

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

In re:

SPORTCO HOLDINGS, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 19-11299 (LSS)

(Jointly Administered)

Re: Docket No. 4

INTERIM ORDER AUTHORIZING THE DEBTORS TO PAY PREPETITION EMPLOYEE WAGES, BENEFITS, AND RELATED ITEMS

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”), for entry of an interim order (this “Interim Order”) authorizing, but not directing, the Debtors, in their good faith business judgment, to pay the Prepetition Compensation, Prepetition Deductions, Prepetition Business Expenses, Prepetition Benefits, and Prepetition Processing Costs; and upon the First Day Declaration; and this Court having found that it has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that the Motion is a core proceeding pursuant to 28 U.S.C. § 157(b), that the Debtors consent to entry of a final order under Article III of the United States Constitution; and this Court having found that venue of these Chapter 11 Cases and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and

¹ The Debtors, together with the last four digits of each Debtor's federal tax identification numbers, are: Bonitz Brothers, Inc. (4441); Ellett Brothers, LLC (7069); Evans Sports, Inc. (2654); Jerry's Sports, Inc. (4289); Outdoor Sports Headquarters, Inc. (4548); Quality Boxes, Inc. (0287); Simmons Guns Specialties, Inc. (4364); SportCo Holdings, Inc. (0355); and United Sporting Companies, Inc. (5758). The location of the Debtors' corporate headquarters and the service address for all Debtors is 267 Columbia Ave., Chapin, SC 29036.

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

this Court having reviewed the Motion and having heard statements in support of the Motion at a hearing held before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and the First Day Declaration and at the Hearing establish just cause for the relief granted herein; and any objections to the relief requested herein having been withdrawn or overruled on the merits; and after due deliberation thereon and good and sufficient cause appearing therefor, IT IS HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis until such time as the Court conducts a final hearing on this matter (the "Final Hearing Date").

2. The Final Hearing Date is scheduled for July 16, 2019 at 11:00 A.m. (ET). Any objections or responses to the Motion shall be filed and served so as to be received by Debtors' counsel by 4:00 p.m. (ET) on or before seven (7) days prior to the Final Hearing Date.

3. Until such time as the Final Order is entered by this Court, pursuant to Bankruptcy Code sections 105(a), 363(b), 507(a)(4), 507(a)(5), and 1107(a), the Debtors are authorized, but not directed, in their sole discretion, to pay the Prepetition Compensation, Prepetition Deductions, Prepetition Business Expenses; Prepetition Benefits, and Prepetition Processing Costs that were accrued and unpaid as of the Petition Date in an aggregate amount not to exceed \$580,040.10; provided that the Debtors are not authorized to pay any individual Employee an amount in excess of \$13,650.

4. All banks and other financial institutions on which checks were drawn or electronic payment requests were made in connection with the payments approved by this Interim Order are authorized to (i) receive, process, honor, and pay all such checks and electronic payment requests when presented for payment (assuming that sufficient funds are then available in the Debtors'

bank accounts to cover such payments) and (ii) rely on the Debtors' designation of any particular check or electronic payment request as approved by this Interim Order. The Debtors are authorized to reissue checks, wire transfers, automated clearing house payments, electronic payments, or other similar methods of payment for all payments approved by this Interim Order where such method of payment has been dishonored post-petition.

5. The Debtors are authorized and empowered to take all actions necessary to effectuate the relief granted in this Interim Order in accordance with the Motion.

6. Notwithstanding the relief granted in this Interim Order and any actions taken pursuant to such relief, nothing in this Interim Order shall be deemed: (i) an admission as to the validity of any claim against the Debtors; (ii) a waiver of the Debtors' right to dispute any claim on any grounds; (iii) a promise or requirement to pay any claim; (iv) an implication or admission that any particular claim is of a type specified or defined in this Order or the Motion; (v) a request or authorization to assume any agreement, contract, or lease pursuant to Bankruptcy Code section 365; (vi) a waiver of the Debtors' rights under the Bankruptcy Code or any other applicable law; or (vii) to create any rights in favor of, or enhance the status of, any claim held by any person or entity.

7. Notice of the Motion as provided therein shall be deemed good and sufficient, and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

8. Notwithstanding any applicability of any Bankruptcy Rules, the terms and conditions of the Interim Order shall be immediately effective and enforceable upon its entry.

9. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the interpretation, implementation, or enforcement of the Interim Order.

10. Any objection to the entry of a final order granting the relief requested in the Motion shall be filed with the Court and served on, no later than seven (7) days prior to the commencement of the final hearing, (a) SportCo Holdings, Inc., 267 Columbia Ave., Chapin, SC 29036; (b) proposed counsel to the Debtors, Polsinelli PC, 222 Delaware Ave, Suite 1101, Wilmington, DE 19801 (Attn: Christopher A. Ward) or cward@polsinelli.com and McDermott Will & Emery LLP, 340 Madison Ave, New York, New York 10173-1922 (Attn: Timothy W. Walsh and Darren Azman) or twwalsh@mwe.com and dazman@mwe.com; (c) counsel to the official committee of unsecured creditors, if one is appointed; (d) the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801 (Attn: David Buchbinder) or David.L.Buchbinder@usdoj.gov; and (e) counsel to the Prepetition Term Loan Agent, Olshan Frome Wolosky LLP, 1325 Avenue of the Americas, New York, New York 10019 (Attn: Adam Friedman and Jonathan Koevary) or afriedman@olshanlaw.com and jkoevary@olshanlaw.com and Blank Rome LLP, 1201 Market Street, Suite 800, Wilmington, DE 19081 (Attn: Regina Kelbon) or kelbon@blankrome.com.

11. Nothing in this Order approves the payment of any compensation or benefit that may implicate the provisions of Section 503(c) of the Bankruptcy Code.

Dated: June 11, 2019
Wilmington, Delaware


UNITED STATES BANKRUPTCY JUDGE