

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:)	
)	Chapter 11
STAGE STORES, INC. <i>et al.</i> ¹ ,)	Case No. 20-32564 (DRJ)
)	
)	(Jointly Administered)
Debtors.)	Re: D.I. 27, 376

**SUPPLEMENTAL DECLARATION OF SARAH K. BAKER IN SUPPORT DEBTORS’
EMERGENCY MOTION FOR ENTRY OF INTERIM AND FINAL ORDERS (I)
AUTHORIZING THE DEBTORS TO CLOSE STORES AND WIND-DOWN
OPERATIONS, (II) AUTHORIZING THE DEBTORS TO ASSUME AND PERFORM
UNDER THE CONSULTING AGREEMENT RELATED TO THE STORE
CLOSINGS, (III) APPROVING PROCEDURES FOR STORE CLOSING SALES, (IV)
APPROVING MODIFICATIONS TO CERTAIN CUSTOMER PROGRAMS, AND
(V) GRANTING RELATED RELIEF**

I, Sarah K. Baker, make this declaration pursuant to 28 U.S.C. § 1746:

1. I am Vice President and Assistant General Counsel of Hilco Trading, LLC, the parent company and managing member of Hilco Merchant Resources, LLC (“Hilco”), located at 5 Revere Drive, Suite 206, Northbrook, Illinois. I am authorized to make this Supplemental Declaration on behalf of Hilco (the “Supplemental Declaration”).

2. I submit this Supplemental Declaration in support of (i) the *Debtors’ Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Close Stores and Wind-Down Operations, (II) Authorizing the Debtors to Assume and Perform Under the Consulting Agreement Related to the Store Closings, (III) Approving Procedures for Store Closing*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Stage Stores, Inc. (6900) and Specialty Retailers, Inc. (1900). The Debtors’ service address is: 2425 West Loop South, Houston, Texas 77027.



Sales, (IV) Approving Modifications to Certain Customer Programs, and (V) Granting Related Relief (the “Motion”), filed on May 11, 2020 [Docket No. 27]. I have reviewed and am familiar with the Motion and the relief sought therein.

3. On June 3, 2020, the *Declaration of Sarah K. Baker in Support Debtors’ Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Close Stores and Wind-Down Operations, (II) Authorizing the Debtors to Assume and Perform under the Consulting Agreement Related to the Store Closings, (III) Approving Procedures for Store Closing Sales, (IV) Approving Modifications to Certain Customer Programs, and (V) Granting Related Relief*, was filed in support of the Motion [Docket No. 376] (the “Original Declaration”). Although not required for purposes of approval of the Motion pursuant to Section 363 of the Bankruptcy Code, I submit this Supplemental Declaration and further disclose Hilco’s connections to the Debtors and Parties-In-Interest (as defined below) in support thereof.

Parties-In-Interest

4. The facts set forth in this Supplemental Declaration are based upon my personal knowledge, information, and belief, and upon records kept in the ordinary course of business that were reviewed by me or other employees of Hilco or Hilco Trading, LLC, under my supervision and direction. If called as a witness, I would testify to the facts set forth in this Supplemental Declaration.

5. In the ordinary course of its business, Hilco and its affiliates maintain a database for purposes of performing “conflicts checks.” The database contains information regarding its present and past representations and transactions. I obtained a list of the above-captioned debtors and debtors in possession (collectively, the “Debtors”), certain of the Debtors’ creditors, and other parties in interest (the “Parties-In-Interest”) in the above-captioned cases from Gordon Brothers

Retail Partners, LLC for purposes of searching the aforementioned database and determining the connection(s) which Hilco or its affiliates has with such entities.

6. Since filing the Original Declaration, Hilco has identified certain, additional connections. Consequently, Hilco files this Supplemental Declaration to update Schedule 2 to the Original Declaration as follows:


- (a) Hilco IP Services, LLC d/b/a Hilco Streambank, an affiliate of Hilco, has been engaged on behalf of an unrelated third party to assist in the potential acquisition of certain of the Debtors' assets, including intellectual property assets.

7. Hilco is conducting further inquiries regarding Hilco's engagement by any creditors of the Debtors, and upon conclusion of that inquiry, or at any time during the period of Hilco's engagement if Hilco should discover any facts bearing on the matters described herein, Hilco will supplement the information contained in this Supplemental Declaration.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct.

Dated: Northbrook, Illinois
June 9, 2020

Hilco Merchant Resources, LLC

By: 

Sarah Baker
Vice President and Associate General Counsel of
Hilco Trading, LLC, Managing Member