

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

In re

Sticky's Holdings LLC, *et al.*,

Debtors.¹

Chapter 11

Case No. 24-10856 (JKS)

Jointly Administered

Re. D.I. 9, 50 and 96

**CERTIFICATE OF COUNSEL REGARDING DEBTORS'
MOTION FOR INTERIM AND FINAL ORDERS
(I) AUTHORIZING PAYMENT OF PREPETITION CLAIMS OF
CERTAIN CRITICAL VENDORS AND (II) GRANTING RELATED RELIEF**

The undersigned counsel to the above-captioned debtors and debtors in possession (collectively, the "Debtors") hereby certifies as follows:

1. On April 25, 2024, the Debtors filed the *Debtors' Motion for Interim and Final Orders (I) Authorizing Payment of Prepetition Claims of Certain Critical Vendors and (II) Granting Related Relief* [D.I. 9] (the "Motion").²

2. On April 26, 2024, the Court entered the *Interim Order (I) Authorizing Payment of Prepetition Claims of Certain Critical Vendors and (II) Granting Related Relief* [D.I. 50] (the "Interim Order").

¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number are as follows: Sticky's Holdings LLC (3586); Sticky Fingers LLC (3212); Sticky Fingers II LLC (7125); Sticky Fingers III LLC (3914); Sticky Fingers IV LLC (9412); Sticky Fingers V LLC (1465); Sticky Fingers VI LLC (0578); Sticky's BK I LLC (0423); Sticky's NJ I LLC (5162); Sticky Fingers VII LLC (1491); Sticky's NJ II LLC (6642); Sticky Fingers IX LLC (5036); Sticky's NJ III LLC (7036); Sticky Fingers VIII LLC (0080); Sticky NJ IV LLC (6341); Sticky's WC I LLC (0427); Sticky's Franchise LLC (5232); Sticky's PA GK I LLC (7496); Stickys Corporate LLC (5719); and Sticky's IP LLC (4569). The Debtors' mailing address is 24 E. 23rd Street, New York, NY 10010.

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



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3. On May 16, 2024, the Court entered the *Final Order (I) Authorizing Payment of Prepetition Claims of Certain Critical Vendors and (II) Granting Related Relief* [D.I. 96] (the “Original Final Order”).

4. Pursuant to the Original Final Order, the Critical Vendors Claims Cap is \$5,000.

5. After the Court entered the Original Final Order, the Debtors determined that there was an imminent need to pay an additional Critical Vendor (the “Additional Critical Vendor”) who is essential to the Debtors’ businesses.

6. In order to satisfy the Debtors’ obligations to the Additional Critical Vendor, the Debtors have determined that an increase of \$10,000 to the Critical Vendors Claims Cap is critical and in the best interests of the Debtors, the Debtors’ estates, and their creditors.

7. The Debtors have consulted with the Office of the United States Trustee (the “United States Trustee”) and Subchapter V Trustee regarding the relief requested herein. Neither the United States Trustee nor the Subchapter V Trustee object to the increase of \$10,000 to the Critical Vendors Claims Cap.

8. Therefore, the Debtors believe that an increase to the Critical Vendors Claims Cap from \$5,000 to an amount not to exceed \$15,000 in the aggregate is appropriate under current circumstances.

9. Accordingly, the Debtors have revised the Original Final Order to reflect the aforementioned increase to the Critical Vendors Claims Cap (the “Amended Final Order”).

10. For convenience of the Court and all parties in interest, a blackline comparing the Amended Final Order against the Original Final Order is attached hereto as **Exhibit B**.

WHEREFORE, the Debtors respectfully request that the Court enter the Amended Final Order substantially in the form attached here as **Exhibit A** at the earliest convenience of the Court.

Dated: May 22, 2024
Wilmington, Delaware

**PASHMAN STEIN WALDER
HAYDEN, P.C.**

/s/ John W. Weiss

John W. Weiss (No. 4160)
Joseph C. Barsalona II (No. 6102)
1007 North Orange Street, 4th Floor, Suite 183
Wilmington, DE 19801-1242
Telephone: (302) 592-6496
Email: jweiss@pashmanstein.com
jbarsalona@pashmanstein.com

-and-

Richard C. Solow (admitted *pro hac vice*)
Katherine R. Beilin (admitted *pro hac vice*)
Court Plaza South, East Wing
21 Main Street, Suite 200
Hackensack, NJ 07601
Telephone: (201) 488-8200
Email: rsolow@pashmanstein.com
kbeilin@pashmanstein.com

*Counsel to the Debtors and
Debtors in Possession*

Exhibit A

Revised Final Order

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

In re:

Sticky's Holding LLC, *et al.*,

Debtors.¹

Chapter 11

Case No. 24-10856

Jointly Administered

Re. D.I. 9, 43, 50, 61 and 96

**AMENDED FINAL ORDER (I) AUTHORIZING PAYMENT OF PREPETITION
CLAIMS OF CERTAIN CRITICAL VENDORS
AND (II) GRANTING RELATED RELIEF**

Upon the motion the ("Motion")² of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an interim order (the "Interim Order") and a final order (the "Final Order") pursuant to sections 105(a), 363(b), 503(b)(9), 507(a), 1107(a) and 1108 of the Bankruptcy Code, Bankruptcy Rules 6003(b) and 6004, and Local Rule 9013-1(m): (i) authorizing, but not directing, the Debtors to make payments toward the prepetition fixed, liquidated and undisputed claims of Critical Vendors; and (ii) granting related relief; all as more fully described in the Motion; and the Court having previously entered the Interim Order; and upon consideration of the First Day Declaration; and due and sufficient notice of the Motion having been given; and it appearing that no other or further notice need be provided; and it appearing that the relief

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² Capitalized terms not defined herein are used as defined in the Motion.

requested by this Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED on a final basis as set forth herein.

2. The Debtors are authorized, but not directed, in their sole discretion to make payments toward prepetition Critical Vendor Claims as described in the Motion in amounts not to exceed \$15,000 in the aggregate.

3. The Debtors are further authorized, but not directed, to undertake appropriate efforts to enter into Trade Agreements with the Critical Vendors if the Debtors determine, in their discretion, that such an agreement is necessary to their postpetition operations, including, without limitation on the following terms:

- (a) The amount of such Critical Vendor's estimated claim, after accounting for any setoffs, other credits and discounts thereto, shall be as mutually determined in good faith by the Critical Vendor and the Debtors (but such amount shall be used only for purposes of the Order and shall not be deemed a claim allowed by the Court, and the rights of all parties in interest to object to such claim shall be fully preserved until further order of the Court);
- (b) The amount of payment toward the Critical Vendor's estimated claim;
- (c) The Critical Vendor's agreement to be bound by the Customary Trade Terms, or such other trade terms as mutually agreed to by the Debtors and such Critical Vendor;
- (d) The Critical Vendor's agreement to provide goods and services to the Debtors based upon Customary Trade Terms, and the Debtors agreement to pay the Critical Vendor postpetition in accordance with such terms;
- (e) The Critical Vendor's agreement not to file or otherwise assert against the Debtors, their estates or their respective assets or property (real or personal) any lien (a "Lien") (regardless of the statute or other legal authority upon which such Lien is asserted) related in any way to any remaining prepetition amounts allegedly

owed to the Critical Vendor by the Debtors arising from goods or services provided to the Debtors prior to the Petition Date, and that, to the extent that the Critical Vendor has previously obtained such a Lien, the Critical Vendor shall immediately take all necessary action to release such Lien;

- (f) The Critical Vendor's acknowledgement that it has reviewed the terms and provisions of the Order and consents to be bound thereby;
- (g) The Critical Vendor's agreement that it will not separately assert or otherwise seek payment of any reclamation or Bankruptcy Code section 503(b)(9) claim; and
- (h) If a Critical Vendor who has received payment toward a Critical Vendor Claim subsequently refuses to supply goods or services to the Debtors on Customary Trade Terms, any payments received by the Critical Vendor on account of its Critical Vendor Claim will be deemed to have been in payment of then outstanding postpetition obligations owed to such Critical Vendor, and that such Critical Vendor shall immediately repay to the Debtors any payments received on account of its Critical Vendor Claim to the extent that the aggregate amount of such payments exceed the postpetition obligations then outstanding, without the right of setoff or reclamation.

4. Notwithstanding the foregoing, the Debtors may, in their sole discretion, reinstate a Trade Agreement if the underlying default under the Trade Agreement is fully cured by the Critical Vendor not later than five (5) business days following the Debtors' notification to the Critical Vendor of such default; or the Debtors, in their discretion, reach a favorable alternative agreement with the Critical Vendor.

5. For the avoidance of doubt and notwithstanding the foregoing, the Debtors may, in their sole discretion, negotiate and agree on Customary Trade Terms with Critical Vendors absent a Trade Agreement.

6. The Debtors' Banks³ shall be and hereby are authorized and directed to

³ The term "Banks" is defined in the 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 Payment Methods, (III) Authorizing Use of Existing Business Forms, (IV) Authorizing Continuation of Ordinary Course Intercompany Transactions, (V) Granting Administrative Priority to Post-Petition Intercompany Claims, (IV) Extending Time to*

receive, process, honor and pay all prepetition and postpetition checks and fund transfers on account of the Critical Vendor Claims that had not been honored and paid as of the Petition Date, provided that sufficient funds are on deposit in the applicable accounts to cover such payments. The Debtors shall be and hereby are authorized to issue new postpetition checks or effect new postpetition fund transfers on account of the Critical Vendor Claims to replace any prepetition checks or fund transfer requests that may be dishonored or rejected.

7. Nothing herein shall be construed to limit, or in any way affect, the Debtors' ability to dispute any Critical Vendor Claim.

8. The authorization granted hereby to pay Critical Vendor Claims shall not create any obligation on the part of the Debtors or their officers, directors, attorneys or agents to pay the Critical Vendor Claims, none of the foregoing persons shall have any liability on account of any decision by the Debtors not to pay a Critical Vendor Claim, and nothing contained in this Final Order shall be deemed to increase, reclassify, elevate to an administrative expense status or otherwise affect the Critical Vendor Claims to the extent they are not paid.

9. Nothing in the Motion, the Interim Order or in this Final Order is intended or should be construed as (a) an admission as to the validity or priority of any claim against the Debtors, (b) a waiver of the Debtors' rights to dispute any claim, including the validity or priority thereof, or (c) an approval or assumption of any agreement, contract or lease whether under section 365(a) of the Bankruptcy Code or otherwise. Likewise, any payment made pursuant to this Final Order is not intended and should not be construed as an admission as to the validity of any claim or a waiver of the Debtors' rights to subsequently dispute such claim.

10. The Debtors are authorized and empowered to take such actions as may be

Comply with the Requirements of 11 U.S.C. § 345(b), (VII) Scheduling a Final Hearing, and (VIII) Granting Related Relief[D.I. 12].

necessary and appropriate to implement the terms of this Final Order.

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

12. This Court shall retain jurisdiction to hear and determine all matters related to the interpretation or implementation of this Order.

Exhibit B

Blackline

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Chapter 11

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Upon the motion the ("Motion")² of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an interim order (the "Interim Order") and a final order (~~this~~the "Final Order") pursuant to sections 105(a), 363(b), 503(b)(9), 507(a), 1107(a) and 1108 of the Bankruptcy Code, Bankruptcy Rules 6003(b) and 6004, and Local Rule 9013-1(m): (i) authorizing, but not directing, the Debtors to make payments toward the prepetition fixed, liquidated and undisputed claims of Critical Vendors; and (ii) granting related relief; all as more fully described in the Motion; and the Court having previously entered the Interim Order; and upon consideration of the First Day Declaration; and due and sufficient notice of the Motion having been given; and it appearing that no other or further notice need be provided; and it appearing that

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the relief requested by this Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED on a final basis as set forth herein.

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9. Nothing in the Motion, the Interim Order or in this Final Order is intended or should be construed as (a) an admission as to the validity or priority of any claim against the Debtors, (b) a waiver of the Debtors' rights to dispute any claim, including the validity or priority thereof, or (c) an approval or assumption of any agreement, contract or lease whether under section 365(a) of the Bankruptcy Code or otherwise. Likewise, any payment made pursuant to this Final Order is not intended and should not be construed as an admission as to the validity of any claim or a waiver of the Debtors' rights to subsequently dispute such claim.

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necessary and appropriate to implement the terms of this Final Order.

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

12. This Court shall retain jurisdiction to hear and determine all matters related to the interpretation or implementation of this ~~Final~~ Order.

Summary report:	
Litera Compare for Word 11.8.0.56 Document comparison done on 5/22/2024 5:30:00 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original filename: Revised Final Order Sticky's Critical Vendor Motion.docx	
Modified filename: Amended Final Order Sticky's Critical Vendor Motion.docx	
Changes:	
<u>Add</u>	8
Delete	5
Move From	0
<u>Move To</u>	0
<u>Table Insert</u>	0
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	13