

EXHIBIT 1

Stipulation

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

	x	
In re:	:	Chapter 11
	:	
SUGARFINA INC., <i>et al.</i>	:	Case No. 19-11973 (MFW)
	:	
Debtors. ¹	:	Jointly Administered
	:	
	x	Re: Docket Nos. 21, 71 & 227

STIPULATION IN FURTHERANCE OF:

**FINAL ORDER (I) AUTHORIZING THE DEBTORS TO OBTAIN POSTPETITION
SECURED FINANCING, (II) GRANTING LIENS AND SUPERPRIORITY
ADMINISTRATIVE EXPENSE STATUS, (III) GRANTING ADEQUATE
PROTECTION, (IV) MODIFYING THE AUTOMATIC STAY, AND (V)
AUTHORIZING THE DEBTORS' USE OF CASH COLLATERAL**

This Stipulation in Furtherance of: Final Order (I) Authorizing the Debtors to Obtain Postpetition Secured Financing, (II) Granting Liens and Superpriority Administrative Expense Status, (III) Granting Adequate Protection, (IV) Modifying the Automatic Stay, and (V) Authorizing the Debtors' Use of Cash Collateral (this "Stipulation") resolves certain disputes among the parties to this Stipulation (each, a "Party" and collectively the "Parties").

RECITALS

A. On September 6, 2019, the above-captioned debtors and debtors in possession filed voluntary petitions under chapter 11 of the Bankruptcy Code with the Court.

B. On September 11, 2019, the Court entered the Order (I) Authorizing the Debtors to Obtain Postpetition Secured Financing, (II) Granting Liens and Superpriority Administrative Expense Status, (III) Granting Adequate Protection, (IV) Modifying the Automatic Stay, and (V)

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number or Canadian Revenue Agency, as applicable are (1) Sugarfina, Inc., a Delaware corporation (4356), (2) Sugarfina International, LLC, a Delaware limited liability company (1254) and (3) Sugarfina (Canada), Ltd. (4480). The location of the Debtors' corporate headquarters is 1700 E. Walnut Ave., 5th Floor, El Segundo, California 90245.

Authorizing the Debtors' Use of Cash Collateral and (VI) Scheduling a Final Hearing [Docket No. 71].

C. On October 8, 2019, the Court entered the Final Order (I) Authorizing the Debtors to Obtain Postpetition Secured Financing, (II) Granting Liens and Superpriority Administrative Expense Status, (III) Granting Adequate Protection, (IV) Modifying the Automatic Stay, and (V) Authorizing the Debtors' Use of Cash Collateral [Docket No. 227] (the "Final DIP Order"). Capitalized terms not defined herein are as set forth in the Final DIP Order.

D. Among other things, the Final DIP Order and the DIP Documents approved thereby authorized the Debtors to make Advance Requests for the Lender to make Credit Extensions, subject to certain conditions set forth in such documents.

E. Among other things, the Final DIP Order and the DIP Documents included consequences upon the occurrence of Defaults and Events of Default.

F. On October 14, 2019, the Debtors made an Advance Request in the amount of \$1,350,000 (the "October 14 Advance Request"). Under the DIP Documents, the Lender had seven (7) Business Days to honor such Advance Request.

G. The Debtors and each of the other parties to this Stipulation have engaged in discussions about whether any Defaults or Events of Defaults have occurred and are continuing under the DIP Documents and, if such Defaults or Events of Defaults have occurred, the consequences thereof.

NOW, THEREFORE, after good-faith, arm's-length negotiations, in consideration of the foregoing, it is hereby stipulated and agreed by all of the parties to this Stipulation that:

1. The October 14 Advance Request will be amended to be in the amount of \$1,000,000 (the "Amended Advance Request").

2. Each Lender will fund its portion (in accordance with the DIP Documents) of the Amended Advance Request no later than October 24, 2019.

3. Notwithstanding anything in this Stipulation or in any other communications or any actions or inactions by any Party, no Default or Event of Default is waived and each of the parties to this Stipulation reserve all of its rights with respect to any Defaults or Events of Default, including those referenced in paragraph G of this Stipulation.

4. The limitation on Candy Cube's fees and costs in its capacity as Lender set forth in paragraph 8 of the Final DIP Order shall be modified to be \$175,000; provided the additional \$100,000 of such fees and costs shall not be paid from the \$1,260,000 in the line item titled "Professional Fees" set forth in the Budget (attached as Exhibit B to the Final DIP Order). Each Party supports such request and, as applicable, consents to the Debtors' use of cash collateral or otherwise to pay such amount.

5. The Debtors will request approval of this Stipulation at the hearing scheduled for October 24, 2019 at 10:30 a.m. prevailing Eastern time and will use their best efforts to receive approval of this Stipulation at such hearing or as soon thereafter as the Court will allow if the Court will not approve this Stipulation at such hearing (including, without limitation, by filing whatever pleadings should be filed to receive such approval).

6. Except as specifically set forth herein, the Final DIP Order remains in full force and effect.

7. The Court has and will retain jurisdiction to enforce this Stipulation.

Dated: October 23, 2019
Wilmington, Delaware

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