

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

In re:

SGR WINDDOWN, INC., *et al*

Debtors.¹

Chapter 11

Case No. 19-11973 (MFW)
(Jointly Administered)

**CERTIFICATION OF COUNSEL REGARDING STIPULATION
BY AND BETWEEN THE CHUBB COMPANIES AND THE DEBTORS
REGARDING CANCELLATION OF THE INSURANCE POLICY**

I, Brya M. Keilson, counsel to the above-captioned Debtors and Debtors-in-Possession (the “Debtors”) respectfully certify and state as follows:

1. Prior to the Petition Date², ACE American Insurance Company (“ACE”) issued an insurance policy to Sugarfina, Inc. as first named insured, pursuant to which ACE provided certain political risk insurance for the period of December 21, 2018 to December 21, 2021, bearing Policy No. N16813199 (the “Insurance Policy,” and together with any other insurance policies issued by the Chubb Companies and any agreement related thereto or to the Insurance Policy, the “Chubb Insurance Program”) to certain of the Debtors subject to certain limits, deductibles, exclusions, terms and conditions, as more particularly described therein; and the insureds, including one or more the Debtors, are required to pay to the Chubb Companies certain amounts, including, but not limited to, premium, as more particularly described therein.

2. On October 28, 2019, the Court entered its *Order (A) Authorizing and Approving the Sale of Substantially all the Debtors’ Assets Free and Clear of all Liens, Claims, Interests,*

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) SGR Winddown, Inc., a Delaware corporation (4356), (2) SGR Winddown International, LLC, a Delaware limited liability company (1254), and (3) SGR Canada Winddown Legacy, Ltd. (4480). The location of the Debtors’ corporate headquarters is 1700 E. Walnut Ave, 5th Floor, El Segundo, California 90245

² Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Stipulation.

and Encumbrances, (B) Authorizing and approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (C) Granting Related Relief [Docket No. 318], pursuant which the Debtors sold substantially all of their assets to Sugarfina Acquisition Corp. (the “Sale”).

3. Due to the Sale, the Debtors no longer require the Insurance Policy. The Debtors and ACE have now entered into the attached stipulation (the “Stipulation”). Attached hereto as Exhibit A is a proposed order (the “Order”) approving the Stipulation. A copy of the Stipulation is attached to the Order as Exhibit 1.

WHEREFORE, the Debtors respectfully request that the Court enter the Order approving the Stipulation at its earliest convenience.

DATED: November 25, 2019

MORRIS JAMES LLP

/s/ Brya M. Keilson

Brya M. Keilson, Esquire (DE Bar No. 4643)
500 Delaware Avenue, Suite 1500
Wilmington, DE 19801
Telephone: (302) 888-6800
Facsimile: (302) 571-1750
E-mail: bkeilson@morrisjames.com

and

SHULMAN BASTIAN LLP

Alan J. Friedman, Esquire
Ryan O’Dea, Esquire
100 Spectrum Center Drive, Suite 600
Irvine, CA 92618
Telephone: (949) 427-1654
Facsimile: (949) 340-3000
E-mail: afriedman@shbllp.com
E-mail: rodea@shbllp.com

Counsel to the Debtors and Debtors in Possession