proposed order attached to the Critical Vendors Motion is attached hereto as **Exhibit B**. The Committee has no objection to the entry of the Revised Order. In accordance with the Court’s electronic order processing procedures, a clean copy of the Revised Order shall be uploaded to CM/ECF.

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6. Accordingly, the Debtors respectfully request that the Court enter the Revised Order at its earliest convenience.

Dated: December 4, 2019
Wilmington, Delaware

LANDIS RATH & COBB LLP



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*Counsel for the Debtors and
Debtors-In-Possession*

EXHIBIT A

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

In re:

HRI HOLDING CORP., *et al.*¹

Debtors.

Chapter 11

Case No. 19-12415 (MFW)

(Jointly Administered)

Ref. Nos. 7 & 60

**FINAL ORDER AUTHORIZING THE DEBTORS TO PAY ALL OR A PORTION OF
THE PREPETITION CLAIMS OF CERTAIN CRITICAL VENDORS AND
AUTHORIZING FINANCIAL INSTITUTIONS TO HONOR AND
PROCESS RELATED CHECKS AND TRANSFERS**

Upon the *Motion of the Debtors for Entry of Interim and Final Orders (A) Authorizing the Debtors to Pay All or a Portion of the Prepetition Claims of Certain Critical Vendors and (B) Authorizing Financial Institutions to Honor and Process Related Checks and Transfers* (the “Motion”);² and upon the First Day Declaration; and the Court having jurisdiction over this matter pursuant to 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 the Court having found that is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and the Court may enter an order consistent with Article III of the United States Constitution; and the Court

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² All capitalized terms not otherwise defined herein shall have the same meanings ascribed to them in the Motion.

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 sufficient notice of the Motion has been given; and it appearing that the relief requested by the Motion is in the best interest of the Debtors' estates; and sufficient cause appearing therefor; it is hereby

ORDERED that the Motion is GRANTED on a final basis as set forth herein; and it is further

ORDERED that the Debtors are authorized, but not required, in their sole discretion, to pay the Critical Vendors in the ordinary course of its business in an amount not to exceed \$2.1 million absent further order of the Court; and it is further

ORDERED that as a condition of receiving payment, each Critical Vendor is required to voluntarily agree in writing to (i) waive its right to file or otherwise assert against the Debtors or their estates, any lien or claim related to any prepetition amounts allegedly owed to the Critical Vendor by the Debtors arising from agreements or other arrangements entered into prior to the Petition Date to the extent of the amounts paid pursuant to this Order and not otherwise disgorged as provided herein, other than filing proofs of claim in the Debtors' cases, (ii) to the extent the Critical Vendor has already obtained or asserted any such lien or claim, take all necessary actions to remove such lien and withdraw such claims, (iii) continue doing business with the Debtors in the ordinary course according to terms no less favorable to the Debtors than those in place prior to the Petition Date, and (iv) if a Creditor Vendor paid pursuant to this Order refuses to continue doing business with the Debtors, then the Debtors may, on notice to the affected Critical Vendor, seek disgorgement of such payments to the Debtors' estates; and it is further

ORDERED that notwithstanding the relief granted in this final order and any actions taken pursuant to such relief, nothing in this final order shall be deemed: (a) an admission as to the validity, priority or amount of any particular claim against a Debtor entity; (b) a waiver of the Debtors' or any other party-in-interest's right to dispute any particular claim on any grounds; (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 final order or the Motion; (e) a request or authorization to assume any agreement, contract or lease pursuant to Bankruptcy Code section 365; (f) a waiver or limitation of the Debtors' or any other party-in-interest's rights under the Bankruptcy Code or any other applicable law; or (g) a concession by the Debtors or any other party-in-interest that any liens (contractual, common law, statutory, or otherwise) satisfied pursuant to this final order are valid and the Debtors' and all other parties-in-interest's rights to contest the extent, validity or perfection or to seek avoidance of all such liens are reserved. Any payment made pursuant to this final order should not be construed as an admission as to the validity, priority or amount of any particular claim or a waiver of the Debtors' or any other party-in-interest's rights to subsequently dispute such claim; and it is further

ORDERED that all applicable banks and other financial institutions are hereby authorized to receive, process, honor, and pay any and all checks and funds transfers evidencing amounts paid by the Debtors pursuant to the Motion, whether presented or issued prior to or after the Petition Date. Such banks and financial institutions are authorized to rely on the representations of the Debtors as to which checks are issued or authorized to be paid pursuant to this Order; and it is further

ORDERED that the Debtors shall provide, to counsel to the Official Committee of Unsecured Creditors, copies of any underlying agreements governing the trade terms between the Debtors and each Critical Vendor; and it is further

ORDERED that the Debtors shall provide, on a weekly basis, to counsel to the Official Committee of Unsecured Creditors, a report of all payments made under this Final Order; and it is further

ORDERED that Bankruptcy Rule 6003 is satisfied; and it is further

ORDERED that notwithstanding the applicability of Bankruptcy Rules 6004(h), 7062 and 9014, the term of this Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED that the Debtors are authorized to take all actions necessary to effectuate the relief granted in this order; and it is further

ORDERED that the Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Order.

Dated: December __, 2019
Wilmington, Delaware

THE HONORABLE MARY F. WALRATH
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT B

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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HRI HOLDING CORP., *et al.*¹

Debtors.

Chapter 11

Case No. 19-12415 (~~---~~MFW)

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28 U.S.C. §§ 1408 and 1409; and it appearing that sufficient notice of the Motion has been given; and it appearing that the relief requested by the Motion is in the best interest of the Debtors' estates; and sufficient cause appearing therefor; it is hereby

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Dated: December , 2019
Wilmington, Delaware

THE HONORABLE MARY F. WALRATH
UNITED STATES BANKRUPTCY JUDGE

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