

EXHIBIT A

**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)

**ORDER APPROVING STIPULATION BY AND BETWEEN THE CHUBB COMPANIES
AND THE DEBTORS REGARDING CANCELLATION OF THE INSURANCE POLICY**

Upon consideration of the *Stipulation By and Between the Chubb Companies and the Debtors Regarding Cancellation of The Insurance Policy* (the “Stipulation”),² a copy of which is attached to this Order as **Exhibit “1,”** and the Court having determined that (i) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; (ii) venue is proper in this district pursuant to 28 U.S.C. § 1409, (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b) and (iv) notice was sufficient under the circumstances; and after due deliberation, the Court, having determined that good and adequate cause exists for approval of the Stipulation;

IT IS HEREBY ORDERED THAT:

1. The Stipulation is APPROVED;
2. The Parties are hereby authorized to take any and all actions reasonably necessary to effectuate the terms of the Stipulation;
3. The automatic stay imposed by section 362(a) of the Bankruptcy Code, to the extent applicable, is hereby lifted in order to allow for the cancellation of the Insurance Policy

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 meanings ascribed to such terms in the Stipulation.

and to otherwise effectuate the terms of the Stipulation; and

4. The Court shall retain jurisdiction over any and all matters arising from or related to the implementation, interpretation and enforcement of the Stipulation or this Order.

Exhibit 1

Stipulation

**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)

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

Sugarfina Inc. and its affiliated debtors in the above-referenced chapter 11 cases (collectively, the “Chapter 11 Cases”), as debtors and debtors in possession (collectively, the “Debtors”), and ACE American Insurance Company (“ACE” and together with its respective affiliates and successors, the “Chubb Companies” and, collectively with the Debtors, the “Parties”), by and through their undersigned counsel, have agreed that the Chubb Companies shall cancel the Insurance Policy (as defined herein) for the reasons and on the terms and conditions set forth in this stipulation (this “Stipulation”).

RECITALS

A. On September 6, 2019 (the “Petition Date”), the Debtors each filed their voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”) in the United States Bankruptcy Court for the District of Delaware (the “Court”).

B. Prior to the Petition Date, ACE issued an insurance policy to Sugarfina, Inc. as first named insured, pursuant to which ACE provided certain political risk insurance for the

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

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.

C. 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, 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”).

D. On October 31, 2019, the Sale closed [Docket No. 343].

E. The Debtors have represented to the Chubb Companies that due to the Sale, the Debtors no longer require the Insurance Policy.

F. The Debtors have therefore requested that the Chubb Companies cancel the Insurance Policy as of the Cancellation Date (as defined below).

NOW, THEREFORE, THE UNDERSIGNED, ON BEHALF OF THE PARTIES, STIPULATE AND AGREE AS FOLLOWS:

AGREEMENT

1. The recitals set forth in Paragraphs A. through F. above are incorporated herein by this reference as though set forth at length.

2. Sugarfina, Inc., as the first named insured under the Insurance Policy, represents that it has the requisite power and authority to request that the Chubb Companies cancel the Insurance Policy.

3. Sugarfina, Inc. requests that the Chubb Companies cancel the Insurance Policy, effective as of November 1, 2019 (the "Cancellation Date").

4. The Chubb Companies request that Sugarfina, Inc. enter into this Stipulation, and this Stipulation is not an admission by Sugarfina, Inc. that an order is required in order to cancel the Insurance Policy.

5. Subject to the terms of this Stipulation and the occurrence of the Order Effective Date (as defined below), the Insurance Policy shall be deemed cancelled effective as of the Cancellation Date, and solely for the foregoing purposes, the automatic stay imposed by section 362(a) of the Bankruptcy Code, to the extent applicable, is lifted.

6. Except as expressly set forth herein, nothing herein is intended, nor shall be deemed, to (a) amend or otherwise alter the terms and conditions of the Insurance Policy or the Chubb Insurance Program; (b) be a waiver or release by the Chubb Companies of (i) the Debtors or their estates for any of their obligations under the Chubb Insurance Program, including, but not limited to, the Insurance Policy, or (ii) any claims of the Chubb Companies against the Debtors or their estates or any other party under the Chubb Insurance Program, including, but not limited to, the Insurance Policy; or (c) be a waiver or release (i) of the Chubb Companies of or for any of their obligations under the Chubb Insurance Program, including, but not limited to, the Insurance Policy, or (ii) by the Debtors and their estates of any claims of the Debtors and their estates against the Chubb Companies or any other party, or any rights of the Debtors and their estates, under the Chubb Insurance Program, including, but not limited to, the Insurance Policy.

7. This Stipulation is conditioned upon the Court's entry of an order (the "Approval Order") approving this Stipulation in a form reasonably acceptable to the Parties and on such notice and after such hearing as the Court may require, and the Parties shall use their commercially reasonable efforts to obtain entry of the Approval Order.

8. The date upon which the Approval Order has been entered by the Court and has become a final, non-appealable order shall be referred to as the "Order Effective Date." This Stipulation shall be effective and binding upon the Parties on or after the Order Effective Date.

9. This Stipulation and the Approval Order contain the entire agreement by and between the Parties with respect to the subject matter hereof, and all prior understandings or agreements, if any, are merged into this Stipulation and the Approval Order.

10. This Stipulation may only be changed, modified or otherwise altered in a writing executed by the Parties. Oral modifications are not permitted.

11. This Stipulation may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. A signature transmitted by facsimile or other electronic copy shall be deemed an original signature for purposes of this Stipulation.

12. Each person who executes this Stipulation represents and warrants that he or she is duly authorized and has the requisite authority to execute and deliver this Stipulation on behalf of such Party and to bind his or her respective Party to the terms and conditions of this Stipulation.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have made and entered into this Stipulation as of the day and year stated below.

Dated: November 25, 2019

MORRIS JAMES LLP

/s/ Brya M. Keilson

Brya M. Keilson, Esquire (DE Bar No. 4643)
Eric J. Monzo, Esquire (DE Bar No. 5214)
500 Delaware Avenue, Suite 1500
Wilmington, DE 19801
Telephone: (302) 888-6800
Facsimile: (302) 571-1750
E-mail: bkeilson@morrisjames.com
E-mail: emonzo@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

DUANE MORRIS LLP

/s/ Drew S. McGehrin

Drew S. McGehrin, Esquire (No. 6508)
DUANE MORRIS LLP
222 Delaware Avenue, Suite 1600
Wilmington, DE 19801-1659
Telephone: (302) 657-4900
Facsimile: (302) 657-4901
E-mail: DSMcGehrin@duanemorris.com

-and-

Wendy M. Simkulak, Esquire
30 South 17th Street
Philadelphia, PA 19103-4196
Telephone: (215) 979-1000
Facsimile: (215) 979-1020
E-mail: wmsimkulak@duanemorris.com

Counsel to the Chubb Companies