

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. 6 & 59

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 Interim and Final Orders Authorizing the Debtors to (I) Maintain Existing Insurance Policies and Pay All Policy Premiums Arising Thereunder and Renew or Enter into New Policies and (II) Continue Insurance Premium Financing Program, Pay Insurance Premium Financing Obligations Arising*

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.



in Connection Therewith and Renew or Enter into New Premium Financing Arrangements [D.I. 6] (the “Insurance Motion”).

3. On November 15, 2019, the Court entered the *Interim Order Authorizing the Debtors to (I) Maintain Existing Insurance Policies and Pay All Policy Premiums Arising Thereunder and Renew or Enter into New Policies and (II) Continue Insurance Premium Financing Program, Pay Insurance Premium Financing Obligations Arising in Connection Therewith and Renew or Enter into New Premium Financing Arrangements* [D.I. 59] (the “Interim Insurance Order”).

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


5. To resolve the informal comments of the Parties, 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 Insurance Motion is attached hereto as **Exhibit B**. The Parties have 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. 6 & 59

**FINAL ORDER AUTHORIZING THE DEBTORS TO (I) MAINTAIN EXISTING
INSURANCE POLICIES AND PAY ALL POLICY PREMIUMS ARISING
THEREUNDER AND RENEW OR ENTER INTO NEW POLICIES AND
(II) CONTINUE INSURANCE PREMIUM FINANCING PROGRAM, PAY INSURANCE
PREMIUM FINANCING OBLIGATIONS ARISING IN CONNECTION THEREWITH
AND RENEW OR ENTER INTO NEW PREMIUM FINANCING ARRANGEMENTS**

Upon the *Motion of the Debtors for Interim and Final Orders Authorizing the Debtors to (I) Maintain Existing Insurance Policies and Pay All Policy Premiums Arising Thereunder and Renew or Enter into New Policies and (II) Continue Insurance Premium Financing Program, Pay Insurance Premium Financing Obligations Arising in Connection Therewith and Renew or Enter into New Premium Financing Arrangements* (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

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.

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

District of Delaware dated February 29, 2012; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and that the Court may enter a final order consistent with Article III of the United States Constitution; and the 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 sufficient notice of the Motion has been given; and it appearing that the relief requested by the Motion is in the best interests 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 directed, to honor the terms of their Insurance Policies,³ including, but not limited to, those listed on **Exhibit 1** attached to the Motion, including making all postpetition payments (including postpetition fees and premiums) with respect to the Insurance Policies, including payments made pursuant to any Financing Arrangements, on an uninterrupted basis, and may, in consultation with the Official Committee of Unsecured Creditors, renew or enter into new Insurance Policies, including tail policies, coverages or endorsements, or premium financing agreements in the ordinary course of business as needed without further order of the Court; and it is further

ORDERED that the Debtors are authorized, but not directed, to pay any prepetition claims owed under the Insurance Policies, including Broker Fees and amounts owed pursuant to any Financing Arrangements, to the extent any such claims are owed as of the Petition Date in an amount not to exceed \$117,000 in the aggregate; and it is further

³ For the avoidance of doubt, the term Insurance Policies shall include all insurance policies issued or providing coverage at any time to the Debtors, whether expired, current or prospective, and any agreements related thereto, whether or not listed on **Exhibit 1** of the Motion.

ORDERED that notwithstanding anything to the contrary in any Financing Arrangements, in the event the Debtors default under the terms of the Financing Arrangements, the PFA lender and/or the Insurance Carrier shall not cancel any Insurance Policy of the Debtors without first providing notice of such default in writing by overnight mail to the Debtors and their bankruptcy counsel, and providing at least five (5) business days to cure. If the Debtors fail to cure the default within that time, then the PFA lender and/or Insurance Carrier may, in accordance with the terms of applicable non-bankruptcy law and the Financing Arrangements, as applicable, exercise any and all of its rights under the Financing Arrangements, and the automatic stay of Bankruptcy Code section 362, if and to the extent applicable, is hereby lifted to allow the exercise of such rights; and it is further

ORDERED that nothing in this Order (a) is intended or shall be deemed to constitute an assumption of any agreement pursuant to Bankruptcy Code section 365 or an admission as to the executory nature of any contract or agreement, (b) shall impair, prejudice, waive, or otherwise affect the rights of the Debtors and their estates with respect to the validity, priority or amount of any claim against the Debtors and their estates; (c) shall impair, prejudice, waive, or otherwise affect the rights of the Debtors and their estates with respect to any and all claims or causes of action against an Insurance Carrier; and (d) shall be construed as a promise to pay any claim; and it is further

ORDERED that nothing herein alters or amends the terms and conditions of any of the Insurance Policies or relieves the Debtors of any of their obligations under the Insurance Policies; 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 are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion; and it is further

ORDERED that Rule 6003 of the Bankruptcy Rules has been satisfied; and it is further

ORDERED that notwithstanding the possible applicability of Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED that the Court retains jurisdiction with respect to 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

In re:

HRI HOLDING CORP., *et al.*¹

Debtors.

Chapter 11

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

~~(Joint Administration Requested)~~(Jointly Administered)

Ref. Nos. 6 & 59

FINAL ORDER AUTHORIZING THE DEBTORS TO (I) MAINTAIN EXISTING INSURANCE POLICIES AND PAY ALL POLICY PREMIUMS ARISING THEREUNDER AND RENEW OR ENTER INTO NEW POLICIES AND (II) CONTINUE INSURANCE PREMIUM FINANCING PROGRAM, PAY INSURANCE PREMIUM FINANCING OBLIGATIONS ARISING IN CONNECTION THEREWITH AND RENEW OR ENTER INTO NEW PREMIUM FINANCING ARRANGEMENTS

Upon the *Motion of the Debtors for Interim and Final Orders Authorizing the Debtors to (I) Maintain Existing Insurance Policies and Pay All Policy Premiums Arising Thereunder and Renew or Enter into New Policies and (II) Continue Insurance Premium Financing Program, Pay Insurance Premium Financing Obligations Arising in Connection Therewith and Renew or Enter into New Premium Financing Arrangements* (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 this is a core

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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 directed, to honor the terms of their ~~existing~~ Insurance Policies,³ including, but not limited to, those listed on Exhibit 1 attached to the Motion, including making all postpetition payments (including postpetition fees and premiums) with respect to the Insurance Policies, including payments made pursuant to any Financing Arrangements, on an uninterrupted basis, and may, in consultation with the Official Committee of Unsecured Creditors, renew or enter into new Insurance Policies, including tail policies, coverages or endorsements, or premium financing agreements in the ordinary course of business as needed without further order of the Court; and it is further

ORDERED that the Debtors are authorized, but not directed, to pay any prepetition claims owed under the Insurance Policies, including Broker Fees and amounts owed pursuant to any Financing Arrangements, to the extent any such claims are owed as of the Petition Date in an amount not to exceed \$117,000 in the aggregate; and it is further

ORDERED that notwithstanding anything to the contrary in any Financing Arrangements, in the event the Debtors default under the terms of the Financing Arrangements, the PFA lender

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ORDERED that nothing in this Order (a) is intended or shall be deemed to constitute an assumption of any agreement pursuant to Bankruptcy Code section 365 or an admission as to the executory nature of any contract or agreement, (b) shall impair, prejudice, waive, or otherwise affect the rights of the Debtors and their estates with respect to the validity, priority or amount of any claim against the Debtors and their estates; (c) shall impair, prejudice, waive, or otherwise affect the rights of the Debtors and their estates with respect to any and all claims or causes of action against an Insurance Carrier; and (d) shall be construed as a promise to pay any claim; and it is further

ORDERED that nothing herein alters or amends the terms and conditions of any of the Insurance Policies or relieves the Debtors of any of their obligations under the Insurance Policies; and it is further

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Dated: December , 2019
Wilmington, Delaware

THE HONORABLE MARY F. WALRATH
UNITED STATES BANKRUPTCY JUDGE

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Statistics:	
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Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	23