

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF KANSAS AT KANSAS CITY**

<b>In re:</b>	)	
	)	
<b>JOHN Q. HAMMONS FALL 2006, LLC, <i>et al.</i>,</b>	)	<b>Case No. 16-21142</b>
	)	
<b>Debtors.</b>	)	
	)	

**DEBTORS' MOTION FOR AUTHORITY TO RENEW LICENSE AGREEMENT WITH  
HOLIDAY HOSPITALITY FRANCHISING, LLC**

COME NOW the above-captioned debtors (collectively, the "Debtors") and file this motion (the "Motion") for entry of an order authorizing the Debtors to renew a Holiday Inn Express Hotel New Development License Agreement between John Q. Hammons Fall 2006, LLC ("JQHF") and Holiday Hospitality Franchising, LLC ("Licensor"). In support of this Motion, Debtors respectfully represent as follows:

**INTRODUCTION**

1. On June 26, 2016 and July 5, 2016 (the "Commencement Dates") the Debtors commenced chapter 11 bankruptcy cases by filing their bankruptcy petitions.

2. Since the Commencement Dates, the Debtors have continued in possession of their property and control of their operations pursuant to §§ 1107 and 1108 of title 11 of the United States Code (the "Bankruptcy Code").

3. The Court has jurisdiction of this motion pursuant to 28 U.S.C. § 1334(a) and (b). This is a core proceeding pursuant to 28 U.S.C. § 157(b)(A) in that it concerns the administration of the estate.

**HOTEL LICENSE AGREEMENT**

4. The Debtors' business includes the ownership and operation of 35 hotels across the country including the Holiday Inn Express located in Springfield, Missouri (the "HIX Hotel")

5. On or about September 30, 2003, JQHF and the Licensor entered into a Holiday Inn Express Hotel New Development License Agreement (as amended and extended from time to time, the "License Agreement"). A true and correct copy of the License Agreement is attached hereto as Exhibit A. Under the terms of the License Agreement, the Licensor permits JQHF to operate the HIX Hotel under the Holiday Inn Express brand subject to the terms and conditions of the License Agreement.

6. In the ordinary course of the Debtors' business, the Debtors have routinely amended and extended the License Agreement, most recently on or about March 30, 2017.

7. The License Agreement is set to expire on April 1, 2018.

8. On March 6, 2018, the Court entered an Order Granting Motion for Authority to Enter Into Plan Support Agreement and Compromise of Claims (ECF No. 1856) (the "Settlement Order"), approving a settlement between the Debtors and JD Holdings, LLC ("JDH") pursuant to which the Debtors shall support the transfer of their assets, including but not limited to the HIX Hotel, to JDH subject to the terms and conditions of the settlement.

9. The Licensor has requested that the Debtor execute the Sixth Addendum to License Agreement to extend the License Agreement to February 1, 2019 (the "Amendment"). A true and correct copy of the proposed Amendment is attached hereto as Exhibit B.

10. JDH has approved the Debtors' execution of the Amendment upon approval of the Court.

### **RELIEF REQUESTED**

11. By this Motion, and as set forth hereafter, the Debtors seek authority to the extent necessary to execute the Amendment to renew the License Agreement through February 1, 2019 upon substantially the same terms as set forth in the License Agreement and subsequent amendments thereto.

12. The Debtors, the Licensor and JDH desire for the License Agreement to be renewed, rather than mature.

### **BASIS FOR RELIEF**

13. Section 363(c)(1) of the Bankruptcy Code authorizes the Debtors to "enter into transactions ... in the ordinary course of business, without notice or a hearing, and may use property of the estate in the ordinary course of business without notice or a hearing. However, Section 363(e) of the Bankruptcy Code states "on request of an entity that has an interest in property used, sold or leased ... by the trustee, the court ... shall prohibit or condition such use, sale or lease as is necessary to provide adequate protection of such interest."

14. Debtors believe that the execution of a renewal of the License Agreement on the same terms and conditions is in the ordinary course of business and does not require any order of this Court under Section 363(c)(1) of the Bankruptcy Code. However, Debtors have decided to file this Motion out of an abundance of caution.

15. The Debtors renewed the License Agreement from time to time in the ordinary course of business and wish to continue that practice without otherwise modifying the debtor-creditor relationship.

16. The Debtors are therefore seeking court approval to ensure that the Debtors are authorized to execute the Amendment.

### **NOTICE**

17. Notice of this Motion has been given to: (a) the United States Trustee; (b) the Licensor; (c) Debtors' other secured lenders; (d) Debtors' combined 40 largest unsecured creditors; and (e) any party that has appeared and/or requested notice. Debtors submit that, under the circumstances, no further notice of the hearing is necessary and request that any further notice be dispensed with and waived.

WHEREFORE, Debtors respectfully request that this Court enter an order: (a) authorizing the Debtors to execute the Amendment and renew the License Agreement through February 1, 2019; and (b) granting such other and further relief as the Court deems just and proper.

Respectfully submitted,

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